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Pages	1 of 24

Dear Anthony

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 Caerphilly County Borough Council (the 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 and has acted in accordance with Welsh Government guidance

I have reached this conclusion because:

The Council's Improvement Plan (the Plan), now called *Improvement Objectives 2012-2013, Including Summary of Progress 2011-12*, and the eight Improvement Objectives contained therein, meets the requirements of the Measure and the guidance issued by the Welsh Government.

The Plan has been published in both English and Welsh within the timeframe set by the Welsh Government, albeit due to translation issues the Welsh version was published on the Council's website some three weeks after the English version. Both are available in electronic format on the Council's website and hard copies of the bilingual Plan are available upon request. This year's Plan is relatively short and therefore no separate summary has been produced although the Council did publish a summary of the 2012-13 Improvement Objectives in the September publication of its newsletter *Newsline* which helped to make the Improvement Objectives more accessible to those who are not computer literate or do not have web access.

The Council had a change in administration as a result of the May 2012 elections. The Labour party now hold 50 of the 73 seats available. During 2012-13 the new Council will review the current Improvement Objectives, review service delivery and identify specific areas where improvements will benefit those most in need. However, the Council's constitution on its website is significantly out of date and has not been updated since June 2010, although Part 4: Rules of Procedures was updated in June 2011.

The Council has made a lead senior officer responsible for each of its Improvement Objectives. Each year the Council undertakes a detailed assessment of each Improvement Objective to confirm its legitimacy and to determine future objectives, measures and progress. Aspects of these assessments form the basis of its Plan. Other than some minor amendments to wording, the eight Improvement Objectives for 2012-13 remain largely unchanged from the previous year.

The Council confirmed that there was no specific overall consultation completed for this year's Improvement Objectives. However, given that the Improvement Objectives have remained largely unchanged since the previous year, the Council has used existing consultation and engagement mechanisms and results to inform the selection of Improvement Objectives for 2012-13. This includes the specific engagement on last year's Improvement Objectives and consultation within individual service areas. However, the scope of this consultation could be improved. An example of this relates to Improvement Objective 3, 'Sustain the range of Employment Opportunities for residents', where the Council missed the opportunity to consult with agencies and business groups around how best to achieve this specific objective. It is recognised that the recent local

government elections may have impacted on its ability to consult as widely as in previous years but in future years it will be important for the Council to build sufficient time into its arrangements to ensure the range of stakeholders, as defined in the Measure, are consulted effectively (see P1).

The Plan sets out what the Council wants to achieve and what it will do over the next year. Each of the eight Improvement Objectives is broken down into the following eight sections: summary of performance; progress against performance indicators/measures; how much did we do; how well did we do; is anyone better off; what changes we have made for 2012-13; outcomes in 2011-12; and 2012-13, what actions we will take to deliver outcomes.

The Welsh Government's Guidance states that Improvement Objectives should be legitimate, clear, robust, deliverable and demonstrable. Whilst the Council's Plan and its Improvement Objectives do reflect some of these aspects better than others, there are still some areas where improvement could be made. The line of sight between the individual Improvement Objectives and some of the Council's Service Improvement Plans (SIPs) should be made clearer to ensure that the Council can consistently demonstrate that objectives are being achieved. For example, the Learning, Education and Inclusion SIP showed limited connection to the Improvement Objectives whilst the links between the relevant Improvement Objective and the Adult Services SIP were clearer. SIPs do not currently include a formal annual financial assessment of relevant Improvement Objectives to ensure that resources are clearly aligned to priorities. However, Adult Services have identified key risks around financial management and impacts on future budgets and are intending to develop a three-year financial assessment. Such financial assessments, if consistently adopted across the organisation, would further help the Council's financial planning to ensure that its priorities for action, especially in the context of reducing resources, are clearly identified and resources are allocated (see P2).

The Council has updated some of its outcomes and corresponding measures to be more outcome-focused. Its Plan recognises that there is a need to 'develop measurements to better judge the beneficial impact of this work'. Ensuring that Improvement Objectives have robust and clear measures to better judge the benefits to citizens is an area that we have previously stated needs improving and the Council recognises that this issue still remains to be addressed for some Improvement Objectives.

The Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 sets 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.

