

PERFORMANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Performance Scrutiny Committee held in Council Chamber, County Hall, Ruthin and by video conference on Thursday, 28 November 2024 at 10.00 am.

PRESENT

Councillors Ellie Chard, Bobby Feeley, Martyn Hogg, Carol Holliday, Alan Hughes, Hugh Irving (Chair), Paul Keddie, Terry Mendies, Gareth Sandilands (Vice-Chair) and Andrea Tomlin

ALSO PRESENT

Lead Member for Finance, Performance and Strategic Assets Councillor Gwyneth Ellis and Deputy Leader and Lead Member for Corporate Strategy, Policy, and Equalities Councillor Julie Matthews.

Corporate Director: Governance and Business (GW), Head of Corporate Support: Performance, Digital and Assets (HVE), Insight, Strategy and Delivery Manager (RL), Planning and Performance Officer (EH), Scrutiny Co-ordinator (RhE), Senior Committee Administrator (Host) (KJ), Committee Administrator (RhTJ)

1 APOLOGIES

None.

2 DECLARATION OF INTERESTS

Councillor Ellie Chard declared a personal interest in business item 6, 'Corporate Plan', in her capacity as a Local Education Authority (LEA) appointed governor on the Governing Body of Ysgol Tir Morfa, to which reference was made within Appendix 1 of the report on this business item.

3 URGENT MATTERS AS AGREED BY THE CHAIR

No items of an urgent nature had been raised with the Chair or the Scrutiny Co-ordinator prior the commencement of the meeting.

4 MINUTES OF THE LAST MEETING

The minutes of the Performance Scrutiny Committee meeting held on 26 September 2024 were submitted. It was:

Resolved: that the minutes of the Performance Scrutiny Committee meeting held on 26 September 2024 be confirmed as a true and accurate record of the proceedings.

Matters arising: Page 6. 'Minutes of the Last Meeting': it was confirmed that four elected members had accepted the recent invitation, extended to all county councillors, to visit the Cefndy Healthcare and Manufacturing facility. All of those who had participated in one of the arranged visits felt it had been a valuable and informative experience. All had been impressed and felt encouraged by the work undertaken there.

5 CORPORATE RISK REGISTER

The Lead Member for Corporate Strategy, Policy, and Equalities alongside the Head of Corporate Support: Performance, Digital and Assets, and the Insight, Strategy and Delivery Manager presented the Corporate Risk Review, September 2024 report (previously circulated).

The report was an update on the September 2024 review of the Corporate Risk Register and the Council's Risk Appetite Statement. It also informed the Committee of the amended risk appetite statement regarding project financing which attempted to reflect the present financial environment. Therefore, it was suggested that it would be appropriate to amend the Council's 'cautious' risk appetite in relation to project financing to 'open'.

The Corporate Risk Register was developed and owned by the Senior Leadership Team (SLT) alongside the Cabinet. It was reviewed twice yearly by the Cabinet at Cabinet Briefing. Following the February and September reviews, the revised register was presented to the Performance Scrutiny Committee and the Governance & Audit Committee. A summary of reviews was shared for information only to both committees ahead of their January and July meetings.

The Council currently had 13 Corporate Risks on the Register. Summaries of the conclusions following the latest review for this period were provided at the start of each risk in Appendix 2. No risks had been de-escalated during this review. However, a new risk, risk 53 (the risk that Transformational Programmes and Major Project benefits are not fully realised), was proposed to be added to the Register. This proposed addition would increase the total number of Corporate Risks on the Register to 14 risks.

Regarding the risk appetite, officers clarified that seven risks, 01, 21, 34, 45, 50, 51 and 52 (54%), were currently inconsistent with the Council's Risk Appetite Statement (appendix 3). Nevertheless, this was expected as the register contained the Council's most serious risks. Officers stated that it was timely for the Authority to review the Council's Risk Appetite Statement (appendix 3), which was last revised in April 2024, as the statement needed to reflect its appetite now reflecting on the key external factors (Political, Economic, Sociological, Technological, Legal and Environmental) that influence an organisation along with internal dynamics and demands. An initial discussion had taken place at the Budget and Transformation Board in July 2024 and at the Corporate Executive Team (CET) in October 2024 to provide feedback on the appropriateness of the Risk Appetite Statement as it stood at that time.

The Committee was also informed that discussions at the Budget and Transformation Board and CET drew particular attention to the Council's cautious risk appetite regarding financial projects. As a result, it was proposed to move this risk appetite to "open" to provide a more appropriate framework to support the organisation's transformation to achieve financial sustainability and creative responses to residents' requirements.

