



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report Monmouthshire County Council

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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Non Jenkins and Nick Selwyn under the direction of Alan Morris.

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Summary report

- 1 Each year, the Auditor General must report on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement and delivering their services. Drawing on the work of the relevant Welsh inspectorates, as well as work undertaken on his behalf by the Wales Audit Office, this report presents a picture of improvement over the last year. The report is in three main sections, which cover the Council's delivery and evaluation of services in relation to 2011-12, and its planning of improvement for 2012-13.
 - Good progress has been made in reconfiguring some key services to support vulnerable older people and the work of reablement services is increasing the number of older people helped to live independently without Council support.
 - The current economic recession is contributing to rising unemployment and the number of new private businesses in Monmouthshire has fallen despite the Council's new approaches to creating jobs and encouraging business growth.
- 2 Overall the Auditor General has concluded that the Council's clear strategic direction is being driven at a significant pace of change but due to weaknesses in the way it challenges and evaluates itself, it is not always delivering better performance in services and improved outcomes for citizens.
 - It is unclear whether the Council's regeneration activities are delivering improvement for its citizens at this time.
 - The Council has made some good progress in delivering improvements in waste management, recycling and refuse collection, although a small number of initiatives have been delayed.
- 3 In the first part of our report, we conclude that progress in delivering actions and improving performance in 2011-12 is mixed. We came to this conclusion because we found that:
 - The Council is strongly committed to improving education outcomes for learners but comparative performance and current action is not delivering the standards expected and Estyn has judged the Council's performance in education as unsatisfactory.
 - Performance on processing Housing Benefit claims is improving but the service remains one of the poorest performers in Wales.
 - The Council is making some progress in improving its Welsh language services and more work is planned for 2013-14.
- 4 In the second part of our report, we conclude that the Council is making some progress in its approach to self-evaluation but needs to become more consistent and balanced in how it reports, evaluates and accounts for its performance. We came to this conclusion because we found that:

- The Council has discharged its improvement reporting duties under the Local Government (Wales) 2009 Measure. However, it could ensure that it acts more in accordance with Welsh Government guidance.
 - The Council has a corporate framework for managing and reporting performance but inconsistencies in service reporting is limiting its ability to consistently evaluate performance in a balanced way.
 - The Council's annual self-evaluation report is well structured although assessing actions in some services is limited which weakens accountability and makes it difficult to effectively judge progress and impact.
 - Systems for managing some performance indicators are not robust and the reliability of data has declined in the last year.
- 5 Finally, the report sets out our conclusion that the Council is likely to comply with its requirement to make arrangements to secure continuous improvement during 2012-13. The Council's direction is clear and change is being driven quickly. We came to this conclusion because:
- The Council has discharged its improvement planning duties under the Local Government (Wales) Measure 2009 and has acted in accordance with Welsh Government guidance.
 - The Council has made progress in addressing most of the areas for improvement we identified. The systems in place to co-ordinate and manage the findings of some of our work are being strengthened.
 - The Council has a good track record of financial planning and managing with less money and its willingness to innovate and challenge traditional ways of working is supporting it to modernise the way it works. Limitations in capital funding remain difficult and a deficit on the 2012-13 budget is being addressed.
 - 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.
 - A new Education Achievement Service for South East Wales has been created and is focussing on improving attainment within schools.

Detailed report

Introduction

- 6 This report has been prepared by the staff of the Wales Audit Office on behalf of the Auditor General. On page 2 you can find a brief explanation of what the Auditor General does.
- 7 Under the Local Government (Wales) Measure 2009 (the Measure), the Auditor General must report each year on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement and delivering their services. [Appendix 1](#) provides more information about the Auditor General's powers and duties under the Measure. With help from Welsh inspectorates, Estyn (for education) and the Care and Social Services Inspectorate for Wales (the CSSIW), we have brought together a picture of what each council or authority in Wales is trying to achieve and how it is going about it. This report also sets out the progress the Council has made since the Auditor General published his last annual improvement report, drawing on the Council's own self-assessment.
- 8 We do not undertake a comprehensive annual review of all Council arrangements or services. The conclusions in this report are based on our cumulative and shared knowledge and the findings of prioritised work undertaken this year.
- 9 Given the wide range of services provided and the challenges facing the Council, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
- recommend to Ministers of the Welsh Government that they intervene in some way;
 - conduct a special inspection and publish the report with detailed recommendations;
 - make formal recommendations for improvement – if a formal recommendation is made the Council must respond to that recommendation publicly within 30 days; and
 - make proposals for improvement – if we make proposals to the Council, we would expect them to do something about them and we will follow up what happens.
- 10 We want to find out if this report gives you the information you need and whether it is easy to understand. You can let us know your views by e-mailing us at info@wao.gov.uk or writing to us at 24, Cathedral Road, Cardiff CF11 9LJ.

The Council's clear strategic direction is being driven at a significant pace of change but due to weaknesses in the way it challenges and evaluates itself, it is not always delivering better performance in services and improved outcomes for citizens

Progress in delivering actions and improving performance in 2011-12 is mixed

- 11 The Council has set itself three strategic priorities: school improvement; protection of vulnerable people; and supporting enterprise, job creation and entrepreneurship. In 2011, the Council also set five new population outcomes that express more clearly what it is seeking to improve for citizens and communities in Monmouthshire under these three priority areas. The outcomes are that people:
- live safely and are protected from harm;
 - live healthy and fulfilled lives;
 - benefit from education, training and skills development;
 - benefit from an economy which is prosperous and supports enterprise and sustainable growth; and
 - benefit from an environment that is diverse, vibrant and sustainable.
- 12 Below we provide a brief analysis of how well the Council is performing in delivering improvement against these priorities.

The Council is strongly committed to improving education outcomes for learners but comparative performance and current action is not delivering the standards expected and Estyn has judged the Council's performance in education as **unsatisfactory**

- 13 The focus of school improvement for the Council in 2011-12 was to specifically develop teaching and learning practices and build a modern ICT infrastructure within the schools to provide young people and children with the best learning environment and ultimately life chances. Progress has been achieved in a number of initiatives developed by the Council, including implementation of the Social and Emotional Aspects of Learning (SEAL) programme. This programme is focussed on addressing factors that hold children back from learning in their setting as well as children with behaviour or attendance issues. Similarly multi-agency responses to bullying and cyber bullying have been introduced and the Council has continued to invest in improving its school estate.
- 14 In terms of performance against a range of Key Stage¹ indicators we found:
- a marginal decline in the proportion of pupils achieving level 4+ in English at the end of Key Stage 2, falling from 85.7 per cent in 2009-10 to 85.2 per cent in 2011-12;

¹ A Key Stage is a stage of the state education system in setting the educational knowledge expected of students. The precise definition of each of the main four Key Stages is age-related, incorporating all pupils of a particular age at the beginning of each academic year.

