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Mr David Waggett
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Date 26 September 2012
Our reference 454A2012
Your reference
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Pages 1 of 16

Dear David

Improvement Assessment

I am required, under the Local Government (Wales) Measure 2009 (the Measure) to report my audit and assessment work in relation to whether Blaenau Gwent County Borough Council has discharged its duties and met the requirements of the Measure.

This letter summarises:

- my views on whether the Council has discharged its statutory duties in respect of improvement planning;
- my views on the Council's compliance with requirements to make arrangements to secure continuous improvement, based on work carried out to date by the Wales Audit Office and relevant regulators, including:
 - the Council's progress on areas for improvement and recommendations identified in my previous assessments;
 - any relevant issues that may have emerged since my last report, including comments on how the Council is addressing financial challenges; and
 - a brief summary of any reports of relevant regulators issued since my last report;
- my further proposals for improvement and/or recommendations; and
- updates to the Wales Audit Office work plan and timetable for delivering my Improvement Assessment work.

I shall update my views during the year and will provide a further letter by the end of November 2012.

The Council has discharged its improvement planning duties under the Measure. However, it should ensure that it acts more in accordance with Welsh Government guidance.

I have reached this conclusion because my audit and assessment work found that the Council's Improvement Objectives and its annual improvement plan, the 'Corporate Improvement Plan 2012-2017 – 2012-13 Stage 1', (the Plan), meet the requirements of the Measure. The Plan includes an explanation of why and how the priorities were chosen and how the Improvement Objectives reflect the key priorities for the Council and focus specifically on areas where there is a need to improve the quality of life for local people.

The basis for selecting each of the improvement objectives is clearly set out and includes feedback from the Council's service users, views of its strategic partners and stakeholders, Welsh Government priorities and local community issues. The Council has undertaken further work on improving how it consults and engages with key stakeholders and in most Improvement Objectives it can be seen that appropriate and relevant engagement has taken place. The Improvement Objectives are based on evidence from past engagement activity, as well as results of the May 2012 public consultation survey. The Council intends to update and strengthen its approach and information when publishing its Stage 2 Corporate Improvement Plan in October 2012 through specific consultation activity on its Improvement Objectives with the recently created Citizens Panel.

Each of the Improvement Objectives includes a series of actions to be delivered in 2012-13. However, the quality of the action plans varies. A number of the actions do not directly link to the Improvement Objectives and consequently contribute little to their achievement. For example, the focus of the objective to maintain and improve the highways network to contribute to a safe and effective transport infrastructure does not include any measures linked to judging the impact of the Council's activity on how it is has improved safety by reporting on a reduction in road traffic accidents or highways injuries/deaths.

The link between the Improvement Objectives and accompanying measures of success, baseline data and targets for improvement are not consistently evidenced. Some links are very clear and show the intended impact of improvement such as the Improvement Objective to reorganise education in the Ebbw Fawr Valley to improve educational standards. Here, the measures of success focus on attainment and it is clear what the end result is. In other Improvement Objectives, the measures for assessing whether anyone is better off are not as detailed or effective. For example, the Improvement Objective to increase and sustain employment opportunities for the citizens of Blaenau Gwent through direct financial support to new and existing businesses. Here the measures of success specifically look at the number and the amount of grants allocated under designated schemes but do not assess how many jobs have been created from this specific activity. Rather it reports on the number of jobs created throughout Blaenau

Gwent. This means that it is not possible to gauge the outcome of the Council's work in delivering the Improvement Objective, or judge whether it is having a positive impact.

The Equality Act 2010 (Statutory Duties)(Wales) Regulations 2011 set out specific requirements for local authorities in Wales. They are required to develop and publish Equality Objectives and a Strategic Equality Plan by 2 April 2012. There is significant alignment between the requirement to produce Equality Objectives and the 'Fairness' element that authorities must pay consideration to in setting improvement objectives under the Measure. The Council published its Strategic Equality Plan in March 2012 which sets its equality priorities. However, we found that the 'Corporate Improvement Plan 2012-2017 – 2012-13 Stage 1' does not include any information showing how the Council has discharged these statutory requirements when setting its Improvement Objectives and the Council needs to ensure it addresses this when reviewing its Objectives in October 2012.