Whilst the Council undertook an equalities impact assessment for its 2010-11 Improvement Objectives, its Strategic Equalities Plan (SEP) highlights SIPs as the mechanism through which equalities issues are addressed at service level. However, our review found variability between services in having completed these equality impact assessments. For example, the Adult Services SIP contained a detailed equalities assessment, whilst no such assessment had been completed for the Learning, Education and Inclusion SIP or the Planning and Economic Development SIP. If the Council is to demonstrate that all its Improvement Objectives remain relevant, robust and legitimate then equality impact assessments should be undertaken consistently across all services. Work undertaken by the Council's Performance Management Unit had also identified this inconsistency and it is yet to be addressed (see P2).

Monitoring progress and delivery of the Improvement Objectives is primarily managed through detailed action plans containing milestones and targets. The action plans are scrutinised twice a year by Performance Management Scrutiny Panels.

Based on, and limited to, work carried out to date by the Wales Audit Office and relevant regulators, I believe that the Council is likely to comply with the requirement to make arrangements to secure continuous improvement during this financial year but needs to increase the pace of improvement in a number of areas

I have reached this conclusion because:

The Council has made mixed progress against our proposals for improvement and a number still remain to be addressed. The Council's accountability arrangements to manage and deliver the findings of our work need to be strengthened

I have previously reported a number of 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.

A common theme throughout a number of our proposals for improvement has been the need for the Council to ensure a more balanced and robust self-evaluation and reporting of performance, including whether Improvement Objectives have been achieved, by using measures that will enable it to demonstrate the impact that it is having on the lives of its citizens.

Progress against the proposals for improvement has been mixed. Some progress has been made in addressing some proposals for improvement. For example, the Council has taken steps to address our proposal for ensuring that managers are equipped with the skills to be able to hold their staff to account. However, for a number of other proposals for improvement little or no progress has been made, for instance the Council has not yet established minimum service delivery standards for all service areas. We have provided clarification on the nature and scope of the proposals for improvement that we made and will continue to monitor the Council's progress in addressing them (as detailed in Appendix 1).

The Council recognises that it needs to further strengthen its accountability and scrutiny arrangements to better manage, report, and address improvements proposed by regulators and inspectorates. The Council's management arrangements for systematically reporting, monitoring and holding officers to account for addressing proposals for improvement in our reports are not currently consistent or robust. Whilst the Council has ensured that scrutiny committees are a part of its performance management framework, scrutiny and accountability arrangements should be further strengthened as scrutiny should play a key role in ensuring that the governance arrangements for regulators and inspectorate reports are robust. Whilst the Council has an action plan incorporating some of our proposals for improvement, it does not include all of them, but should do so. This makes it difficult for members and officers of the Council, and its citizens and regulators, to assess the progress made. The current incomplete action plan is monitored by the Council's Audit Committee. No action plans were reported in relation to the Annual Improvement Report 2011 or the Corporate Assessment Update Letter August 2011. The Council informed us that in future, Annual Improvement Report action plans will also be reported to Cabinet so that progress can be monitored.

The Council needs to increase the pace with which it addresses our proposals. It will be important for the Council to be able to demonstrate that proposals for improvement are being addressed in its assessment of performance report in October 2012 to ensure that the Council can demonstrate that it has arrangements in place to secure continuous improvement (see P3). The Council fully accepts that it needs to improve the way it manages and reports progress in relation to our proposals for improvement.

The Council has effective arrangements in place to collect, record and monitor performance information

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 reliable these systems 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 the Council overall had effective systems in place to manage performance information. We audited 27 measures; none were qualified and four needed to be corrected due to errors. During our audit of the SCA/001 'the rate of delayed transfers of care for social care reasons per 1,000 population aged 75 or over' indicator, we identified that the Council needs to maintain a consistent method of recording information for the PI and should retain all prime documents to support the value calculated for the year. We will report on the performance of services in our Annual Improvement Report.

Overall the Council has arrangements in place to manage its workforce but strategic workforce planning and succession planning, as well as reporting Human Resource performance could be improved

In 2011 we undertook a review of the Council's Human Resources (HR) and workforce arrangements. Our review focussed on assessing whether the Council has arrangements in place to manage and utilise its workforce. We concluded that, overall the Council has arrangements in place to manage its workforce, although strategic workforce planning and succession planning could be improved. Reporting the performance of the Council's HR function could also be improved and Performance Development Reviews (PDRs)¹ used to strengthen workforce and succession planning.

