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| Date | 5 October 2012 |
| Our reference | 534A2012 |
| Your reference | |
| Tel No | 02920 320500 |
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| Pages | 1 of 9 |

Dear Bronwen

Improvement Assessment

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

This letter summarises:

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

The Council has discharged its improvement planning duties under the Measure. However, it should ensure that it acts more in accordance with Welsh Government guidance and that its improvement plan effectively conveys what it is going to do differently and how this will affect the lives of citizens.

I have reached this conclusion because the Council, by approving its Improvement Plan on July 31 2012, complied with Welsh Government guidance for Local Government Measure 2009, under section 15 (7) by publishing its Improvement Plan within a reasonable period after 1 April 2012.

In the course of its ongoing Transformation Project, the Council has developed a high level vision statement which is supported by seven strategic objectives. The six improvement objectives set out in the Council's Improvement Plan 2012-2013 are closely linked, and indeed very similar to those strategic objectives. The improvement objectives have been subject to an Equality Impact Assessment and contain references to aspects of the Council's new Strategic Equality Plan.

The Plan describes in some detail a comprehensive range of service based activity which will contribute to the achievement of the improvement objectives. It also describes how success can be measured through targets and performance indicators and, more qualitatively, through surveys. However, a lack of differentiation between prioritised improvement actions and 'business as usual' detracts from the clarity of the Plan, particularly in identifying what the Council intends to do differently to improve its services, and how this will affect the lives of its citizens. Also, in order to follow the statutory guidance more fully, the plan should include a general statement describing the arrangements the Council has in place to discharge its statutory duty to secure improvement across the range of its functions.

The Council has undertaken a range of public and stakeholder consultation activity including engagement with its citizen panel and the Plan sets out how the information gathered has helped inform the actions underpinning its improvement objectives. However, the Plan could more explicitly 'signpost' citizens and stakeholders as to how they can engage with the Council and express their views in relation to the setting of improvement objectives. The Council intends to undertake a review of its public engagement procedures in collaboration with Local Service Board partners to explore how best to improve them and maximise their benefits.

This year's local government election has resulted in a change in administration for the Council. The new Plaid-led coalition has set out and agreed its political priorities in a document called 'Governance of Ceredigion - Joint Programme of Work'. The Council has reviewed the objectives and actions set out in the Improvement Plan and established that they broadly reflect those new political priorities. However the Council recognises that the current Improvement Plan does not yet provide sufficient clarity as to its strategic priorities, what it is going to do differently, and the measurable outcomes that citizens can expect.

The Improvement Plan is available in English and Welsh on the Council's website along with a summary of each Improvement Objective. Hard copies of the Improvement Plan will be circulated to each of the Council's public offices in the autumn.

The Improvement Plan is detailed and, in some areas, relatively technical. Welsh Government guidance makes it clear that, in these circumstances, councils should publish an appropriate summary. Whilst the Council intends to provide a public summary of the Improvement Plan, this is unlikely to be made available until 31 October 2012.

Based on, and limited to, work carried out to date by the Wales Audit Office and relevant regulators:

I believe that the Council is likely to comply with the requirement to make arrangements to secure continuous improvement during this financial year

I have reached this conclusion because:

The Council is making progress in addressing my previous proposals for improvement

I have previously reported a number of proposals for improvement and also noted some areas where we would undertake further work. Progress on these matters is described below. Most of the Council's actions are ongoing, and my auditors will continue to monitor and summarise the Council's progress in implementing them in my future reports. Further information about my findings in some of these areas is provided separately in interim updates to the Council where appropriate.

The Council has developed new Cabinet portfolios and has reduced the number of Scrutiny Committees

The new Cabinet comprises the Leader and seven other members selected by the Leader. Decision making rests with the Cabinet and may be called in by the appropriate Scrutiny Committee. The Leader has created the portfolio of Transformation and Performance Management which is the portfolio of the Deputy Leader. This cabinet portfolio is intended to help the Council focus its work to improve its self-assurance and evaluation of performance and deliver tangible benefits from the restructuring element of the transformation project which is due to be completed by April 2013.

The new governance arrangements adopted by the Council has included a review of the number and scope of its Scrutiny committees. It has reduced the number of Scrutiny Committees to five, including a Coordinating Scrutiny Committee.

While it is too early to assess the effectiveness of these changes, I believe they are well considered and have the potential to support the achievement of the Council's Improvement Objectives.

The Medium Term Financial Plan sets out the likely financial pressures and risks faced by the Council, but more work is needed to evaluate and mitigate their potential impact upon delivery of the Council's improvement objectives

The overall objective of the Council's Medium Term Financial Strategy is 'to provide a framework and overall direction and parameters in order for the Council to structure and manage its finances to ensure that financial resources are used in a responsible and careful manner'.

The Council has a history of producing a balanced revenue budget which takes into account inflation assumptions and service planning on a corporate level. The financial planning process is conducted thoroughly, carefully and openly, and the Budget Workshops provide a relatively new and useful forum for inclusive debate.

The Council is less able to show how the Medium Term Financial Strategy relates to service delivery and in particular the delivery of the Councils' improvement objectives. Whilst the Medium Term Financial Plan sets out the likely financial pressures and risks faced by the Council, it does not evaluate their potential impact upon delivery of its improvement objectives, nor how these may be mitigated.