As reported in my Corporate Assessment in November 2011 and based on, and limited to, work carried out to date by the Wales Audit Office and relevant regulators, I continue to hold the view that the Council is unlikely to comply with the requirement to make arrangements to secure continuous improvement during this financial year unless it increases the pace of change and turns its plans into action to secure sustainable improvement and impact

I have reached this conclusion because:

The Council is slowly taking action to address its long-standing cultural, performance and leadership weaknesses, but the pace and scale of change required over the next six months means it is uncertain whether the Council will achieve a sustainable and consistent improvement for citizens in Blaenau Gwent.

In November 2011, the Auditor General issued a Corporate Assessment of the Council's arrangements to secure continuous improvement and concluded that some progress has been made towards making key improvements, but unless inconsistencies and weaknesses in how the Council is run are addressed, it is unlikely that the Council will sustain significant improvement. The overall assessment of the Council's arrangements concluded that the Council is unlikely to comply with its statutory duty and a statutory recommendation was made (the statutory recommendation is set out in Appendix 1). In December 2011 the Council responded to the Auditor General's statutory recommendation within the 30 working days required and this initial Council response was accepted. The Council also submitted an action plan to the Auditor General in March 2012 which set out in greater detail the proposed programme of change which is focused on delivering five broad outcomes.

Between March and July 2012 the Council has continued to refine its action plan as part of its 'Corporate Recovery Programme' (the Programme) and has also developed clearer governance and accountability arrangements through its work with the Welsh Government and Welsh Local Government Association. The Programme has been developed through intensive and regular engagement with members and senior officers across the Council, both prior to and following the local government election in May 2012. The election brought a change to the Council's leadership and administration and is now led by the Labour Group.

The focus of the Programme is to address the long-standing weaknesses in leadership, culture and performance, which have held the Council back from making significant improvements in recent years. The Programme aims to deliver five broad outcomes, underpinned by 27 areas for improvement and 149 individual actions. All of these actions are to be delivered between May 2012 and January 2014, with the bulk to be completed within 2012-13. At June 2012, the Council was reporting 12 of the 149 actions as being complete. All of these were delivered within the Council's target timescale. Many of the actions are inter-related and the collective impact of these actions on improving outcomes and addressing the Council's cultural weaknesses will not be apparent immediately.

A framework to coordinate and manage delivery of the Programme actions is being developed using Ffynnon¹ and further work is being undertaken to ensure services include key actions within their individual service improvement and business plans. The Council is also developing a suite of proxy measures to be able to judge and demonstrate positive impact of its work. The Council is also working hard to establish robust management systems to support delivery of the Programme actions, but these systems are either not yet consistently embedded across the Council or they require further development work to be effective. For example, some service plans and business plans are not drafted and in place, the delivery of some of the Programme tasks are behind target and some data development is needed to be able to report fully on the proxy measures that will be used to judge the impact of improvement resulting from the Programme.

¹Ffynnon is a nationally procured software solution to meet the performance management requirements of Welsh local authorities, fire and rescue services, national park authorities and their partners.

In July 2012, the Council agreed to appoint the Chief Executive on a permanent basis (he had formerly held the position on an interim basis). The Council earlier in 2012 also appointed a Director of Recovery for Education. These appointments, coupled with the commitment that the Members across all political groups have given to work together, and the work planned under the Corporate Recovery Programme, are important steps in addressing the significant challenges the Council faces. However, much of the Council's recent efforts have been taken up with planning for and making preparations to improve. It now needs to put its plans into action and deliver the necessary cultural and organisational change in the next six months to prove that it has turned the corner and capable of delivering continuous improvement in a sustainable way. These are long standing weaknesses that must be addressed quickly and it is important for the Council to demonstrate to its citizens that it is making the changes needed to achieve significant and sustainable improvements.