Our review found that there is a clear vision and plans to change to new models of service delivery that recognise the implications on the workforce and there is consultation between Heads of Service and HR on any restructuring proposals that have workforce implications. The Council has a People Strategy, on which the key principles for people management are based, and a HR Strategy Development Group. Key HR policies are available to all employees on the Council's intranet and changes to policies are communicated to staff via the HR Bulletin or by e-mail. There is good use of technology to support efficient ways of working, appropriate support from Information Technology (IT), and plans in place to introduce a new HR portal. The Council undertakes regular benchmarking of its HR function against comparator authorities which covers a broad range of workforce and HR performance measures. The Council is successfully delivering Single Status² and has ongoing processes to ensure that Single Status has effective ongoing management. There are a number of internal joint forums and working groups to consider HR and staff-related issues, and regular liaison with trade unions.

Strategic workforce planning and succession planning are recognised by the Council as an area of development. Workforce plans are in place for some areas, for example Social Services, but not for others, and this inconsistency is an area for improvement which the Council is aware of. The Council, however, needs to implement an integrated approach to workforce planning to link it with service, financial and workforce targets (see P2, P4 and Appendix 2).

¹ Personal Development Reviews are an assessment of staff to ensure that their personal development needs are identified and a programme is put in place to address them.

² Single Status is the generic term used to describe the process whereby councils have sought to end the historic pay discrimination in local government by reviewing their pay and grading structures to make them equal-pay proofed.

The Council has published its People Strategy and collects a wide range of data and key metrics, including; HR costs, service performance, client satisfaction and delivery of the HR Strategy. However, the information could be reported to Members and senior managers more clearly. It is difficult for these stakeholders to evaluate the performance of HR and progress against the People Strategy's objectives and priorities (see P4 and Appendix 2).

Despite individual training needs being identified through the PDR process, the outputs are not used consistently to 'shape' the training and development of skills and capability to meet existing and future demand for skills (see P4 and Appendix 2).

Also, a clearly documented HR strategy and plan, including the role of line managers, is needed to explain and articulate how HR will support the organisation in the delivery of its People Strategy in the future. This will provide a clear strategic line of sight through the People Strategy to the stated Improvement Objectives of the Council and demonstrate where and how value will be delivered through its approach to workforce planning (P4 and Appendix 2).

To date the Council has responded effectively to the financial challenges it has faced and secured savings in advance of need

To date, the Council has responded effectively to the financial challenges it has faced. In particular, the Council has taken a proactive view in identifying its savings requirements allowing it to plan ahead in a measured way.

The Council first introduced a Medium Term Financial Plan in 2009. This identified a cumulative savings requirement of £25 million by 2014-15. The Council has reported that all but £0.4 million has already been identified. The identified savings requirement for the current financial year (2012-13) was £3.4 million, but the Council had secured £6.8 million of savings in advance of the year, allowing it to plan for a surplus. The Council plans to reinvest its planned surplus for 2012-13 in improving schools infrastructure as a response to developments in 21st Century Schools.

There has been a good level of engagement by members in the medium term financial planning process, including the involvement of the wider membership in workshops run by the Council as well as through regular liaison and input through Cabinet. Other stakeholders have been involved, primarily through engagement in setting Improvement Objectives and in service delivery rather than directly in the setting of budgets. The trade unions were consulted on the budget proposals for 2012-13 and the Council's workforce strategy.

The Council has an established business and improvement planning process that is designed to ensure that service priorities are built up through Service Improvement Plans (SIPs) that feed into the Medium Term Financial Plan. We have previously reported that work on SIPs indicated that there was some variability in their robustness and we make a proposal for the Council to improve this below (see P2).

As part of the Council's agenda to deliver more efficient services, it is actively involved in a number of collaborations. These include; integration of social services with Blaenau Gwent County Borough Council, participation in the Gwent Frailty Programme, collaboration in the Education Attainment Service across the five councils in Gwent, Project Gwyrdd with four neighbouring councils, and Agency staff procurement with Cardiff Council. However, financial efficiencies or improved outcomes to the Council are yet to be demonstrated as many of these collaborations are in the early stages of development or implementation.

We are currently undertaking a more detailed review of certain aspects of the Council's financial planning processes as well as their approach to collaboration, and will report on these in due course.

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 4 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). The GFP has legal status under a Section 33 Partnership agreement³ between the Health Board and the five local authorities and is supported with £6.9 million of Invest to Save Funding from the Welsh Government. The 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.

³ A 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.

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 – consultation

- P1 The Council should ensure that the scope of its consultation activities, in relation to the development of its annual Improvement Objectives, engages the broad range of stakeholders as defined within the Measure and guidance.

