

IMPROVEMENT BOARD

Minutes of the meeting held on 26th January, 2012 (10:00am)

PRESENT: Commissioner Gareth Jones (Chair)

Commissioners Alex Aldridge; Byron Davies; Margaret Foster;
Councillors W.J.Chorlton; K.P.Hughes; T.Lloyd Hughes;
H.Eifion Jones; B.Owen; G.O.Parry, MBE; R.G.Parry, OBE;
Selwyn Williams (as Chair of the Corporate Scrutiny
Committee); Chief Executive; Corporate Director (Housing and
Social Services); Head of Service (Finance); Head of Service
(Policy); Human Resources Service Manager.

IN ATTENDANCE: Acting Head of Service (Economic Development)
Business Planning and Programme Manager
Project Leader (ICT Finance)
Committee Services Manager
Mr.Doug Elliott (WLGA Advisor)
Mr.Gwilym Bury (WAO)

APOLOGIES: Commissioner Mick Giannasi; Councillors O.Glyn Jones, Tom Jones,
Interim S.151 Officer, Head of Service (ICT)

The Chair extended a warm welcome to Mr.Gwilym Bury (Wales Audit Office).

1. DECLARATION OF INTEREST

None to declare

2. APOLOGIES

As above

3. MINUTES

Submitted and confirmed as a true record, the minutes of the meeting of the Improvement Board held on 14th November, 2011.

4. CORPORATE PERFORMANCE SCORECARD

Reported by the Business Planning and Programme Manager upon the 2011/12 Quarter 3 Performance Scorecard for the Commissioners Corporate Governance Priorities together with their RAG status.

Attention was drawn to the statutory Improvement P-rriorities which the Council needed to address every year and the position as regards the realization of the Outcome Agreements

with the Welsh Government. Officers have noted that some of the key measures within those agreements had been too ambitious and would fail this year. Work was now in hand to monitor these agreements on a monthly rather than quarterly basis. This would enable the Council to be in a stronger position as regards its performance and should assist any re-negotiation of the targets for the third year.

Councillor H.E.Jones referred to the Council's Business Priorities and that the Council needed to identify approximately £5m of savings for 2012 -13 over the next 3 months. He was not convinced that the Council had a proper operational plan in place to address this issue.

The Chair in response stated that the Commissioners had put in place a monthly monitoring system so that they and the Members were fully aware of the situation.

Commissioner Byron Davies stated that when Commissioners arrived here last March there was no business like approach and the Council was dealing with information in a pretty poor way. Commissioners had worked with officers to create a more business like approach which was based on evidence gathered information about outcomes and which was now beginning to filter through the culture of management arrangements.

There was also a 3 year Corporate Plan being drafted and the Council was also addressing risk management. The issue of delivery was a big issue in any local authority. What had been put in place now was the fundamentals of measuring that delivery. Commissioners and officers were working with Data Unit Wales and they were going to provide evidence based benchmarking of exactly where this Council was, including failures and successes.

The whole ethos after signing off the 2012-15 Corporate Plan and budget would be to measure that delivery. At the end of the year, the Chief Executive would present an evidence based report which could then be challenged by the Executive and any differing views would be agreed by an independent person appointed by the Council with binding arbitration rights.

Councillor G.O.Parry considered it important to communicate to the general public the reasons why this Council was faced with difficult decisions in determining its budget for 2012-13 and thereafter.

The Chair agreed that the Council needed to communicate the message in a responsible way to the public.

The Improvement Board noted the contents of the report.

5. CHILDREN'S SERVICE IMPROVEMENT PROGRAMME

Reported by the Corporate Director (Housing and Social Services) - That when Officers were preparing their initial plans in this respect, they felt it was an ambitious and challenging plan. Even though one or two of the priorities appeared in orange at the moment, these were small issues that needed to be addressed within the Improvement Programme. The Service was confident that it would meet its objectives by the end of March. Changing any service was a matter of changing the culture within that service. It was all very well noting targets and aspirations but you had to take the staff with you on that journey in order to ensure that they worked in the expected professional manner. He

was proud to say that over the last few months, staff had committed to the Improvement programme.

The Chair mentioned that this was the last presentation the Council would be receiving from the Director as he would be retiring this Friday. The Commissioners and the Council had appreciated his unique and valued contribution to the deliberations of this Authority over the years. Everyone wished him well for a long and healthy retirement.