Following the comprehensive introduction by officers, members discussed the following further –

- The committee queried the newly proposed risk, risk 53; Transformational Projects – the timeline for the transformational programmes or major projects to commence, be delivered, and the benefits realised, and when would they be presented to Scrutiny? Officers clarified that any capital projects would need to be discussed with the Capital Scrutiny Group and the Budget and Transformation Board (BAT) before the business cases would be sufficiently developed to be consulted upon with members. Performance Scrutiny Committee has been allocated the committee to consider transformational projects which formed part of the 'Influencing Demand and Digital' Workstream of the Transformation Programme with scrutiny proposal forms completed for scrutiny chairs and vice chairs consideration as business case development progresses and projects go for approval and into delivery. Once transformation projects had been approved their delivery, along with the benefits realised on implementation, would be regularly monitored via a suite of key performance indicators (KPIs). Officers were advised to submit the scrutiny proposal forms early as the Committee's work programme was already nearing capacity for the forthcoming calendar year.
- Whether the Council had been too late in identifying new risk 53 and adding the risks associated with transformation to the Register. Should this have been done earlier? Responding officers clarified that projects had been monitored for risks for a long time as all projects had a project risk register attached to them, these captured the risks at a project level. However, there was now a collective view that a new risk should be included on the Corporate Risk Register in order to highlight the risk posed to the Authority in general in relation to business transformation projects and the need to get them right. Whilst the pace of travel in relation to the projects was currently slow, it was increasing and therefore it was important that the sufficient regard and mitigation measures were put in place to monitor and manage the risks associated with them. National statistics and information would in the near future be used to when assessing and monitoring the risks associated with service transformation projects.
- Members queried whether the Council was too reliant on Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (RIDDOR) statistics when determining Risk 11 relating to 'unexpected or unplanned event occurring'. Should the Council, for example, be using more data and evidence produced by the Emergency Planning Service? Officers confirmed that this needed to be strengthened, but regional, Wales and UK-wide data was used when assessing this particular risk. Officers were due to meet with representatives from the North Wales Counties – Regional Emergency

Planning Service (NWC-REPS) in the near future to discuss risk management in relation to unexpected or unplanned events.

- As risk scores did not seem to change or improve it was queried whether there was a statutory requirement for Scrutiny to consider the Corporate Risk Register on an annual or 6-monthly basis and if the Authority was permitted to compare itself against other local authorities in Wales or the UK? Officers confirmed that the Committee was not required to consider the risk register. However, identification of risks and their management was a key pillar of good governance and covered by legislation. The Governance and Audit Committee (GAC) had a statutory role to perform in ensuring the Council had appropriate risk measures in place, whilst Scrutiny's role was to examine the Authority's performance in managing all identified risks. It was therefore advisable that performance in managing risks was scrutinised on a regular basis as the Register was an integral document which formed a key part of assessing the Authority's corporate health. The objective of scrutinising the Register was to give members and officers assurances that all corporate risks were being effectively monitored. Making the document more visually appealing was difficult as all documents were required to be accessible to allow all citizens to be able to read or receive the information. Officers agreed to explore options for providing comparative data. However, this may be difficult as different authorities had different metrics of scoring risks and KPIs.
- Risk 34 relating to 'insufficient regulated care'— members enquired on whether the Council had confidence that sufficient controls were in place to manage this risk going forward? This risk continued to be a cause of concern. While it was being managed demand for care was continuing to rise whilst resources to provide the level of care required were proving difficult to source. This was a national problem and Scrutiny may wish to examine it in detail, including the costs of employing agency staff, by inviting representatives from Social Services to a future meeting to discuss the matter. With respect of staffing concerns and what steps were being taken to address recruitment and retention problems in Children and Adults' Social Care and other services across the Council, members were advised that the issues of recruitment were a broad issue not unique in Denbighshire. All departments and services were working alongside HR to get a detailed picture of the situation and the matter was due to be discussed thoroughly at March's meeting during the Recruitment, Retention & Workforce Planning item.
- Risk 50 – WG's commitment to eliminate profit from the care of Children Looked After, which could result in an unstable or unsuitable supply of placements and the mitigating actions being taken in an attempt to address this risk. Members were advised that recruitment and effective staff retention in a what was a very competitive market was key. The Committee was reassured that the Head of Children's Service was assessing the matter thoroughly and was studying all the information as it became available. It was difficult to provide definitive answers at present as the matter was continuously changing and developing. The latest information available indicated that both Welsh and UK Governments were currently considering delaying the implementation of the new legislation relating to eliminating profit from this sector until 2030. Members may therefore wish to consider

including the risk as a topic for inclusion on a Scrutiny forward work programme for a future meeting, vis the completion of a Scrutiny proposal form.