Proposals for improvement – service improvement planning

- P2 In order to improve its arrangements for delivering its Improvement Objectives, the Council should strengthen its service planning processes to ensure that:
- all relevant Service Improvement Plans (SIPs) focus on delivering the Council's Improvement Objectives and have clear links to them and include actions that contribute to their delivery;
 - formal annual financial assessments of its Improvement Objectives are included within all relevant SIPs to ensure that resources are clearly aligned to priorities;
 - equality impact assessments are consistently and robustly undertaken for all SIPs when these are being developed; and
 - workforce planning is embedded in service improvement planning and is reflected in all SIPs (see also P4 and Appendix 2).

Proposals for improvement – implementing proposals for improvement

- P3 The Council should consistently report and monitor progress on addressing all regulator and inspectorate proposals for improvement and recommendations, including those contained in our Corporate Assessment Letters, Annual Improvement Report and service-based reviews, to the appropriate committees to enable officers and members alike to monitor, scrutinise, and drive the pace of progress.

Proposals for improvement (Human Resource (HR) Review)

- P4 The Council should address the proposals for improvement made relating to our feedback report on HR (July 2012) (see Appendix 2).
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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 takes 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.

Yn gywir



HUW VAUGHAN THOMAS
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CC: Carl Sargeant, Minister for Local Government and Communities
Non Jenkins, Regional Manager
Jackie Joyce, Performance Audit Lead

Appendix 1

Proposals for improvement	Progress
Preliminary Corporate Assessment, July 2010	
<p>1. Finalise and publish Improvement Objectives, currently in draft, and update the Corporate Improvement Plan (CIP) to clearly set the Council's vision and priorities for the future.</p>	<p>The Council has completed this action Status: Completed. Close down this proposal for improvement.</p>
<p>2. Improve systems to support delivery of corporate priorities by:</p> <ul style="list-style-type: none"> • Making certain that Service Improvement Plans (SIPs) focus on delivering the Council's Corporate Improvement priorities. 	<p>The Council has made some progress towards addressing this proposal. The Council is aware that it remains an issue as a number of SIPs still do not clearly link with the Council's Improvement Objectives. Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> • Ensuring SMART targets are set that are focussed on delivering corporate plan priorities. 	<p>Although most of the performance targets set within this year's Plan (Improvement Objectives 2012-13) are progressive, there are still issues about the reporting of targets and the inclusion of prior years' targets in the summary of performance as they were not included in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>). Status: In progress and proposal remains Open.</p>
<p>3. Improve the management of performance by:</p> <ul style="list-style-type: none"> • Establishing a comprehensive range of indicators to measure improvement that are clearly focussed on operational service management. 	<p>This proposal for improvement has now been superseded by a proposal made in the Annual Improvement Report 2012: 'Improve self-assessment arrangements and performance reporting by including a clear self-evaluation in its Performance Report of whether it has met or is progressing satisfactorily towards each Improvement Objective.' Please see update against Annual Improvement Report 2012 proposal for improvement number 17 below. Status: Superseded by AIR 2012 proposal for improvement 17. Close down this proposal for improvement.</p>

Proposals for improvement	Progress
Preliminary Corporate Assessment, July 2010	
<ul style="list-style-type: none"> Evaluating performance to identify areas and opportunities for improvement. 	<p>The Council undertakes a number of activities, including monthly officer reviews of progress against high level measures, monitoring by Cabinet of the Improvement Plan and Scrutiny reviews of performance data.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Ensuring managers are equipped with the necessary skills to be able to hold their staff to account and address areas of poor performance effectively. 	<p>The Council has made good progress in addressing this proposal for improvement. The Council has implemented a Personal Development Review (PDR) process, introduced a coaching and mentoring programme, launched a new absence policy and provided sickness management training to managers, the new People Strategy agreed by the Council is being used to develop the HR Strategy and Organisation Development Strategy and a Managing Under Performance process is going to Cabinet.</p> <p>Our recent review of HR identified: 'Training modules for key people management processes are available. Level of attendance and satisfaction is monitored. Comments from earlier reviews (Report by the Auditor General for Wales – August 2010) do highlight concerns around performance management.</p> <p>However, work has been done to improve the process, the training of line managers and the management information that supports both since.'</p> <p>Please see Preliminary Corporate Assessment July 2010 proposal for improvement number 4 below.</p> <p>Status: Completed.</p> <p>Close down this proposal for improvement.</p>
<p>4. Ensure plans and services are aligned to support the improvement programme by:</p> <ul style="list-style-type: none"> Agreeing the options and developing detailed plans to address the predicted budget deficit. 	<p>The Council made progress on this proposal for improvement and produced a medium term financial plan in October 2010. As part of its budget setting processes it considers options and further develops its medium term financial plan.</p> <p>Please see update against Annual Improvement Report 2011 proposal for improvement number 10 below.</p> <p>We are currently undertaking some further work on Meeting the Financial Challenge and Due Diligence work. We will report the findings of this work in due course.</p> <p>Status: In progress and proposal remains Open.</p>

