

Report

Cabinet

Part 1

Date: 13 September 2017

Subject **WAO Good governance when determining significant service changes report**

Purpose To advise cabinet of the findings from the Wales Audit Office's review of the council's governance arrangements when determining significant service changes report.

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Ward All

Summary The Wales Audit Office has conducted a review of governance arrangements around significant service changes

- It is pleasing to note that no recommendations were made as a result of this review
- The Council's governance arrangements could be strengthened by:
 - P1 reviewing its change programme so that it is better aligned to its overall vision for service change;
 - P2 clearly defining the criteria it will use to decide what is included in its change programme;
 - P3 providing support and training to Members to equip them with the appropriate skills to consider future service changes;
 - P4 ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making; and
 - P5 setting out how the impact of proposed changes will be measured and monitored in proposals and business cases
- The council's management response is also included; this identifies actions to address the proposals for improvement

Proposal **To consider the contents of the Good Governance when determining significant service changes report, and the proposed actions to address the proposals for improvement**

Action by Business Improvement and Performance Team

Timetable immediate

This report was prepared after consultation with:

- Heads of Service
- Operational Performance Network

Signed

Background

The Wales Audit office carried out a review of the governance arrangements in place for making significant changes to services.

Good governance is essential for the effective stewardship of public money and the continued delivery of efficient and trusted public services. The current financial climate and reduced settlements for local government as well as rising demand for some services mean that all councils are likely to continue to need to make decisions regarding the future configuration and level of service delivery.

The WAO concluded 'concluded that the Council's governance arrangements for determining significant service change are improving, and it recognises that its vision and change programme needs to be refreshed to strengthen its arrangements further.

It is pleasing to note that no recommendations were made as a result of this review

The WAO have advised the following proposals for improvement;

The Council's governance arrangements could be strengthened by:

- P1 reviewing its change programme so that it is better aligned to its overall vision for service change;
- P2 clearly defining the criteria it will use to decide what is included in its change programme;
- P3 providing support and training to Members to equip them with the appropriate skills to consider future service changes;
- P4 ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making; and
- P5 setting out how the impact of proposed changes will be measured and monitored in proposals and business cases

The council has responded to this by compiling an action plan to address the proposals for improvement that have been identified.

Financial Summary

- There are no direct financial implications to this report.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Changes to services not aligned to the council's overall vision	H	M	The management response to the WAO's report addresses this issue	HoS, Directors
Non-compliance with the Wellbeing of future generations act	H	M	Aligning the change programme with the wellbeing objectives and ensuring that the longer term impact of decisions is considered so that the needs of current generations can be met without effecting the ability of future generations to meet their needs.	HoS, service managers,

Weakened Governance arrangements	M	L	The management response includes an action plan to address the proposals for improvement.	HoS, service managers,
Inconsistent use of public engagement and consultation	M	L	The management response to the WAO's report addresses this issue	HoS, Service Managers
Uncertainty of the impact of service changes	M	M	The management response to the WAO's report addresses this issue	HoS, Service Managers

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Good governance is essential for the effective stewardship of public money and the continued delivery of efficient and trusted public services.

Options Available and considered

- a) To consider the contents of the Good Governance when determining significant service changes, and the proposed actions to address the proposals for improvement
- b) Reject the proposed actions or ask for further information

Preferred Option and Why

The preferred option is a. to initiate the action plan to address the proposals for improvement.

Comments of Chief Financial Officer

There are no financial implications arising from the report as all the actions identified will be contained within existing approved budgets

Comments of Monitoring Officer

There are no specific legal issues arising from the Report. It is pleasing to note that the WAO review recognises that the Council's governance arrangements for determining significant service changes are improving and there are no recommendations contained in their final Report. These governance arrangements will be further strengthened once the new Corporate Plan has been adopted, as this will provide strategic vision and direction for the delivery of service improvements and meeting well-being objectives, as part of the change programme. Further refinement will also be made to improve the financial business case model and the process of engagement with key stakeholders as part of the change process, in accordance with well-being principles. Member training and development is a key requirement of the Local Government Measure and this should provide members with the key skills to effectively engage in the change process and critically scrutinise the need for, and impact of, proposed service changes. A successful programme of induction training has been delivered following the local elections and Democratic Services Committee will oversee the development of an on-going programme of member training, tailored to individual roles and responsibilities.

Comments of Head of People and Business Change

The 'Good governance when determining significant service changes' report provides a balanced view of the council's governance arrangements and provides a baseline from which we can initiate further

improvement. The development of the corporate plan and integral wellbeing objectives will provide the framework for planning future service changes. The management response to the WAO's report identifies actions that will address the proposals for improvement.

Comments of Cabinet Member

The report author is to confirm that the Cabinet Member has approved the report for consideration by cabinet.

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not. The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

Children and Families (Wales) Measure

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

Wellbeing of Future Generations (Wales) Act 2015

The Auditor General helps to ensure that public bodies are held to account for their performance in relation to the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Wales Audit Office consider the Wellbeing of Future Generations (Wales) Act 2015 in the planning and implementation of their work, they provide the council with assurance as well as helping to identify areas for improvement.

The 'Good governance when determining significant service changes' report provides a baseline from which the council can strengthen its governance and considers how well placed the council is to respond to future challenges.

The proposed action plan to address the proposals for improvement directly references how the adoption of the wellbeing objectives and the sustainable development principle will drive improvement in this area and provide a holistic framework of overarching organisational priorities.

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

Background Papers

Set out a list of any relevant background papers and whether they are available to the public.

Dated: September 2017