



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Annual Improvement Report 2015-16

## Ceredigion County Council

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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Colin Davies and Tim Buckle, under the direction of Jane Holownia.

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# Summary report

## About this report

- 1 This Annual Improvement Report (AIR) summarises the audit work undertaken at Ceredigion County Council (the Council) since the last such report was published in October 2015. This report also includes a summary of the key findings from reports issued by 'relevant regulators', namely: the Care and Social Services Inspectorate Wales (CSSIW); Her Majesty's Inspectorate for Education and Training in Wales (Estyn); and the Welsh Language Commissioner (the Commissioner). Nonetheless, this report does not represent a comprehensive review of all the Council's arrangements or services. The conclusions in this report are based on the work carried out at the Council by relevant external review bodies and, unless stated otherwise, reflect the situation at the point in time that such work was concluded.
- 2 Taking into consideration the work carried out during 2015-16, the Auditor General will state in this report whether he believes that the Council is likely to make arrangements to secure continuous improvement for 2016-17.
- 3 This statement should not be seen as a definitive diagnosis of organisational health or as a prediction of future success. Rather, it should be viewed as providing an opinion on the extent to which the arrangements currently in place are reasonably sound insofar as can be ascertained from the work carried out.
- 4 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@audit.wales](mailto:info@audit.wales) or writing to us at 24 Cathedral Road, Cardiff, CF11 9LJ.

## 2015-16 performance audit work

- 5 In determining the breadth of work undertaken during the year, we considered the extent of accumulated audit and inspection knowledge, as well as other available sources of information including the Council's own mechanisms for review and evaluation. For 2015-16, we undertook improvement assessment work under three themes: use of resources; governance; and performance.
- 6 The work carried out since the last AIR, including that of the 'relevant regulators', is set out below:

Project name	Brief description
<b>Wales Audit Office:</b> Use of Resources: Financial Resilience Assessment	Review of the Council's financial position and how it is budgeting and delivering on required savings.
<b>Wales Audit Office:</b> Governance Review of the Council's approach to communicating and engaging with citizens	Review of the Council's approach to planning and delivering citizen engagement and communication, and the Council's approach to analysing and acting on the results of its communication and engagement activity.
<b>Wales Audit Office:</b> Governance Review of the arrangements in place to deliver transformation and efficiency	Review of the governance arrangements in place to support the development and delivery of the Council's Strategic Plan, and to monitor its implementation and impact.
<b>Wales Audit Office:</b> Performance Management Review of access to housing and affordable housing	Review of progress and validation of the Council's assessment of its performance over 2014-15 in relation to the Council's Improvement Objective of ' <b>Improve access to housing and the delivery of more affordable housing</b> '.
<b>Wales Audit Office:</b> Annual 'Improvement Plan' Audit	Review of the Council's published plans for delivering on improvement objectives.
<b>Wales Audit Office:</b> Annual 'Assessment of Performance' Audit	Review of the Council's published performance assessment.
<b>Wales Audit Office:</b> Follow-up work	Follow up on progress in addressing proposals for improvement from previous review of the Council's arrangements to support the safeguarding of children.

Project name	Brief description
<b>Wales Audit Office:</b> Follow-up work	Follow up on progress in addressing proposals for improvement from previous reviews of Technology and Information Management
<b>Estyn:</b> Desk top analysis	An overview of key education performance indicators prepared by Estyn.
<b>CSSIW:</b> Review of the Social Services Department's performance 2014-15	Annual Review and Evaluation of Performance of the Council's social services functions for 2014-15.
<b>The Commissioner:</b> Review of the Council's Welsh Language Scheme	Assessment of the effectiveness of the Scheme in providing Council services to members of the public who prefer to communicate in Welsh.

**The Council has managed its finances well, and is making good progress in a number of areas; but further work is necessary to ensure that the Council's governance and financial management arrangements are sufficiently robust to meet the significant challenges ahead**

- 7 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Council is likely to comply with the requirements of the Measure during 2016-17.
- 8 The Auditor General has reached this conclusion because the Council:
- is making good progress in developing a number of aspects of its social care provision, and in improving access to housing and delivering more affordable housing;
  - has had a prudent approach to managing its finances, but could improve financial resilience by better aligning medium-term financial planning and corporate planning arrangements; and
  - is improving aspects of its governance arrangements, and has responded to our previous proposals for improvement in a number of areas; but governance arrangements are weakened by a lack of clarity over both specific savings targets for future years, and arrangements for monitoring the impact of savings proposals.