Commissioner Margaret Foster wished to state that over the last 10 months she and the Director had worked extremely well to address various challenges and she paid tribute to his contribution. He had been exceedingly welcome and open minded and prepared to take on board everything that had come his way and had dealt with them in a very professional and competent manner. She wished him a long and happy retirement.

Councillor K.P.Hughes endorsed the comments made. In the short time he had worked with the Director he had appreciated all his help and support and the way that he had imparted information to him about various aspects of his work. It had been a very difficult period for him really but his contribution and guidance was sincerely appreciated.

The Improvement Board noted the contents of the report.

6. IMPROVE THE CAPACITY, QUALITY AND MANAGEMENT OF CORPORATE SUPPORT SERVICES

(a) Finance

Reported by the Head of Service (Finance) – That the main priority within the service at the moment was to build capacity and some capacity budget had been released in order to ensure the permanent appointment of staff to posts within the Service.

Bids would thereafter be prepared for resources to strengthen the financial team e.g. the accounts closure team. Further work was to be done on project support governance and risk management. Systems support for new financial systems was needed. A third Group Accountant was also required in order to give dedicated support to the relevant Directorates. There would also be a bid for trainees and the training plan strengthened.

A business case had been prepared for new main financial systems costing some £400k. The fixed asset register and accounting system would become live from 9 February and assist in the closure of Accounts for 2011 -12. The Internal Audit team were due to complete a comprehensive system review of the financial systems in February.

Financial reporting was being continued with the aim of quarterly reports in the public domain on financial performance. Work was also being planned to assess accuracy and appropriateness of financial information to services. The Service was also discussing format and content of financial reports to support performance.

Accounts closure was the next big task for the Finance Service. Interim Support had been secured and a draft timetable prepared with a Peer Challenge being undertaken by Torfaen Council in February. New draft procedures had been started and external audit had been requested to present plan / deliverables earlier and to start audit earlier. There was also a need to revisit financial procedure rules; financial responsibilities and expectations; decision making and consultation arrangements and corporate working.

Commissioner Byron Davies congratulated the Officers and welcomed the whole culture of Finance moving forward and to the fact that they were prioritising and addressing mat
(b)ICT

Reported upon the following by the Project Manager (ICT) –

- Capacity and Resource – The migration of departmental ICT staff was underway. Initially, 3 staff had been identified, 2 were in the process of being transferred with the remaining person being transferred next week. These posts would be effective from 1st April. Regarding the transfer of departmental ICT budgets, an accountant had been designated to identify budgets and these budgets would be transferred by 1st April. Bids had been made for additional funding with £50k sought to alleviate short term funding gaps within large scale projects and £150k to enable a PC/Laptop renewals programme to be introduced on a 3 year cycle.(This £150k may decrease in line with departmental budget transfers.)
- Customer Focus – Additional capacity and resource enabled an ICT restructure which would provide a business development and service desk function, the strengthening of Project Management and a focused training programme.
- ICT Governance – This Group was to be reformed in February, would be Chaired in the short term by the Interim S.151 Officer and would at that meeting consider terms of reference, membership and accountability.

The Chief Executive enquired as to whether Officers had factored in some of the factors that were necessary to support projects in terms of management and infrastructure costs etc, especially in relation to some of the externally granted projects?

The Head of Service (Finance) in reply stated that they did have developmental work to undertake on project arrangements and how they fitted in with the corporate plan and business plans. What they were trying to do was to identify the big projects and make sure that any bid for grant included all the additional resources that were required so that those types of costs did not fall back on Services. There were processes and a framework now in place to make sure that this could be improved in the future.

Commissioner Byron Davies stated that good progress was now being made. Centralisation was key as there was previously a lot of fragmentation across the Authority. He was delighted that the Service was working very closely with Welsh Government. There was a roll-out of technology occurring in the Spring as regards higher broadband speeds and Officers had been working to position Anglesey at the forefront of that roll-out.

(c) Human Resources

The Human Resources Service Manager drew attention to the following complement paid by PWC to the Service – *“over the last year there had been a significant amount of activity within the HR function....To this end, the operational actions undertaken have been appropriate and largely on track or completed”*.

These were positive words and a fair recognition of where the Service was at. Although a small team, they were enthusiastic and professional and conscientious. However, at the end of the day there were only 6 members of staff including herself. If they were going to proceed on a strategic basis, then that number needed to increase. She produced figures which showed the ratios between the ideal number of HR staff to Council staff. There were 45 projects on the project plan for HR and by now none were showing red.

