
**WELSH LOCAL GOVERNMENT ASSOCIATION CORPORATE PEER
REVIEW – CABINET RESPONSE**

Reason for the Report

1. To present the Cabinet response to the Welsh Local Government Association's (WLGA) Corporate Peer Review of Cardiff Council. Attached to this report at **Appendix A**, Members will find a copy of the report which was presented to the Cabinet on 7 November 2013, setting out the Cabinet's high level response to the Peer Review findings.

Background

2. At its 16 May 2013 meeting, the Cabinet approved proposals for Cardiff Council to undergo an independent Peer Review process, undertaken by a panel of experts established by the WLGA. The Peer Review was undertaken in the form of a desk-based review and analysis of various Council reports and information, in addition to on-site interviews conducted between 22 and 26 July 2013. The Cabinet was informally presented with the Review team's initial findings on 26 July 2013 and the Team submitted their substantive report to the Council in late September 2013. The report was formally considered by the Cabinet at its meeting on 10 October 2013.

Issues

3. The Cabinet response to the Peer Review report is attached at **Appendix A**. It had originally been intended to develop a detailed response to each of the recommendations made by the Peer Review team for the Cabinet to consider in November 2013. The Cabinet has however recognised that a more strategic

response to wider challenges is required. A detailed Delivery Plan will therefore be developed to be considered by the Cabinet in early 2014.

Way Forward

4. The Leader, Councillor Heather Joyce, and Paul Orders, Chief Executive, have been invited to attend for this meeting.

Legal Implications

5. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers of behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

6. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

The Committee is recommended to:

- i. Consider the attached report and the information presented at the meeting and forward any comments it wishes to relay to the Cabinet;
- ii. Consider whether it wishes to scrutinise the Peer Review Delivery Plan at an appropriate point in the Committee's work programme.

MARIE ROSENTHAL

County Clerk and Monitoring Officer
30 December 2013

Background papers:

Cabinet report 16 May 2013 – Preparations for Wales Audit Office Corporate Assessment:

[http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&\\$state=calendarmeeting&\\$committeeID=12950&\\$meetingdate=16/05/2013](http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&$state=calendarmeeting&$committeeID=12950&$meetingdate=16/05/2013)

Cabinet report 10 October 2013 – WLGA Corporate Peer Review:

[http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&\\$state=calendarmeeting&\\$committeeID=12950&\\$meetingdate=10/10/2013](http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&$state=calendarmeeting&$committeeID=12950&$meetingdate=10/10/2013)

Policy Review and Performance Scrutiny Committee papers 5 June 2013:

[http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&\\$state=calendarmeeting&\\$committeeID=1432&\\$meetingdate=05/06/2013](http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&$state=calendarmeeting&$committeeID=1432&$meetingdate=05/06/2013)

Policy Review and Performance Scrutiny Committee papers 15 October 2013:

[http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&\\$state=calendarmeeting&\\$committeeID=1432&\\$meetingdate=15/10/2013](http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&$state=calendarmeeting&$committeeID=1432&$meetingdate=15/10/2013)

CABINET MEETING: 7 NOVEMBER 2013

**CABINET RESPONSE TO THE WLGA CORPORATE PEER
REVIEW REPORT**

REPORT OF THE INTERIM HEAD OF PAID SERVICE

AGENDA ITEM: 3

PORTFOLIO : LEADER

Reason for this Report

1. To approve the Cabinet's response to the WLGA Corporate Peer Review report and to recommend referral to Full Council for information.

Background

2. In May this year, the Cabinet agreed to engage the Welsh Local Government Association (WLGA) to carry out a high level, independent Corporate Peer Review of the Authority. It was intended that the WLGA-led review would be undertaken on the basis of an examination by a "critical friend" as part of Welsh local government's approach to self-improvement and self-regulation.
3. The Peer Review was undertaken by an experienced and expert team led by Sir Peter Rogers and conducted from Monday 22 to Friday 26 July 2013 following a desk based review and analysis of various council reports and information. As part of the Peer Review, the team met with the Leader, Cabinet Members, Opposition Group Leaders, Scrutiny Committee Chairs, other Committee Chairs, senior managers, trade union representatives and external stakeholders. The Peer Review report was received subsequently by the Council in late September 2013 and was considered formally by the Cabinet on 10 October 2013.