I have previously reported a number of recommendations and proposals for improvement and also noted some areas where we would undertake further work. Progress on these matters is summarised below and described in more detail in Appendix 1. The Council has accepted all of the areas for improvement we identified in our recent work but there is an inconsistent picture in how well the Council is making progress in responding to our findings. Good progress has been made in some areas, for example, the Council's work on strengthening its scrutiny function and the establishment of a Citizens Panel through the Local Service Board. However, work remains to be done in other areas such as the development of robust outcome measures. Where actions are ongoing, we will continue to monitor and report on the Council's progress in implementing them. Further information about our findings in some of these areas is provided separately in interim updates to the Council where appropriate.

Systems to manage performance information in some services are still not consistent and robust.

Every council needs to have good information and use it well if it is to provide good services and make them even better. The Council has well-established systems for reporting its performance and we have recently audited these systems to assess how effective and reliable these arrangements are. The measures we selected for audit are a mixture of National Strategic Indicators, Public Accountability Measures, Service Improvement Datasets, and local measures developed by the Council. All those audited are measures the Council uses to judge how well it is delivering its improvement objectives and whether it is making a difference for its citizens.

We found that of the 27 measures audited, four had to be qualified and six needed to be corrected due to errors. We will report on the performance of services in our Annual Improvement Report.

Budget management systems continue to work effectively but gaps in the Council's Medium Term Financial Strategy and some challenges in delivering capital projects need to be addressed to support the delivery of future improvements.

The Council adopted its Medium Term Financial Strategy (MTFS) in October 2011. The Strategy identifies the following key priorities for the Council: delivering an Education Transformation Programme; continuing work on the living independently agenda; the regeneration of Blaenau Gwent; environment priorities of waste management and energy efficiency; and financial prudence with the Council living within its means.

The Council has a well-established process for setting its budget and has created a budget working group which challenges the prioritisation of areas for expenditure and the broad areas where savings will need to be made. In setting budgets the Council uses a risk and equality impact assessment for individual savings proposals. Accountability arrangements are clear and there is evidence that the actions identified to reduce spend and create savings and/or improve efficiency are being delivered. Challenge is built into the system with regular reporting of budget performance at the highest level at scrutiny and Council meetings.

In setting the 2012-13 revenue budget of £133.56 million, the Council sought to protect the Welsh Government's priorities of front line social services and schools. However, due to the scale of the financial challenge the Council faces, some contribution had to be made from these areas to the overall savings target. The MTFS identifies future potential cost pressures within services and estimates that the Council will either require additional resources or need to make savings on and reallocate existing revenue spending of between £3.7 million and £5.1 million to address these pressures. It is not clear from the MTFS how detailed and thorough this assessment is and over what timescale these funding pressures will need to be addressed.

The Council has prioritised its capital expenditure for the period 2011-12 to 2013-14 and is seeking to invest £20.7 million. However, this remains well below the amount required to address all of its current investment needs and some capital projects have shortfalls in funding. For example: investment at the Works, which at the time of this assessment had an unfunded shortfall of £1.8 million (within an overall funding package of £166.7 million), which has now been addressed; and completion of the Six Bells Renewal Area where only a third of properties originally included within the renewal area boundaries have been improved despite significant levels of investment. The Council also predicts that its capital budget will reduce by 22 per cent to £4.3 million by 2013-14. Whilst this is significantly below what is needed, the Council has budgeted for this reduction and approved a capital programme of schemes which can be delivered within this anticipated funding limit.

The MTFS does not indicate the detailed measures that the Council needs to apply in order to address these medium term revenue and capital funding pressures. The MTFS has an action plan but this does not show at a detailed level how predicted deficits will be addressed or how service based pressures will be managed going forward. Without this level of detail the Council is unable to clearly identify and plan for how it will address the significant funding challenges it faces over the medium term and may be exposed to increased risk if it remains over-reliant on its current annual budget process. The Council has in recent months begun to address the financial challenges it faces through the creation of new financial planning groups and further work on improving management of its capital programme. We will comment on the impact of this work in future updates.

