



AUDIT COMMITTEE – 11TH JUNE 2019

SUBJECT: REGULATOR PROPOSALS FOR IMPROVEMENT PROGRESS UPDATE

REPORT BY: DIRECTOR OF EDUCATION & CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update members on progress against proposals or recommendations made by all regulators since the last Audit Committee update (January 2019) and to advise on any new proposals that have been added since that time.

2. SUMMARY

- 2.1 Since January 2019 there has been **2** proposals addressed and **9** new ones added onto the register.
- 2.2 Currently we have no statutory recommendations to address. There are 12 Proposals and 5 Areas for Improvement on the register totalling **17** altogether. There are 2 proposals which are considered completed and if agreed by the Audit Committee, would leave **15** outstanding.
- 2.3 We have received 3 reports since the last time an update was provided; A Service User Perspective Review (telephone interview of Housing Tenants), a follow up on WHQS and an Examination of improving the take up of the Flying Start Programme, which is part of the Wales Audit Office (WAO) work on how public bodies are implementing the Well-being of Future Generations Act (Wales) 2015.
- 2.4 For clarity, the WAO issue Proposals and Recommendations. The difference is that a proposal is a 'suggestion for improvement'. This means the Authority does not have to act on it, but if it is on the register it has been agreed that we will. A 'Recommendation' is statutory which means we have a 'statutory duty' to act on the recommendation. The Areas for Improvement are a new category as noted in para 2.3 and looks at how we have used the Sustainable Development principle in forming actions to deliver the Well-being Objectives. This does not have specific proposals but rather identifies areas for improvement.

3. RECOMMENDATIONS

- 3.1 We recommend 2 proposals be closed down as completed and encourage members to view the specific proposals attached within Appendix A, and judge if they concur that the proposals are now complete. It is recommended that Audit Committee give their agreement (if appropriate) to close the proposals that are noted as 'recommended as completed' within Appendix A.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure members are aware of progress the Council's actions for progressing regulator recommendations and proposals and have assurance that progress is being made through an opportunity to monitor and challenge content.

5. THE REPORT

- 5.1 As of June 2019 there are 17 proposals / areas for improvement outstanding including 9 new ones. We are recommending 2 be closed down as completed leaving 15 outstanding. See breakdown below:

Name of Report	How many proposals / recommendation outstanding	How many completed in this reporting period	How many left?
Asset Management	1	0	1
Financial Position	1	1	0
Financial Resilience	1	0	1
Review of arrangement to address external audit inspection	1	1	1
Savings planning (Financial Resilience)	1	0	1
Overview Scrutiny Fit for the Future?	3	1	2
Service User Perspective Review	1	New	1
Welsh Housing Quality Standard Follow up Review	3	New	3
Well-being of Future Generations 'steps' examination of 'improve the take up of Flying Start'	Areas for improvement 5	New	5
Total	17	2	15

- 5.2 **Asset Management** – This last proposal is a long term activity requiring each service to develop a Service Asset Management Plan (SAMP). As noted in an earlier report, Property Services appointed an Asset Management Officer to work with services on a two year fixed term basis to develop SAMPs (Appendix A). Good progress has been made and as the SAMPs develop the Council is able to gain a better idea of future requirements. By understanding those requirements we are able to be more efficient in asset management by identifying if there are any overlaps, potential impacts on other services, possible co-locations, re use of buildings and so forth.
- 5.3 **Financial Position** – This has been on the register for four years and is part of ongoing work to better link council priorities to the Medium Term Financial Plan. As this is ongoing we have never removed it from the register; however it is now part of day to day business and continues to be looked at under the Council's wider strategic Transformation strategy, so we recommend this is now closed down.

- 5.4 **Financial Resilience and Review of arrangement to address external audit inspection** – both these proposals have been on the register for two years. During that time the ground work was started but following a change of direction (due in part to changes occurring because of challenging financial restrictions) the way the actions would be delivered needed to change accordingly. The Councils new operating model as noted in Appendix A addresses both these areas with specific dates for actions to be completed so we expect to be able to report completion at the next Audit Committee update.
- 5.5 **Savings Planning** (Financial Resilience). This proposal is to ensure planned savings are underpinned by robust business cases. This already happens as detailed reports are prepared for Scrutiny; however we are refreshing the process and the way we capture and consider savings, so we would like the proposal to remain until this is completed. Additionally the WAO are carrying out a further Financial Resilience piece of work in their 2019/20 work programme so there may be further proposals for improvement.
- 5.6 **Overview Scrutiny Fit for the Future?** Came onto the register July 2018 and is making good progress and against the dates set for delivering the actions. **Service User Perspective Review** was a survey carried out with Housing tenants and the **Welsh Housing Quality Standard Follow up Review** came onto the register January 2019. Both are making good progress.
- 5.7 **Well-being of Future Generations** ‘steps’ examination of ‘improve the take up of Flying Start’ was published in April 2019. This work is to identify how the Sustainable Development Principle (the five ways of working) was used in developing actions to address our Well-being Objectives. The output identified some very good practice and some areas to consider in making improvements. In a change from the standard report, a workshop was held with a range of staff to suggest their own actions for improvement within the Early Years work and this forms the action plan.
- 5.8 Education Directorate advise there are no ESTYN outputs to report on this occasion. Social Services also advise there are no Care Inspectorate Wales reports or studies to report on at this time.

