



CABINET – 11TH DECEMBER 2013

SUBJECT: IMPROVING GOVERNANCE PROGRAMME UPDATE

REPORT BY: INTERIM CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To inform the Cabinet of progress against the WAO Public Interest Report Action Plan and the wider Improving Governance Programme.

2. SUMMARY

- 2.1 The Council's Appointed Auditor issued a *Report in the Public Interest* on 6 March 2013 under section 22 of the Public Interest (Wales) Act 2004. The Appointed Auditor published this report to draw the public's attention to a failure in governance arrangements and inadequacies in the processes adopted by the Council to determine the pay of Chief Officers.
- 2.2 The Appointed Auditor made five recommendations and on 23rd April 2013, the Council approved an action plan to address the auditor's recommendations.
- 2.3 A programme Board was established (the Improving Governance Programme Board) to oversee the work on the action plan to address these five recommendations. The work of the Board has now been expanded to cover other areas of governance, identified within the Council for further improvement. The Board is made up of the Cabinet Member for Governance and a number of Senior Officers including a secondee from Aneurin Bevan Health Board, Chaired by the Acting Director of Corporate Services & S151 Officer.
- 2.4 Progress against the recommendations has been reported to the Board on a fortnightly basis and to CMT monthly. Cabinet have received briefings and reports on progress, and formally noted progress at the meeting on 18th September 2013, 16th October 2013 and 13th November 2013.
- 2.5 This report outlines progress against the WAO Public Interest Report Action Plan and the wider Improving Governance Programme.
- 2.6 Significant progress has been achieved in most of the areas of recommendations included in the PIR and work is also well underway to address the additional areas of improvement identified and included in Phase 2 of the wider Improving Governance Programme.
- 2.7 While the wider programme includes activities that are expected to come to an end during next year, the outstanding actions in the PIR are currently the focus of the Programme Board to enable their completion by the end of 2013 whenever possible.

3. LINKS TO STRATEGY

- 3.1 Good governance is a pre-requisite of the activities of any Local Authority. Increasingly, the requirement to not only exhibit good governance but to demonstrate a robust system for self-evaluation will present a far greater challenge.

4. THE REPORT

- 4.1 This report provides an update on the progress of the Improving Governance Programme including the WAO Public Interest Report Action Plan, attached in Appendix 1, following on a previous report presented to Cabinet on 18th September and 16th October 2013.

Phase 1 – Public Interest Report Action Plan

- 4.2 The Public Interest report covered five key areas:

- Advertisement of meetings
- Conflicts of interest
- Procedures for new Committees
- Records of meetings
- Clarity and comprehensiveness of Reports to Committees

- 4.3 Significant progress has been reached on all five aspects of the Action Plan and detail of it is shown in the Action Plan which is attached as Appendix 1.

- 4.4 The outstanding actions in the PIR are currently the focus of the Programme Board to enable their completion by the end of 2013 whenever possible.

Phase 2 – Other areas for improvement

- 4.5 As described in the previous report, alongside the recommendations included in the WAO PIR, the wider Improving Governance Programme aims at addressing other areas of improvement in governance proactively identified by Members, Officers and Senior Management in order to strengthen processes and procedures and streamline the business operations of the Council.

- 4.6 At this stage of the Programme the additional areas are:

- Performance Management
- Risk Management
- Scrutiny
- Human Resources
- WAO outstanding governance improvements

Performance Management and Self-evaluation

- 4.7 The council's Performance Report 2012/13 has been published. An initial report on Corporate Planning was approved by Cabinet on 30th October and workshops on the whole planning cycle were held for Heads of Service. The activities are now focusing on developing a new Corporate Plan, Service Plans and self-evaluation.

Risk Management

- 4.8 A report on "Risk Management Strategy and Guidance", presented at the Audit Committee on 17th September 2013, has been subsequently approved by Cabinet on 2nd October and risk management workshops have been organised for Audit Committee and Cabinet. The Corporate Risk Register was presented to Audit Committee on 6th November. The current layout of the Corporate Risk Register is being reviewed while drafts of Directorate Risk

Register (DRR) are being prepared by individual Directorates. The DRR reporting will be included on Scrutiny Forward Work Programmes. Risk Management training will be extended to Scrutiny members.

Scrutiny

- 4.9 Following a full review of the WAO report on Scrutiny, a Scrutiny Action Plan was developed and the relevant report was presented to Democratic Services Committee on 3rd October and approved by full Council on 8th October. The actions included in the approved plan have started being implemented.

Human Resources

- 4.10 There are a number of outstanding recommendations relating to HR from previous WAO reviews (see Audit Committee report on outstanding recommendations), which have now been established as part of the wider IGP. These are being progressed but are not yet complete.

WAO outstanding governance improvements

- 4.11 Apart from the two outstanding improvements from previous WAO reviews, recommending strengthening of governance in partnerships and collaborations respectively, reported in the previous update, more recently a third recommendation relevant to the Business Continuity Plan has also been included in the Improving Governance Programme. Work is underway to address the strengthening of governance in partnerships and collaborations while the IGP Board is currently developing an action plan for the Business Continuity Plan.

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for information purposes, so the Council's EqIA process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 Cabinet on 23rd July, 2013 agreed that a provision be set aside of £50K to fund additional costs in respect of delivery of the Action Plan and Corporate Governance. This provision will be kept under review to ensure that it remains adequate to cover off any additional cost.

7. PERSONNEL IMPLICATIONS

- 7.1 A secondment arrangement is currently in place with the Aneurin Bevan Health Board that releases an individual with extensive experience in Local Government Corporate Governance related issues to the Authority on a part-time basis to assist with the implementation of the Action Plan.

8. CONSULTATIONS

- 8.1 All comments received are contained within the report.

9. RECOMMENDATIONS

- 9.1 To note progress against the WAO Public Interest Report Action Plan and the wider Improving Governance Plan.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure Cabinet is updated on the progress of the WAO Public Interest Report Action Plan and the wider Improving Governance Plan.

11. STATUTORY POWER

- 11.1 Local Government Act 2000

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Background Papers: Programme Working Documents
Report to Cabinet on 13th November - *Improving Governance Programme Update*
Report to Cabinet on 16th October - *Improving Governance Programme Update*
Report to Cabinet on 18th September - *Improving Governance Action Plan*
Report to Cabinet on 2nd October – *Risk Management Strategy and Guidance*
Report to Council on 8th October – *Scrutiny Improvement Action Plan*
Report to Cabinet on 30th October – *Corporate Planning and Performance Framework*

Appendices:
Appendix 1 WALES AUDIT OFFICE REPORT IN THE PUBLIC INTEREST – Action Plan and Progress to date – 19th November 2013 October 2013