The Council's approach to information management is developing but is not fully established or co-ordinated

The Council is working towards stronger ownership and clearer accountability to support a more strategic approach to information issues. The Council has allocated the accountabilities of the Senior Information Risk Owner and the role is developing, but there remains a lack of robust accountability for the information programme, information projects and information risks.

The Council is continuing to refine its corporate systems for reporting its performance

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 is continuing to refine its corporate systems for reporting its performance, and my auditors will, in due course, audit these systems to assess how effective and reliable they are. In the meantime, a mixture of National Strategic Indicators, Public Accountability Measures, Service Improvement Datasets and local measures were selected for audit. The measures selected are used by the Council to judge how well it is delivering its improvement objectives and whether it is making a difference for its citizens.

Of the 21 performance indicators audited, one National Strategic Indicator was qualified. This indicator, WMT009, is the percentage of municipal waste collected by the Council which is prepared for reuse and/or recycled. The reason for the qualification is that the Council is unable to separate out beach cleansing waste from the total as required by the Welsh Government guidance. This problem is also experienced by some other Councils in Wales. In addition, we suggested that the basis of calculation of two Service Improvement Datasets be improved, although our recalculation of the indicators did not lead to any significant change in the results. I will report further on the performance of services in my Annual Improvement Report.

There is good corporate support for children's services and a commitment to improve and modernise access arrangements, but progress has been hampered by the inability to recruit suitably qualified and experienced workers

CSSIW published the findings of their inspection of the Council's access arrangements for children's services in January 2012. The inspection report is available on CSSIW's website at <http://wales.gov.uk/docs/cssiw/report/120131ceredigionen.pdf> and a summary of their findings is set out in Appendix 1.

CSSIW concluded that there is good corporate support for children's services in Ceredigion. There is a clear commitment to improve and modernise its access arrangements. A considerable amount of work has been carried out but progress has been hampered by the inability to recruit suitably qualified and experienced workers. A number of areas for improvement had already been identified and incorporated into the quality assurance strategy and action plan. The Council should ensure any additional recommendations are incorporated into an action plan which includes clear objectives, outcomes and timescales.

Further proposals for improvement

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

Proposals for improvement

The Council should:

- P1 Clarify its strategic priorities / improvement objectives and evaluate their financial, workforce and asset implications so that the Medium Term Financial Plan can be used as an effective planning tool to identify how those priorities are to be resourced.
- P2 Review the terminology of improvement objectives, and the nature of their related actions and measures of success to ensure that they are clearly expressed and prioritised, and capable of allowing local citizens to monitor the difference the Council is making to their lives.
- P3 Develop a more co-ordinated corporate approach to public engagement to improve the extent to which engagement activity is consistently implemented and evaluated to ensure it is effective in improving services and outcomes for citizens.
- P4 Include a general statement within the annual Improvement Plan on how the Council seeks to discharge its overall statutory duty to have arrangements in place to secure improvement across the range of its functions.

Updates to the work plan and timetable

My Improvement Assessment Team will keep the Council informed of the detailed arrangements for the delivery of my assessment work.

The regularly updated work plan and timetable provides more detail on the work being delivered during this year's assessment and in particular how we will add value by focusing on jointly identified areas or services.

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

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

Yours sincerely



HUW VAUGHAN THOMAS
AUDITOR GENERAL FOR WALES

CC: Carl Sargeant, Minister for Local Government and Communities
Colin Davies – Manager
John Weston – Performance Audit Lead

Appendix 1

CSSIW published the findings of their inspection of the Council's access arrangements for children's services in January 2012. The following summary is an extract from the full inspection report which is available on CSSIW's website <http://wales.gov.uk/docs/cssiw/report/120131ceredigionen.pdf>.

CSSIW concluded that:

There is good corporate support for children's services in Ceredigion. There is a clear commitment to improve and modernise its access arrangements. A considerable amount of work has been carried out but progress has been hampered by the inability to recruit suitably qualified and experienced workers.

A number of areas for improvement had already been identified and incorporated into the quality assurance strategy and action plan. The authority should ensure any additional recommendations are incorporated into an action plan which includes clear objectives, outcomes and timescales.

Strengths

- Good corporate support for children's services;
- A workforce committed to achieving the best outcomes for children and young people;
- An effective and timely initial contact service;
- Some excellent practice in assessment and planning for children in need;
- Some good partnership work in carrying out access arrangements;
- Effective service user engagement;
- Good management support for staff; and
- A strong performance management framework.

Areas for improvement:

- Ensure sufficient capacity in the assessment team;
- Achieve greater consistency of decision making using risk assessment;
- Improve on the numbers of children seen alone during initial assessments;
- Strengthen access arrangements by engaging partners in agreeing thresholds and the timeliness of reporting child protection concerns;
- Improve the timeliness and quality of initial and core assessment;
- Develop a protocol in order to support families who do not receive an initial assessment to access preventative services;

- Ensure that plans for meeting the need of children and young people have a clearer outcome focus with agreed responsibilities and timescales;
- Implement any recommendations of the review to streamline electronic recording processes;
- Develop clear standards for benchmarking of quality of supervision;
- Continue to implement the quality assurance strategy and action plan;
- Ensure that protocols and procedures are reviewed regularly; and
- Strengthen arrangements for multi-agency training on case conference and core group working.