- 9 During 2016-17, the Council will continue to face the challenges associated with continued pressure on public finances against a backdrop of legislative change and rising demand for some services. The Council has significantly reduced its management capacity over recent years, and it will need to carefully manage the resources at its disposal if it is to continue to respond effectively to the challenges ahead.

## Recommendations

- 10 Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
- make proposals for improvement – if proposals are made to the Council, we would expect it to do something about them, and we will follow up what happens;
  - make formal recommendations for improvement – if a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days;
  - conduct a special inspection and publish a report and make recommendations; and
  - recommend to Ministers of the Welsh Government that they intervene in some way.
- 11 During the course of the year, the Auditor General did not make any formal recommendations to the Council. However, lower-priority issues, known as proposals for improvement, are contained in our other reports to the Council and may be referred to later on in this report. He also makes recommendations that may be relevant to the Council in his Local Government National Reports. A list of recommendations contained in those reports issued in 2015-16 can be found in [Appendix 3](#). We will continue to monitor proposals for improvement during the course of our improvement assessment work.
- 12 In addition, CSSIW, and the Commissioner included areas for improvement in their inspection reports and letters issued to the Council during the year. These are available at [www.cssiw.org.uk](http://www.cssiw.org.uk) and [www.comisiynyddygybraeg.org](http://www.comisiynyddygybraeg.org).
- 13 Estyn issued no inspection reports to the Council during 2015-16.



# Detailed report





# Performance

The Council is making good progress in developing a number of aspects of its social care provision, and in improving access to housing and delivering more affordable housing

## Estyn's evaluation of schools performance in Ceredigion

- 14 The proportion of pupils eligible for free school meals in Ceredigion is much lower than the Wales average. This is taken into account when evaluating the performance in the authority.
- 15 Performance in the Foundation Phase indicator<sup>1</sup> has improved, and in 2015 was the best in Wales. At key stage 2, the authority's performance in the core subject indicator<sup>2</sup> has improved over the last five years, although at a slower rate than the Wales average. In 2015, performance in this indicator is slightly below that in similar authorities.
- 16 The improving trend in performance at key stage 3 over the last five years has continued in 2015, and the proportion of pupils achieving the core subject indicator is in line with performance in similar authorities.
- 17 Performance at the level 2 threshold including English or Welsh and mathematics<sup>3</sup> in key stage 4 has been broadly similar for the last three years. Following improving trends during the previous three years, there has been a slight decrease in the capped points score in 2015. In 2015, performance in both indicators is below the benchmark for performance set by the Welsh Government.
- 18 Attendance rates in primary schools have improved over the last five years. In 2015, attendance is better than in most other similar authorities. Attendance in secondary schools is broadly in line with levels in similar authorities.
- 19 The performance of pupils eligible for free school meals in Ceredigion has improved over the last four years for the main indicators<sup>4</sup> at all stages, and these pupils generally perform better than similar pupils in other Welsh authorities.

1 The **Foundation Phase indicator** refers to the percentage of pupils who reach the expected performance (outcome level 5) in three areas of learning in the Foundation Phase: literacy, language and communication in English or Welsh first language; mathematical development; and personal and social development, wellbeing and cultural diversity.

2 The **core subject indicator** refers to the percentage of pupils who attain the level expected of them in mathematics, science and either English or Welsh as a first language. This equates to level 4 or above at key stage 2 and level 5 or above at key stage 3.

3 The **level 2 indicator including English or Welsh and mathematics** represents a volume of learning equivalent to five GCSEs at grade A\* to C including English or Welsh first language and mathematics.

4 Where the text refers to 'main indicators', at key stage 4, this would include the level 1 indicator (a volume of learning equivalent to five GCSEs at grade A\* to G), the level 2 indicator (a volume of learning equivalent to five GCSEs at grade A\* to C), and the percentage of pupils achieving five GCSEs at grade A\* to A, in addition to the core subject indicator and the level 2 indicator including English or Welsh and mathematics. The 'main indicators' prior to key stage 4 are the Foundation Phase indicator and core subject indicators for key stages 2 and 3. The performance indicators for the Foundation Phase key stages 2 and 3 are based on teacher assessment. The performance indicators for key stage 4 are based on externally verified qualifications such as GCSEs.