At the conclusion of a comprehensive discussion, the Committee:

Resolved: subject to the above observations and the provision of the requested information –

- (i) having considered and discussed the suggested amendments to the Corporate Risk Register as at September 2024, to confirm the amendments made including the inclusion of new risk number 53 as detailed in Appendix 4 to the report;***
- (ii) having regard to the status and risk appetite classifications and descriptions detailed in Appendix 3, along with the answers provided to the questions raised during the meeting, to confirm the appropriateness of the risk owners identified and the effectiveness of the risk controls put in place; and***
- (iii) acknowledging the present financial environment within which public services operated and having taken into account the Budget and Transformation Board (BAT) and the Corporate Executive Team's (CET) rationale with respect of amending the Authority's risk appetite in relation to financial projects, to support the recommendation to amend the risk appetite categorisation for financial projects from 'cautious' to 'open'.***

6 CORPORATE PLAN

The Lead Member for Finance, Performance and Strategic Assets alongside the Head of Corporate Support Service: Performance, Digital and Assets and the Planning and Performance Officer introduced the Corporate Plan Performance Update: April to September 2024 (previously circulated). The report aimed to update the Committee on the Council's performance against its Corporate Plan from April to September 2024, including Strategic Equality objectives and the seven governance areas (corporate planning, financial planning, performance management, risk management, workforce planning, assets, and procurement). Regular performance reporting was part of the Council's values and principles. It was an essential monitoring requirement of the Council's performance management methodology and a statutory duty. Despite the current challenging financial climate within which local government was operating there was some excellent performance in some service areas, and staff were to be congratulated on these achievements in such challenging circumstances. Of course, there were other areas requiring improvement.

The report outlined progress against the Authority's performance objectives. These comprised of the Corporate Plan / Strategic Equality Objectives (which also formed the Council's Well-being Objectives under the Well-being of Future Generations (Wales) Act 2015) and the seven governance areas (as set out in the Local Government and Elections (Wales) Act 2021).

The report also identified indicators or activities that related to Equality Objectives or contributed to the Welsh Language and Culture. The report also contained case studies to exemplify good work. The Strategic Planning Team were continually seeking further opportunities to improve the Performance Management Framework and Performance Update Reports.

Officers emphasised that it was not possible to highlight all significant points of interest included within Appendix 1. However, some positive highlights and areas which had shown improvement during April to September 2024 included:

- Reducing reliance on Bed and Breakfast accommodation to house homeless families; and
- According to the Welsh Government's Social Landlords' Tenant Satisfaction Survey 2024, Denbighshire was the highest-performing stock-holding council in Wales regarding tenants' overall satisfaction with Denbighshire Housing.

Officers stated that three improvement actions had been identified following discussions with services about current performance. The first two demonstrated the correlation between resources, performance, and risk. These were:

- performance relating to the percentage of damaged roads and pavements made safe within the target time (CAT1 - Category 1 defects dealt within timescale), which had fallen short of the 95% target time for some years. The service continued to struggle with meeting the demands of the asset within the limited budgetary and staffing resources available, and a substantive discussion was needed about the prospects of improvement and what continuing poor performance was likely to mean given the expected increased impacts of flooding, landslips and heat risks on road condition and community connectivity.
- Linked to the previous reporting period's improvement action to keep our Corporate Plan commitments and performance expectations under continual review in the future, the next Corporate Plan Tract Review should consider the impact of reducing capacity and ceasing projects such as Llwybrau and how these would impact the Council's ability to deliver the Corporate Plan and outcomes.
- The need to publish details of the engagement network of people and groups with protected characteristics on the Council's website.

Members discussed the following further –

- Concerns were raised that the Council's performance in relation to some indicators and was not improving, or was worse than in previous reporting periods. What were the potential risks and consequences to the Council of not meeting thresholds for excellence and delivering aspects of the Corporate Plan? Officers clarified that the consequence was reputational damage to the Council but more importantly the detrimental impact on residents if performance was to continually deteriorate and priorities were not delivered. It was emphasised that the plan was a long-term plan and that it would take a while for all aspirations to come to fruition. The Plan's delivery was regularly monitored. Officers fully understood members' feelings and

concerns on the matter. However, they highlighted that making comparisons with previous plans delivered by former administrations was not as straight forward as it seemed, as they would not be comparing like with like, as so many elements had changed. The plan aimed to improve well-being. Whilst performance in some areas was considered a 'Priority for Improvement' other areas of performance was good. Officers also explained that the Council had set higher goals and thresholds rather than ones more easily achievable. It was also added that external factors similar to those faced by most local authorities made achieving targets more challenging.

