



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report 2014-15

Snowdonia National Park Authority

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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by John Roberts and Rob Hathaway under the direction of Jane Holownia.

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The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office Board, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

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Summary report

Purpose of this report

- 1 Each year, the Auditor General is required to audit the improvement planning and reporting arrangements of Welsh councils, fire and rescue authorities, and national park authorities, and to assess whether each authority will meet statutory continuous improvement duties.¹ This work has been undertaken on behalf of the Auditor General by staff of the Wales Audit Office. [Appendix 1](#) provides more information about the Auditor General's powers and duties in local government.
- 2 This Annual Improvement Report (AIR) summarises the audit work undertaken at Snowdonia National Park Authority (the Authority) since the last such report was published in May 2014. This report also includes a summary of the key findings from the Welsh Language Commissioner. This report does not represent a comprehensive review of all of the Authority's arrangements or services. The conclusions in this report are based on the work carried out at the Authority by relevant external review bodies, where appropriate, and, unless stated otherwise, reflect the situation at the point in time that such work was concluded.
- 3 Taking into consideration the work carried out during 2014-15, the Auditor General will state in this report whether he believes that the Authority is likely to make arrangements to secure continuous improvement for 2015-16.
- 4 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.
- 5 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 or writing to us at 24 Cathedral Road, Cardiff, CF11 9LJ.

¹ Duties and requirements contained within the Local Government (Wales) Measure 2009 (the Measure).

The Authority's work is viewed positively by users and it is fundamentally reviewing its use of major assets in order to achieve savings. However, it could do more to develop its approach to medium-term financial planning

- 6 We found that, in 2013-14, the Authority received positive feedback in most areas although visitors are increasingly using new ways of engaging with the Park. In particular:
 - a the Authority continued to receive positive feedback from staff, members and stakeholders on issues relating to information and understanding; and
 - b although the Authority's centres were rated highly, they are being visited less often, with increasing use being made of the Authority's website.
- 7 We also found that:
 - a the Authority evaluated and reported on its performance and published its plans for improvement in accordance with the requirements of the Local Government Measure; and
 - b the Authority's approach to dealing with cuts in funding includes a willingness to fundamentally review the way it uses some of its major assets, although its medium-term financial planning is underdeveloped.
- 8 As part of our ongoing work at all three national park authorities in Wales to assess the extent to which they are delivering efficient planning services with less money, we found that decision making on planning issues is a positive aspect of the Authority's governance arrangements and it has systems in place to support sustainable development, but performance management, particularly in relation to its planning service, does not make enough use of comparative data or the assessment of progress against targets.
- 9 In view of the above, and based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Authority is likely to comply with the requirements of the Local Government Measure during 2015-16.

Recommendations

- 10 Given the wide range of services provided by the Authority 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:
- a make proposals for improvement – if proposals are made to the Authority, we would expect it to do something about them and we will follow up what happens;
 - b make formal recommendations for improvement – if a formal recommendation is made, the Authority must prepare a response to that recommendation within 30 working days;
 - c conduct a special inspection and publish a report and make recommendations; and
 - d 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. However, lower-priority issues, known as proposals for improvement, are contained in our other reports but may be referred to later on in this report. We will continue to monitor proposals for improvement during the course of our improvement assessment work.
- 12 The Auditor General also makes recommendations that may be relevant to authorities in his Local Government National Reports. A list of relevant recommendations contained in reports issued in 2014-15 can be found at [Appendix 5](#).
- 13 We have not made any recommendations in this report but one proposal for improvement is set out below.

Proposal for improvement

- P1 Develop a more detailed, but proportionate, approach to medium-term financial planning that can help the Authority respond effectively to a range of possible reduced-funding scenarios.

Detailed report



- 14 This section of the report looks back at the Authority's performance in the period between 1 April 2013 and 31 March 2014. We have focused on those areas that the Authority had identified as improvement objectives under the Local Government Measure and on the available evidence collected by the Authority that could demonstrate whether or not these objectives had been delivered. Any improvement objectives that were focused on issues relating to its planning service are discussed briefly later in this report in the section that summarises the specific work we carried out in relation to the Authority's planning service.
- 15 The Authority's improvement objectives under the Local Government Measure remained largely unchanged for a number of years. This is an acceptable approach, as the Authority has reviewed them annually. Nevertheless, in the context of current and impending budgetary cuts, the Authority has taken the opportunity to review its long standing objectives and, having consulted widely, has adopted revised objectives for 2015-16 that focus on:
- a communication;
 - b plans and policies;
 - c health and well-being;
 - d partnership and volunteer management; and
 - e financial challenge and performance management.

The Authority received positive feedback in most areas although visitors are increasingly using new ways of engaging with the Park

The Authority continued to receive positive feedback from staff, members and stakeholders on issues relating to information and understanding

- 16 The Authority continued working towards ensuring that people understand its role and responsibilities. All Community Councils and stakeholders surveyed by the Authority felt they had a good understanding, together with 90 per cent of people from disadvantaged groups who attended the Authority's organised events. These results were partly as a result of the Authority's active engagement with these groups, including support of the MOSAIC² initiative and the promotion of activities within the Park for disabled people and people from disadvantaged backgrounds.
- 17 These improvements were replicated by an increase from 91 to 98 for the percentage of staff who had a good understanding of how their work contributed to achieving the Authority's aims and objectives. Staff were also increasingly positive about the extent to which they had opportunities to develop their skills and about how satisfied they were with the level of guidance and support they received from their managers. The Authority's staff survey showed that 43 per cent of staff were very satisfied with the level of guidance and support they receive from their line managers with a further 49 per cent being satisfied. All the Authority members who responded to an internal survey said that reports they received on progress on the Authority's improvement objectives were timely and effective.