- an improvement in the percentage pupil performance at level 4+ in Maths at the end of Key Stage 2 with performance improving from 86.3 per cent to 88.5 per cent;
 - a large increase in the percentage pupil performance at level 2 threshold at the end of Key Stage 4 rising from 60.8 per cent in 2009-10 to 71.2 per cent in 2011-12; and
 - an improvement in the percentage pupil performance at core subject indicator at the end of Key Stage 3 with a rise from 70.9 per cent in 2009-10 to 71.5 per cent in 2011-12.
- 15 We work closely with, Estyn (Her Majesty's Inspectorate of Education and Training in Wales) who inspect how well councils are helping children and young people develop their skills. Estyn has a regular programme of inspections of pre-school services such as nurseries, schools, colleges and youth services. We work with Estyn to assess how well the Council supports all these services to help children and young people develop.
- 16 Estyn inspected the local authority's education services for children and young people in December 2012. Estyn judged the quality of current services to be unsatisfactory. Estyn found that the Council's arrangements for safeguarding do not meet requirements and performance in attainment in Monmouthshire's secondary schools, when compared to similar schools according to free-school-meal entitlement, has been well below average for the last four years.
- 17 Progress between primary and secondary schools is well below average and that the overall number of days lost to fixed term exclusions is too high. The Council's arrangements for supporting and challenging schools are not robust enough and have not had enough impact on improving outcomes and strategic planning for additional learning needs is weak.
- 18 Estyn also found that attendance of learners in primary and secondary schools has been above the Welsh average over the past four years and learners benefit from a wide range of good youth support services across the authority. In addition, school budgets are well protected and the authority has made good progress in increasing the percentage of budget expenditure delegated to schools.
- 19 Estyn also judged that the Council has unsatisfactory prospects for improvement. Lack of strategic and operational capacity in the Children and Young People's directorate has contributed to the lack of improvement in key areas. Estyn found that elected members do not receive the information they need to hold services to account fully and self-evaluation processes are not rigorous enough and, within the Children and Young People's directorate, corporate planning arrangements are not effective.

- 20 Council officers do not use quality assurance processes or evaluate data consistently enough to know where resources and services should be directed to achieve the best outcomes for its learners. Similarly, performance management processes are not consistently implemented within the directorate and leaders and managers are not always able to direct staff or hold them to account well enough. Estyn also found that the Council's commitment to education and improving outcomes for learners and their communities is well led by the leader of the Council and by the chief executive and the Council participates well in a range of strategic partnerships.
- 21 Whilst the Council can demonstrate progress in delivering the actions it prioritised for delivery in 2011-12, education outcomes for children and young people in Monmouthshire, when compared to free-school-meal entitlement, has been well below average for the last four years. The impact of its activity in improving educational standards and reaching the attainment levels expected is therefore poor.
- 22 Estyn published its Inspection report on 20 February 2013 and have made a series of recommendations for the Council to address.

Good progress has been made in reconfiguring some key services to support vulnerable older people and the work of reablement services is increasing the number of older people helped to live independently without Council support

- 23 The Council's priority for social care has been to bring together health, social care and independent agencies in a single model of community based care services under the auspices of the Gwent Frailty Programme. For 2011-12 the Council prioritised a range of actions focussed on introducing rapid response teams of district nurses, social workers and home carers working together to prevent people having to go into hospital and to enable vulnerable people to live independently in the community.
- 24 The Council has made good progress in delivering its programme of actions under this priority. A single point of access (SPA) for referrals to the Frailty service from all professionals, including GPs, was launched in April 2011. The SPA has enabled vulnerable and frail people to be allocated to the most appropriate member of staff, regardless of whether they work for the NHS or the Council, to provide support, care and assistance in maintaining their independence. Likewise community nursing and long term conditions nursing services are now part of integrated services teams in Monmouthshire with all professional groups working under a single manager. A rapid response service has been created which means that nurses and other staff are able to attend to cases in less than four hours minimising the numbers of avoidable hospital admissions.

- 25 More than 1,500 people received a service under the Frailty model in 2011-12. This included 700 people receiving Reablement services of which 51 per cent were fully independent at the end of their six week intervention and ended up not needing any long term care and could get back to living their own lives. The Council reports that the majority of these people are remaining independent for upwards of 30 months.
- 26 In terms of the Council's performance against national comparative data there is a mixed picture of improvement:
- Delayed transfers of care, per 1,000 population aged 75 or more has fallen from 4.68 in 2010-11 to 2.42 in 2011-12. This proportion remains higher than reported performance of 0.72 in 2009-10. The Council is the ninth best performer of 22 councils in Wales in 2011-12 and its performance is better than the Welsh average of 5.03.
 - Older people helped to live at home, per 1,000 population aged 65 or more has seen a decline falling from 71.07 in 2010-11 to 67.3 in 2011-12 as more people are now being helped to live independently without ongoing Council support.
 - The proportion of the population in local authority funded residential and nursing care is the best in Wales with the Council recording a rate of 12.9 older people per 1,000 population aged 65 or above in care homes in 2011-12. This performance is better than the Welsh average of 21.35.
- In 2011-12 the Council spent the lowest level of revenue expenditure per head of population on Social Services in Wales.
- 27 CSSIW published its *Annual Review and Evaluation of Performance for 2011-2012* for social services in Monmouthshire in October 2012. The evaluation report outlines a number of areas of progress as well as areas for improvement or development. The report can be found on the CSSIW website (<http://wales.gov.uk/cssiwsubsite/newcssiw/publications/lareviews/20112/?lang=en>). The following paragraphs are drawn from the report.
- 28 'Monmouthshire Social Services has significant strengths in a number of areas and the Council is realistic about the need to manage increasing demand from demographic pressures through early interventions. These approaches are in different stages of development and the challenge for the Council is to continue to deliver better outcomes within constrained budgets.
- 29 A CSSIW inspection of services for children and adults took place in November and December 2011 and was reported in May 2012. The inspection found that corporately the Council prioritises support to, and safeguarding of, vulnerable children and adults. Staff and managers at all levels consistently employ a person centred approach. Services are provided in ways which promote the best interests of the service user, whether a child, young person or adult. The Chief Executive exemplifies the person centred values which he expects from all staff in the Council, including social services.

