

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Authority's Response

	Recommendations	Authority's Response (updates in bold)
R1	<p>Developing and Monitoring the Community Strategy</p> <p>The Authority should review the Community Strategy with a view to making the desired outcomes more specific and measurable. The Local Strategic Partnership (LSP) currently monitors only 6 of the 26 objectives. Other objectives fall within the action plans of groups that lie within the LSP, but there is not a process in place to monitor them at the LSP level. We understand that a coordinators group is currently being developed to address this particular issue. The Authority should aim to have measurable outcomes for all the objectives of the Community Strategy and monitor them regularly.</p>	<p>Agreed. Following the merger of the Policy and Performance Management Units, arrangements are being developed leading to the establishment of a transparent framework for managing, monitoring and reviewing the Community Strategy with greater focus on clearly defined outcomes. These arrangements should be fully operational by February 2006.</p> <p>On February 17 2006, a self-evaluation session was held, facilitated by Colin Everett (WLGA), which provided members of the LSP with an opportunity to focus on the strengths of the partnership and identify key development issues. Every member of the partnership will be carrying out a self-evaluation and presenting their findings to the partnership between April and December 2006.</p> <p>The Bridgend Local Strategic Partnership held its first annual conference on July 21st 2006. The Stakeholder Event was well attended by over 80 people from a wide range of organisations. Speakers from the Welsh Assembly Government and Cardiff School of Management (UWIC) outlined the progress of Local strategic Partnerships throughout Wales. It was noted that a more focused approach was needed and that partnerships need to be looking at activities that would bear visible, measurable outcomes. To this end, priority projects for the LSP to support were discussed, and action plans devised, to take each project forward.</p>
R2	<p>Recycling of Resources</p> <p>The authority is now beginning to quantify resource requirements at the risk mitigation and action planning stages of projects. Many of the action plans reported in the CIP are expected to be funded 'out of existing budgets'. This may miss the overall objective of recycling resources, which is to identify savings across the Authority, and then recycle them corporately to the areas of highest priority and risk. The base budgeting exercise recently undertaken by the Authority may help to identify opportunities for recycling, but in order to be effective they should be owned by the Authority as a whole, and not by the service areas.</p> <p>As stated previously, while the preparatory work for the CIP started in Autumn 2004, much of the strategic input was secured relatively late (the Joint Risk Assessment was performed in May as opposed to March in the previous year). The Authority should seek to ensure that the new</p>	<p>Agreed. Arrangements are in hand to implement Corporate Improvement Plan development and production activities to minimise a repetition of the difficulties that affected the timetable leading to the completion of the final document. An integral part of these arrangements will include detailed feedback on the budget process for 2006/2007.</p> <p>This was discussed at Directorate Finance Officer Group meeting on 12 January 2006, where it was decided that the budget notification be re affirmed and that Directorates distribute a note to their budget holders advising of the budget allocations.</p> <p>On 8 May 2006, the Authority's Chief Accountant confirmed that Directorate Finance Officers have been informed and discussions taken place where necessary.</p>

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Authority's Response

	Recommendations	Authority's Response (updates in bold)
	<p>timetabling arrangements set out in the CIP are managed effectively in order to make a strong link between planning and budget allocation. This would provide a real opportunity to consider where resources would be best placed. Some staff who contributed to the Corporate Culture Review said they had not understood the differences between the budgets they had submitted, and the ones finally approved. We recommend the Authority adopts a strong communication policy as part of this year's budget process.</p>	
R3	<p>New Action Plan Format – focus on outcomes</p> <p>The new action plan format should provide the Authority with a consistency it has previously lacked in the formulation of plans. In order for this initiative to deliver improvements successfully, the action plan emphasis needs to be on outcomes. These should be specific and measurable.</p> <p>In many of the action plans cited in the CIP, outcomes are not quantified. The Authority should seek to ensure that where necessary, staff are trained in how to formulate action plans in order to achieve optimal results and increase accountability.</p>	<p>Agreed. Whilst the action plan format, now in place, should facilitate a more consistent approach further guidance will be issued via Performance Improvement Group/Policy and Performance Management on the correct approach to their completion.</p> <p>Revised format for reporting CIP Action Plans has been devised.</p> <p>Cabinet Members had requested additional information on the format, which has now been incorporated.</p> <p>Further revision may be required subject to the adoption of appropriate performance management software in addition to the incorporation of further refinements that have recently been requested by Cabinet. Workshop development to facilitate required training will be facilitated in due course.</p>