Whilst there has been high level work undertaken on assessing potential future cost increases, the impact of such changes has not been assessed. There is broad awareness of the factors that will affect the budget in future, such as changing demographics in social care and schools, but no hard quantitative or qualitative evidence has been used to underpin decision making in respect of the budget setting process. There has been limited work on service standards or eligibility criteria, although some areas have been subject to some consideration, for example access to adult services as part of the Gwent Frailty programme. However, in most areas of operation the Council has not determined the level and type of service it wants to provide based on an assessment of statutory and non-statutory requirements or determined service levels based on agreed minimum standards that have already been set.

The Council has undertaken some evaluation of how to deliver better quality services at less cost (or more services for the same level of expenditure) but this has primarily looked at collaborating with other public sector bodies. The outsourcing and collaboration of activity has generally taken place with neighbouring councils – for example integrated social care service with Caerphilly, and the joint adoption service with Monmouthshire and Torfaen. The focus here has been about sharing costs to deliver services more effectively.

Partners are strongly committed to the Gwent Frailty programme vision and have created a sound programme management framework to underpin it. Gwent Frailty is in the early stages of implementation and challenges remain to ensure it is sustainable, to change established behaviours and to demonstrate its impact.

From April 2011 Aneurin Bevan Health Board and Blaenau Gwent, Caerphilly, Monmouth, Newport and Torfaen Councils began implementing an ambitious integrated model of health and social care called the Gwent Frailty Programme (GFP). GFP has legal status

under a Section 33 Partnership agreement² between the Health Board and the five local authorities and is supported by £6.9 million of Invest to Save Funding from the Welsh Government. GFP's aims have significant relevance to the way in which the public sector bodies involved use their resources and are central to the delivery of improvement priorities at all agencies involved.

The Wales Audit Office undertook an initial review of the arrangements for GFP implementation, focused on providing early assurance in relation to governance arrangements and direction of travel towards achieving intended aims and outcomes, rather than an evaluation of success. We concluded that partners are strongly committed to the GFP vision and have created a sound programme management framework to underpin it. The GFP is in the early stages of implementation and challenges remain to ensure it is sustainable, to change established behaviours and to demonstrate its impact.

Project management and governance arrangements for the Six Bells Renewal Area are not comprehensive and have not supported the Council to effectively deliver its intended regeneration of the Six Bells community.

In September 2003 the Council published the Six Bells Neighbourhood Renewal Areas³ (NRA), which sets out its strategic intention to increase confidence in the village by improving the physical fabric of the existing housing stock and removing vacant, derelict and unwanted buildings. Wider community and infrastructure targets were also approved, including improving community links, ensuring a high quality environment and increasing employment opportunities. These objectives were developed into a detailed action plan for Six Bells which was approved by the Welsh Government.

With major investment projects of this nature it is important that clear and appropriate lines of accountability are in place to ensure there is good governance in decision making. The renewal area programme was designed to run for eight years from 2003-04 to 2010-11. In the original action plan the Council identified some £16 million was required to deliver its strategic objectives with up to 400 homes in Six Bells being improved. By 2011, the Council had invested £12.4 million in the renewal area with only 111 homes having been improved and the overall scheme significantly behind schedule.

²A partnership agreement under Section 33 of the National Health Service (Wales) Act 2006 has been established to allow for the integration of health and social care services and the pooling of budgets to deliver the Gwent frailty project.

³Area based renewal schemes enable local authorities to focus activity and investment on areas that combine a need for assistance with the potential for regeneration. Neighbourhood Renewal Areas (NRAs) are consequently not just about improving housing but also the environmental, social and economic conditions which lead to a restoration of confidence in the area. To declare a Renewal Area, councils are required to undertake a detailed NRA assessment and to develop a clear plan for delivery that is adequately resourced and managed.

This has resulted in increasing unhappiness amongst local residents and complaints to the local Member for Parliament, the Public Services Ombudsman for Wales and the Wales Audit Office. In response we conducted a review considering the effectiveness of the project management, resourcing and governance arrangements set up by the Council to oversee and manage delivery of the Six Bells Renewal Area. Our review found that project management and governance arrangements for the Six Bells Renewal Area are not comprehensive and have not supported the Council to effectively deliver the regeneration of the Six Bells community. These conclusions are also consistent with the conclusions of our review of the Works project reported in the autumn of 2011 which found that the reporting and scrutiny of performance was not always comprehensive or effective and highlighted an area where the Council's corporate arrangements need strengthening.