- under the 'Greener Denbighshire' priority, the 'total carbon tonnage emissions' had increased instead of reduced in the last year, how was this being addressed, and would the requirements of the new Procurement Act have implications on performance against this measure in due course? This particular measure is based on a fairly crude methodology set externally, which we hope will become more sophisticated and reliable in time. Officers clarified that the Procurement Act was not expected to have a significant impact on carbon reduction targets. During recent months factors such as the coastal flood defence work had made the greener Denbighshire target harder to achieve along with the poor summer weather impacting on the effectiveness of solar panels in generating energy. However, specific service areas such as Fleet and street lighting were meeting their targets. All local authorities and public sector organisations were currently working together with a view to reducing carbon emissions via the supply chain. The North Wales Construction Framework was good example of how authorities worked together with a view to reducing carbon emissions when procuring construction work. The appointment of a De-Carbonisation Officer to work as part of the Procurement Service would also be key to success in this area.
- Officers confirmed that applying the team Denbighshire approach should in time help improve performance in areas that were currently struggling. No service or area operated in isolation. Applying a collective approach, with staff at all levels taking ownership of performance, would help support the Plan's delivery in the long-term. Management valued staff at all levels and acknowledged that they held the key to success.
- The Lead Member and officers agreed with members' views on the need to get residents more involved with the Council's work. There were a number of working groups currently working on how best to engage and consult with residents on various proposals. Whilst the Council's reputation had been damaged by the problems encountered with the roll-out of the new waste and recycling service, good work was going on throughout the Council and people needed to be more positive rather than negative.
- Regarding the gaps in the data highlighted, they were due to several factors, such as waiting for data from external sources and not receiving data ahead of publication dates. External sources were also experiencing challenges, similar to the council and could not source the data as they had previously.
- Confirmed that work was currently underway on how to improve the performance in relation to the percentage of damaged roads and pavements made safe with a specific focus on the quality of work rather than on a time sensitive target.

- A number of suggestions were put forward on how to make the documents more navigable, reader and user-friendly without compromising its accessibility to all.

Following an in-depth discussion, the Committee:

***Resolved:* subject to the above observations, the provision of the additional information requested, and further work being considered on the format of the Performance Update Report, to acknowledge the Council's progress to date in delivering its Corporate Plan 2022-27 as detailed in the Corporate Plan Performance Update: April to September 2024 report (Appendix 1).**

7 SCRUTINY WORK PROGRAMME

The Scrutiny Co-ordinator introduced the report and appendices (previously circulated) which sought the Committee to review its programme of future work.

There were four items listed for the January meeting. These included progress report on Christ the Word School which had been deferred from the current meeting's agenda as specified in the report. The Scrutiny Co-ordinator was awaiting confirmation whether the Economic & Business Development Strategy would be available for examination at the January meeting. If not, it would be deferred to March's meeting. There were three substantive items for January regardless of the potential deferment.

Members were advised that following the recent meeting of the Scrutiny Chairs and Vice-Chairs Group (SCVCG) no scrutiny requests had been allocated to the Performance Scrutiny Committee. However, the committee would be asked to be the 'parent committee' to formally establish the task and finish group that would review the roll-out of the new waste and recycling service, and in due course to receive its report. A report to formally establish the task and finish group would be presented to the Committee in January 2025. The Committee:

***Resolved:* subject to the inclusion of a report on the establishment and reporting arrangements for the 'Scrutiny Review of the Roll-Out of the New Waste and Recycling Service' on its forward work programme for the January 2025 meeting, to confirm the Committee's programme of future work.**

8 FEEDBACK FROM COMMITTEE REPRESENTATIVES

The Chair and Vice-Chair informed the Committee that they had attended a series of Service-Challenge meetings during November. All these meetings had been extremely informative providing them with a good understanding of each Service's performance in delivering their services on a day-to-day basis, their contribution to the delivery of the Council's Corporate Plan, along with a valuable insight into the budgetary pressures they faced and the consequential impact on service-delivery. An early insight was also given into potential Service transformation projects currently under development, some of which were likely to be presented to Scrutiny for consideration in the near future. The final Service Challenge meeting was scheduled to be held in early December. More detailed notes of the meetings

would be available following the conclusion of the Service Challenge process.
Members:

Resolved: to receive the information.

Meeting concluded at 12.40pm