**The Council is making good progress in developing a number of aspects of its social care provision, placing it in good stead to respond to the significant challenges ahead**

- 20 CSSIW published its Annual Review and Evaluation of Performance 2014/15 in October 2015 and this is available on its website. CSSIW reported that the positive impact of working in a wider directorate is enabling social care to link more effectively with housing and with other departments. This is supported through the heads of service meetings which are contributing to a wider understanding within the Council of its corporate responsibility in meeting the needs of vulnerable children and adults. A key challenge for the Council going forward is the working relationship with Health and its own internal restructuring and refocusing. The impact of this on the Council's continued ability to deliver social care services more effectively and affordably is significant.
- 21 The social care workforce is well trained, supervised, and valued. Despite challenges, the commitment of staff is very clear, and it is recognised that whilst more development is required, the core service delivery remains robust.
- 22 At a time of austerity, the achievements within social services during the year are worthy of note. Adult services have had financial support from the Council for the learning disability, transition, and adult safeguarding business cases. The service has been given extra funding for transforming its older people services to help ensure that it is sustainable, given the challenging demographics of Ceredigion. Included in this extra funding has been the management of Deprivation of Liberty Safeguards applications and quality assurance development. These areas of work will now be progressed in 2015-16.
- 23 Within commissioning services, good progress has been made in developing the domiciliary care market.
- 24 In children's services, the development of its early intervention and prevention services and models has delivered positive outcomes for both children and families.
- 25 However, the Council recognises that it is reaching what it describes as a 'pivotal point'. With budget cuts needed in addition to the £25 million already achieved in recent years and a further £25 million of projected savings necessary over the next three years, it brings into question the future sustainability of services.
- 26 The impact of the implementation of the Social Services and Wellbeing (Wales) Act 2014 at both Council and regional level, together with the challenges brought by the impending local government reorganisation, cannot be underestimated. Despite this, the work already commenced in the Council's transformation of older people's services, its integration with Health, its remodelled safeguarding service, and the success of its early intervention and prevention services places the Council in good stead.

## The Council discharged its improvement planning and reporting duties under the Measure

- 27 In June 2015, the Council discharged its improvement planning duties through the publication of its Improvement Plan: Improvement Objectives, and in October 2015, the Council discharged its performance reporting duties through the publication of its Improvement Plan: Performance. Following our Audits of these documents, we issued certificates in July 2015 and November 2015 stating our view that the Council had complied with its improvement planning and reporting responsibilities.

## The Council is making good progress in improving access to housing and delivering more affordable housing, but regular benchmarking would help the Council to better evaluate its performance and identify opportunities for improvement

- 28 For 2014-15, one of the five improvement objectives identified by the Council was to **'Improve access to housing and the delivery of more affordable housing.'** In its Improvement Plan for 2014-15, the Council stated that: **'It is recognised that Ceredigion is an area with very high housing costs both to buy and rent and coupled with relatively low household incomes the county has a distinct lack of affordable housing. The provision of affordable housing has been identified as a priority for the County by the Ceredigion for All, Single Integrated Plan.'**<sup>5</sup> The Council's own assessment of its progress in meeting this improvement objective over 2014-15 was excellent.
- 29 To provide assurance that the Council is making progress towards its improvement objective and is delivering improved outcomes for citizens, we reviewed the Council's progress over 2014-15. The review asked the question: **'Is the Council making progress on its planned improvements?'** We concluded that the Council is making good progress in improving access to housing and delivering more affordable housing but regular benchmarking would help the Council to better evaluate its performance and identify opportunities for improvement. This is because the the Council has clearly articulated its ambition to improve access to housing and is improving its understanding of housing needs within the County. The Council is making good progress against its own targets. However, the Council does not undertake regular benchmarking in this area with other Councils. Benchmarking could help the Council to learn from other approaches and identify opportunities for improvement, as well as strengthening the basis for the Council's own evaluation of its performance.

5 Ceredigion County Council Improvement Plan: Objectives 2014-15.

## Welsh Language Commissioner's evaluation of Ceredigion County Council's performance

- 30 The role of the Welsh Language Commissioner (the Commissioner) was created by the Welsh Language (Wales) Measure 2011. New powers to impose standards on organisations came into force through subordinate legislation on 31 March 2015. The Commissioner will continue to review Welsh-language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 31 The Commissioner works with all councils in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of councils to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every council 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.
- 32 The Commissioner's inspection reports and letters issued to the Council are available on the [Commissioner's website](#).