Commissioner Byron Davies stated that HR was one of the key areas in this Council and the biggest resource was its staff. The Service had done well on the operational side but there was now a need to move to the strategic development of staff. The budget was going to be difficult and unfortunately the appointment of the 22 additional members of staff was not going to prove possible and resource demands should be balanced by engagement of external resources for now.

Commissioner Davies considered that the Council was now beginning to turn the corner. Subject to agreement today, Commissioners felt that the Improvement Board should in future be re-branded the Anglesey Sustainability Board. This had been an excellent and constructive meeting today. Commissioners were meeting with the Minister next Wednesday and they were hoping that the Minister could make a public statement to this effect soon.

Councillor W.J.Chorlton welcomed the suggestion put forward by the Commissioners.

The Improvement Board noted the contents of the reports by the respective Officers.

7. THE ECONOMIC VISION FOR THE FUTURE

Reported by the Acting Head of Economic Development – That it was important to acknowledge that Anglesey was in a period of transformation from the perspective of the economy, the standard of living on the Island and employment. Enterprise Island was the focal point in bringing a lot of work programmes together. It was also important to refer to the Programme for Government which existed within the Welsh Government and also the collaboration work that was being done between the 6 local authorities in North Wales in the area of economic development. There was a draft strategy entitled ‘*Economic Ambitions – A Strategy for Change*’ being developed by those Authorities which outlined the shared agenda, shared outcomes and the further collaboration required.

This Authority needed to respond to that on a local level, and the draft structure before today’s meeting proposed an organizational structure for Anglesey. The main foundations of the strategy would be energy matters which were driven through the Energy Island Programme; tourism issues driven forward through the destination management planning programme; the regeneration and investment programme in infrastructure and people and skills.

The Programme Management Office was essential to improve the planning, delivery and standardisation of all processes and methods associated with Enterprise Island activities. Under that were the work streams where the work happened, where money was spent and where Officers delivered projects to support the economy directly and indirectly.

Commissioner Byron Davies mentioned that he and the Chief Executive and the Director of Environment and Technical Services had attended a meeting at the Welsh Government last Friday and both Officers had presented Anglesey’s position very effectively. The highest civil servants in Wales were pleased to hear about the openness and the way matters were being discussed. What was apparent, were the issues that were going to affect this Island over the next 10 years in terms of Wylfa and other matters. The scale of the projects envisaged was equivalent to more than the Olympic Games delivery in London. That was massive and Anglesey had to make sure that it was not swamped by such a development.

Since the Olympic Games project was delivering on an UK basis, Anglesey wanted the same consideration to be given as the London Boroughs had received. That was a handle for Welsh Government to say to the UK Government that if the decision was taken for Horizon to move ahead in the Spring, how were the Government going to put in the capacity, the capability and funding to make it an experience that was good not only for Anglesey but the UK, but was also capable of being delivered in terms of sustainable development for the Island.

The Chief Executive stated that the enormity of what was beginning to happen on Anglesey was beginning to dawn on the officers of the Welsh Government. This Council was asking them to structure themselves so as to provide the professional support required to make it work. This was a once only window of opportunity and at the end of the day this was going to be the most far reaching and significant development for North Wales. The project would help Anglesey address employment issues, achieve economic prosperity, generate wealth, create opportunities for children and young people and stem the flow of young families leaving the Island to look for work.

Commissioner Alex Aldridge stated that this Council now needed to take control of its destiny and by so doing create something different. He welcomed collaboration with Flintshire Council as they already had an Enterprise status and he wanted adjacent authorities to be part of that. More importantly, he wanted Members and Officers to lead on this massive new initiative and put Anglesey back on the map. He was aware of a new fund entitled "*Connect Europe*" which by 2013/14 was going to be with a minimum budget of €50b rising to a €170b and with the potential for this Authority to tap into it. This was structural money which touched on schools, roads and the environment.

It was important therefore to create links with the Welsh Government who would be able to tap into this funding. He believed that the 12 month election delay was an ideal opportunity for elected members to shape the future of the Island that they passionately represented.

Councillor Bryan Owen thanked the Officer for his report and the Commissioners for their vision. From the nightmare of intervention two years ago this Council had moved ahead and were now in a position to create a more stable Council who could regenerate the Island.

Councillor Bob Parry considered it vital that the public should be kept fully informed of the developments proposed on Anglesey.

The Chair considered it important that the Enterprise Zone should be developed within schools, make sure that young people knew what that meant and what opportunities would be available to them. This concept must be embedded and must develop from the roots up within our educational establishments.

The meeting concluded at 11:55 am

**COMMISSIONER GARETH JONES
CHAIR**