

Councillor Mary Jones
Convener
Public Services Board Scrutiny Performance
Panel

Please ask for: Councillor Rob Stewart
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Our Ref: RS/CM
Your Ref:
Date: 28 August 2018

BY EMAIL

Dear Councillor Jones

PUBLIC SERVICES BOARD (PSB) SCRUTINY PANEL – GOVERNANCE OF THE PSB

Thank you for your letter dated 15th August 2018.

The overview of the Panel's work over the last year is welcomed as a useful summary of activity as is the clear statement of the Panel's focus and intentions for this year.

GOVERNANCE

The Governance Session attended by Councillor Clive Lloyd on 18th July 2018, provided a helpful opportunity for reflection on existing arrangements. It should be however noted that:

In order to improve the effectiveness of the Board's operation a commitment has been made within the Local Well-being Plan 'Working Together for a Better Future' to review the Governance of the Public Service Board. This good practice although already planned is also a response to issues raised in correspondence from the Future Generations Commissioner.

As a result, current arrangements may be changed in order to streamline decision-making and deliver the priorities within the local well-being plan more effectively.

RISK

I am also pleased to provide additional information in relation to the question;
Can you comment on the level/type of risk you believe the PSB itself has as opposed to the delivery organisation?

Risk is defined and understood as 'the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies'.

This can result in reputational, financial and other damage to the 'PSB itself' as a collective entity or the individual organisations of which it consists. Critically as the PSB's objectives are to improve the social, economic, environmental and cultural well-being of Swansea, this means failure also has an impact on the well-being of Swansea's community.

The nature of risk to the 'PSB itself' as a collective entity, to individual organisations and to Delivery Groups varies in line with the activity. However the picture is complex as the PSB operates at a number of levels

The Public Services Board as set out in statute consists of four statutory members whose key decisions are made jointly and unanimously. These decision makers are formally responsible for the functioning and activity of the Board. They are each subject to Scrutiny as statutory PSB members. In addition they are each individually as public bodies subject to examination assessing the extent to which they act in accordance with the sustainable development principle by the Auditor General for Wales. The Future Generations Commissioner can also undertake a review and issue recommendations in relation to the extent they discharge the well-being duty. Responsibility and therefore ultimately risk is borne by these organisations both collectively and individually. However, the statutory partners do not operate in isolation, the decision making process is shared by four invited participants. As the PSB Core they voluntarily share responsibility and therefore risk. This group is informed and advised by the PSB Partnership Group who as other participants again have voluntarily adopted the PSB's Commitments and have agreed to work in line with principles set out in the Partnership Manual.

Delivery Groups (often autonomous bodies also concerned with achieving other objectives in addition to PSB priorities) are linked to one or more of the PSB's Groups and agree voluntarily to deliver on specific steps or actions which will help achieve the Local Well-being Objectives. As a result, they take on a responsibility to play their part in delivering the Local Well-being Plan.

Delivery Groups are the only means by which practical actions can be implemented directly by the PSB. Projects are funded, resourced and delivered via these groups. As a result, delivery groups incur risk at an operational level which is not incurred by 'PSB itself' as a collective. (It also should be noted that Delivery Group membership includes relevant 'statutory members' who take on appropriate operational risk as individual public bodies playing a role within a collaborative team)

I understand that a copy of the current Risk Tracker and recent progress report which takes a risk based approach to the development of the action plan has already been forwarded to the Panel as requested. Delivery Groups are responsible for their own risk identification and management but are encouraged to escalate any issues or risks to the Partnership or Core Groups for attention.

I hope this information meets the Panel's requirements.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a horizontal line and a small loop at the end.

**COUNCILLOR ROB STEWART
LEADER & CABINET MEMBER FOR ECONOMY & STRATEGY**