- 30 The Council is committed to working in partnership wherever this gives better outcomes. Social Services have numerous collaborative partnerships which increase choice and encourage independence for people who use services and their families. This is demonstrated well across both Adult and Children's Services. Despite overall analysis on mapping demographic needs, unmet need is not systematically gathered in either Adult or Children's Social services. Anonymised information from individual assessments and care plans is not generally aggregated to support strategic commissioning, which is a lost opportunity.
- 31 Frontline staff in Adult and Children's Services have either moved or are about to move to different locations in order to support the objectives of the service more effectively. Coupled with agile working, where technology enables people to work using information technology wherever they find themselves, this should make for more effective use of resources. However, feedback from some staff suggests it has also created some additional tensions that have to be managed. This includes perceptions about reduced opportunities to share practice informally with their peers. The senior management team will need to ensure these changes are effectively managed.
- 32 Staff in both Adult and Children's Services work in a busy environment. Senior managers report that both Adult and Children's Services are looking at systems redesign to ensure that they have effective work flows, that thresholds are consistent and that staff are able to focus on key elements of practice. There is a departmental supervision policy. Most staff voiced appreciation of the support they receive from managers in supervision. However, there are variations in the way supervision is recorded and the monitoring processes have been applied inconsistently. Annual appraisal had generally taken place for staff in Adult Services, but was much less likely to have occurred in Children's Services. The excellent progress made on recruiting and retaining staff could be undermined if demand consistently outstrips capacity.'
- 33 CSSIW notes that more targeted services to individual carers would improve individual outcomes and performance indicators and, whilst there is still some way to go, particularly around developing robust performance management systems to measure outcomes arising from Gwent Frailty, the Council has made progress in a number of core areas as measured by the Welsh Government performance indicators. The further work planned by all councils with Aneurin Bevan Health Board under the Frailty programme will enable the Council to develop more outcome-focussed measures to better judge its performance.

The current economic recession is contributing to rising unemployment and the number of new private businesses in Monmouthshire has fallen despite the Council's new approaches to creating jobs and encouraging business growth

- 34 Increasing employment is an appropriate and important activity for the Council to focus on in the current economic climate. One of the Council's improvement objectives is to improve prosperity by supporting existing businesses, new start-ups and promoting inward investment. In 2011-12 the Council implemented a number of new initiatives to encourage and support economic development activity, including Monmouthshire Enterprise, the creation of a community interest company² and the *Back 2 Business* week³.
- 35 Likewise, the Council has introduced a Digital Deal and is delivering a programme of work-based training providing placements of apprenticeships, pathways to employment and traineeships. In some areas however, it is not made clear how some of the Council's activity – the review of tourist information centres for example – has contributed to the overarching aim of creating employment and encouraging inward investment. No performance data is specifically reported to judge how this is contributing to improvement.

- 36 Of the nine measures of success used to judge how well the Council is performing under this improvement objective, five measures reported an improvement in performance, three a decline and we have qualified one measure as incorrect. Positively, there has been a rise in the number of residents in employment, increasing from 40,100 in 2009-10 to 42,000 in 2011-12 and the proportion of the working age population has similarly risen from 71.6 per cent to 74.1 per cent over the same period.
- 37 We acknowledge that the tightening global credit crunch and economic recession is likely to impact on the ability of councils to create and sustain jobs. Performance against other national comparative data shows that the percentage of working age population claiming Job Seekers Allowance in Monmouthshire has also increased, rising from 2.2 per cent in 2010-11 to three per cent in 2011-12. Likewise, the percentage of 18–24 year olds claiming Job Seekers Allowance from 6.5 per cent to 9.5 per cent in the same period. The number of Monmouthshire residents claiming unemployment related benefits has also risen from 1,131 in April 2011 to 1,533 in April 2012. Proportionally, this equates to a rise in unemployment of 0.8 per cent between 2010-11 and 2011-12, rising from 2.1 per cent to 2.9 per cent. Nonetheless, Monmouthshire remains below the Welsh unemployment average of 4 per cent and is ranked as the having the fourth lowest

² A community interest company was introduced in the UK in 2005 for social enterprises that want to use their profits and assets for the public good. The Council created a community interest company in 2011 called MC2.

³ Back 2 Business week was an event hosted by the Council in June 2011 aimed at boosting local business and entrepreneurship.

claimant count in Wales in April 2012. The percentage of 16 year olds who are not in education, employment or training has marginally fallen from 3.9 per cent to 3.8 per cent between 2010-11 and 2011-12.

38 Performance on supporting business start-ups suggests there has been less improvement in 2011-12. The Council reports that it supported 57 business start-ups but our audit of the base data identified that not all relevant information was included for each of the companies listed as being those that received support from the Council and this measure was consequently qualified as inaccurate. Other comparable national data published by the Office of National Statistics shows that the number of VAT and/or PAYE registered businesses in the county has continued to fall from 3,990 in 2009-10, to 3,910 in 2010-11 and for 2011-12 stood at 3,855. Proportionally, this is a fall of 3.4 per cent.

39 The UK Competitiveness Index⁴ is a good barometer to judge how well councils, regions and countries in the UK are performing in attracting new private sector investment as well as supporting existing businesses to flourish. Because the Index is published every two years data is not available to make an assessment for 2011-12. In 2010 Monmouthshire was ranked as the 160 out of the 379 councils and the second best placed locality after Cardiff in Wales. This was a fall of 24 places from 136 in 2008. Comparatively, Wales

is the least competitive region in the UK. This is also borne out in recent research by Experian which identifies Monmouthshire as the most economically resilient county in Wales⁵.

It is unclear whether the Council's regeneration activities are delivering improvement for its citizens at this time

40 Regeneration plays a pivotal role in planning and delivering a sustainable prosperous economy. Regeneration policies encompass a range of integrated activities which aim to reverse economic, social and physical decline in order to achieve lasting improvements for communities and citizens. One of the key priorities for the Council is the regeneration of the four major towns in Monmouthshire - Abergavenny, Caldicot, Chepstow and Monmouth.

41 In 2011-12 the Council has focussed its regeneration activity on several strands, including:

- the development of a series of plans, including the emerging Local Development Plan (LDP), the Severnside Total Place Plan and a Business Plan for the Shire Hall in Monmouthshire;
- delivery of energy efficiency works to homes in various communities in Monmouthshire using for example the Community Energy Saving Programme and use of Arbed⁶ resources; and

4 UK Competitiveness Index (UKCI) was first introduced and published in 2000 by University of Wales Institute, Cardiff. It represents a benchmarking of the competitiveness of the UK's regions and localities. The UK Competitiveness Index has been designed as an integrated measure of competitiveness focusing the development and sustainability of businesses and the economic welfare of individuals.

5 Experian, Understanding Resilience: Wales Comparator Analysis 2012.

6 ARBED is a strategic energy performance investment programme established in 2009 to bring environmental, social and economic benefits to Wales and coordinate investment into the energy performance of Welsh homes.

- a series of development projects including the Llanelly Hill wind turbine project and the development of a site adjacent Caldicot School.

42 There is limited national comparative data to judge performance of regeneration activity and improvement has to be determined largely by the Council's local performance data. For 2011-12 the Council has judged its success against five measures covering: performance under the Community Energy Saving Programme scheme; investment secured through its Total Place plans; training and employment opportunities provided to people; energy efficiency investment; and the number of people experiencing fuel poverty.