# Use of resources

## The Council has had a prudent approach to managing its finances but could improve financial resilience by better aligning medium-term financial planning and corporate planning arrangements

- 33 We undertook a financial resilience assessment of the Council during the period July to January 2016. The focus of the work was on delivery of 2014-15 savings plans, and the 2015-16 financial planning period. We considered whether the Council has appropriate arrangements to plan to secure and maintain its financial resilience in the medium term (typically three to five years ahead). We found that the Council has a track record of managing its finances prudently, but its medium-term financial planning arrangements are not sufficiently developed to provide assurance that it will achieve the scale of future savings needed at the pace required. In addition, whilst the Council has a clear framework for managing its financial affairs, it has identified a need to strengthen arrangements for addressing overspends in service areas. We also found that the Council has strengthened its in-year financial monitoring arrangements, but there are opportunities to strengthen medium-term financial monitoring arrangements. The Council has recognised the need to develop its arrangements and is working to improve them, we will review progress in this area as part of our financial resilience assessment during 2016-17.

### Audit of the Council's accounts

- 34 On 30 November 2015, the Auditor General issued an Annual Audit Letter to the Council. The letter summarises the key messages arising from his statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor, and his reporting responsibilities under the Code of Audit Practice. The Auditor General issued an unqualified opinion on the Council's accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. The Annual Audit Letter can be found in [Appendix 2](#) of this report.



# Governance

The Council is improving aspects of its governance arrangements and has responded to our previous proposals for improvement in a number of areas; but governance arrangements are weakened by a lack of clarity over both specific savings targets for future years, and arrangements for monitoring the impact of savings proposals

The Council is improving the way it engages and communicates with citizens, and there are some examples where citizens' views have helped shape Council activities, but corporate arrangements for evaluating the effectiveness of consultation and engagement are underdeveloped

35 We reviewed the Council's approach to communicating and engaging with citizens in July 2015 as part of our improvement assessment work. We found that the Council is strengthening its capacity to undertake communication and engagement with citizens, and is improving its arrangements for engaging and communicating with citizens. However, we also found that the Council is yet to take action to resolve previously identified weaknesses in the operation and composition of its Citizen's Panel, and whilst the Council is monitoring the effectiveness of its communication activities, it does not have robust corporate arrangements for evaluating the effectiveness of consultation and engagement exercises.

The Council has recently developed a Strategic Plan to help it meet the financial challenges it faces, but governance arrangements to deliver and monitor it are weakened by a lack of clarity over both specific savings targets for future years, and arrangements for monitoring the impact of savings proposals

36 In our AIR for the Council published in September 2014, that also included the report of the Corporate Assessment 2014, we made a Proposal for Improvement that the Council should develop a Strategic Plan that sets out a clear vision for the future delivery of its services within the financial constraints it faces over the medium term. In September 2015, we undertook a review of the Council's governance arrangements for delivering transformation and efficiency, and as part of this review, we examined the Council's progress in addressing this proposal for improvement.

37 We found that the Council has strengthened its corporate focus and leadership on transformation and efficiency, but weaknesses in its plans limit the effectiveness of its arrangements to monitor and evaluate progress in meeting its priorities whilst reducing costs. We also found that whilst roles and responsibilities for delivering transformation and efficiency are generally well defined and understood, responsibility for monitoring the impact of the implementation of transformation and efficiency proposals is unclear. The Council, however, is improving its communications and engagement arrangements, and there are examples of engagement with citizens in elements of the Council's transformation and efficiency agenda.

The Council has either addressed or is making progress against each of the proposals for improvement made in our previous report regarding its arrangements to support safeguarding of children

- 38 In September 2014, we reported our local findings to the Council following our review of Local Authority Arrangements to Support Safeguarding of Children. The study focussed on answering the following: **'Do the Council's governance and management arrangements provide assurance that children are safeguarded?'** In reporting our findings, we made five proposals for improvement to the Council. In February 2016, we reviewed the Council's progress in implementing the proposals for improvement above. We asked the question **'Has the Council made progress in addressing the proposals for improving arrangements to support safeguarding of children?'** We found that the Council has either addressed, or is making progress against each of the proposals for improvement made in our previous report. We came to this conclusion because:
- the Council is revising its Corporate Safeguarding Policy;
  - the majority of Councillors have received safeguarding training;
  - the regional Local Safeguarding of Children Board has been established;
  - the Council has communicated to staff which councillor has lead responsibility for child protection; and
  - the Council is strengthening its whistleblowing arrangements, including through provision of training for members and officers, and the development of a revised Whistleblowing policy.

The Council is strengthening its approach to the use of technology and information management, but it needs to do more to fully address some of our previous proposals for improvement

- 39 In August 2013, we reviewed the Council's progress towards implementing the seven proposals for improvement arising from our earlier review of technology. We found that: **'Progress has been made against all of the seven proposals for improvement, and now the restructure has taken place faster progress can be made, with many of the outstanding areas expected to be complete by December 2013.'** In 2013, we concluded that of the seven proposals for improvement, two were 'complete', two were 'in progress', and 'limited progress' had been made in relation to three proposals for improvement.