Blaenau Gwent has been active in seeking change and has come a long way in modernising services. The Council is not complacent and recognises there are still a number of areas to develop. It is keen to support citizens' independence but also recognises the constraints small social services directorates face.

A Care and Social Services Inspectorate Wales (CSSIW) inspection of services for children and adults took place in March 2012 and was published in June and focussed on identified areas for improvement in both services, including Blaenau Gwent's approach to modernising services. Whilst the inspection focused primarily on commissioning arrangements for adults and transition services and their development for children, it also commented on the wider management and practice environment and these key findings are of relevance in respect of the Council's corporate arrangements.

The inspection found that the Council had indicated an open minded approach to integration of social services with Caerphilly County Borough Council. Managers and staff recognised the value the integration will bring to further develop services as well as the opportunity to benefit from fresh approaches. Social services have worked towards partnership arrangements with health, education and housing as well as the third sector to meet the needs of local people and deliver best value. The partnership with colleagues in the Aneurin Bevan Health Board has been particularly close, with shared premises and some co-located teams. Social services functions have continued to receive corporate and political support. The small size of the local authority lends itself to good joint working across adult and children's services. The transitions work has demonstrated how well services can work together.

Senior managers in social services reported increasing pressure in managing the volume and complexity of the work within an environment of continuing financial constraint. The inspection also highlighted areas where workers in adult services are hard pressed with little spare capacity to meet rising demand. In order to manage this effectively, commissioning decisions have been made to achieve best value for money whilst improving the outcomes for people who need support through high quality services.

The response to the Estyn inspection and overall progress by the Council has been slow and, whilst the pace and focus of change has increased since January 2012, significant work remains to be done.

Estyn completed a follow-up visit in June 2012 to monitor the progress made by the Council to improve its education services since its inspection of the Local Authority's Education Services for Children and Young People in May 2011. The conclusion of the monitoring visit was that while there have been some improvements in processes, these have been tentative and slow. Progress is very fragile and there has not yet been enough impact on outcomes. Much important work remains to be done by the Council if it is to secure the solid foundations necessary to ensure that its education services and schools meet fully the 2011 inspection's recommendations.

Further proposals for improvement

Some new proposals for improvement are being suggested in this letter. We will continue to monitor and report on the progress made by the Council in implementing the proposals set out in my previous reports and letters.

Proposals for Improvement – Improvement Planning

- P1 Undertake an Equality Impact Assessment in line with the Equality Act 2010 when revising the Forward Facing Plan on the Improvement Objectives and address the conclusions that arise from this exercise.

Proposals for Improvement – Medium Term Financial Planning

- P2 Improve the quality of information used to identify the likely financial impact of increasing demand for services, changing demographics and an assessment of the Council's statutory and non-statutory service provision.
- P3 Revise the Medium Term Financial Strategy to include an action plan showing how the predicted deficits will be addressed and how service based pressures will be managed going forward.
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Proposals for improvement – Six Bells Renewal Area/Project Management

- P4 Address weaknesses in the range and coverage of project reports through the inclusion of:
- across-year budget performance information that shows total project cost, sources of funding, commitments, unallocated monies and funding yet to be secured;
 - project risks and mitigation activity to address these risks; and
 - an assessment of progress against the project action plan targets and actions including individual project milestones.
- P5 Review the current range of project performance data and ensure a comprehensive range of appropriate outcome-focused performance measures are in place for major projects which will allow an assessment of impact and outcomes to be made.
- P6 Regularly report performance on major projects to the Executive and Scrutiny on a quarterly cycle updating performance and progress on project action plans so as to strengthen accountability for the project.
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Updates to the work plan and timetable

My Improvement Assessment Team will keep the Council informed of the detailed arrangements for the delivery of my assessment work. The regularly updated work plan and timetable provides more detail on the work being delivered during this year's assessment and in particular how we will add value by focusing on jointly identified areas or services.