43 Performance against these measures suggests that there has been limited improvement in 2011-12. We found that the Council secured no monies through its Total Place plans and activity was behind target. Reported performance against the targets for energy efficiency works and the provision of training and employment opportunities was well below anticipated levels and not all activity is reported. We also qualified the measures relating to the number of homes assessed under the Community Energy Saving Programme scheme and the number of people experiencing fuel poverty in Overmonnow – where the Council focussed its improvement activity - as inaccurate. This means the Council's performance information is not correct and it reports better performance than was

actually achieved. The Council has since reviewed this data and is addressing how it collects and reports information to ensure performance is accurately collated and reported in the future.

44 In addition the Council also reports on a range of other projects for 2011-12, such as the development of the Shire Hall Business Plan, but does not demonstrate what improvement has resulted for citizens from this activity. The Council also refers to activity which is substantially incomplete and it is consequently not possible to gauge current performance and improvement. This includes the LDP, the Llanelly Hill wind turbine project and the regeneration of land in Caldicot.

45 We acknowledge that by its nature regeneration can take a long-time to be delivered and it is not always possible to demonstrate the benefits of activity immediately. It is therefore important that the Council has appropriate outcome measures in place that enable a long-term assessment of the impact of its work.

The Council has made some good progress in delivering improvements in waste management, recycling and refuse collection, although a small number of initiatives have been delayed

- 46 The Council successfully implemented fortnightly refuse collection and weekly dry and food composting and recycling services. This service covers 38,500 households in the County and resulted in an increase in recycling rates, rising from 48.3 per cent in 2010-11 to 54.9 per cent in 2011-12. The Council is ranked as the fifth best recycling in Wales and well above the Welsh average of 50 per cent. Waste sent to landfill also fell from 51.4 per cent in 2010-11 to 43.3 per cent in 2011-12.
- 47 A number of new initiatives did not progress as planned and little progress was made on reviewing the trade waste service and offering a trade waste recycling service did not progress as well as intended, which is now a target for further action in 2012-13.
- 48 Prosiect Gwyrdd⁷ continues to progress and whilst timescales have been delayed, a final decision by all five councils involved is due in the 2012-13 financial year. The combined municipal waste of the five authorities makes up 40 per cent of the total municipal waste of Wales and the Welsh Government has outlined a target for Councils to achieve a 70 per cent recycling and composting rate by 2025.

Performance on processing Housing Benefit claims is improving but the service remains one of the poorest performers in Wales

- 49 During 2011-12 Monmouthshire CC and Torfaen CBC combined to form the first shared service for Housing Benefit and Council Tax processing in Wales (the shared service became fully operational from April 2012 when all staff transferred to Torfaen CBC). Significant progress has been made to improve the housing benefit service within Monmouthshire in recent years but further improvements are required to match other Councils in Wales.
- 50 Although the average time taken to process new Housing Benefit claims improved considerably during 2011-12 it continues to be the worst in Wales. Processing times for change of circumstance notifications lengthened during 2011-12 and are longer than the Welsh average. The percentage of new claims decided within 14 days improved, and the percentage of new claims outstanding for more than 50 days is better than the Welsh average. A higher percentage of claims are calculated correctly than in previous years and the service has been able to resolve outstanding issues from previous years' annual subsidy audits.

⁷ Prosiect Gwyrdd is a partnership between five councils (Caerphilly, Cardiff, Monmouthshire, Newport, and the Vale of Glamorgan) and aims to look for the best environmental, cost effective and practical solution for waste after recycling and composting has been maximised in each council area.

51 Changes to customer care arrangements have made the service more accessible. Further integration of processes and systems is on-going and we will monitor performance during the current year. Priorities for improvement include further improving accuracy levels, resolving historical overpayment and debt issues, aligning arrangements within the shared services, and completing the integration of processes and systems.

The Council is making some progress in improving its Welsh language services and more work is planned for 2013-14

52 The role of the Welsh Language Commissioner was created by the Welsh Language (Wales) Measure 2011. Over time, new powers to impose standards on organisations will come into force through legislation. Until that time, the Commissioner will continue to review Welsh language schemes by virtue of powers inherited under the Welsh Language Act 1993. The Commissioner works with all local authorities in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of local authorities to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every local authority is committed to providing an annual monitoring report to the Commissioner outlining its performance in implementing the language scheme. The Commissioner analyses every monitoring report; provides a formal response and collects further information as required. The views of the Commissioner on the Welsh language services delivered in Monmouthshire are as follows:

53 'An Equalities Impact Assessment framework is in place that includes consideration of Welsh language issues. In order to improve the process, the Council intends to highlight possible negative effects on the Welsh language as part of its training on the assessment. The Council recently launched a bilingual website. The development is an important first step for Welsh language service users, but there is more work to be done in order to improve the service and to develop it further. There has been significant delay with the Council's Welsh Language Strategy and work on its development is continuing. It is expected that the work will be completed in 2013 and in the meantime the Council will need to continue to collect information on the Welsh language skills of its workforce. The Council's priorities for the coming year are to continue to develop the website and to adopt a Welsh Language Skills strategy so that it can begin its implementation'.

The Council is making some progress in its approach to self evaluation but needs to become more consistent and balanced in how it reports, evaluates and accounts for its performance

The Council has discharged its improvement reporting duties under the Local Government (Wales) 2009 Measure. However, it could ensure that it acts more in accordance with Welsh Government guidance

54 In our December 2012 Improvement Assessment Letter to the Council, we reported that the Council had published its annual self-evaluation report of performance (Performance Report) in October 2012. We noted that the Council could act more in accordance with Welsh Government guidance by including within its Performance Report the recent conclusions from other regulatory and inspection bodies (Estyn and CSSIW), information on the benefits achieved from collaboration to date, and making the report more accessible to citizens.

The Council has a corporate framework for managing and reporting performance but inconsistencies in service reporting is limiting its ability to consistently evaluate performance in a balanced way

55 We found that performance management across the Council is co-ordinated and overseen by a central Improvement Team. The Improvement Team supports performance across the Council's services, and does not provide internal challenge to their activity. These responsibilities rest solely with the individual services as the 'owners' of the Improvement Objectives, who are accountable for reporting their

own performance against these. Since our review we recognise that corporate capacity in the Improvement Team has decreased during 2012-13. Strengthening corporate arrangements for performance management and improvement will help the Council self-evaluate and challenge its performance more consistently across all services.

56 It is clear that the Council's Social Care services see performance management as important and necessary, and has in place good systems which support managers to monitor, report and evaluate their performance and be accountable for the services the Council delivers. CSSIW in its recent performance report (October 2012)⁸ noted that the Director's self-evaluation report is detailed and places the achievements of the Council and the priority areas for development within a clear local and national context. Further, CSSIW acknowledges that the Director's self-evaluation is realistic about what can be achieved given timescales and the financial challenges it faces.