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Authority's Response

	Recommendations	Authority's Response (updates in bold)
R4	<p>Use of Performance Indicators</p> <p>The Authority should continue to support the development of PI processes and encourage their use as a tool in the performance management process.</p> <p>As part of the performance management project the Authority intends to raise awareness of the Performance Management Unit. With the recent merger of the Policy and Performance Units, this is an excellent opportunity to review the ways in which the new unit can best contribute to the overall improvement agenda.</p>	<p>Agreed. Arrangements are in place to roll out the new Performance Measurement Framework which will include additional workshop sessions on:</p> <ul style="list-style-type: none"> • development of local performance indicators • developing links between measures and agreed priorities as identified in the risk management exercise <p>Further development of workshop sessions will be facilitated following the final decision regarding the adoption of a Performance Management software system.</p> <p>In addition to the development of directorate based support and workshop sessions, arrangements will be implemented during November/December 2005 to raise awareness of the role of the new unit and the range of support it will provide.</p> <p>Arrangements in place to raise awareness of the Policy and Performance Management Unit have included:</p> <ul style="list-style-type: none"> • Email dispatch to all Teamware users - 16 December 2005 • Updated Website feature available - 16 December 2005 • Inclusion of item in "Bridgenders " 27 January 2006
R5	<p>Summary Corporate Improvement Plan</p> <p>The Authority should use a balanced set of PIs in the 2006/09 summary CIP, illustrating both good and poor performance and presenting a balanced picture of the Authority' s position.</p>	<p>Agreed. The 2006/09 Summary of the Corporate Improvement Plan will include a balanced set of Performance Indicators illustrating both good and poor performance and presenting a balanced picture of performance.</p>

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Authority's Response

	Recommendations	Authority's Response (updates in bold)
R6	<p>Cascading of Corporate Improvement Plan</p> <p>We urged the Authority to reconsider how it engaged with staff for the 2005/08 CIP, to consider a more proactive way of engagement to ensure that objectives are embraced as widely as possible across the Authority. The consultation process for 2005/08 was through the intranet and internal newsletters (as in the prior year), although adverse timetables meant that details could not be included in <i>Bridgenders</i>. We would recommend consideration of a more interactive method going forward</p>	<p>Agreed. Consultation arrangements for 2006 will be modified to incorporate staff focus group activity as well a use of the intranet, newsletters and "Bridgenders". However, it should be noted that details regarding the consultation exercise for 2005 were included in the payslips for all staff, highlighting the opportunity to participate. The Corporate Objectives highlighted in the Corporate Improvement Plan will feed into individual objectives. This will be achieved through the new Performance Management Framework</p> <p>Consultation exercise for the Corporate Improvement Plan 2006/2009 has now taken place , following the development of the draft document. An official launch of the Corporate Improvement Plan 2006/2009 is scheduled for the 12th October, for nominated staff, who will then cascade the information to all staff. This year Bridgenders will have an article publicising the launch of the plan.</p>
R7	<p>New Performance Management Framework</p> <p>As noted previously, the Authority recognises that it currently lacks a cohesive performance management framework and is in the process of developing a revised framework and this was adopted as a flagship project following the Corporate Culture Review. The framework and associated action plan should be reviewed carefully to ensure they are robust and will deliver the necessary solution required by the Authority. We would recommend that the PIG reports progress on the action plan to Cabinet on a quarterly basis.</p>	<p>Agreed. The action plan developed to support the Flagship project contains a number of key improvement activities that will facilitate the delivery of the new Performance Management Framework.(PMF) Reports will be submitted to Cabinet on a quarterly basis to highlight progress against key measures.</p> <p>Initial report submitted to Overview and Scrutiny on 5 December 2005. Update report was presented to Cabinet on 24 January 2006, highlighting progress, including the production of:</p> <ul style="list-style-type: none"> • Performance Management Framework Document. • Practical Guide for implementation the principles behind the Performance Management Framework. • Workflow solution to manage the Performance Management Framework inside the council. <p>Further update reports have been presented on 19th April 2006 and the 8th August 2006, highlighting progress to date.</p>