Proposals for improvement	Progress
Preliminary Corporate Assessment, July 2010	
<ul style="list-style-type: none"> Undertaking a cross-county workforce planning exercise to agree future staffing needs, including collaboration with other public sector agencies. 	<p>The Council has made progress on this proposal for improvement particularly in relation to undertaking detailed workforce planning around its social services and education collaboration with neighbouring authorities. There is still work to be completed in relation to ensuring that workforce planning is part of service improvement planning and is reflected in all SIPs.</p> <p>In 2012-13 we will be undertaking a review of collaboration governance and will incorporate monitoring of this proposal for improvement. We will report the findings of this work in due course.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Improving how the Council monitors and evaluates the effectiveness of partnerships to ensure they are contributing to the delivery of corporate priorities. 	<p>Whilst the Council is actively engaged in a number of partnerships and collaborations, the effectiveness of these, including their ability to achieve financial efficiencies and deliver corporate priorities and improvement is yet to be demonstrated.</p> <p>Two performance scorecards (HSCWB Living Environment) have been developed on Ffynnon to assist with monitoring and reporting of progress.</p> <p>The LSB has tasked co-ordinators with identifying PIs to build into a scorecard charting progress over time, which is to be completed shortly.</p> <p>The Council recognises that the robustness of action plans and monitoring is variable across its range of partnerships.</p> <p>In 2012-13 we will be undertaking a review of collaboration governance and will incorporate monitoring of this proposal for improvement. We will report the findings of this work in due course.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Strengthening its risk management arrangements in the light of emerging challenges. 	<p>The Council has risk management arrangements which cover both corporate and service risks.</p> <p>The Council's Performance Management Unit assesses SIPs and it has found that in some instances risks could be better described to highlight cause and impact. Our review confirmed these findings.</p> <p>We will continue to monitor the Council's risk management arrangements.</p> <p>Status: In progress and proposal remains Open.</p>

Proposals for improvement	Progress
Preliminary Corporate Assessment, July 2010	
<ul style="list-style-type: none"> Developing and adopting an asset management strategy to meet the Council's future needs. 	<p>The Council has made progress on this proposal for improvement. It has now published its Asset Management (Land and Property) Strategy which includes an action plan.</p> <p>In 2012-13 we will be undertaking a review of the asset management strategy. We will report the findings of this work in due course.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Improving the consistency with which plans reflect how the Council engages and responds to the needs of its communities and citizens. 	<p>The Council uses a number of mechanisms to consult communities and citizens. Our review of the 2012-13 improvement plan suggests that further improvements can be made to the scope of consultations to ensure that the Council responds to the needs of its community.</p> <p>Status: Superseded by new proposal: see P1 as set out in this letter.</p> <p>Close down this proposal for improvement.</p>
<ul style="list-style-type: none"> Completing its review of HR policies and procedures and determine how these will be embedded across the organisation. 	<p>The Council has made progress on this particular proposal for improvement. The Council has a broad range of policies and procedures which are readily accessible to staff via the intranet and has undertaken manager training. However, there is no evidence that the HR strategy group have reviewed the effectiveness of the policies and their implementation across the organisation.</p> <p>Please see Preliminary Corporate Assessment July 2010 proposal for improvement number 3 above also.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Creating robust HR management systems to support the cultural change taking place within the Council. 	<p>Whilst there are always improvements that could continue to be made around this particular proposal for improvement, the Council has made progress. The HR solutions around Trent and iTrent as the core HR platform should provide the data and technology to support cultural change. In addition to this the PDR process should support a focus on competency development and service improvement.</p> <p>Status: Completed.</p> <p>Close down this proposal for improvement.</p>