5.9 **Conclusion**

In the main most proposals are making good progress and there are no emerging issues. Para 5.4 identifies two areas that have been slow to make progress and this is due to wider changes taking place. The implementation of the Transformation Strategy gives specific actions to address those outstanding actions.

When monitoring progress against the proposals, members are advised to consider what value the proposals are making and what difference the activity in addressing them has made for our citizens. The WAO view is that the decision on whether a proposal is completed is an internal matter for the organisation to decide, (although it is within their remit to make more proposals if they do not believe it has been addressed). WAO receive this update as part of their attendance at Audit Committee.

6. **ASSUMPTIONS**

- 6.1 No assumptions have been made or were thought necessary in the context of this report.

7. **LINKS TO RELEVANT COUNCIL POLICIES**

7.1 **Corporate Plan 2018-2023**

The Steps Examination Areas for Improvement looks at Flying Start which is an important part of the early year section in Objective 1 - Improve education opportunities for all.

The Service User Perspective proposals and the WHQS follow up contributes to Objective 3 - Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being.

The Corporate Plan can be found on the intranet on the Policy portal, within the performance management section. See link below:

<http://sc-aptken1/KENTICO/getattachment/ab780120-3a2b-47f9-bff0-f383462fbb98/Corporate-Plan-2018-23.aspx>

8. WELL-BEING OF FUTURE GENERATIONS

- 8.1 There are no specific implications to the Well-being of Future Generations within this report however some proposals are a result of the WAO review of our compliance with the Well-being of Future Generations (Wales) Act 2015. The proposals as noted in section 5.1 also relate to two of the Well-being Objectives that the Council has set itself to improve well-being. The Corporate Plan as noted above shows which national goals our Well-being objectives maximise our contribution towards.
- 8.2 The five ways of working, should be included within the actions to address these proposals and are not specific to the proposals themselves, with the exception of the last proposals as they were a direct review of how we applied the five ways of working to set our objective and actions (or steps) to deliver the objective.

9. EQUALITIES IMPLICATIONS

- 9.1 No specific Equalities Impact Assessment has been undertaken on this report; however the Local Government Measure 2009 cites fairness and accessibility as part of the definition of what 'Improvement' means and the Well-being Objectives which are part of the Corporate Plan (link in paragraph 7.1) contribute to a More Equal Wales.

10. FINANCIAL IMPLICATIONS

- 10.1 There are no financial implications arising from this report although of note external audit fees can be reduced, if regulators are assured that they can place reliance on the organisation's own ability to monitor and challenge itself to improve.

11. PERSONNEL IMPLICATIONS

- 11.1 There are no personnel implications arising from this report.

12. CONSULTATIONS

- 12.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

13. STATUTORY POWER

- 13.1 Local Government Measure (Wales) 2009.

Author: Ros Roberts Business Improvement Manager roberr@caerphilly.gov.uk
Consultees: Christina Harray, Interim Chief Executive
Richard Edmunds, Corporate Director for Education & Corporate Services
Steve Harris, Interim Head of Business Improvement
Cllr Barbara Jones, Cabinet Member, Performance
Mark Williams, Interim Head of Property Services
Lynne Donovan, Head of People Services
Cath Forbes, Thompson, Scrutiny Manager
Rob Tranter, Head of Legal Services
Shaun Couzens, Chief Housing Officer
Paul Smythe, Housing Technical Manager
Sarah Mutch, Early Years Manager
Keri Cole, Chief Education Officer
Gareth Jenkins, Assistant Director, Children's Services
Jo Williams, Assistant Director, Adult Services
Kathryn Peters, Corporate Policy Manager
Anwen Cullinane, Senior Policy Officer Equalities and Welsh Language

Appendices:
Appendix A: Action Plan 2018 Response to Regulator Proposals