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Authority's Response

	Recommendations	Authority's Response (updates in bold)
R8	<p>Highlighting of Key Messages</p> <p>The CIP should provide the reader with a concise picture of the Authority's performance over the previous year, set out the key risk areas and clearly illustrate how the Authority intends to address risks and improve performance. The 2005/08 CIP sets out the 22 risk areas, but does not prioritise them or explain them clearly. As a result it is difficult to understand where the Authority intends to focus its resources over the coming year. The 2006/09 CIP should clearly highlight key issues and set out how the Authority intends to address them.</p>	<p>Agreed. The format of the 2006/09 Corporate Improvement Plan will be modified to incorporate the rank order of priorities arising from the risk assessment process with supporting narrative, highlighting key issues that have informed our approach.</p> <p>This has been addressed during the joint risk assessment process which was carried out on the 19 June and the 11 July 2006</p> <p>The process produced a prioritised list of risks that will inform the budget process in October 2006.</p>

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Supplementary Issues Arising From 2004/05

Authority's Response

2004/2005 ref	Prior Year Recommendation	Current Year Comments	Authority's Response
P1	The Authority will need to prioritise the risks identified in the Joint Risk Assessment, as soon as possible, in order to focus its limited resources on the areas which are considered to pose the most significant threat to the successful implementation of the Corporate Improvement Plan ("CIP"). The urgency is driven by the forthcoming budget process, which must begin to reflect the corporate priorities to drive change.	The Authority' s process for prioritising risks evolved during the course of the year, and they now have an agreed method which can be used on a consistent basis both corporately and across directorates. The published CIP identifies the key risks to the Authority; however, these are not listed in terms of priority.	Agreed. (Please refer to response to R8)
P2	The Authority will need to ensure that the budget for 2005/06 reflects the overall aims of the current Corporate Improvement Plan, and that key objectives are supported with the appropriate level of financial resource.	The Authority did consider the priorities of the 2004 CIP while preparing the 2005/6 budget, but was unable to identify at that time enough efficiency or other savings to be able to recycle resources to the prioritised risk areas. Officers have been working on efficiency projects during 2005, and there is a more robust budget process underway for 2006/7. These projects are key to allowing the Authority to move forward.	Agreed. A range of efficiency projects are currently being developed, although saving may not come on stream during the 2006/2007 financial year in all cases. However, strenuous efforts are being made to secure savings which will materialise during the course of the next 2 – 3 years. As indicated, a more robust approach to budgeting is now in place, which will support the commitment to recycle resources to agreed priority areas. Monthly reports on progress are now provided to Cabinet. Quarter 1 for the year 2006/2007 was presented on 8th August 2006

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Supplementary Issues Arising From 2004/05