40 In August 2013, we also reviewed the Council's progress in implementing the seven proposals for improvement arising from our earlier review of information management. We found that: **'Progress has been made on all the proposals for improvement, which has strengthened the Council's approach to information management; however, the Council's uncontrolled use of unencrypted memory sticks continues to be a concern.'** In 2013, we concluded that of the seven proposals for improvement, two were 'complete', four were 'in progress', and 'limited progress' had been made in relation to one proposal for improvement.

41 In March 2016, we further reviewed the Council's progress in implementing the proposals for improvement arising from the reviews of technology and information management that we judged to be incomplete in our 2013 follow-ups. We found that **'The Council is strengthening its approach to the use of technology and information management, but it needs to do more to fully address some of our previous proposals for improvement.'** We came to this conclusion because:

- the Council has adopted an overall ICT Strategy that links to its Corporate priorities;
- a single ICT team provides capacity to support corporate projects and service delivery;
- the Council does not yet consistently and routinely collect customer information, or proactively and consistently market different opportunities to access services;
- the Council is improving its performance management arrangements for ICT, but there is potential to identify local performance indicators to further strengthen arrangements;
- the Council's five-year ICT Strategy (2013-17) sets out its long-term vision for Information Management;
- the Council has learned lessons from some previous large-scale change projects, and is strengthening its project management capacity;
- the Council has strengthened its controls and procedures in relation to information security;
- the Council is improving its approach to the long-term management of electronic information; and
- the Council has strengthened its arrangements for responding to Freedom of Information requests, but is still not responding to all such requests within statutory timescales.

# 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 staff of the Wales Audit Office on behalf of the Auditor General to discharge his duties under section 24 of the Measure. The report also discharges his 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 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. The Auditor General will summarise his audit and assessment work in a published annual improvement report for each authority (under section 24).

The Auditor General may also, in some circumstances, carry out special inspections (under section 21), which will be reported to the authority and Ministers, and which he may publish (under section 22). An important ancillary activity for the Auditor General 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 – Annual Audit Letter

The Leader  
Ceredigion County Council  
Penmorfa  
Aberaeron  
Ceredigion  
SA46 0PA

Dear Councillor Ellen ap Gwyn

## **Annual Audit Letter – Ceredigion County Council 2014-15**

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

### **Ceredigion County 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 29 September 2015, 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 in my Audit of Financial Statements report on 17 September 2015, and a more detailed report will follow in due course.



**I am satisfied that the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources**

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. My Annual Improvement Report will highlight areas where the effectiveness of these arrangements has yet to be demonstrated, or where improvements could be made.

**I issued a certificate confirming that the audit of the accounts has been completed on 29 September 2015.**

**My work to date on certification of grant claims and returns has not identified significant issues that would impact on the 2015-16 accounts or key financial systems**

A more detailed report on my grant certification work will follow in February 2016 once this year's programme of certification work is complete.

The financial audit fee for 2014-15 is currently expected to be in line with the agreed fee set out in the Annual Audit Outline, except for an additional fee to be charged in relation to the financial audit of the Harbour accounts. This was the first year that we have been required to carry out a financial audit of the Harbour accounts. We estimate that this fee will be £3,110.

Yours sincerely

**John Golding**

For and on behalf of the Auditor General for Wales

## Appendix 3 – National report recommendations 2015-16

Date of report	Title of review	Recommendation
April 2015	<p><b>The Financial resilience of Councils in Wales</b></p>	<p>R1 Councils should ensure that their corporate plan:</p> <ul style="list-style-type: none"> <li>• is the core driver for the service plans and other supporting strategies including workforce, information technology and capital expenditure;</li> <li>• maintains at least a three to five year forward view and is aligned with the medium term financial plan and other supporting strategies; and</li> <li>• should clearly articulate the desired role of the council in five years - the model for delivering priority services and the infrastructure and resources needed to deliver future priorities within available finances.</li> </ul> <p>R2 The medium term financial plan should identify the major financial risks and key assumptions and senior officers and councillors should subject them to effective scrutiny and challenge before adopting the plan.</p> <p>R3 Councils need to ensure that funding deficits are accurately projected and fully reconciled to detailed savings plans for each year over the life of the medium term financial plan.</p> <p>R4 Councils should review the adequacy of the financial assurance arrangements that underpin the delivery of annual savings plans, including the level of scrutiny and challenge provided by councillors.</p> <p>R5 Councils should ensure that they have a comprehensive reserves strategy that outlines the specific purpose of accumulated useable reserves as part of their Medium term Financial Plan.</p> <p>R6 Councils should develop corporate wide policies on income generation with a view to increasing revenue streams and relieving financial pressures.</p> <p>R7 Councils should:</p> <ul style="list-style-type: none"> <li>• strengthen budget setting and monitoring arrangements to ensure financial resilience; and</li> <li>• review the coverage and effectiveness of their internal and external assurance financial systems and controls to ensure they are fit for purpose and provide early warning of weaknesses in key systems.</li> </ul>

