

CYNGOR SIR POWYS COUNTY COUNCIL.

**Cabinet
13 September 2016**

**REPORT AUTHOR: County Councillor Wynne Jones
Portfolio Holder for Performance**

SUBJECT: Tracking of recommendations made by regulators

REPORT FOR: Information / Decision

1. Background

- 1.1 The Organisational development and Partnership Support service improvement plan had agreed an improvement objective to address a potential gap in the council's arrangements to track regulatory recommendations. Completion of the objective has been delayed due to temporary resource issues within the service.
- 1.2 Meanwhile, the Annual Improvement Report 2014/15 issued August 2015 made the following proposal for improvement:

P1 Review its working practices against the recommendations in the Auditor General's 2014-15 Local Government Reports and implement improvements

Consideration should be given to both local reports specifically for Powys County Council and for recommendations made through national studies.

- 1.3 Further to the council's Annual Improvement Report 2015-16 issued June 2016 by the Wales Audit Office, the following statement is noted under the 'Governance' section of the report on page 19:

"The Council has more work to do to provide assurance that its established governance arrangements are robust and that external regulatory reports are fully considered and addressed"

- 1.4 Additional reference is made on page 22 of the report:

"The Council has more work to do to provide assurance that external regulatory reports are fully considered and action taken in response to the recommendations, where appropriate"

- 1.5 Whilst the report makes these observations it is also noted that in point 62 (page 22), the report states:

"We have observed examples where the findings and recommendations contained within our reports, and those of other relevant regulators, are properly considered and responded to in the form of action plans subject to Cabinet approval and subsequent scrutiny."

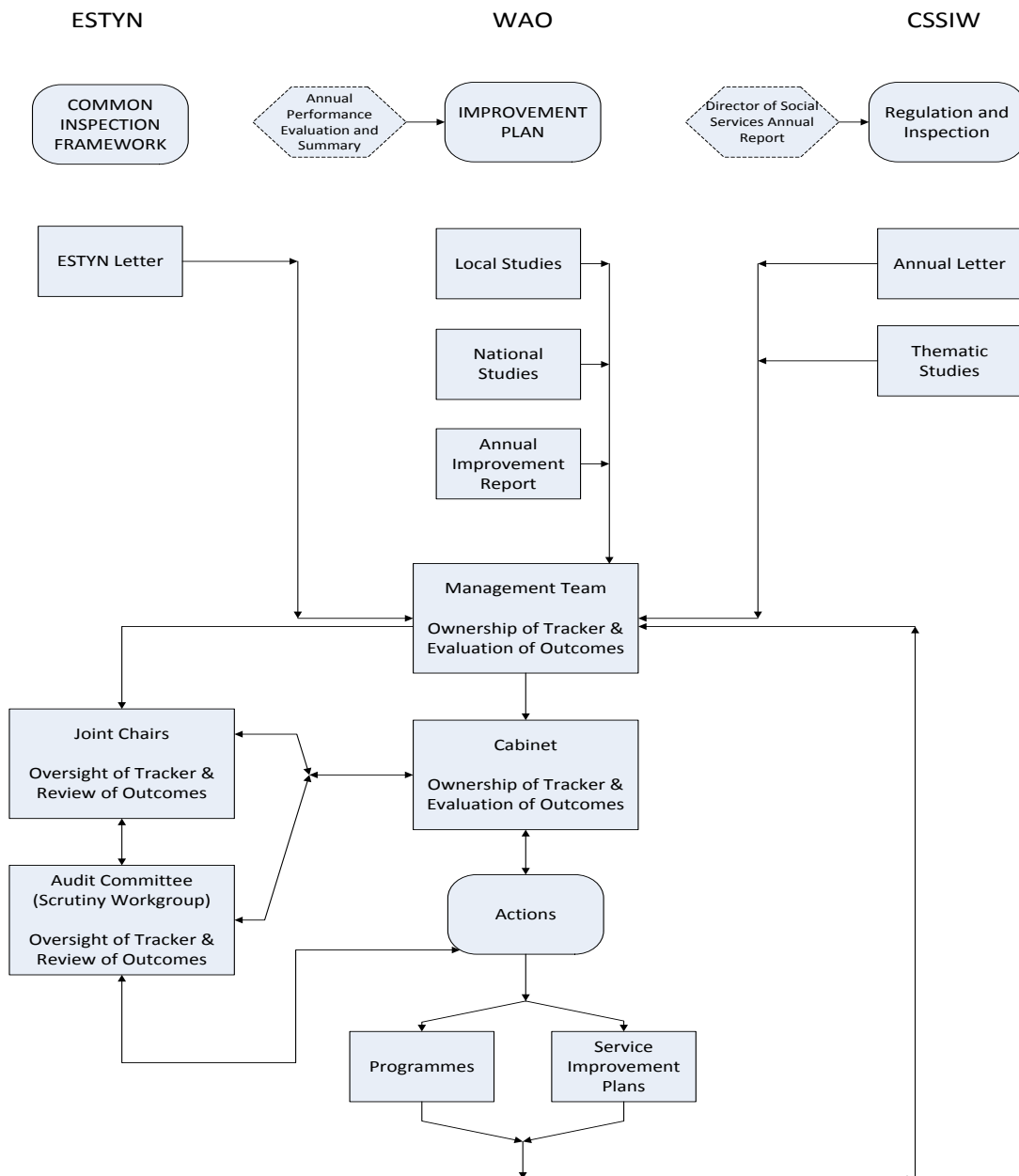
1.6 However, the report notes that such consideration is inconsistent and that there is no process in place to ensure a consistent approach to considering and responding to regulatory recommendations.