The work plan and timetable take account of my consultation with improvement authorities over my proposals for 2012-13 performance audit work. In particular, I shall be asking my Improvement Assessment Team to consider during the year the reliance that we can place upon the self-assessment processes (including your review of governance in producing the Annual Governance Statement and your Annual Performance Report). I shall comment on this approach in my Annual Improvement Report.

I am grateful to the Council for the way in which it has helped to facilitate our work and hope to see even more effective and efficient arrangements developing over time. I remain committed to providing appropriate levels of public assurance while supporting you in mitigating the inevitable risks to services and accountability that stem from reducing resources and consequential change.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Huw Vaughan Thomas'.

HUW VAUGHAN THOMAS

AUDITOR GENERAL FOR WALES

CC: Carl Sargeant, Minister for Local Government and Communities
Non Jenkins, Regional Manager
Nick Selwyn, Performance Audit Lead

Appendix 1

Statutory recommendations	Progress
<p>1. Develop and agree an action plan which addresses the issues raised in the Corporate Assessment Report, issued in November 2011, in consultation with key stakeholders including the Welsh Local Government Association (WLGA) and the Welsh Government.</p>	<p>The Council through its Corporate Recovery Programme has developed a detailed action plan and put in place governance and accountability arrangements to support its delivery. The Action Plan is in the early stages of delivery and much work remains to be achieved by the Council in the next six months. It is particularly important that the Council sets clear measures to judge the impact of its work and to demonstrate to its citizens that the improvement outcomes it is seeking are being delivered. We will continue to monitor the Council's progress in delivering the Corporate Recovery Programme and will judge the impact of the work in our local work and Annual Improvement Report.</p>
Proposals for improvement	Progress
<p>1. Apply the approach to setting Improvement Objectives focused on achieving improved outcomes for citizens to planning, delivering, monitoring and reporting the full range of the Council's functions and activities.</p>	<p>The Council through its Corporate Recovery Programme has developed a detailed action plan and put in place governance and accountability arrangements to support its delivery. The Action Plan is in the early stages of delivery and much work remains to be achieved by the Council in the next six months. It is particularly important that the Council sets clear measures to judge the impact of its work and to demonstrate to its citizens that the improvement outcomes it is seeking are being delivered. We will continue to monitor the Council's progress in delivering the Corporate Recovery Programme and will judge the impact of the work in our local work and Annual Improvement Report.</p>
<p>2. Evaluate and report on the impact of reduced budgets on frontline services to identify and deal with risks that emerge from disinvestment decisions.</p>	<p>The Council through its Medium Term Financial Strategy (MTFS) is continuing to manage its budgets and address shortfalls and reductions in funding. The impact of these on services is not always available and it is not always clear how increases in service demands and changing demographics are being addressed. Our review of financial information on major projects identified series weaknesses in the quality of information presented to Members to oversee performance and scrutinise performance. For example, our review of the Works project and the Six Bells Renewal Area. There remain significant gaps in how major investment projects are managed and much work remains to be done to improve value for money. We are planning to undertake a service based impact assessment of reduction in budgets and resources and will report our findings in our Improvement Assessment Report. This review will identify and assess the impact of revenue, capital and human resource reductions on services and evaluate whether the Council is continuing to manage to deliver its statutory obligations and improvement objectives effectively.</p>