Issues

4. The Cabinet's response to the Peer Review Report is attached as **Appendix A** to this report. Cabinet, at its previous meeting on 10 October 2013, noted that an overarching Delivery Plan will be finalised for consideration by the Cabinet in early 2014, which will set out the way forward for the Authority in meetings its key priorities and challenges and will incorporate how we are responding to the Peer Review findings in addition to previous views and recommendations of our external

regulators such as the Wales Audit Office, Estyn and the Care and Social Services Inspectorate for Wales (CSSIW). It is intended that this much broader and more fundamental “roadmap” will then inform the refresh of the Corporate Plan, to be considered by Cabinet and Council in February 2014.

5. Whilst Cabinet had originally envisaged developing a detailed response to each Peer Review recommendation for consideration at this meeting, the Cabinet has recognised that, as part of a more strategic response to the wider context of the challenges that need to be addressed is required. The Cabinet’s response to the Peer Review Report therefore sets out a high level response to the Peer Review’s recommendations, which will be followed by a more detailed, outcome-based Delivery Plan being utilised as the single document (which incorporates the Education Development Plan as a key subsection) which can bring together and set out the Administration’s plans and activities that will address the key challenges facing the Authority over the coming years.
6. It is important, however, that the Wales Audit Office is kept informed of the progress and improvements that the Authority has made both before and after the Peer Review was undertaken in July 2013. This will assist in informing the Corporate Assessment process to be undertaken by the Wales Audit Office. Positive discussions have been held with Wales Audit Office officials regarding this proposed approach, who have indicated their in principle support for this approach and consider it to be appropriate to pause and identify the root causes of these issues before developing a more detailed Delivery Plan that would need to be supported by ongoing monitoring.

Reasons for Recommendations

7. To enable the Cabinet to approve its response to the WLGA Corporate Peer Review report and to refer it to Full Council for information.

Legal Implications

8. There are no legal implications arising directly from this report.

Financial Implications

9. There are no direct financial implications arising from this report. Any financial implications identified as a result of related future activity will need to be considered in conjunction with the refresh of the Council’s Corporate Plan.

RECOMMENDATIONS

Cabinet is recommended to:

1. approve the response to the WLGA Corporate Peer Review report, as set out in Appendix A to this report;

2. refer the Cabinet response to the WLGA Corporate Peer Review report to Full Council for information.

CHRISTINE SALTER

Interim Head of Paid Service

1 November 2013

The following Appendix is attached:

Appendix A Cabinet Response to WLGA Corporate Peer Review Report

The following background papers have been taken into account:-

WLGA Corporate Peer Review report

WLGA CORPORATE PEER REVIEW REPORT

CABINET RESPONSE

NOVEMBER 2013

Introduction by the Leader of Cardiff Council

Prior to taking office and immediately after the local council elections in May 2012, the former Chief Executive provided the new Labour Administration with a bleak assessment of the capacity of the Council. In previous years, economic development had stalled, education in the city was on the brink of intervention measures and serious concerns had been raised about social services. All this was against a background of austerity leading to unprecedented reductions in expenditure being required to balance the books. We were further advised that over-reliance on management consultants by the previous Administration meant that the Council did not have the management capacity to tackle these complex challenges in order to deliver the Administration's policy agenda.

Over the next few months after taking office, it became apparent to us that the situation we had inherited was very serious and would be further complicated by a rapidly worsening financial environment. We had identified a substantial range of risks faced by the Council across all Cabinet portfolio areas. As a result, we took the decision to proactively commission an independent peer review to ensure that the scope and scale of the risks and challenges we had identified were accurate and to identify whether there were further risks or other aspects of the Council's ways of working that needed to be put right. We had to be sure that we were not faced with 'a series of cliffs without fences'. It was in this context that the WLGA was invited to form a very experienced peer review team which would take the role of a 'critical friend'.

The Peer Review's findings have validated the Cabinet's concerns and identified deep-seated and long-standing problems in the performance management and organisational culture of the Council that over a number of years had lead to breaks in the links of what the team described as the 'golden thread' that should be in place between:

- priorities;
- service and financial planning;
- timely performance management that integrates financial and service performance; and
- objectives for and performance of individual members of staff.

We welcome the Peer Review's findings and have already begun to implement elements of the review that required an urgent response, including in relation to our priorities for economic development, education and social care, supported by improved service and financial planning and performance management and changes in organisational culture.