Authority's Response

2004/2005 ref	Prior Year Recommendation	Current Year Comments	Authority's Response
P3	The process for developing the 2005/8 Corporate Improvement Plan is scheduled to start in the Autumn of 2004. It is critical that this happens, so that the necessary financial analysis can be used to drive the new three-year plan and ensure that the Authority's goals are realistic and achievable.	The preparatory work for the 2005/08 CIP process began in the Autumn of 2004. The high level strategic input into the process however (from Cabinet, Corporate Management Board and the Performance Improvement Group) was relatively late, and as a result the Authority found itself under some pressure to meet the statutory publication deadlines.	Agreed. (Please refer to response to R2)
P4	The Community Strategy should be given high priority and brought to a conclusion so that the 2005-8 Corporate Improvement Plan is based on an agreed 'central reference point'. The process should be monitored regularly to ensure that progress is made in accordance with the agreed timetable.	The Authority finalised the Community Strategy in December 2004. The final version includes specific objectives for each of the six high level 'aims' set out in the original draft. In order for the Authority to be able to meet these objectives, the underpinning action plan needs to be significantly more outcome-focused, and will need to be monitored on a regular basis.	Agreed. (Please refer to response to R1)

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Supplementary Issues Arising From 2004/05

Authority's Response

2004/2005 ref	Prior Year Recommendation	Current Year Comments	Authority's Response
P5	The Authority should consider how it might engage its staff in a more proactive way for the 2005/08 Corporate Improvement Plan to ensure that the objectives are embraced as widely as possible across the Authority. This could include, for example, a series of presentations cascaded from directors and line managers, with opportunity for staff to feed back comments.	<p>The Authority adopted a similar consultation process for the 2005/08 Improvement Plan as in 2003/04. The Corporate Culture Review highlighted that some staff were unaware of the CIP, and similarly that many could not identify how it was relevant to them as individuals.</p> <p>The Corporate Culture Review process included a far more active engagement with staff and members than the CIP, and gives the Authority an example of how might improve communication in the next year.</p>	Agreed. (Please refer to response to R6)
P6	Action plans should be further developed to include SMART objectives which are clearly linked to the risks identified in the Corporate Improvement Plan.	The Authority has adopted a new action plan format which clearly sets out the key elements of an effective plan. The success of this new format will depend entirely on how it is utilised. Many of the outcomes of the action plans included in the CIP are unclear and need to be made more specific.	Agreed. (Please refer to response to R3).
P7	<p>The Authority should continue to support the development of the PI processes and encourage their use as a tool in the performance management process. Performance indicators should not be used in isolation, but in a "balanced" group that deals with all the major issues facing a service area.</p> <p>PIs, national or local, should be used consistently to measure performance both internally and also against other comparable authorities.</p>	During the year the Authority has made progress in terms of PI data. It has set up a 'Performance Management Resource' on the Authority's intranet website, which includes various performance management tools to assist officers. In terms of the CIP the Authority has also included NAWPI data of comparable authorities against which it has benchmarked itself. There is, however, scope for further development particularly in terms of the PI collation processes, and the use of local PIs.	Agreed. (Please refer to response to R4)

Auditors' Report to BCBC on the Corporate Improvement Plan 2005/08

Supplementary Issues Arising From 2004/05

Authority's Response

2004/2005 ref	Prior Year Recommendation	Current Year Comments	Authority's Response
P8	The Authority should review its Performance Management Framework, to define clearly the links between objectives, service plans, budgets, indicators, targets and individuals' objectives and appraisals. It should communicate the need for performance management to all staff.	The Authority recognises that its current performance management framework requires review. As a response to the findings of the Corporate Culture Review it has identified Performance Management as one of the three Flagship Projects for improvement. A new performance management framework is being developed by the Performance Improvement Group for rolling out at the end of the year.	Agreed. (Please refer to response to R7)
P9	The anticipated work programme for the Performance Improvement Group should include provision to address the issue of the quality, use and interpretation of performance information.	This issue falls under the scope of the Performance Management Flagship Project being led by the Deputy Chief Executive to be monitored by the PIG group.	Agreed. This issue is being addressed by the Performance Improvement Group which now receives regular update reports on the Work Programme collated by the Policy and Performance Management Unit as directed by the Deputy Chief Executive and Executive Director, Resources. Following the retirement of the Deputy Chief Executive and Executive Director – Resources, the group is now chaired by the Executive Director - Learning.