Date of report	Title of review	Recommendation
April 2015	<p>The Financial resilience of Councils in Wales</p>	<p>R8 Councils must review their finance teams and ensure that they have sufficient capacity and capability to meet future demands.</p> <p>R9 Council officers need to equip councillors with the knowledge and skills they need to deliver effective governance and challenge by extending training opportunities and producing high quality management information.</p>
June 2015	<p>Achieving improvement in support to schools through regional education consortia – an early view.</p>	<p>R1 To clarify the nature and operation of consortia. We found there to be continuing uncertainty about some aspects of the nature of regional consortia and their present and future scope (paragraphs 2.2 to 2.20). We therefore recommend:</p> <ul style="list-style-type: none"> <li>• Local authorities should clarify whether consortia services are jointly provided or are commissioned services (services provided under joint-committee arrangements are jointly provided services and are not commissioned services).</li> </ul> <p>R2 To focus on outcomes through medium-term planning. We found that the development of effective regional consortia was hindered by a focus on short-term actions and uncertainty about the future of consortia (paragraphs 2.33 to 2.36; 3.16 to 3.17). We therefore recommend:</p> <ul style="list-style-type: none"> <li>• As any possible local authority re-organisation will not be fully implemented until 2020, the Welsh Government and regional consortia should develop three-year plans for the further development, scope, and funding of regional consortia linked to appropriate strategic objectives.</li> </ul>

Date of report	Title of review	Recommendation
June 2015	<p>Achieving improvement in support to schools through regional education consortia – an early view.</p>	<p>R3 To develop more collaborative relationships for the school improvement system. The development of the National Model for Regional Working involved many school improvement partners but we found that this had not led to the development of sufficiently collaborative relationships (paragraphs 2.25 to 2.32). We therefore recommend:</p> <ul style="list-style-type: none"> <li>• Regional consortia should develop improved arrangements for sharing practice and supporting efficiency (for example, one consortium could take the lead on tackling an issue or have functional responsibility for the development of a policy).</li> <li>• The Welsh Government, local authorities and regional consortia should recognise the interdependency of all partners fulfilling their school improvement roles and agree an approach to: <ul style="list-style-type: none"> <li>– information sharing and consultation about developments related to school improvement;</li> <li>– developing collaborative relationships of shared accountability; and</li> <li>– undertaking system wide reviews, and an alignment of the understanding and position of regional consortia across all Welsh Government relevant strategies.</li> </ul> </li> </ul> <p>R4 To build effective leadership and attract top talent. Regional consortia, local authorities and the Welsh Government have all found difficulties in recruiting to senior leadership for education and we found there had been limited action to address this (paragraphs 2.37 to 2.40). We therefore recommend:</p> <ul style="list-style-type: none"> <li>• the Welsh Government and local authorities should collaborate to improve the attractiveness of education leadership roles to attract the most talented leaders for the school improvement system; and</li> <li>• local authorities should collaborate to support the professional development of senior leaders and to ensure appropriate performance management arrangements are in place for senior leaders.</li> </ul>