Proposals for improvement	Progress
Preliminary Corporate Assessment, July 2010	
<p>5. Train and support the Audit Committee to ensure the Council is discharging its statutory responsibility to have arrangements in place to secure continuous improvement in its functions.</p>	<p>Although the Council previously provided training to the Audit Committee in September 2011, given the recent changes as introduced by the Local Government Measure 2011 and the Welsh Government's Statutory Guidance, the Council will need to ensure that the current Audit Committee meets the requirements of the Measure around scrutiny and the role of audit committees.</p> <p>Status: In progress and proposal remains Open.</p>
Annual Improvement Report, January 2011	
<p>6. Publish its Improvement Objectives according to the Assembly Government's requirements.</p>	<p>The Council published its Improvement Objectives according to the Assembly Government's requirements and met statutory requirements for 2011-12.</p> <p>Status: Completed.</p> <p>Close down this proposal for improvement.</p>
<p>7. Consult its full range of stakeholders on the Improvement Objectives and provide citizens with appropriate opportunities to influence and shape priorities for improvement in the future.</p>	<p>The Council undertook consultation on its Improvement Objectives in the 2010-11 improvement plan via the viewpoint panel.</p> <p>There was no specific consultation on the 2012-13 Improvement Objectives due to local elections in May 2012. Results from consultation exercises have been used, however areas for improvement remain regarding consultation.</p> <p>Status: Superseded by new proposal as set out in P1 in this letter.</p> <p>Close down this proposal for improvement.</p>
<p>8. Set appropriate measures to judge delivery of the Improvement Objectives that focus on how the Council performs now, what its targets are, how it compares with others, the cost of delivery and how it will show whether the people of Caerphilly are better off as a result.</p>	<p>The Council has made some progress as it has changed a number of measures since 2011-12. However, there is still much to be done to improve clarity and transparency of reporting as well as developing outcome measures that it can use to demonstrate if its objectives are being met and people are better off.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>

Proposals for improvement	Progress
Annual Improvement Report, January 2011	
<p>9. Establish minimum service delivery standards for all service areas.</p>	<p>Although standards have already been set in some service areas, the Council has not yet made progress on this proposal across all services.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>
<p>10. Set clear priorities for action in the context of reduced resources.</p>	<p>The Council made some progress on this proposal for improvement. The Improvement Objectives for 2011-12 were reviewed and a report to Cabinet stated: 'A review of the Council's Medium Term Financial Plan against the 8 Improvement Objectives shows there are no cuts that will adversely affect their delivery and in 3 of the 8 objectives additional funds have been allocated that will support their delivery.'</p> <p>Please see update against Preliminary Corporate Assessment July 2010 proposal for improvement number 4 above.</p> <p>We are currently undertaking some further work on Meeting the Financial Challenge and Due Diligence work. We will report the findings of this work in due course.</p> <p>Status: In progress and proposal remains Open.</p>
<p>11. Ensure the outcome of the medium-term financial planning work identifies and agrees the resources required and that they are available to deliver the Improvement Objectives.</p>	<p>Please see update against Preliminary Corporate Assessment July 2010 proposal for improvement number 4 above and Annual Improvement Report 2011 proposal for improvement number 10 above.</p> <p>The Council has made some progress against this proposal for improvement. It has reviewed the financial impact of the Improvement Objectives on budgets. A report to Cabinet regarding the 2011-12 Improvement Objectives noted that: 'A review of the Council's Medium Term Financial Plan against the 8 Improvement Objectives shows there are no cuts that will adversely affect their delivery and in 3 of the 8 objectives; additional funds have been allocated that will support their delivery.'</p> <p>Status: Superseded by new proposal as set out in P2 in this letter.</p> <p>Close down this proposal for improvement.</p>

Proposals for improvement	Progress
Corporate Assessment Update Letter, August 2011	
<p>12. The Council's Improvement Objectives and its annual improvement plan, Improvement Objectives 2011-12, met the key requirements of the Local Government (Wales) Measure 2009. However, in order to follow the statutory guidance more fully we propose the Council should:</p> <ul style="list-style-type: none"> • Include a general statement within the annual forward-facing plan on how the Council seeks to discharge its overall statutory duty to have arrangements in place to secure improvement across the range of its functions. 	<p>The Council has included a brief reference to its duty to improve in its improvement plan (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>Status: Completed.</p> <p>Close down this proposal for improvement.</p>
<ul style="list-style-type: none"> • Include information on improvement activities in areas not covered by Improvement Objectives, including planned savings and disinvestments, if these impact on services for citizens. 	<p>The Council's retrospective review of its performance published in October 2011, commented on all 13 of the Council's priorities including the eight Improvement Objectives and Outcome Agreements.</p> <p>The Council is currently looking at the relationship between its priorities and Improvement Objectives and the connection between current Improvement Objective priorities, corporate priorities, SIPs and community strategy are being reviewed. The outcome of this will be the new set of Improvement Objectives for the next four years.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>

