

**CITY OF CARDIFF COUNCIL
CYNGOR DINAS CAERDYDD**

AUDIT COMMITTEE:

22 MARCH 2016

**WALES AUDIT OFFICE REPORT ON REGIONAL EDUCATION
CONSORTIA (NATIONAL STUDY)**

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 6.1 (c)

Reason for this Report

1. To present to the Audit Committee the Wales Audit Office (WAO) National Report on Regional Education Consortia.

Background

2. The Auditor General for Wales undertakes national studies across a range of functions and activities of local government. The report on Regional Education Consortia is a report published on 3rd June 2015 which seeks to identify not only the current position but some indicators of good practice.
3. As a result of the WAO's work the Auditor General concluded that after an uncertain start, the foundations for regional school improvement services are being established and there are positive signs of progress, but remaining weaknesses are hindering the development of the whole system and the effective governance and financial management of regional consortia

WAO's Comments and Recommendations

R1 To clarify the nature and operation of consortia

4. The WAO found there to be continuing uncertainty about some aspects of the nature of regional consortia and their present and future scope. WAO therefore recommend:
 - The Welsh Government should take full account of the statutory responsibilities of local authorities, and take appropriate legal advice, when considering changes to the roles it expects of local authorities and the regional consortia.
 - The Welsh Government should update the National Model to be less prescriptive on the structure under joint committees or boards whilst maintaining a focus on outcomes.
 - The Welsh Government and local authorities should develop and agree a consistent approach to the role of regional consortia and the

Welsh Government in school improvement interventions so that all parties are clear what they should be involved in and responsible for.

- Local authorities should clarify whether consortia services are jointly provided or are commissioned services (services provided under joint-committee arrangements are jointly provided services and are not commissioned services).

R2 To focus on outcomes through medium-term planning

5. WAO found that the development of effective regional consortia was hindered by a focus on short-term actions and uncertainty about the future of consortia (paragraphs 2.33 to 2.36; 3.16 to 3.17). WAO therefore recommend:

- As any possible local authority re-organisation will not be fully implemented until 2020, the Welsh Government and regional consortia should develop three-year plans for the further development, scope, and funding of regional consortia linked to appropriate strategic objectives.

R3 To develop more collaborative relationships for the school improvement system

6. The development of the National Model for Regional Working involved many school improvement partners but WAO found that this had not led to the development of sufficiently collaborative relationships (paragraphs 2.25 to 2.32). WAO therefore recommend:

- The Welsh Government should develop the present 'Review and Challenge' approach (where the Welsh Government hold regional consortia to account) to establish a more collaborative but robust comprehensive 'system review' approach in which all partners in the system share progress, challenges and issues openly.
- Regional consortia should develop improved arrangements for sharing practice and supporting efficiency (for example, one consortium could take the lead on tackling an issue or have functional responsibility for the development of a policy).
- The Welsh Government, local authorities and regional consortia should recognise the interdependency of all partners fulfilling their school improvement roles and agree an approach to information sharing and consultation about developments related to school improvement; developing collaborative relationships of shared accountability; and undertaking system wide reviews, and an alignment of the understanding and position of regional consortia across all Welsh Government relevant strategies.

R4 To build effective leadership and attract top talent

7. Regional consortia, local authorities and the Welsh Government have all found difficulties in recruiting to senior leadership for education and WAO

found there had been limited action to address this (paragraphs 2.37 to 2.40). WAO therefore recommend:

- The Welsh Government should work with local authority leaders to improve capacity and capability in the system to support strategic development and effective governance.
- The Welsh Government and local authorities should collaborate to improve the attractiveness of education leadership roles to attract the most talented leaders for the school improvement system.
- Local authorities should collaborate to support the professional development of senior leaders and to ensure appropriate performance management arrangements are in place for senior leaders.

R5 To improve the effectiveness of governance and management of regional consortia

8. Whilst continuing progress is being made, WAO found that regional consortia have not yet developed fully effective governance and financial management arrangements (paragraphs 3.2 to 3.36). WAO therefore recommend that local authorities and their regional consortia should:

- improve their use of self-evaluation of their performance and governance arrangements and use this to support business planning and their annual reviews of governance to inform their annual governance statements
- improve performance management including better business planning, use of clear and measurable performance measures, and the assessment of value for money
- make strategic risk management an integral part of their management arrangements and report regularly at joint committee or board level
- develop their financial management arrangements to ensure that budgeting, financial monitoring and reporting cover all relevant income and expenditure, including grants funding spent through local authorities
- develop joint scrutiny arrangements of the overall consortia as well as scrutiny of performance by individual authorities, which may involve establishment of a joint scrutiny committee or co-ordinated work by local authority scrutiny committees
- ensure the openness and transparency of consortia decision making and arrangements
- recognise and address any potential conflicts of interest; and where staff have more than one employer, regional consortia should ensure lines of accountability are clear and all staff are aware of the roles undertaken

- develop robust communications strategies for engagement with all key stakeholders.

City of Cardiff Council Response

9. The specific recommendations arising from the WAO Report are aimed at all partners within the Consortia. The City of Cardiff Council is a partner within the Central South Education Consortia and the findings and recommendations are aimed at all partners within the Consortia. The Director of Education and his team of officers has been working closely with the Consortia to bring about improvements.

Reason for Report

10. To present the Auditor General's findings and set out the process for providing assurance that the Council is having due regard to the output of regulatory activity

Legal Implications

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

Financial Implications

12. There are no financial implications directly arising from this report

RECOMMENDATIONS

13. To note the work of the Auditor General and identify any issues which the Audit Committee consider relevant to their work programme.

CHRISTINE SALTER
CORPORATE DIRECTOR RESOURCES
18th January 2016

The following appendix is attached

Appendix 1: Wales Audit Office (WAO) Report on Regional Education Consortia