Our Corporate Plan has set out the detailed programmes through which we are already delivering these priorities against an exceptionally challenging background. We recognise the importance of ensuring a coherent link between our political, organisational, budgetary and performance objectives. Despite the challenging context of a worsening financial position for local government across the UK, which means that the Council could face having to reduce spending by up to £125 million over the next three years, we remain committed to progressing our vision to establish Cardiff as a successful, vibrant city on a global scale by delivering our priorities for the economy, education and vulnerable people, as embedded in our Corporate Plan.



Councillor Heather Joyce
Leader of Cardiff Council

Leadership and Vision

Our Administration has three priorities for Cardiff:

- economic development as the engine for growth and jobs;
- education and skills for people of all ages to fulfil their potential and be well prepared for employment in the Cardiff economy and beyond; and
- supporting vulnerable adults, children and young people in times of austerity.

These key priorities have been clearly stated on a number of occasions, but it is vital that this vision is now captured in a clear, concise corporate narrative for Cardiff that will form an integral part of our planned refresh of the Corporate Plan, which will be considered by Council in February 2014. We recognise the importance of communicating this narrative to Members, staff, Council partners and our city's communities so that it becomes familiar, is easily understood and is embedded in all work undertaken by the Council to ensure that Cardiff becomes recognised as a world class European capital city by 2020.

The refreshed Corporate Plan is also expected to include statements about what the Council will look like in 2017 in order to help inform the future direction of service delivery and workforce planning within the Authority. As part of this process, we are committed to meeting periodically with the Council's senior management team, now that it is in place, so that we can make clear our priorities for implementation by the Council in the medium term.

We have already commissioned a full review of the Council's communications in order to benchmark our current approach with that of similar major cities in the UK. This also presents an opportunity to refresh the current Communications and Media Strategy so that it can position Cardiff at the leading edge of public sector communications and media provision. This will assist the communication of our strong corporate narrative and other key messages that command the support and understanding of local, regional and national audiences.

We recognise the importance of transforming the way in which the Council listens to, responds to and communicates with residents, businesses and stakeholders based upon a new programme of research which will give us insight into the things which matter most to them, accompanied by measurements of satisfaction and a programme to raise the national and international profile of Cardiff.

We are currently implementing a budget communications plan that will focus on our priorities over the medium term against a backdrop of reducing resources from Welsh Government and increasing Council financial pressures. This includes direct communications from the Leader and Chief Executive to staff through open letters/emails and face-to-face communication (e.g. directorate staff meetings) as part of 2014/15 budget and service planning process.

We have set out our strategic, high level response to the Peer Review's findings based on our three identified priorities for Cardiff and other key themes which were central to the Peer Review report:

Economic development as the engine for growth and jobs

The Peer Review reaffirmed the importance assigned by the Administration to the role of economic development in creating jobs and opportunities to support the city and the city-region. This will also help shield the city from the inevitable impact of public sector job losses arising from cuts in public spending and services imposed by the UK Coalition Government.

In response, the Administration issued a Green Paper, entitled 'Rebuilding Momentum', earlier this year as part of a wider debate about the future economic development and growth of the city. The business community and other key partners have made a significant contribution to this debate, which will inform the development of a subsequent Economic Development White Paper that will be published this winter.

The Cardiff Business Council was established formally in July 2013 and provides a strong, influential mechanism through which businesses can work in partnership with the Council to promote economic growth and to attract and retain investment and jobs. The Cardiff Business Council is playing a key role in the development of a new brand. In addition, it provides a platform for the private sector to lobby on behalf of the city on issues affecting business, and to utilise their knowledge in developing a new marketing strategy.

Cardiff still needs to become a more competitive international capital. To do this, we need to ensure that the city provides the business infrastructure – property, skills, innovation, and particularly transport – which will enable the city to compete internationally as a location for investment. It is recognised that the city needs to promote a more positive image externally and to showcase the city's strengths on the international stage, which will form an important part of the Cardiff Business Council role.

We are continuing to work collaboratively with the city's universities in order to maximize the advantage of some of the city's best resources and expertise. This includes the development of initiatives to support innovation and knowledge-based business in the city, including a new innovation centre and the development of the Maindy Innovation Campus in partnership with Cardiff University, which will provide fit for purpose facilities for new high technology businesses.

