

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

16 FEBRUARY 2016

REPORT OF THE CHIEF EXECUTIVE

WALES AUDIT OFFICE – CORPORATE ASSESSMENT REPORT ON BRIDGEND COUNTY BOROUGH COUNCIL, JANUARY 2016

1. Purpose of Report.

1.1 To introduce the Auditor General's report (attached as Appendix 1) to Cabinet.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities.

2.1 The report includes an assessment of whether or not the authority is capable of delivering its priorities and improved outcomes for citizens.

3. Background.

3.1 In April 2015, the Wales Audit Office began an in-depth corporate assessment of Bridgend County Borough Council.

3.2 The purpose of the assessment was to provide a position statement on the authority's capacity and capability to deliver continuous improvement. The focus of the assessment was on the extent to which arrangements are helping to improve service performance and outcomes for citizens.

3.3 The assessment considered the authority's track record of performance and outcomes as well as examining the key arrangements necessary to underpin improvements in services and functions.

3.4 The auditors interviewed, met with, observed, and conducted online surveys of elected members, senior officers and frontline staff, both individually and collectively.

4. Current situation / proposal.

4.1 The Auditor General's report is positive and balanced, reflecting the Council's current position.

Overall conclusion

4.2 The Auditor General's overall conclusion is that *"the Council is developing appropriate plans for the future and subject to aligning ICT and human resource functions with the transformation programme, is well placed to secure improvement"*.

Key positive findings

- 4.3 The Auditor General found that the Council was developing key strategic themes for the future in consultation with its citizens and other key stakeholders. These themes - supporting a successful economy, helping people to be more self-reliant and making smarter use of resources - will sharpen the Council's focus on priority activities and drive the changes necessary to enable the Council to operate effectively in the future, the Auditor General notes.
- 4.4 The Auditor General found that the Council had effective governance arrangements in place to support improvement and drive change, with Cabinet members fully engaged in the development of the new vision and playing an active role in considering the options for change and in establishing new policy direction and alternative methods of delivery.
- 4.5 The Auditor General found that Cabinet members and the Corporate Management Board were working closely together to develop the options for the future role of the Council and to identify new opportunities for engaging with local communities.
- 4.6 The Auditor General acknowledged the strengths of the Council's Medium-Term Financial Strategy from which, he noted, a range of projects and activities has evolved that play a role in helping to shape the Council's change agenda.
- 4.7 At the directorate level, the Auditor General found that the Council had adopted different methods of delivering services in recent years and gained experience in improving delivery standards and arranging for their scrutiny. Examples quoted by the report include the Cultural Trust partnership model, the Halo/GLL contract and Kier Group Waste management contract.
- 4.8 The Auditor General found that the Council had clarified roles and responsibilities and established effective arrangements for holding people to account. For example, the Council holds the Chief Executive to account by means of a Cross Party Panel that agrees his personal objectives for the year, and reports to Council on his performance as measured against those objectives. The arrangement enables members to highlight key issues and agree relative priorities with the Chief Executive.
- 4.9 The report recognised that committees appointed by the Cabinet "were making a positive contribution to improvement".
- 4.10 The report acknowledged that the Council's scrutiny function was transparent and accessible. Its meetings are well run; formal processes are observed; and it is effectively chaired.
- 4.11 The Auditor General found that Elected Members enjoyed a range of opportunities that equipped them with the skills they needed to discharge their roles effectively.
- 4.12 The Auditor General found that "the Council has a clear focus on performance management, which has enabled services and directorates to work in a way that puts performance improvement at the heart of their work". Performance management arrangements, the report concluded, drive improvement in key service areas, and measurable improvements were made in 2014-15.

- 4.13 The report acknowledged the strengths of the council's Performance Management Framework which, it concluded, "gives a clear and unequivocal structure to the way performance is assessed and managed, linking plans, strategies and service areas".
- 4.14 The report singled out the Council's Corporate Performance Assessment (CPA) as "positive practice in performance management" (p.17). The CPA meetings were said to be "a very effective means of holding directorates to account for performance and facilitating cross-directorate dialogue". The broadening of the scope of the CPA, so that it extends to value for money, service-user outcomes, internal processes and organisational capacity, would (added the report) be particularly important in improving performance in the context of priorities and available resources.
- 4.15 The Auditor General found that the Council handled financial and asset management well, and that this would help it remain resilient in the face of big financial challenges. The monthly budget monitoring process adopted by the CMB enables effective financial planning and management of risks, the report noted.
- 4.16 The report found that the Council had policies to support financial management. These include rules and financial procedures that clearly specify the responsibilities of Members, Officers and budget holders.
- 4.17 The ICT service was found to be supporting the delivery of Council operations. Despite being under resourced, its staff were supporting colleagues and ensuring continuity of service during office moves, the report noted.
- 4.18 The Council's Human Resource service was found to be supporting the delivery of Council operations through a range of policies and procedures.
- 4.19 The Auditor General found that the Council had devised an effective system for managing corporate assets and was on course to achieve its long-term goals. The report acknowledged that the Council had made significant progress in rationalizing its property portfolio since adopting the Asset Management Plan in 2009.
- 4.20 The report acknowledged that the Council was collaborating across a wide range of activities and that some of those activities had resulted in identifiable improvements.

Proposed Areas for improvement

- 4.21 Given the wide range of services provided and the challenges facing the Council, the Auditor General noted, it would be unusual if the auditors did not find things that could be improved. Generally, when conducting a corporate assessment of an authority, the Auditor General is able to do the following based on his findings:
- a. Make proposals for improvement. If proposals are made, the Auditor General will follow up what happens.
 - b. Make formal recommendations for improvement. If a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days.

- c. Conduct a special inspection and publish a report and make recommendations.
- d. Recommend to Ministers of the Welsh Government that they intervene in some way.

4.22 In the case of Bridgend, the Auditor General found no reason to make any formal recommendations, conduct an inspection, or recommend that Ministers of Welsh government intervene. He did, however, make eight proposals for improvement. These proposals include:

- Establishing a vision of the Council for 2020 that will support a strategic approach to service delivery and guide service planning;
- Review measures of success to ensure they enable an evaluation of intended performance and that the expectation of performance is based upon that measure;
- Develop both its ICT and its human resource services so they can support the Council's transformation agenda;
- Ensure that service business plans take into consideration future property requirements; and
- Develop measures to evaluate the success of key activities performed in collaboration with the Local Service Board.

A summary of the proposals for improvement is included in the attached report (p.5).

The Auditor General's findings also suggest a need to ensure clarity of communications with all members and staff particularly about potential new models of delivery and the impact on current ways of working.

4.23 The authority has already started addressing the areas that the report said needed improving. The Wales Audit Office will "keep track of developments through progress updates".

5. Effect upon Policy Framework & Procedure Rules.

5.1 There is no effect upon the Policy Framework and the Procedure Rules.

6. Equality Impact Assessment.

6.1 No equality impact assessment has been undertaken as the Auditor General's report is essentially an assessment of the authority's performance and outcomes as well as examining the key arrangements necessary to underpin improvements in services and functions.

7. Financial Implications.

7.1 There are no financial implications in this report.

8. Recommendation.

8.1 That Cabinet notes the Corporate Assessment Report produced by the WAO.

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4 February 2016

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Background documents

None