

Report To: Council, February 28th 2012

Lead Member: Hugh Evans, Leader of the Council.

Report Author: Alan Smith, Head of Business Planning and Performance

Title: Council Response to the Annual Improvement Report

1. What is the report about?

The Council's response to the WAO's Annual Improvement Report.

2. What is the reason for making this report?

To comment on the Council's progress and to inform Members of the actions proposed in response to the 'proposals for improvement' made in the Annual Improvement report.

3. What are the Recommendations?

That the contents are noted.

4. Background

- 4.1. Under the Local Government Measure, the Wales Audit Office produces an annual report (AIR) measuring the Council's progress against its improvement objectives and which brings together the work of other regulatory bodies, in particular ESTYN and CSSIW. The AIR assesses progress and builds on the work of the annual Improvement Assessment work, which assesses the Council's likelihood of improving.
- 4.2. The overall conclusion this year is that the Council is delivering improved outcomes for residents and has made good progress in addressing those areas previously highlighted as needing improvement. The Council has come a long way from 2008 when regulators had serious concerns about the ability of the council to improve. Denbighshire is now one of the highest performing councils in Wales.
- 4.3. For the second year running, Denbighshire has been identified as achieving the best overall performance in Wales across the full set of national indicators. In terms of the vision we set out in 2009, Denbighshire is undoubtedly a 'high performing' Council.
- 4.4. Some of our services are recognised as amongst the best in Wales, for example: Waste collection; Council tax collection and Street Lighting. We are in line to achieve the Welsh Housing Quality Standard for all our Council houses, where many Councils have made little progress. For older people, we've opened two Extra Care Housing schemes in

the last year, and the new re-ablement service is delivering really positive outcomes to help people stay independent in their own community.

4.5. In Education, a weak area in the past, our performance has improved significantly and is mostly in the top quartile for Wales. This has been recognised by ESTYN at the recent inspection and although the outcome of this will not be published until later in the year, informal feedback places Denbighshire as one of the top performing education services in Wales.

4.6. The changes to the structure of the Council during the last twelve months – in particular changes to the roles of the senior management team and to the Scrutiny system – have also been acknowledged by the Wales Audit Office as positively contributing to the improvement of the Council.

5. Recommendations from the Auditor General.

5.1. If the WAO have significant concerns about the progress made by the Council or the direction it is taking, an Annual Improvement report will contain formal recommendations for action. The AIR for Denbighshire does not have any formal recommendations this year (there were none last year either) reflecting the WAO's positive view of the Council's progress.

5.2. This is not to say that we are getting everything right though, inevitably, some things need more work and both last year's and this year's Annual Reports make some proposals for improvement. We have made good progress with all the proposals made in the 2009/10 report and this year the Inspectors have made two further proposals which they feel will help the Council continue to progress. These are:

P1. The Council, in common with other authorities in Wales, should use its annual review of governance arrangements to provide a more robust self-assessment of their effectiveness.

P2. By September 2012 the Council should establish how it will support the Rhyl Going Forward delivery plan including:

- *Showing how it fits with the county regeneration programme*
- *confirming the staff and financial resources that will be available to support delivery; and*
- *arrangements for the periodic evaluation of progress.*

5.3. Response to P1.

The Council has been developing the self assessment element of its performance management systems over recent years, and the current framework is reasonably robust. It includes twice yearly Service self

assessments through the Performance Challenge system, plus an annual overarching corporate self-assessment. This is complemented by discrete work in Social Services and for ESTYN. Increasing the element of critical self analysis in the annual governance review and the resulting annual governance statement has been identified as an opportunity to strengthen this system further.

- 5.4 Accordingly, we will strengthen the self assessment element in the review of effectiveness in the Annual Governance Statement. With the key elements of Corporate Governance now in place, this will increase the emphasis on testing the effectiveness of the Council's arrangements. This work will be completed by May 2012 and will form part of the 2011/12 Annual Governance Statement.

Response to P2

- 5.5. The County Regeneration Strategy is currently in development. However, already the background work analysing economic and social issues across the county demonstrate the significant problems that exist in Rhyl as opposed to other parts of the County. On this basis, it is fully anticipated that the County Regeneration Strategy will recognise and prioritise the need for the regeneration of Rhyl. It will enable "common themes" to be identified and addressed in a more comprehensive manner across the County as well as more focussed consideration of the role of all our towns in the County, and how these roles might compliment rather than compete with each other. The County Regeneration Strategy will have been adopted by September 2012.
- 5.6. A new Programme Manager was brought in to lead the team in January 2011 leading to an increased focus on the work in Rhyl. The team now consists of:
- Programme Manager
 - Principal Officer
 - Senior Project Officer
 - Neighbourhood Management Coordinator
 - Support Officer
 - Project Manager from corporate team for Foryd Harbour
 - Housing Needs Officer from Housing Services to support West Rhyl project

This team will shortly be further enhanced by the addition of the West Rhyl Project Manager who will be responsible for coordinating the delivery of the proposals in West Rhyl.

- 5.7. As part of its commitment to the priority of regeneration, the Council has provided an additional £175,000 per annum to support the regeneration of Rhyl. The Delivery Plan itself contains a mix of committed projects which have funding in place, and aspirational

projects for which funding needs to be identified and secured. That said, already some of the key projects are funded and committed including:

- £10 million for the Foryd Harbour Bridge and harbour development – scheduled to start on site in June 2012;
- £16 million for West Rhyl (£10 m from the Centrally Retained Capital Fund and £6 m from the North Wales Coast Regeneration Area) to enable the delivery of the proposals for West Rhyl – including the creation of the new green space and associated housing refurbishments and new developments;
- £1.3 million to develop a new managed office development in the town centre (former Bee & Station pub)

5.8. The Rhyl Going Forward Neighbourhoods and Places Programme Board has been established. A key element of the Board's work will be to evaluate progress and ascertain whether real change is being delivered. To aid this, we will be developing a range of indicators to measure the impact our activity is having. These will have been developed and agreed by the programme Board by September 2012.

6. How does the decision contribute to the Corporate Priorities?

The proposed actions support the Council's aim to be high performing and our Improvement Objective to Regenerate our Communities.

7. What will it cost and how will it affect other services?

There are no additional resource implications.

8. What consultations have been carried out?

The Head of Internal Audit, Rhyl Going Forward Programme Manager, Head of Planning Regeneration and Regulatory Services and Corporate Director Business Transformation and Regeneration have been consulted on the proposed actions.

9. Chief Finance Officers Statement

The Annual Improvement Report is positive with no recommendations, consequently there are no direct cost implications as a result of this report.

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

There are no risks generated by the actions proposed in the report.