The Council in partnership with Welsh Government is progressing the development of the new Central Cardiff Enterprise Zone which links the City Centre and Cardiff Bay. This will provide first class accommodation for businesses in a location that will help to provide jobs and opportunities for the wider city-region. The publication of the Deposit LDP and related consultation exercise provides an important step forward to ensuring that the strategic planning of future growth and infrastructure development in Cardiff is coordinated in a coherent and sustainable way. The Council is also actively seeking partners to develop a new International Convention Centre and Indoor Arena.

Education and skills for people of all ages to fulfil their potential and be well prepared for employment in the Cardiff economy and beyond

The Peer Review highlighted that education is a vital service in terms of providing skills for employment and continuing and higher education. The Council had clearly recognised this and is developing a new Education Development Plan that is focussed on improving outcomes, provision and leadership and management.

We have addressed the identified lack of management capacity for the delivery of education services through the appointment of a new Director, the current recruitment of an Assistant Director and the refocusing of management resources to support the implementation of our agenda for school improvement. We are also continuing to exert influence on the future direction and organisational development of the Central South Consortium following the recommendations of the Hill report. The commissioning of appropriate and tailored school improvement services from the Consortium is critical to the future development and improvement of education provision in the city. We recognise the importance of working with schools and the Consortium to establish a clear strategy for sector led improvement, including the further development of the Outstanding Teacher Programme.

A new Education Development Board has already been established by the Administration and has begun work to confront head on the challenges of the long legacy of underperformance in education in Cardiff. The Board, which is chaired by the Cabinet Member for Education and Lifelong Learning, oversees and evaluates the Council's education improvement agenda, working closely with our partners to proactively find solutions to improve standards within Cardiff's schools. Links are also being established with Challenge Areas in England as part of the Board's leading role in examining, sharing and promoting best practice in school improvement.

The Board's work is also being integrated with the existing Cardiff Partnership arrangements and linking to the work of the Cardiff Business Council. In addition to work being undertaken as part of the city's commitment to creating jobs and growth through education and skills development, we are also working in partnership with the city's universities on specific education related research projects such as the work with Cardiff Metropolitan University on the impact of iPads on teaching and learning.

Crucially, we recognise the value of the contribution that head teacher, university, FE college and business community representatives can make to this priority area, which is why they have been appointed as board members. The Education Development Board is taking a strategic lead in the producing the new Education Development Plan, as well as evaluating the impact of improvement actions and advising on the changes that need to be made by the Council.

Supporting vulnerable adults, children and young people in times of austerity

The Peer Review highlighted the necessity of putting in place new ways of working. As part of our commitment to explore increased collaboration opportunities with the Vale of Glamorgan Council and other local authorities, we have already taken the decision to establish a joint Cardiff and Vale of Glamorgan Local Safeguarding Children Board, which has commenced work. Work is ongoing to develop a business plan and performance management arrangements for the new Joint Board in advance of the 2014/15 financial year which can support self-evaluation. This new collaborative framework will improve consistency, standards and outcomes in relation to multi-agency safeguarding practice; enhance the scope for critical peer review in relation to safeguarding practice and derive efficiencies from better sharing of resources. Work is also ongoing to further develop a whole council safeguarding function by amalgamating existing safeguarding resources within the Education, Adults and Children's Services Directorates under the Director of Social Services. This approach will be subject to a further review over the longer term in light of the future requirements of the Social Services and Wellbeing (Wales) Act and national safeguarding developments.

A long term commissioning group has already been established with the Vale of Glamorgan Council and Cardiff & Vale University Health Board (UHB). Work has commenced on the co-location of teams as part of plans for the creation of integrated health and social care "Community Resource Teams". We are working collaboratively with the Vale of Glamorgan Council and the UHB to undertake a review of hospital based social care services to examine patient pathways and to deliver the refreshed Unified Assessment. Collaborative working with our partners to maximise shared resources will be an essential part of our work to support the future implementation of the requirements of the Social Services and Wellbeing (Wales) Act.

On supporting vulnerable people, we had already commenced the process of developing new models of delivery to support our most vulnerable people in advance of the Peer Review. In light of the financial constraints facing local government, we recognised the need to undertake detailed work on the feasibility of social impact bonds and community interest companies.

In addition to the planned remodelling of services, we already have in place a number of plans and proposals to provide the right levels of support for the most vulnerable people. Timely Service User Reviews within Assessment & Care Management services ensures that the appropriate size of care package is provided to meet need and promote independence. Other Service Commissioning & Strategy reviews will be undertaken with the UHB, as well as with other local authority partners, with the aim of reducing the costs of commissioned services and increasing quality, through a sub-regional collaborative approach to commissioning.