57 However, the weaknesses previously identified in Economic Development and Regeneration services remain. We found little evidence of change or improvement in how these services evaluate their performance. The Council does not consistently report progress in delivering Improvement Objectives and broader performance of services to its scrutiny committees. This limits the opportunity for independent challenge and scrutiny of services and weakens accountability. There are opportunities for the Council to

8 CSSIW's Annual Review and Evaluation of Performance for 2011-2012

strengthen its internal challenge within and across services and by Members through Scrutiny.

- 58 We found that for 2011-12 some activity has been presented to the Audit Committee for review and Social Services performance was considered by Scrutiny Members. In other service areas, the formal reporting of a services performance is not undertaken. This is borne out in Estyn's recent inspection, which reported that elected members do not receive the information they need to hold services to account fully and self-evaluation processes are not rigorous enough. Estyn also noted that Council officers do not use quality assurance processes or evaluate data consistently enough to know where resources and services should be directed to achieve the best outcomes for its learners. Similarly, performance management processes are not consistently implemented within the education directorate and leaders and managers are not always able to direct staff or hold them to account well enough.
- 59 The Council now plans to introduce new arrangements to strengthen accountability and challenge at scrutiny. This includes developing new approaches to address the findings of external regulators and introducing new annual performance reporting and self-evaluation arrangements for all Council services.

The Council's annual self-evaluation report is well structured although assessing actions in some services is limited which weakens accountability and makes it difficult to effectively judge progress and impact

- 60 Effective self-evaluation is dependent upon the creation of a culture that routinely challenges and evaluates its own performance objectively, values and uses information well, and has good standards of, and a focus on, quality data and reporting to enable a rounded judgement of performance.
- 61 In our December 2012 Improvement Assessment letter we highlighted that whilst progress continues to be made in how the Council evaluates performance, weaknesses in the quality and robustness of its evaluation mean that it is unable to effectively judge how well it is delivering improvement in some important areas. The Council produced a well-structured, clearly presented and easy to read annual evaluation report (Performance Report) of its performance in delivering its Improvement Objectives. The report includes good information on budget management, revenue and capital expenditure and the results of savings programmes and links the Council's improvement programme with its core themes and priorities. This information provides the reader with both a sense of the challenges the Council faces and its underlying values and principles.

- 62 In 2011-12 the Council has continued to refine and strengthen its performance measures to help it better assess the impact of its work, which will allow it to become more accountable to citizens in Monmouthshire. However, we found an inconsistent picture of how well embedded the outcome-based accountability framework⁹ is within the Council.
- 63 In some areas, the range and quality of performance measures used enable a good evaluation of progress. This is the case, for example, for the Improvement Objective bringing together health, social care and independent agencies through the Gwent Frailty Programme to promote independence of vulnerable people. In other areas however, the evidence base and evaluation is not as robust. This is illustrated, for example, under the Improvement Objective focused on providing a joined-up and comprehensive approach to area regeneration and development.
- 64 The Council's self-evaluation report includes comments on some areas, such as waste services, where slow progress or no progress has been made in delivering actions. These parts of the report present a more balanced, accountable and comprehensive review of performance. However, we also found that in some areas the evidence base and evaluation is not robust, and the narrative does not match the conclusion on whether the Council is doing what it planned to do. This weakens the Council's self evaluation process and presents an unbalanced and incomplete picture of whether it has done what it planned to do.
- 65 The Council's annual self-evaluation report also notes how effective it is at meeting its targets, and citizens are able to see whether the Council is making the level of improvements it believed it could achieve. The Council's self-evaluation also includes specific information on capital and revenue budgets that contribute to delivery of activity under each of the Improvement Objectives. It also specifically identifies the role of partners and how they contribute to delivering the intended outcomes.
- 66 The Council's report outlines in various places its performance against various measures. This could be improved through the inclusion of information on the Council's ranking amongst the 22 Welsh councils; its annual change in ranking; and its relative performance compared to other councils to judge more effectively the rate of improvement. The inclusion of a RAG (Red: Amber: Green) system would also allow for easy identification of whether performance is improving or declining.
- 67 However, the Council's self-evaluation report lacks breadth of analysis in some areas and is primarily focused on assessing performance against national statutory performance indicators. It does not include the results of peer reviews, scrutiny assessments and other sources of more qualitative information such as customer satisfaction with services and benchmarking data. The inclusion of this additional information would support the Council to more effectively self-evaluate its performance, and report improvement in a more rounded way.

⁹ Outcome Based Accountability is focussed on judging impact and outcomes and the difference services can make to peoples 'quality of life' and is an approach to planning and assessing the performance of services that focuses on the results – or outcomes – that the services are intended to achieve.

68 Finally, the self-evaluation report lacks an overall evaluative statement against each of the Improvement Objectives, clearly denoting whether the Council believes it has been successful or not. The absence of evaluative statements undermines the Council's self-evaluation arrangements and hinders the Council and the public from understanding whether the Improvement Objectives have been achieved, thereby weakening the Council's accountability to citizens.

Systems for managing some performance indicators are not robust and the reliability of data has declined in the last year

69 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. We found the Council generally had good systems in place to co-ordinate and manage the production of this all-Wales performance information, although one of the 13 measures audited was qualified.

70 With regard to local measures, we audited 15 local performance indicators, all of which are used to judge how well the Council is performing in delivering its six Improvement Objectives. Of this total, we found that: one indicator had no systems in place to report performance, and consequently could neither be audited nor used to judge improvement; three have been qualified due to irregularities in the collation and assessment of data; and two had to be amended as a result of system error. This result is a significant decline in performance from 2010-11, when we identified no system issues for the management and reporting of performance indicators at all.

71 The auditor appointed by the Auditor General recently gave his opinion on the Council's accounts and based on this the Appointed Auditor's view is that the Council complied with its responsibilities relating to financial reporting and use of resources. **Appendix 3** gives more detail.

The Council is likely to comply with its requirement to make arrangements to secure continuous improvement during 2012-13. The Council's direction is clear and change is being driven quickly

72 It cannot be underestimated how much and how fast the Council has changed in the last three years. The Council is now organised very differently and delivers services in very different ways. It is increasingly focussed on being innovative and creative and encouraging and enabling communities to do more for themselves.

73 In 2012-13 the Council has continued to evolve this ethos and has implemented a new change programme, 'Your County, Your Way' to engender cultural change which will underpin all its activity going forward. The change programme is focussed around five core areas of activity - networked and agile working; systems thinking and doing; intrapreneurship; peer and knowledge development; and developing effective listening tools. The Council is working with NESTA¹⁰ under the Creative Councils programme to deliver 'Your County, Your Way'.

74 In recent years our reports have concluded that, for this ambitious approach to be successful and secure the improvements sought, the Council will need clear, consistent leadership and management and a clear focus on ensuring that the changes result in better outcomes for citizens. We will continue to monitor and report on the Council's plans going forward and will report on whether this programme of change is delivering the benefits that are envisaged.