Proposals for improvement	Progress
Corporate Assessment Update Letter, August 2011	
<p>13. The Council should:</p> <ul style="list-style-type: none"> Clearly define a plan that maps out the whole engagement exercise, including pre and post implementation. The costs and resources of engagement should be included. 	<p>The Council has not yet made progress on this proposal for improvement. The new consultation document has been delayed due to resourcing issues. Officers intend to develop the new strategy for consideration by Cabinet in October 2012.</p> <p>Engagement has featured in the Council's Improvement Objectives in 2011-12 – 'we will improve the way we engage and feedback to citizens' and in 2012-13 'ensure the citizens of CCBC understand why, when and how to engage with us, and the impact of their engagement will have in helping us to improve services'.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement.</p> <p>Status: Not yet started and proposal remains Open.</p>
<ul style="list-style-type: none"> Manage public expectations about outcomes from consultation, and provide appropriate levels of feedback on reasons for decisions and how engagement processes have contributed to the outcomes. 	<p>The Council has made some initial progress on this proposal for improvement. The Council is currently reviewing the website and supporting systems and are in discussion with LSB partners. The Council also recognises that it needs to reinforce the principles set out in Participation Cymru's publication <i>National Principles for Public Engagement in Wales</i>, which was endorsed by the Assembly Government in March 2011.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Undertake evaluation of engagement activity to demonstrate transparency and accountability of outcomes achieved. 	<p>The Council has not yet made progress on this proposal for improvement. The Council plans to address this particular proposal for improvement as part of its work to address engagement in total.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement.</p> <p>Status: Not yet started and proposal remains Open.</p>

Proposals for improvement	Progress
Corporate Assessment Update Letter, August 2011	
<p>14. Ensure there are robust and effective governance arrangements in place when creating integrated services and collaborations which are subject to regular evaluation of their impact.</p>	<p>With specific reference to the current Social Services Collaboration between the Council and Blaenau Gwent County Borough Council, the Council has made some progress on this particular proposal for improvement. Its approach encompasses Programme Governance and Strategic Governance. Programme Governance looks at how the collaboration programme itself is managed and communicated to relevant stakeholders, and Strategic Governance relates to how the new social services directorate will manage its statutory responsibilities, accountabilities and decision-making as part of the collaboration. There is an integration website which can be accessed on: http://socialservicesblaenau-gwent.caerphilly.gov.uk/ A Joint Scrutiny Panel consisting of five members from Blaenau Gwent and five from Caerphilly has been established with co-opted members which include a service user and a carer's representative. Work on governance models is currently being undertaken by the Social Services Improvement Agency. In 2012-13 we will be undertaking a review of collaboration governance and will incorporate monitoring of this proposal for improvement. We will report the findings of this work in due course. Status: In progress and proposal remains Open.</p>
<p>15. Improve Welsh language provision on the Council's website.</p>	<p>We are unable to assess progress being made on this proposal for improvement as the Council has not yet provided an update. The Council's update reported to the Audit Committee in July 2012 is identical to that reported in February 2012 and the column headed Progress Update is blank. We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn. Status: Progress unknown and proposal remains Open.</p>

Proposals for improvement	Progress
Annual Improvement Report, February 2012	
16. Complete outcome-based success measures for all objectives and ensure regular, clear reporting.	<p>The Council has made some progress in addressing this proposal for improvement. There have been changes to the wording of Improvement Objectives as detailed in the Council's 2012-13 improvement plan. Actions have been revised and some are now more citizen and impact focused, for example, 'we will provide feedback to show clear evidence of change or improvement as a result of the engagement process', 'we will analyse customer satisfaction levels by conducting research and analysis to establish the reasons or causes of satisfaction/ dissatisfaction linked to geographical areas' and 'we will introduce and publish contact service standards to the customer so they know the service they can expect to receive and how we are performing against them'. There have also been a number of additional measures included, for example Improvement Objectives 1, 5, 6 and 8 but these tend to be process-focussed rather than assessing and judging improvement for citizens, (eg, review customer services charter and analysis of the reasons for satisfaction/ dissatisfaction by geographical areas).</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>

