



HEALTH, SOCIAL CARE AND WELL-BEING SCRUTINY COMMITTEE - 3RD DECEMBER 2013

SUBJECT: WALES AUDIT OFFICE REPORT - EVALUATION OF SOCIAL SERVICES CONTRIBUTIONS TO THE MEDIUM TERM FINANCIAL PLAN

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER

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- 1.1 The attached report and Appendix, Wales Audit Office (WAO) - Evaluation of Social Services contributions to the Medium Term Financial Plan were presented to the Audit Committee on 6th November 2013.
 - 1.2 Ian Davies, PwC, highlighted the key issues within the WAO Report. The WAO review had concluded that *"Although Social Services is managing within its overall budget, the Council does not have a rigorous approach to developing business cases and setting, delivering, monitoring and evaluating savings in order to meet future demands and challenges."*
 - 1.3 The WAO subsequently raised three recommendations and three proposals for improvement, which are set out in paragraph 8 of their report.
 - 1.4 The Acting Head of Corporate Finance presented the Authority's response and expressed disappointment with the WAO's conclusions having regard to the good financial planning that is undertaken within the Authority to deliver savings in advance and achieve consistent balanced budgets. Social Services is a particularly volatile area and significant financial pressures can arise from small changes in demand for services. The officer's responses to the recommendations and proposals for improvement in the WAO report are set out in detail at paragraph 4 of the officer's report.
 - 1.5 A full and frank discussion took place at the Audit Committee, in particular, in relation to the proposed Caerphilly CBC and Blaenau Gwent CBC Social Services integration, which had since been abandoned due to the differing financial positions in each Authority and the risk of cross-subsidisation. Members were advised that the Authority is now in the process of developing a common business case template and guidance for staff, which will be used for all future proposed major service changes.
 - 1.6 The report and appendix are attached for the Scrutiny Committee's information.

Author: S. M. Kauczok, Committee Services Officer, Ext 4243

Appendices:

Appendix 1 Report to Audit Committee, 6th November 2013, Agenda item 5(4)