

**Report To:** Corporate Governance Committee

**Date of Meeting:** July 19<sup>th</sup> 2017

**Lead Member / Officer:** Hugh Evans, Leader

**Report Author:** Alan Smith, Head of Business Improvement & Modernisation

**Title:** **Wales Audit Office Annual Improvement Report 2016-17**

**1. What is the report about?**

The report describes the actions being taken in the Council to respond to the proposals for improvement made by the Wales Audit Office in its 2016-2017 Annual Improvement Report for DCC.

**2. What is the reason for making this report?**

To advise Members that the Council of the WAO report and the actions being taken to respond to it.

**3. What are the Recommendations?**

3.1 That the Council notes the contents of the Annual Improvement Report and the actions planned in response to it, which are outlined in this report.

**4. Report details**

This Annual Improvement Report is a summary of recent audit work by the WAO, including studies on Governance, Information management and the use of resources. No significant recommendations for change have been made, and the report is overall very positive about the Council, but there are six ‘proposals for improvement’, which we should consider. Each of these is listed below, with a brief outline of the action we are taking or propose to take in response.

	<b>Proposal</b>	<b>Council update</b>
<b>P1</b>	<b>Strengthen governance arrangements</b> by: <ul style="list-style-type: none"> <li>consistent, timely monitoring of each significant service change</li> </ul>	Robust arrangements are in place to monitor service change. This will continue to be a lead role for Scrutiny and the Service Challenge process in particular.
<b>P2</b>	<b>Strengthen financial planning arrangements</b> by: <ul style="list-style-type: none"> <li>developing an Income Generation/Charging Policy;</li> </ul>	We will take a report to Cabinet by Autumn 2017 outlining how we propose to strengthen our arrangements in this area.

	<ul style="list-style-type: none"> <li>formally risk rating savings according to achievability and identify sustainable mitigating actions for those classified as high risk.</li> </ul>	<p>We will adopt an improved system of risk rating our efficiency plans in time for the 2018/19 round</p>
<b>P3</b>	<p><b>Strengthen people management arrangements by:</b></p> <ul style="list-style-type: none"> <li>developing an approach to ensure that employees with limited or no access to the intranet can access relevant HR information;</li> <li>ensuring that variations and inconsistency of application of HR policies are avoided for front-line non-office based employees.</li> </ul>	<p>From Sept. 17 the HR intranet will be available to all staff through the internet.</p> <p>We are currently reviewing our flexible working arrangements with a view to increasing consistency of approach across the Council</p>
<b>P4</b>	<p><b>Strengthen asset management arrangements by:</b></p> <ul style="list-style-type: none"> <li>ensuring that actions already underway to modernise corporate asset management arrangements promote more efficient and effective use of the Council's land and property portfolio and reinforce its contribution as a strategic resource</li> </ul>	<p>The Council continues to implement improvements to its asset management processes. The new Asset Management Group arrangements have been implemented and are working effectively. The consultation period on the new Asset Management Strategy ended in May 2017, and the expectation is that the strategy will be adopted in the summer., and in parallel with this a new suite of performance measures are being developed and baselined to inform future property decisions. A new database system - Technology Forge - has been commissioned which will bring together data currently held in a number of systems bringing significant efficiency and operational benefits.</p>
<b>P5</b>	<p><b>Strengthen ICT arrangements by:</b></p> <ul style="list-style-type: none"> <li>ensuring the Council consults its ICT service over all technology purchases for both strategic and routine purchases;</li> <li>ensuring adequate ICT expertise are included in larger scale or higher risk procurements and implementations.</li> </ul>	<p>It is a requirement of the ICT strategy that the ICT service 'signs off' all technology purchases. This is being implemented vigorously</p> <p>The Business partner arrangements in the Service ensure that ICT expertise is available to decision-makers considering investment in this area.</p>

<b>P6</b>	<b>Strengthen Information Management arrangements by:</b> <ul style="list-style-type: none"> <li>• ensuring Information Governance arrangements meet the requirements of international standards and includes representation from across the whole of the Council;</li> <li>• extending the terms of reference for the Information Governance Group to cover business information needs as well as the requirements for compliance;</li> <li>• developing an Information Strategy, linked to other resource strategies, to shape information use and ensure information.</li> </ul>	<p>The Council's current Information Management Strategy is due for renewal. The WAO's recommendation helps to reinforce the need for such a strategy. A new Information Management Strategy will be developed during Quarter 3 of 2017.</p> <p>The EDRMS project has proved to be successful in supporting the Council's shift towards electronic working and creating a paperless environment. The current project is funded until March 2019. The project will continue to work on an agreed forward work schedule.</p> <p>Discussions will need to take place soon to discuss provision for electronic document management post March 2019</p>

**5. How does the decision contribute to the Corporate Priorities?**

The annual Improvement report provides a view of the Council's progress and supports continuous improvement.

**6. What will it cost and how will it affect other services?**

There are no additional costs to the Council arising from this report

**7. What are the main conclusions of the Well-being Impact Assessment?**

A Wellbeing Impact Assessment is not required.

**8. What consultations have been carried out with Scrutiny and others?**

No consultations have been carried out

**9. Chief Finance Officer Statement**

The actions to address the proposals for improvement are set out clearly. There are no significant additional costs associated with the points noted. Although the council's policy on fees and charges is clearly defined and income is reviewed as part of the budget, some enhancements to the wider income generation/charging policy area will be introduced and factored into future financial plans.

**10. What risks are there and is there anything we can do to reduce them?**

Failure to properly consider the contents of the AIR and especially any proposals for improvement, would be a reputational risk to the Council, as well as potentially reducing our prospects for improvement.

**11. Power to make the Decision**

No decision is required.