We have had early discussions that are intended to lead into a whole systems review of children to adult services transitions with view to commissioning a programme of integrated services and planning for children and young adults with disabilities. Business change is being supported by a review of existing ICT systems, which will ensure greater emphasis on the needs of customers.

We are also reviewing how we get enhanced performance information from our social care records database; how use of the system can be more intuitive and where we plan to get improved performance information, which can enable the Council to develop intelligence data about the health and social care economy that is fit for effective commissioning strategies. Plans to commence a market testing exercise to inform the future commissioning of services are currently being scoped across the full range of adult care services.

Improving management capacity and organisational culture

In July 2013, the management capacity that the Peer Review could identify was described by them as a “void”. This justified and underlined the importance of our previous decision in October 2012 to recruit a new senior management team, which would provide the management capacity and experience to respond positively to the challenges faced by the organisation. The new senior management structure is wholly funded by the consequential reduction in spend on external consultants and so is not costing the Council extra money. The team of new Directors were in place by mid September 2013 and we have also appointed a new Chief Executive who is expected to start work by the end of this calendar year. Recruitment of the new Assistant Directors has also commenced in order to provide much needed additional management capacity in the critical areas of Education and Social Services. Recruitment to any other Assistant Director posts has had to be justified through a business case that can demonstrate savings.

Work is underway to fundamentally review workforce planning to ensure that we have the skills and competencies in place within our workforce to deliver future service requirements. We recognise that the development and implementation of a new corporate approach to workforce planning, supported by appropriate guidance and a technological solution, must form an essential part of service business plans. The Council’s establishment list is integral to informing workforce planning and projecting the impact of the proposed reductions in future staff numbers which form part of the Medium Term Financial Plan. This information will also be used to inform individual directorate service plans and identify strategies to deliver the skills and competencies required by the Council’s workforce in the future.

The services provided by Human Resources to the wider organisation are fundamental to supporting improved workforce planning and organisational change. We have already introduced a new Attendance and Wellbeing Policy from 1 July 2013 and enhanced support is being provided to managers, including those in schools, to enable them to tackle sickness management issues. As part of the 2014/15 budget process, monitoring reports on agency spend are being provided to directorates on a monthly basis. A realignment of resources has also been undertaken within Human Resources to increase capacity to support workforce planning and organisational change. Monthly Business Change consultation meetings with the Trade Unions are already in place and will be complemented by using the fortnightly Trade Union Senior Negotiating Group as an additional budget forum. Following agreement at Works Council in September 2013, we will continue to develop the statutory Trade Union – Union Learning Representative role to support staff impacted by organisational changes.

We will reconfirm our corporate objectives as part of a revised service planning process and will continue to ensure that links are made to corporate objectives at directorate, team and individual level. Senior managers are reiterating the need for a culture of compliance to ensure mandatory completion of the Council’s Personal Performance and Development Review (PPDR) process, supported by updated guidance and robust monitoring. The development of effective links with the Corporate Plan and a Corporate Workforce Plan at the objective setting stage of the development requirement of PPDRs will be critical to delivering the skill sets needed for future service delivery and business needs.

We have previously requested a review of the Constitution, led by the Council’s Constitution Committee and the Monitoring Officer, which is ongoing. This includes a review of existing member and officer decision making and Scheme of Delegations in order to improve transparency and accountability. The Council’s Constitution Committee agreed the terms of reference for this work in September 2013.

Ensuring a 'One Council' approach to the provision of customer focused services and the development of alternative models of service delivery

The Council has made significant progress in developing a new 'One Council' approach to customer focused service delivery based on a 3-year implementation plan encompassing all Council services, which aims to reduce duplication, realise financial savings and provide residents and businesses with more and better ways to contact and interact with the organisation. A new Customer Management Communication Strategy is required to support this approach, which will provide the framework to drive business improvements and efficiencies by reducing the hand offs between customers requesting service and the delivery of the service. It will also simplify the internal communications between service areas on matters of service delivery to customers.

Modernising the Council's customer services and the ways in which people can contact and engage with us is integral to the delivery of modern public services. It will also help us to save money and provide residents with more, better ways to interact with the Council. A key measurement will be the reduction of expenditure per customer contact or transaction whilst maintaining or enhancing satisfaction with the service.