Date of report	Title of review	Recommendation
June 2015	<p>Achieving improvement in support to schools through regional education consortia – an early view.</p>	<p>R5 To improve the effectiveness of governance and management of regional consortia. Whilst continuing progress is being made, we found that regional consortia have not yet developed fully effective governance and financial management arrangements (paragraphs 3.2 to 3.36). We therefore recommend that local authorities and their regional consortia should:</p> <ul style="list-style-type: none"> <li>• improve their use of self-evaluation of their performance and governance arrangements and use this to support business planning and their annual reviews of governance to inform their annual governance statements;</li> <li>• improve performance management including better business planning, use of clear and measurable performance measures, and the assessment of value for money;</li> <li>• make strategic risk management an integral part of their management arrangements and report regularly at joint committee or board level;</li> <li>• develop their financial management arrangements to ensure that budgeting, financial monitoring and reporting cover all relevant income and expenditure, including grants funding spent through local authorities;</li> <li>• develop joint scrutiny arrangements of the overall consortia as well as scrutiny of performance by individual authorities, which may involve establishment of a joint scrutiny committee or co-ordinated work by local authority scrutiny committees;</li> <li>• ensure the openness and transparency of consortia decision making and arrangements;</li> <li>• recognise and address any potential conflicts of interest; and where staff have more than one employer, regional consortia should ensure lines of accountability are clear and all staff are aware of the roles undertaken; and</li> <li>• develop robust communications strategies for engagement with all key stakeholders.</li> </ul>



Date of report	Title of review	Recommendation
July 2015	<p>Review of Corporate Safeguarding Arrangements in Welsh Councils</p>	<p>R1 Improve corporate leadership and comply with Welsh Government policy on safeguarding through:</p> <ul style="list-style-type: none"> <li>• the appointment of a senior lead officer who is accountable for safeguarding and protecting children and young people with corporate responsibilities for planning improvements;</li> <li>• the appointment of a lead member for safeguarding; and</li> <li>• regularly disseminating and updating information on these appointments to all staff and stakeholders.</li> </ul> <p>R2 Ensure there is a corporate-wide policy on safeguarding covering all Council services to provide a clear strategic direction and clear lines of accountability across the Council.</p> <p>R3 Strengthen safe recruitment of staff and volunteers by:</p> <ul style="list-style-type: none"> <li>• ensuring that Disclosure and Barring Service (DBS) checks and compliance with safe recruitment policies cover all services that come into contact with children;</li> <li>• creating an integrated corporate compliance system to record and monitor compliance levels on DBS checks; and</li> <li>• requiring safe recruitment practices amongst partners in the third sector and for volunteers who provide services commissioned and/or used by the Council which are underpinned by a contract or service level agreement.</li> </ul> <p>R4 Ensure all relevant staff, members and partners understand their safeguarding responsibilities by:</p> <ul style="list-style-type: none"> <li>• ensuring safeguarding training is mandated and coverage extended to all relevant Council service areas, and is included as standard on induction programmes;</li> <li>• creating a corporate-wide system to identify, track and monitor compliance on attending safeguarding training in all Council departments, elected members, schools, governors and volunteers; and</li> <li>• requiring relevant staff in partner organisations who are commissioned to work for the Council in delivering services to children and young people to undertake safeguarding training.</li> </ul>

Date of report	Title of review	Recommendation
July 2015	<p>Review of Corporate Safeguarding Arrangements in Welsh Councils</p>	<p>R5 In revising guidance, the Welsh Government should clarify its expectations of local authorities regarding the roles and responsibilities of the designated officer within education services, and the named person at senior management level responsible for promoting the safeguarding.</p> <p>R6 Improve accountability for corporate safeguarding by regularly reporting safeguarding issues and assurances to scrutiny committee(s) against a balanced and Council-wide set of performance information covering:</p> <ul style="list-style-type: none"> <li>• benchmarking and comparisons with others;</li> <li>• conclusions of internal and external audit/ inspection reviews;</li> <li>• service-based performance data;</li> <li>• key personnel data such as safeguarding training, and DBS recruitment checks; and</li> <li>• the performance of contractors and commissioned services on compliance with Council safeguarding responsibilities.</li> </ul> <p>R7 Establish a rolling programme of internal audit reviews to undertake systems testing and compliance reviews on the Council's safeguarding practices.</p> <p>R8 Ensure the risks associated with safeguarding are considered at both a corporate and service level in developing and agreeing risk management plans across the Council.</p>