Proposals for improvement	Progress
<p>3. The Council should continue to address the proposals and actions for improvement identified in previous external audit and regulation reports.</p>	<p>The Council has made progress in addressing the proposals and actions for improvement, and further planned work under the Corporate Recovery Programme will strengthen governance systems and accountability for performance. We will continue to monitor the Council's progress and will judge the impact of the work in our local work and Annual Improvement Report.</p>
<p>4. Improve information on unit costs, activity costs, benchmarks and other financial performance measures to support informed financial decision making.</p>	<p>The Council has undertaken limited work on challenging value for money and improving information on unit costs. Rather, the Council has sought to improve its financial planning and value for money analysis through the publication of its MTFS. Whilst this has allowed the Council to gauge its financial position in the medium term it needs to strengthen its plans for addressing deficits.</p>
<p>5. Develop an approach to challenging the value for money and sustainability of existing patterns and methods of service provision across all services and apply it consistently.</p>	<p>We are planning to undertake a service based impact assessment of reduction in budgets and resources and will report our findings in our Improvement Assessment Report. This review will identify and assess the impact of revenue, capital and human resource reductions on services and evaluate whether the Council is continuing to manage to deliver its statutory obligations and improvement objectives effectively.</p>
<p>6. Continue to improve compliance with the Measure and accompanying guidance, strengthen self-assessment arrangements and improve performance reporting.</p>	<p>The Council has improved how it reports its performance and assesses progress in delivering its key priorities. The Council uses a wide range of information in its self-assessment to judge how well it is performing and is doing further work on developing outcome measures, though it needs to make better use of targets and comparisons and report more fully on its performance.</p> <p>The Council has well-established systems for reporting information and its October 2011 Performance Report captures performance against the National Strategic Indicators where these relate to Improvement Objectives. The Council's Performance Report provides a summary of progress in delivering a range of activities against the Improvement Objectives. However, the narrative on progress and the quality of performance measures used do not always support a conclusion on whether the Council is meeting its Improvement Objectives. The Council is seeking to strengthen its focus on being able to judge impact and outcomes as part of the Corporate Recovery Programme. The Council has also undertaken significant work to strengthen its scrutiny function and has prioritised work to strengthen its governance and accountability function.</p>

Proposals for improvement	Progress
<p>7. Set out how citizens will benefit from the improvements set out in its objectives, and ensure they are achievable in the context of reduced resources.</p>	<p>The Local Service Board has created a citizens panel with over 1,000 members and is working with the panel to ensure that in the development of services the needs of citizens are better captured and addressed. We will judge the impact of the work in our Annual Improvement Report.</p>
<p>8. Develop success measures which are supported by information about how the Council performs now, what its targets are, an analysis of cost and how its performance compares with other councils.</p>	<p>The Council continues to make progress in refining and improving its improvement objectives to ensure it is able to better demonstrate impact and outcomes. In its Corporate Improvement Plan 2012-2017 – 2012-13 Stage 1, the Council's Improvement Objectives are set out under a Results Based Accountability (RBA) model which includes:</p> <ul style="list-style-type: none"> • why we have chosen this objective – information that places the focus of improvement in context; • the story behind the baseline – the factors that in a broader context need to be addressed; • story behind performance – a summary of the impact from activity and the broader context of improvement; and • proposed actions to deliver improvement in 2012-13. <p>Some of the improvement objectives are broad and it is clear what citizens can expect to see improve under the RBA framework. For example under the Improvement Objective <i>Those vulnerable people who need support from social services are enabled to lead independent and fulfilled lives, to remain in their own homes for as long as possible</i> the focus is on delivering the Council's social care strategy - living independently in the 21st century - and the Gwent frailty project.</p> <p>However in others the focus is not clearly aligned. For example, the Improvement Objective to <i>Maintain and improve the highways network to contribute to a safe and effective transport infrastructure</i> has very few meaningful measures to judge impact and demonstrate success. The narrative focuses on highways maintenance and improving the quality of highways. However, the actions are far broader than this and include increasing concessionary bus pass usage and reducing fatalities and injuries arising from highways accidents. The measures of success however do not include any data to judge the impact of these actions. We will continue to monitor how the Council manages performance, in particular in relation to its Improvement Objectives and will report our findings in our Annual Improvement Report.</p>

Proposals for improvement	Progress
9. Identify minimum service standards for all service areas against which performance can be monitored.	The Council, through its work on embedding Results Based Accountability, is seeking to improve the focus of services to citizens and ensure the most appropriate level and response is provided which meets the needs of Blaenau Gwent residents. We are planning to undertake a service based impact assessment of reduction in budgets and resources and will report our findings in our Improvement Assessment Report. This review will identify and assess the impact of revenue, capital and human resource reductions on services and evaluate whether the Council is continuing to manage to deliver its statutory obligations and improvement objectives effectively.