Appropriate technology is being examined which can assist the mobilisation of the Council's workforce in order to enable work to be performed in the locality with the minimum of administrative overheads, supported by an associated roadmap for future delivery. This will trigger business process re-designs in order to create a flexible, locality based workforce. We have recognised a single financial assessment solution as part of the "One Council" way forward. Underpinning technology is being developed and it is recognised that the alignment of these business processes across the Council will yield savings.

We have already invited a member of the Peer Review team to provide ongoing expertise in relation to work being undertaken by the Council to examine potential alternative models of service delivery, in addition to ongoing work by the Social Care Task Force and the task and finish exercise being undertaken by the Economy and Culture Scrutiny Committee to consider models for the management of leisure centres, play centres and arts venues which will inform budget options in future years. We are also currently reviewing the Council's Community Asset Transfer strategy.

A full and comprehensive programme of service reviews is also required which can identify areas for service and financial efficiency improvements and inform future service plans and effective workforce planning. This will include exploring the trading of Cardiff's services and considering new ways of delivering services through third parties or sharing back office functions.

As part of our commitment to exploring opportunities for regional and local collaboration, we are continuing to work with local authorities, the health service, police, third sector and businesses on various projects – for example, Prosiect Gwyrdd, social care provision, regional regulatory services, collective energy buying, the regional education consortium, drugs and alcohol services, the Olympic legacy and major sporting events.

Improving business processes and establishing clear alignment between service and financial performance

Cabinet Members are already working with the new Directors to respond to in-year financial pressures and to develop budget proposals for 2014/15 in the context of the significant financial challenges facing the Council over the next three years, which includes consideration of new models of service delivery.

We are reviewing the current budget cycle to embed a multi-year approach. An additional Budget Strategy report is to be considered by the Cabinet in November following the provisional settlement from Welsh Government. The report will consider again the Medium Term Financial Plan, the adequacy of savings targets and potentially indicate where early budgetary decisions may be necessary for 2014/15 and beyond. It is recognised that some budget proposals may need Cabinet decisions early in the budget process to enable the full quantum of savings to be achieved as soon as possible. In-year Action Plans for directorates with significant overspends will continue to be reviewed monthly by the relevant Cabinet Member and the Cabinet Member for Finance & Economic Development.

We have made clear our intention to review and refresh the purpose and content of the Corporate Plan to ensure that it demonstrates and articulates the key priorities of the Council and is supported by robust performance measures and targets. We are currently reviewing the methodology of monitoring and reporting of future performance to ensure that there is a clearer alignment between service and financial performance and that accountabilities for delivery are clear and understood. Any new performance reporting framework needs to be based on best practice and include improvements in the areas of:

- Performance reporting
- Evaluation
- Representing a balanced picture of performance including financial
- Aspects of delivering the Council's priorities
- Challenging internally set targets

Internal 'challenge' sessions led by relevant Cabinet Members are being introduced to ensure that performance indicators and targets contained within service plans are robust, challenging and take account of reducing resources. For example, in Health & Social Care, team outputs are being monitored on a weekly basis (i.e. performance of reviews and achievement of savings targets). We will build on the existing model of portfolio based measures to improve ownership and accountability and ensure that they reflect the challenges and risks facing the Council. We will also introduce Service Reviews where issues are highlighted through the 'challenge' mechanism in order to establish clear actions or options to address these issues.

Officers are currently examining options for the future structure of service area business plans, reflecting best practice to ensure improved linkages to the Council's overall financial strategy and ensure that services are robustly planned, monitored and appropriate decisions made regarding the provision of future service.

Way Forward

As evidenced in our response, considerable progress has already been made by the Authority, which has been given added impetus by the recruitment of new Directors who were all in place by mid September. However, we recognise the need to consider and incorporate our responses to a number of improvement actions, which have been recommended by the Peer Review, alongside the views and recommendations which have been provided previously by other external regulators such as the Wales Audit Office, Estyn and the Care and Social Services Inspectorate for Wales (CSSIW).

As a result, it is our intention to develop a more detailed, outcome-based Delivery Plan that will be integral to our planned refresh of the Corporate Plan, which will be considered by Cabinet and by Council in February 2014. By providing a much broader and more fundamental “roadmap”, the Delivery Plan will consolidate and bring together within a single document the Administration’s plans and activities to support our key priorities and to address the future challenges facing the Authority over the coming years.

November 2013