

SUSTAINABILITY BOARD

Minutes of the meeting held on 1st October, 2012, (11:00am)

- PRESENT:** Commissioner Mick Giannasi (Chair)
- Councillors W.J.Chorlton; K.P.Hughes; T.Lloyd Hughes; Bryan Owen; Bob Parry,OBE; G.O.Parry,MBE; Tom Jones (as Chair of the Audit Committee);Selwyn Williams (as Chair of the Corporate Scrutiny Committee); Chief Executive; Deputy Chief Executive; Director of Community; Director of Sustainable Development; Director of Lifelong Learning.
- IN ATTENDANCE:** Head of Service (Policy)
Head of Service (Finance)
Head of Service (Audit)
Head of Service (Children's Services)
Risk and Insurance Manager (JJ)
Committee Services Manager
- ALSO PRESENT:** Messrs. Andy Bruce and Huw Lloyd Jones (Wales Audit Office)
- APOLOGIES:** Commissioners Byron Davies and Alex Aldridge
Councillor O.Glyn Jones

Commissioner Mick Giannasi provided a presentation on the Phase Two Transition of the Intervention and paid particular reference to the following matters:-

- Providing some context to the meeting of the Improvement and Sustainability Board;
- Summarising the effect of the Ministerial Direction which was issued on 24th September, 2012;
- Explaining the role which the 'slimmed down' Commissioners would be adopting in future;
- Outlining the way in which the next phase of the Intervention (Phase Two – Improvement and Sustainability) would develop;
- Providing some insight into the emerging thinking about the Phase Two governance model;
- Explaining the role and function of the Commissioners Improvement and Sustainability Board going forward.

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 Sustainability Board held on 16th July, 2012.

4. RECRUITMENT AND RETENTION OF STAFF AT SOCIAL SERVICES

Reported by the Director of Community – That Children Services in Anglesey had been the subject of detailed scrutiny throughout 2011- 2012 with concerns about the capacity and quality of services being the focus of CSSIW inspection and review. A response had been developed with two distinct phases in mind. The first had been to stabilise the services along with a rigorous focus upon performance and the injection of a sense of pace and ambition to succeed. The second had been to improve quality and bring about transformation to create a service fit for purpose over the next decade.

Improving performance had in no small part been due to the way the Department had been able to procure experienced agency support to complement its own staff. However, if agency staff were replaced one for one with inexperienced newly qualified staff, this would create a serious imbalance and weakness in child protection assessment in particular. It was a similar position with regard to management, particularly at service manager level. Details of the number and costs of Agency staff employed were detailed at Para 2.1 of the report.

Clearly, there were a number of challenges for the Council in meeting its corporate obligation to ensure that it provided a skilled and competent workforce for its Children's Services. Officers had worked hard during the year to tackle the workforce challenges recognised within the service and to provide a range of training and development opportunities for staff. The Recruitment and Retention Strategy placed the Department in a potentially positive position in taking forward many of these issues.

The risks to the organization of not having in place sufficiently qualified and skilled social workers for children services could not be underestimated. The proposal (for one additional Senior Practitioner and two additional Social Workers) required funding over and above the service budget of £121,000 p.a. These posts alongside the establishment posts, were however intended to lead to a no agency worker situation in the Service. By replacing agency staff with Mon employees, this would lead to a cost saving of approximately £150k for the next full financial year (without Agency workers). The proposed additions would also support significant longer term gains in improved efficiencies, more stable workforce and improved morale, all contributing to improved performance and delivery.

Whilst significant improvements had been secured, this would not be sustainable without the workforce issues being satisfactorily addressed, and these impacted upon sustainability, quality of service provision and projected workforce expenditure, all of which would need to be carefully managed, monitored and reported upon. It was recognised that this would mean continued pressure on the workforce budget. Nevertheless it would contribute significantly to the Council's approach to risk management with reference to service outcomes, performance management and longer term cost avoidance.

The Sustainability Board resolved to note the contents of the report and subject to there being a satisfactory discussion at the SLT of the Business Case and means of funding,

agreed in principle to the appointment for a time limited period of up to 2 years, of a further two social workers and one senior practitioner (this to enable on-going training support with a view to ultimately reducing significantly the amount of agency work) .

5. CORPORATE RISK REGISTER (INCLUSIVE OF STRATEGY AND WORKING GUIDELINES)

Reported by the Interim Head of Function (Resources) and S.151 Officer – That the Audit Committee on 24 July, 2012 resolved that an update on the risk register be presented at its next meeting.

As part of this update, a review of the draft Corporate Risk Register, the Risk Management Strategy and associated Guidance had been undertaken with a view to presenting an agreed draft of all three documents to the Audit Committee on 25 September 2012 for it to recommend adoption of the strategy and guidance by the next Executive meeting.

The Risk Management Strategy included a recommendation that a Risk Management Group be introduced which would be responsible in the future for ensuring that the Risk Management Framework was implemented and kept under review on an ongoing basis. This Group would be responsible for helping to identify new and emerging risks and for assessing and scoring these in line with the Risk Management Strategy requirements. The Group would also have responsibility for regularly reviewing and updating the Corporate Risk Register following review of the service risk registers.

Following adoption of the Risk Management Strategy and Guidance by the Executive the Authority would have a functioning Risk Management Framework for the identification, evaluation, mitigation and reporting on corporate risks.