75 The local authority elections in May 2012 brought a change in the Council's administration. The Council is now led by a Partnership Administration made up of the Conservative and Liberal Democrat Groups. The Leader has retained his previous Cabinet Members with the addition of the Leader of the Liberal Democrat group to the Cabinet. A partnership agreement has been developed and signed by the two political groups which underpins the work of the Administration and confirms its priorities. The opposition parties now account for 21 of the 43 Council members. The Partnership Administration wants to continue to drive forward a modernisation agenda and demonstrate that the changes it makes result in better outcomes for citizens.

The Council has discharged its improvement planning duties under the Local Government (Wales) Measure 2009 and has acted in accordance with Welsh Government guidance

76 The Council published *Looking to the Future: Your County, Your Way Improvement Plan 2012-15* in June 2012. This reconfirms the Council's three strategic priorities of school improvement; protection of vulnerable people; and supporting enterprise, job creation and entrepreneurship. Five of the six Improvement Objectives reflect these three priorities and the sixth is directed at modernising the way the Council is run through the implementation of the Council's new transformational change programme, 'Your County, Your Way'.

¹⁰ NESTA is an independent charity which helps people and organisations to bring ideas to life and to develop innovative solutions in designing and delivering services.

- 77 Each of the Council's six Improvement Objectives includes a summary setting out the specific rationale for its selection as a priority for improvement. This rationale includes service user feedback, Welsh Government priorities, strategic partner's views, stakeholder engagement and community issues. The Council has clearly stated what each of the Improvement Objectives aims to achieve in relation to its priorities and has identified broad measures of success. The Plan sets out how the actions and projects for each Improvement Objective will be managed via the individual department/team level Service Improvement Plans (SIPs). The Plan also identifies, in broad terms, the resources that are available to support delivery of the Improvement Objectives.
- 78 The links between the Improvement Objectives and accompanying measures of success, baselines and targets are being strengthened and this will need to continue over the next 12 months. These improved links will make it easier for the Council to demonstrate effective delivery of all the Improvement Objectives. In many Objectives the focus is very clear and the intended impact of improvement is clearly set out. For instance, for the Improvement Objective relating to improving education and learning in Monmouthshire, the measures of success focus on attainment and it is clear what the intended end result is. In other Improvement Objectives it is less clear. For example, under the Improvement Objective to provide a joined-up and comprehensive approach to area regeneration and development, the emphasis is on the renewal of the four major towns of the county – Monmouth, Abergavenny, Chepstow and Caldicot. The Council needs to further strengthen how it links the focus for annual improvement activity under each of its Improvement Objectives, the action plans for co-ordinating delivery and the measures to judge success.
- 79 The Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 set out specific requirements for all public bodies 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. *Looking to the Future: Your County, Your Way Improvement Plan 2012-15* includes detailed information that shows how the Council has discharged these statutory requirements when setting its Improvement Objectives and improvement Plan for 2012-15.

The Council has made progress in addressing most of the areas for improvement we identified. The systems in place to co-ordinate and manage the findings of some of our work are being strengthened

80 In our September 2012 Improvement Assessment Letter to the Council, we reported that overall, the Council had made progress against most of our proposals for improvement. The Council shapes its response to managing the findings and proposals for improvement from external regulators and inspectors, based on a determination of whether the proposal is a fundamental change in practice or an amendment to day to day routine working.

81 Since this time the Council has introduced new systems to coordinate and manage the delivery of the findings of external regulators. A single action plan has been developed which captures progress in addressing the proposals for improvement; identifies the supporting evidence being used to judge the impact of planned actions; and tracks where progress is monitored and evaluated to ensure those charged with improvement are accountable for their performance. We will assess progress and report our findings under our next assessment of corporate arrangements.

82 Generally actions are captured in SIPs and these have clear guidance and appropriate management and accountability systems in place to track progress in their delivery and assess impact. The SIPs are monitored by the responsible Departments, the Strategic Leadership Team, the Audit and Accounts Committee, Select Committees and Cabinet on a six monthly cycle. Currently the Council is refreshing its SIPs to align them with *Looking to the Future: Your County, Your Way Improvement Plan 2012-15*.

83 We found that both the Cabinet and Audit Committee have received both our Corporate Assessment and Annual Improvement Reports in past years, as well as findings of other Regulators and Inspectorates. This helps Members to assess how the Council is performing and consider an independent view of the Council's approach to deliver improvement for citizens.

84 We noted in September 2012 that our recent service based reviews are not always presented to select committees and are generally managed within services. We recommended that the Council strengthens accountability for performance with better reporting to its Select Committees and within its services to improve challenge and scrutiny of decisions and performance. This recommendation is now being addressed with new arrangements introduced in 2012-13 to better monitor and evaluate performance, especially by members. This is a good example of how the Council responds positively to external challenge and regulation.

The Council has a good track record of financial planning and managing with less money and its willingness to innovate and challenge traditional ways of working is supporting it to modernise the way it works. Limitations in capital funding remain difficult and a deficit on the 2012-13 budget is being addressed

- 85 In our September 2012 Improvement Assessment Letter to the Council we reported that the Council has a good understanding of financial matters, which has resulted in a sound medium-term financial planning process for several years. The Council has a willingness to consider a wide range of options and is transforming how it delivers services to citizens through 'Your County, Your Way'. Within the Council's financial planning framework there is evidence that high level and key strategic Welsh Government targets are factored in, such as the national waste targets, 21st century schools and protecting services for vulnerable people.
- 86 The Council has a good understanding of the cost pressures it faces and has good systems in place to frequently assess and review its financial performance. Regular updates of the Medium Term Financial Plan are made throughout each year. The Council has developed a detailed and systematic approach to reviewing revenue budgets and this has enabled it to reduce expenditure in line with reductions in central government support.

- 87 The Council has a good a track record in delivering revenue budget savings and operating within its budget, and delivered a £4 million surplus on its 2011-12 budget. The 2012-13 Revenue budget is £149.1 million and the Council has identified the need to secure savings of approximately £5 million to balance the 2012-13 budget. In December 2012 budget monitoring information for each directorate's directly managed budgets highlighted an overspend on net cost of services of £2.391 million. This was due mainly to financial pressures in Social Care and Education and the Council is working to improve this position. The 2012-13 capital programme of £26 million is predicted to have slippage into 2013-14 of £7.4 million and an underspend on current schemes of £0.1 million.
- 88 The Council faces significant financial challenges over the next few years due to anticipated reductions in both revenue and capital funding from Government and increased demand for some services. In January 2013 the Council identified a deficit of £4.8 million on its 2013-14 revenue budget and has broadly identified the savings it needs to make to address this. The Council continues to undertake work to ensure it has sustainable budgets in the long-term.

89 We reported in September 2012 that limited work has been undertaken by the Council on demographic changes and the robustness of services, primarily because medium term needs/demand information is not well developed and readily available. We are currently completing detailed work on the impact of budget savings on three services to ascertain their ability to continue to deliver the Council's statutory requirements with less money and their sustainability in the long-term.