Date of report	Title of review	Recommendation
October 2015	<p>Supporting the Independence of Older People: Are Councils Doing Enough?</p>	<p>R1 Improve governance, accountability and corporate leadership on older people's issues through:</p> <ul style="list-style-type: none"> <li>• the appointment of a senior lead officer who is accountable for coordinating and leading the Council's work on older people's services;</li> <li>• realigning the work of the older people's strategy coordinators to support development and delivery of plans for services that contribute to the independence of older people;</li> <li>• the appointment of a member champion for older people's services; and</li> <li>• regularly disseminating and updating information on these appointments to all staff and stakeholders.</li> </ul> <p>R2 Improve strategic planning and better coordinate activity for services to older people by:</p> <ul style="list-style-type: none"> <li>• ensuring comprehensive action plans are in place that cover the work of all relevant council departments and the work of external stakeholders outside of health and social care; and</li> <li>• engaging with residents and partners in the development of plans, and in developing and agreeing priorities.</li> </ul> <p>R3 Improve engagement with, and dissemination of, information to older people by ensuring advice and information services are appropriately configured and meet the needs of the recipients.</p> <p>R4 Ensure effective management of performance for the range of services that support older people to live independently by:</p> <ul style="list-style-type: none"> <li>• setting appropriate measures to enable Members, officers and the public to judge progress in delivering actions for all council services;</li> <li>• ensuring performance information covers the work of all relevant agencies and especially those outside of health and social services; and</li> <li>• establishing measures to judge inputs, outputs and impact to be able to understand the effect of budget cuts and support oversight and scrutiny.</li> </ul>

Date of report	Title of review	Recommendation
October 2015	<p>Supporting the Independence of Older People: Are Councils Doing Enough?</p>	<p>R5 Ensure compliance with the Public Sector Equality Duty when undertaking equality impact assessments by:</p> <ul style="list-style-type: none"> <li>• setting out how changes to services or cuts in budgets will affect groups with protected characteristics;</li> <li>• quantifying the potential impact and the mitigation actions that will be delivered to reduce the potentially negative effect on groups with protected characteristics;</li> <li>• indicating the potential numbers who would be affected by the proposed changes or new policy by identifying the impact on those with protected characteristics; and</li> <li>• ensuring supporting activity such as surveys, focus groups and information campaigns includes sufficient information to enable service users to clearly understand the impact of proposed changes on them.</li> </ul> <p>R6 Improve the management and impact of the Intermediate Care Fund by:</p> <ul style="list-style-type: none"> <li>• setting a performance baseline at the start of projects to be able to judge the impact of these overtime;</li> <li>• agreeing the format and coverage of monitoring reports to enable funded projects to be evaluated on a like-for-like basis against the criteria for the fund, to judge which are having the greatest positive impact and how many schemes have been mainstreamed into core funding; and</li> <li>• improving engagement with the full range of partners to ensure as wide a range of partners are encouraged to participate in future initiatives and programmes.</li> </ul>

Date of report	Title of review	Recommendation
December 2015	Delivering with less - leisure services	<p>R1 Improve strategic planning in leisure services by:</p> <ul style="list-style-type: none"> <li>• setting an agreed council vision for leisure services;</li> <li>• agreeing priorities for leisure services;</li> <li>• focusing on the Council's position within the wider community sport and leisure provision within the area; and</li> <li>• considering the potential to deliver services on a regional basis.</li> </ul> <p>R2 Undertake an options appraisal to identify the most appropriate delivery model based on the Council's agreed vision and priorities for leisure services which considers:</p> <ul style="list-style-type: none"> <li>• the availability of capital and revenue financing in the next three-to-five years;</li> <li>• options to improve the commercial focus of leisure services;</li> <li>• opportunities to improve income generation and reduce council 'subsidy';</li> <li>• a cost-benefit analysis of all the options available to deliver leisure services in the future;</li> <li>• the contribution of leisure services to the Council's wider public health role;</li> <li>• better engagement with the public to ensure the views and needs of users and potential users are clearly identified;</li> <li>• the impact of different options on groups with protected characteristics under the public sector equality duty; and</li> <li>• the sustainability of service provision in the future.</li> </ul>

Date of report	Title of review	Recommendation
December 2015	Delivering with less - leisure services	<p>R3 Ensure effective management of performance of leisure services by establishing a suite of measures to allow officers, Members and citizens to judge inputs, outputs and impact. This should cover council-wide and facility specific performance and include:</p> <ul style="list-style-type: none"> <li>• capital and revenue expenditure;</li> <li>• income;</li> <li>• council 'subsidy';</li> <li>• quality of facilities and the service provided;</li> <li>• customer satisfaction;</li> <li>• success of 'new commercial' initiatives;</li> <li>• usage data – numbers using services/facilities, time of usage, etc; and</li> <li>• impact of leisure in addressing public health priorities.</li> </ul> <p>R4 Improve governance, accountability and corporate leadership on leisure services by:</p> <ul style="list-style-type: none"> <li>• regularly reporting performance to scrutiny committee(s);</li> <li>• providing elected Members with comprehensive information to facilitate robust decision-making;</li> <li>• benchmarking and comparing performance with others; and</li> <li>• using the findings of internal and external audit/inspection reviews to identify opportunities to improve services.</li> </ul>

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