The Sustainability Board:-

- Noted the contents of the report and the progress contained therein;*
- Noted that it would be the responsibility of the Leader of the Council to approve the statement of internal control approving the public disclosure of the annual assurance statement and publishing it in the Annual Statement of Accounts.*

6. IMPROVEMENT ASSESSMENT LETTER – AUDITOR GENERAL FOR WALES

Mr. Huw Lloyd Jones presented the Improvement Assessment letter dated 24th September by the Auditor General for Wales which reported upon the audit and assessment work undertaken as to whether this Council had discharged its duties and had met the requirements of the Local Government (Wales) Measure 2009.

The letter could be summarised as follows:-

- The Council had discharged its improvement planning duties under the Measure and had acted in accordance with Welsh Government guidance;*
- Based on, and limited to, work carried out to date by the Wales Audit Office and relevant regulators, it was believed that the Council was likely to comply with the requirement to make arrangements to secure continuous improvement during this financial year;*

- *The Council was making good progress in addressing the Commissioners' 10 Corporate Governance improvement themes;*
- *The Council's clarity of direction was improving and there had been reasonable progress in addressing the proposals for improvement identified in the last Annual Improvement Report;*
- *Though not yet complete, the restructuring of senior management added significantly to the Council's capacity and its capability to deliver further improvement in both corporate and service-specific functions;*
- *The Council was dealing more maturely than before with controversial issues and had taken steps to ensure that the improvement was sustainable;*
- *The Council had improved its engagement with the public and was beginning to address democratic renewal;*
- *The Council had responded constructively and responsibly to the recent highly critical inspection of its education services by Estyn and the Wales Audit Office.*

The letter referred to further proposals for improvement/recommendations with regard to the gradual transfer of decision making power from the Commissioners to the shadow Executive and upon re-defining the role of Commissioners so that they now monitored the Council's progress, whilst retaining the power to intervene as necessary. The letter also provided an update to the Wales Audit Office work plan and timetable for delivering the Improvement Assessment work.

WAO would continue to monitor and report on the progress made by the Council in implementing the proposals set out in previous reports and letters.

The Sustainability Board noted and welcomed the contents of the report.

7. QUARTER 1 – CORPORATE PERFORMANCE REPORT

Reported by the Deputy Chief Executive - That in line with the Corporate Planning and Performance Management Framework, this report outlined the progress made in the Council's performance against planned arrangements across key areas of delivery as outlined in the Corporate Business Plan 2012-15.

This report enabled the Council to evaluate progress against its planned arrangements and enable the Corporate Scrutiny Committee to scrutinise and carry out its performance management function. Where performance risks had been identified, mitigating measures had been put in place by Officers.

The report presented the position at the end of Quarter 1 (2012-13) following the 1st round of quarterly performance monitoring arrangements. A separate report was to be tabled at the Corporate Scrutiny Committee on 8th October, 2012 to present the Council's picture of performance against planned arrangements in the Corporate Business Plan during 2011-12.

The details within the report were presented in accordance with the agreed RAG rating formulation so as to give a clear indication of the current state of play with regard to

performance. Appendix 1 to the report provided exceptions information on each key performance area, allowing members and officers to focus on current areas of weakness.

Details of potential overspends within 4 Services, corporate risk budget projected overspend and slippage on the corporate aspects of the savings programme were referred to at Para 4 of the report.

The issues relating to meeting the targets of the Outcome Agreement were a cause for concern, as failure to achieve outcome agreements may result in a loss of grant during 2012-13. Based on 2010-11 performance, achievements against planned arrangements would result in a 75% grant being received. The Sustainability Board were of the opinion that this needed to be tightened up in order to maximize the amount of grant available.

The Sustainability Board noted the contents of the report.

8. CORPORATE SUPPORT TO IDENTIFIED RISKS AND PROJECTS

Reported by the Interim Head of Function (Resources) and S.151 Officer – That during the current financial year, the reports that had been presented to this meeting had highlighted the following main risks within the 2012-13 budget:-

- Integration
- Adult Services Transformation
- Children's Out of County placements
- Parks and Outdoor facilities
- Outsourcing of Beaumaris Leisure Centre
- Slippage on Corporate efficiency savings

A number of these risks had led to specific projects being undertaken and additional corporate support being provided by the Directorates. From the potential overspends identified above, the main activities that had commenced and the support provided were listed at Paras 2 & 3 of the report.

A programme of service reviews had also commenced recently. These would focus on identifying savings and were intended to feed into an Efficiency Strategy for 2013 onwards. Wherever, possible, savings identified would be implemented in the current year.

The SLT recently confirmed that driving efficiency savings and challenging potential overspends would become a priority for them, in order to ensure a real corporate approach at the most senior officer level and that budget holders received appropriate support and challenge. It was envisaged that this programme be shared with the Executive at regular meetings. There would be monthly monitoring of these high risk budgets.

A potential overspend of up to £2.2m was identified in the first quarter budget monitoring report. Part of this could be corrected by actions of budget holders, with the support of Finance and robust management by the SLT. The Finance Service would be identifying options for budget amendments and regularly reviewing projections.

The Sustainability Board noted the contents of the report, endorsed the actions taken and the plans for programme management. It was also noted that the SLT would be regularly reporting back on addressing the potential overspend of £2.2m which had been identified in the first quarter monitoring report.

9. FUTURE MEETINGS

It was noted that the next meeting would be held at 11:00am on Thursday 29th November, 2012.

The meeting concluded at 1:00p.m.

**COMMISSIONER MICK GIANNASI
CHAIR**