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

90 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. This Programme has legal status under a Section 33 Partnership agreement¹¹ 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 aims for the Programme 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.

91 The Wales Audit Office undertook an initial review of the arrangements for implementation of the Gwent Frailty Programme, 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 a shared vision for the Gwent Frailty Programme and have created a sound programme management framework to underpin it. The Programme is in the early stages of implementation and challenges remain to ensure it is sustainable, to change established behaviours and to demonstrate its impact.

92 Our specific report on the Gwent Frailty programme contains proposals for improvement. These are being taken forward by the Gwent Frailty Programme Board and an action plan to address these recommendations is being completed. We will continue to review progress with the programme and will also monitor the action plan. We also anticipate undertaking follow-up work.

¹¹ 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.

A new Education Achievement Service for South East Wales has been created and is focussing on improving attainment within schools

- 93 The South East Wales Consortium in September 2012 established the Education Achievement Service for South East Wales¹². This consortium has been created by the five local authorities to raise education standards. The consortium will monitor, support and challenge schools to improve attainment levels. The intended benefits of the service include increased capacity to support schools that require challenge, using data more effectively to focus on outcomes, identifying good practice across schools that can be used to improve outcomes, more efficient administration and facilitating professional learning communities.

¹² It comprises the five local authorities of Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen and is a jointly owned company limited by guarantee to deliver improvement support for schools and drive educational attainment.

Appendices

Appendix 1 Status of this report

The Local Government (Wales) Measure 2009 (the Measure) requires the Auditor General to undertake an annual improvement assessment, and to publish an annual improvement report, for each improvement authority in Wales. This requirement covers local councils, national parks, and fire and rescue authorities.

This report has been produced by the Auditor General to discharge his duties under section 24 of the Measure. The report also discharges duties under section 19 to issue a report certifying that he has carried out an improvement assessment under section 18 and stating whether, as a result of his improvement plan audit under section 17, he believes that the authority has discharged its improvement planning duties under section 15.

Improvement authorities are under a general duty to 'make arrangements to secure continuous improvement in the exercise of [their] functions'. Improvement authorities are defined as local councils, national parks, and fire and rescue authorities.

The annual improvement assessment is the main piece of work that enables the Auditor General to fulfil his duties. The improvement assessment is informed by a forward-looking assessment of an authority's likelihood to comply with its duty to make arrangements to secure continuous improvement. It also includes a retrospective assessment of whether an authority has achieved its planned improvements in order to inform a view as to the authority's track record of improvement. This report also summarises the Auditor General's conclusions on the authority's self-assessment of its performance.

The Auditor General may also in some circumstances carry out special inspections (under section 21), in respect of which he will provide a report to the relevant authorities and Ministers, and which he may publish (under section 22). The Auditor General will summarise audit and assessment reports in this published annual improvement report (under section 24). This will also summarise any reports of special inspections.

An important ancillary activity for the Wales Audit Office is the co-ordination of assessment and regulatory work (required by section 23), which takes into consideration the overall programme of work of all relevant regulators at an improvement authority. The Auditor General may also take account of information shared by relevant regulators (under section 33) in his assessments.

Appendix 2

Useful information about Monmouthshire and Monmouthshire County Council

The Council

The Council's revenue budget is £177 million for 2012-13. This equates to about £1,939 per resident. In the same year, the Council also had a capital budget of £31 million.

Band D council tax in 2011-12 for Monmouthshire was £1,225 per year. This has increased by 0.4 per cent to £1,229 per year for 2012-13. Forty seven per cent of Monmouthshire's housing is in council tax bands A to D.

The Council is made up of 43 elected members who represent the community and make decisions about priorities and use of resources. The political make-up of the Council is as follows:

- 19 Conservatives
- 10 Independent
- 11 Labour
- 3 Welsh Liberal Democrats

Monmouthshire's Chief Executive is Paul Matthews. The Chief Executive is the Head of Paid Service and Principal Policy Adviser to the Council. The Leadership team is made up of Moyna Wilkinson, Deputy Chief Executive; Kellie Beirne, Chief Officer Regeneration and Culture; Simon Burch, Chief Officer Social Care and Health; Tracey Harry, Head of Democratic services and improvement; and Joy Robson, Head of Finance

Other information

The Assembly Members for Monmouthshire for 2011-2016 are:

- Nick Ramsey, Monmouthshire, Conservative
- Mohammad Asghar, South Wales East, Conservative Party
- Jocelyn Davies, South Wales East, Plaid Cymru
- Lindsay Whittle, South Wales East, Plaid Cymru
- William Graham, South Wales East, Conservative Party

The Members of Parliament for Monmouthshire for 2010–2015 are:

- David Davies, Monmouthshire, Conservative.

For more information see the Council's own website at www.monmouthshire.gov.uk or contact the Council at PO Box 106, Caldicot, NP26 9AN.

Appendix 3

Appointed Auditor's Annual Audit Letter

This letter summarises the key messages arising from my statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor and my reporting responsibilities under the Code of Audit Practice.

The Council complied with its responsibilities relating to financial reporting and use of resources

It is the Council's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

The Public Audit (Wales) Act 2004 requires me to:

- provide an audit opinion on the accounting statements;
- review the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- issue a certificate confirming that I have completed the audit of the accounts.

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This Code is based on International Financial Reporting Standards. On 28 September 2012 I issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee and to full Council in my Audit of Financial Statements report on 20 September 2012 and 27 September 2012 respectively.

We reported that we made a small number of amendments to the draft Statement of Accounts but did not identify any material weaknesses in your internal controls. Some other misstatements were identified which, given their non-material nature, were not corrected within the Statement of Accounts.

In addition, a number of other issues were identified that the Council should address as part of its 2012-13 accounts production process. These issues are summarised within the MCC/WAO Joint Progress Document that we reported to members of the Audit Committee on 1 November 2012. We will be working with officers to address these as part of our ongoing audit and keeping members of the Audit Committee informed as appropriate.

My consideration of the Council's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed as part of the Improvement Assessment under the Local Government (Wales) Measure 2009. Overall, I am satisfied that the Council has appropriate arrangements in place. The Auditor General will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made when he publishes his Annual Improvement Report.

Certificate of completion

I certify that I have completed the audit of the accounts of Monmouthshire County Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Code of Audit Practice issued by the Auditor General.

Richard Harries, Engagement Lead
For and on behalf of the Appointed Auditor
29 November 2012

Local electors and others have a right to look at the Council's accounts. When the Council has finalised its accounts for the previous financial year, usually around June or July, it must advertise that they are available for people to look at. You can get copies of the accounts from the Council; you can also inspect all books, deeds, contracts, bills, vouchers and receipts relating to them for 20 working days after they are made available. You can ask the auditor questions about the accounts for the year that they are auditing. For example, you can simply tell the auditor if you think that something is wrong with the accounts or about waste and inefficiency in the way the Council runs its services. For more information see the Wales Audit Office leaflet, *Council accounts: your rights*, on our website at www.wao.gov.uk or by writing to us at the address on the back of this report.