2. Suggested approach to tracking recommendations

2.1 As already concluded by the council, the organisation is responding positively to the contents of the report to ensure there is corporate visibility of all recommendations and actions agreed in response where considered appropriate. It is therefore proposed to re-introduce a reviewed tracking process that will ensure that all recommendations are taken through the council’s corporate governance arrangements and acted upon where appropriate.

To ensure that all recommendations are captured please see below figure 1 that shows the intended process flow for recommendations ensuring that they are considered by Management team, Cabinet and Scrutiny:

Fig 1: PCC Regulator Recommendations Tracking Process



- 2.2 It is proposed to track recommendations using an excel spreadsheet, that will provide visibility of when the recommendations come into the authority, who is responsible, when it was seen by management team and cabinet etc. and any agreed actions where appropriate. This tracker will be reported to Strategic Overview Board.
- 2.3 The tracking process will only ensure visibility of recommendations received and provide confirmation on whether improvement actions have been agreed. To ensure that the actual work is carried out it is vital that agreed actions are embedded in Service Improvement Plans or relevant programmes of work under the One Powys Plan. This will ensure their progress is monitored quarterly through the council's governance arrangements. This will enable the tracker to be regularly updated to provide a corporate overview for consideration by Management Team, Cabinet (Strategic Overview Board) and Audit Committee.
- 2.4 As the council's response to regulatory recommendations is aligned to the council's corporate risk management process, it has been agreed that the tracker will be maintained by the Risk and Resilience team as the reporting arrangements into Management Team, Cabinet and Audit Committee are already established.

3. National Studies

Changes in the approach taken by WAO in reviewing the work of local authorities has resulted in a number of national studies being undertaken. The council's annual governance statement has referenced those national studies as follows:

2014/15

- Delivering with Less: The Impact on Environmental Health Services and Citizens (December 2014 - 6 National Recommendations)
- Managing the Impact of Welfare Reform Changes on Social Housing Tenants in Wales (January 2015 - 7 National Recommendations)
- Good Scrutiny? Good Question (May 2014 – 9 Recommendations)
- Young people not in education, employment or training – Findings from a review of councils in Wales (July 2014 – 6 Recommendations)
- Managing early departures across Welsh public bodies (February 2015 – 7 Recommendations)

2015/16

- Achieving improvement in support to schools through regional education consortia – an early view (June 2015 – 5 Recommendations)
- Review of Corporate Safeguarding Arrangements in Welsh Councils (July 2015 – 8 Recommendations)
- Supporting the Independence of Older People: Are Councils Doing Enough? (October 2015 – 6 Recommendations)
- Delivering with less – Leisure Services (December 2015 – 4 Recommendations)
- Financial Resilience Assessment - Powys County Council (March 2016 – Judgement of Medium Risk)

It appears the council's response to these national studies has been variable. The council has not consistently been sighted of the national reports and this issue has been discussed and addressed with WAO for the future.

Generally, there has been a lack of corporate visibility and it is important that the new process is able to accommodate the consideration of these national studies and resulting recommendations, even if the conclusion is that the recommendations are not relevant to Powys. This will demonstrate transparency in the council's approach.

4. Audit Committee

- 4.1 The above committee will have access to the outcomes and the process of monitoring and tracking regulator recommendations alongside its role in monitoring risk management

5. Sustainability and Environmental Issues/Equalities/Crime and Disorder/Welsh Language/Other Policies etc

- 5.1 It has been acknowledged that any response to recommendations will need to give greater consideration to issues of Welsh language and equalities and the potential impact on the well-being of future generations as emerging legislation impacts the council's corporate planning arrangements.

6. Children and Young People's Impact Statement - Safeguarding and Wellbeing

- 6.1 Safeguarding and well-being issues will be addressed where appropriate

7. Local Member(s)

- 7.1 Impact of recommendations must be looked at in relation to impact on local member's dependant on the nature of the recommendation.

8. Other Front Line Services

- 8.1 Impact of recommendations must be looked at in relation to impact on other front line services dependant on the nature of the recommendation.

9. Support Services (Legal, Finance, HR, ICT, BPU)

- 9.1 Impact of recommendations must be looked at in relation to impact on other support services dependant on the nature of the recommendation.

10. Local Service Board/Partnerships/Stakeholders etc

- 10.1 Areas of work coming out of recommendations will involve collaborative activity and have a significant contribution towards delivering the Corporate Improvement Plan. Progress of the appropriate elements will be monitored at the LSB as agreed.

Recommendation:	Reason for Recommendation:
The proposed process and mechanism for tracking recommendations made by regulators is agreed and fully implemented no later than Q2 reporting 2016/17.	To ensure effective evaluation of progress in implementing recommendations from external regulators supported by good practice and simple governance.

Relevant Policy (ies):			
Within Policy:	Y	Within Budget:	Y
Relevant Local Member(s):			
Person(s) To Implement Decision:			
Date By When Decision To Be Implemented:			

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