Proposals for improvement	Progress
Annual Improvement Report, February 2012	
<p>17. Improve self-assessment arrangements and performance reporting by:</p> <ul style="list-style-type: none"> Reporting clearly on whether the actions planned to deliver Improvement Objectives have been undertaken and whether targets for improvement have been achieved. 	<p>The Council has made some made progress on this particular proposal for improvement.</p> <p>Although the Council's performance management system Ffynnon contains detailed actions and progress against each Improvement Objective and targets this information regarding performance against targets is not publically reported.</p> <p>The Plan has an overall pictoral summary at the beginning of each Improvement Objective, along with a summary narrative, containing information on actions that have been completed.</p> <p>As the June (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>) document represents only one part of the Council's assessment of its performance, we will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Establishing and reporting against outcome-focused measures of success for each Improvement Objective. 	<p>This particular proposal for improvement relates to strengthening and ensuring there are outcome-based measures in place for all Improvement Objectives.</p> <p>Progress has not yet been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>
<ul style="list-style-type: none"> Presenting a balanced picture of how well the Council has performed in respect of each Improvement Objective, including reporting against all measures. 	<p>This particular proposal for improvement refers to evaluating and reporting performance against each Improvement Objective.</p> <p>Progress has not yet been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>

Proposals for improvement	Progress
Annual Improvement Report, February 2012	
<ul style="list-style-type: none"> Including a clear self-evaluation in its Performance Report of whether it has met or is progressing satisfactorily towards each Improvement Objective. 	<p>This particular proposal for improvement relates to the Council setting out clearly in its self-assessment whether it has done what it has said it would do and whether there have been improvements. Currently, improvement plans and assessment of performance documents provide a range of information but do not clearly state (unlike Outcome Agreements) whether the Council believes it has been successful or not.</p> <p>Some progress has been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-13, Including Summary of Progress 2011-12</i>) as it has a pictorial summary at the beginning of each Improvement Objective, along with a summary narrative, containing information on actions that have been completed.</p> <p>The Council intends to address this proposal more fully in its October assessment of performance.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: In progress and proposal remains Open.</p>
<ul style="list-style-type: none"> Providing citizens with more comparative performance and benchmarking data to enable them to better judge performance. 	<p>This particular proposal for improvement relates to a requirement of the 2009 Local Government Measure for councils to use improvement information that they collect to compare their performance with their own historical performance in previous financial years and with other authorities who provide similar services.</p> <p>Progress has not yet been made on this proposal but the Council intends to address this proposal in its October 2012 assessment of performance.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>

Proposals for improvement	Progress
Annual Improvement Report, February 2012	
<ul style="list-style-type: none"> Reporting progress against targets to citizens. 	<p>Whilst the Council does report progress made against targets internally it does not do so publicly although it does report actual performance achieved.</p> <p>Progress has not yet been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>
<ul style="list-style-type: none"> Report information on unit costs, activity costs, benchmarks and other financial performance measures to enhance the Council's Performance Report as well as help to identify further opportunities for savings. 	<p>Progress has not yet been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>We will work with the Council to inform their progress on this and continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>
<ul style="list-style-type: none"> Evaluate and report on the impact of reduced budgets on frontline services to identify and deal with risks that emerge from disinvestment decisions. 	<p>Progress has not yet been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>We are planning to undertake a service based impact assessment of reduction in budgets and resources and will report our findings in due course.</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>
<ul style="list-style-type: none"> Reporting its performance to the public in a document or documents which help citizens to understand the Council's performance more easily. 	<p>Progress has not yet been made on this proposal as evidenced in the Council's June document (<i>Improvement Objectives 2012-2013, Including Summary of Progress 2011-12</i>).</p> <p>We will continue to monitor the Council's approach to addressing this proposal for improvement as part of our assessment of performance work in the autumn.</p> <p>Status: Not yet started and proposal remains Open.</p>

Appendix 2

Proposals for improvement relating to service specific reports.

Proposals for improvement – Human Resources (HR) review

- P1 In order to support the Council's arrangements to self assess and evaluate performance, it should develop an HR balanced scorecard to track HR performance against key metrics, for example, HR costs, service performance, client satisfaction and delivery of the HR Strategy.
- P2 In order to support the Council's workforce planning arrangements it should consistently use the outputs from the Performance Development Review process to develop robust training and development plans to address current and future skill needs.
- P3 The Council should produce a clearly documented HR strategy and plan that:
- includes the role of line managers and explain/articulate how HR will support the organisation in the delivery of its People Strategy in the future; and
 - provides a clear strategic line of sight through the People Strategy to the stated improvement objectives of the Council and demonstrate where and how value is delivered.
- P4 Implement an integrated approach to workforce planning aligned to service, financial and workforce targets.
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