Appendix 4

Monmouthshire County Council's improvement objectives and self-assessment

The Council is required by the Welsh Government to make plans to improve its functions and the services it provides. Each year it must publish these plans along with specific 'improvement objectives' that set out the key things that the Council intends to do to improve. The Council must do this as soon as possible after 1 April each year.

The Council published its improvement objectives for 2012-13 in its *Looking to the Future: Your County, Your Way Improvement Plan 2012-15* which can be found on the Council website at www.monmouthshire.gov.uk/improvement/. They are:

2011-12 Improvement Objectives	2012-13 Improvement Objectives
<p>We want to bring together health, social care and independent agencies in a single model of community based care called the <i>Gwent Frailty Programme</i>. More specifically this year we will introduce rapid response teams of district nurses, social workers and home carers working together to prevent people having to go into hospital.</p>	<p>We will continue to bring together health, social care and independent agencies in a single model of community based care called the <i>Gwent Frailty Programme</i>. More specifically this year we will continue to operate multi disciplinary teams to deliver integrated practice and instigate the 'Missing link' programme aimed at improving our response to missing / runaway children.</p>
<p>We want to improve the prosperity of our county and its attractiveness to business. More specifically this year we will support businesses and promote the county to inward investors.</p>	<p>We want to improve the prosperity of our county and its attractiveness to business. This year we will build on the progress we have made in supporting both existing and new businesses and also turn our focus to maximising both the financial and social return on investment in our tourism economy.</p>
<p>We want to provide training and employment opportunities and deliver efficiency and maintenance programmes as an holistic regeneration plan for communities within the north of the county. More specifically this year we will focus on the Overmonnow area.</p>	<p>We want to provide a joined-up and comprehensive approach to area regeneration and development. Continuing from last year, we will work in partnership with key organisations to either review existing or develop new holistic area regeneration plans for our key towns of Abergavenny, Caldicot, Chepstow and Monmouth. We will also use this approach in developing smaller communities starting in Llanelly Hill and Overmonnow.</p>

2011-12 Improvement Objectives	2012-13 Improvement Objectives
<p>We want to reform the way we provide education to ensure the best learning opportunities for our children, young people and the wider community. More specifically this year we will develop better teaching and learning practices and build a modern ICT infrastructure within our schools.</p>	<p>We want to improve the way we provide education to ensure the best learning opportunities for our children, young people and the wider community. More specifically this year we will implement the Education Achievement Service as a joint authority approach to develop better teaching and learning practices, we will put the wheels in motion to improve the school sites so they are fit to deliver 21st century education and we will continue our programme of building a modern ICT infrastructure within our schools.</p>
<p>We want to work with our partners and the community to increase the amount of waste treated in a sustainable manner and work towards a long-term sustainable alternative to landfill. More specifically this year we will develop a programme of fortnightly collections throughout the county including composting and recycling. As part of this we will progress Prosiect Gwyrdd to offer a long-term and sustainable way of treating residual waste.</p>	<p>We want to work with our partners and the community to increase the amount of waste treated in a sustainable manner and work towards a long term sustainable alternative to landfill. As part of this we will progress Prosiect Gwyrdd to offer a long term and sustainable way of treating residual waste.</p>
<p>We want to modernise the way the Council is run to improve the way we work. More specifically we will change the way we run some services to reduce the costs and ensure the best use of public money.</p>	<p>We want to modernise the way the Council is run to improve the way we work. More specifically we will focus on changing the culture of our organisation to make sure that we listen to what our communities want and become more responsive and innovative in meeting those needs.</p>

The Council's self-assessment of performance

The Council self-assessment of its performance can be found in the *How we performed 2011/12 Improvement Plan – Stage 2* located on the Council's website at: <http://www.monmouthshire.gov.uk/improvement/>

Appendix 5

Proposals for improvement 2012-13

Over the course of our work in 2012-13 we have made some new proposals for improvement. These have previously been reported to the Council and are set out below for information. We will continue to monitor and report on the progress made by the Council in implementing the proposals under our future programme of work.

Proposals for improvement - Strengthen how the Council evaluates and reports on both its performance and its capacity and capability to deliver improvement

- P1** Act more in accordance with Welsh Government guidance by:
- expressing the Council's view of its success in achieving its improvement objectives;
 - using a wider evidence base of information to enable the Council to assess whether it has met its improvement objectives; and
 - maximising accessibility to citizens and stakeholders of the Council's performance assessment.
- P2** Ensure all services have consistent and effective arrangements to manage, report, evaluate and improve performance which are reported against agreed minimum standards and are subject to robust scrutiny and challenge.

Proposals for Improvement – Improvement Planning

- P1** Set measures of success that specifically focus on judging the impact of the annual programme of actions for each improvement objective to enable an evaluation of how successful performance is in delivering outcomes.

Proposals for Improvement – Implementing proposals for Improvement

- P2** Report performance on addressing the findings of our service based reviews to the appropriate select committees to enable members to scrutinise and challenge services.

Proposals for Improvement – Gwent Frailty

- P1** Create a single suite of comparative performance information across Gwent Frailty based upon measures of outcomes for users, costs and sustainability. Develop consistent performance baselines against indicators in order to report and monitor progress; evaluate the impact of different approaches within the franchise; support reductions in unjustifiable variations; identify, assess and share good practice.
- P2** Develop a framework for joint scrutiny of Gwent Frailty across councils, supported by the Gwent Frailty dashboard performance reports, which will also support scrutiny by the Health Board.
- P3** Agree criteria for referral to and acceptance by Gwent Frailty to target services more accurately at the intended user group. Engage with GPs and hospital clinicians to ensure referral systems are not bypassed and that referrals to Gwent Frailty are appropriate. To ensure medium-term and long-term sustainability of the Programme, clarify the implications of criteria, including profiling: future demand, unit and total costs; hospital admissions, discharges and bed days; benefit realisation; and risks.
- P4** Address issues identified in the Gwent Frailty review of SPA first year of operation, including: compliance with referral procedures; improving: SPA functionality; calls handling; records access; information processing; and also training and development for Community Resource Team (CRT) and SPA staff as well as referrers.
- P5** Map out financial plans and demand projections beyond the initial three year plan for Gwent Frailty, to ensure it is sustainable.
- P6** Undertake the review of Gwent Frailty and CRTs in operation, anticipated for the end of year one, to evaluate the effectiveness of different approaches to delivering the service and identify the impact upon Gwent Frailty and its users of: variations in services within Gwent Frailty; and issues and constraints within the wider health and social care system, including seven day and out of hours working.
- P7** Undertake a fundamental review of the IT programme intended to support Gwent Frailty implementation, encompassing issues including: hardware; software; system integration; data capture; reporting; project scope; and progress.

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