Although the Authority's centres were rated highly, they are being visited less often, with increasing use being made of the Authority's website

- 18 The absence of any formal complaints to the Authority and the significant increase, from 73 to 95, in the percentage of visitors who were very satisfied with the Authority's Information Centres show that the quality of the service being provided continues to improve.
- 19 However, this increase in quality is not matched with an increase in quantity. In fact, during 2013-14, the amount of money each visitor spent at the Authority's Information Centres continued its downward trend. This corresponded with a downward trend in the number of visitors to the Authority's Information Centres. These results, together with the reduced funding available to all national park authorities in Wales, have led the Authority to instigate a review of its Information Centres.
- 20 Some of the reduced usage of the Authority's Information Centres is possibly a direct result of the increased use by the public of alternative methods of gathering information. This view is supported by an increase of almost 22 per cent in the number of unique visitors to the Authority's website. While the number of people reporting technical problems dropped significantly, there was also a significant drop in the percentage of people expressing very high satisfaction with the quality and range of electronic services available.

² A project designed to encourage black and ethnic minorities to make more use of what National Parks have to offer.

- 21 Although these results were based on the relatively small number of users who chose to respond, the Authority recognises that the needs and expectations of users of online services are becoming increasingly sophisticated. The Authority consequently began the process of redesigning its website and reviewing its content and the new website is now up and running.

The Authority evaluated and reported on its performance and published its plans for improvement in accordance with the requirements of the Local Government Measure

- 22 In December 2014 the Auditor General issued a certificate to the Authority confirming that he had audited the Authority's Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and the Wales Audit Office's Code of Audit Practice. As a result of that audit, the certificate also stated the Auditor General's belief that the Authority had discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties.
- 23 Under the Measure, the Authority is required to annually publish an assessment which describes its performance:
- a in discharging its duty to make arrangements to secure continuous improvement in the exercise of its functions;
 - b in meeting the improvement objectives it has set itself;
 - c by reference to performance indicators specified by Welsh Ministers, and self imposed performance indicators; and
 - d in meeting any performance standards specified by Welsh Ministers, and self imposed performance standards.
- 24 The Measure requires the Authority to publish its assessment before 31 October in the financial year following that to which the information relates, or by any other such date as Welsh Ministers may specify by order. The Measure requires that the Authority has regard to guidance issued by Welsh Ministers in publishing its assessment.
- 25 In June 2014 the Auditor General issued a certificate to the Authority confirming that the Authority's Improvement Plan had been audited in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and the Wales Audit Office's Code of Audit Practice. As a result of that audit, the certificate stated the Auditor General's belief that the Authority had discharged its duties under section 15(6) to (9) of the Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties.
- 26 Under the Measure, the Authority is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:
- a make arrangements to secure continuous improvement in the exercise of its functions;
 - b make arrangements to secure achievement of its improvement objectives; and
 - c make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

- 27 The Measure requires the Authority to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order. The Authority is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Authority has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.
- 28 The work carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

The Authority's approach to dealing with cuts in funding includes a willingness to fundamentally review the way it uses some of its major assets, although its medium-term financial planning is underdeveloped

- 29 As was noted in last year's AIR, all three national park authorities in Wales faced significant budgetary cuts during the 2014-15 financial year and beyond. The Authority has been advised that, for 2015-16, there will be a slight decrease on the 4.3 per cent reduction that the Authority had budgeted for. This equates to an increase of £33,000 over and above the amount anticipated, which increases further to £43,000 when the effect of the levy is taken into account. However, a requirement to fund a pilot member mentoring programme effectively reduces this figure by approximately £8,500.
- 30 However the letter informing the Authority of this figure made it clear that revenue grant for the Authority, as with the other two national park authorities in Wales, may be reduced during the year, adding an element of uncertainty. This in-year reduction was a feature of the Authority's 2014-15 funding allocation. The Authority's capital allocation was removed during the 2014-15 financial year. This was as a result of an in-year revenue budget reduction which was subsequently transferred into the Authority's capital allocation by the Welsh Government so as to minimise the impact on the Authority's levy funding.
- 31 In late 2014-15, a £148,000 Access grant, which included an element of capital funding, was granted by the Welsh Government and subsequently used by the Authority to help offset the reduced funding in other areas. An additional Access grant³ from the Welsh Government is not being made available for 2015-16.
- 32 The Authority's Sustainable Development Fund (SDF) has been maintained at £200,000 for 2015-16. This fund, as in 2014-15, is not ring fenced and the Authority has decided to use £43,000 from that budget to help balance its books with a view to reinstating that amount if and when savings materialise from the changes it is putting in place for its information centres.
- 33 The Authority's financial planning is informed by a Three Year Financial Forecast which is normally considered by the Authority in December every year. Due to staffing issues within the finance section (see [paragraph 37](#)) this was not shared with leading members until mid-January 2015, before being presented to a full meeting of the Authority on 4 February 2015. However, the Authority's approach to medium-term financial planning lacks narrative detail in relation to assumptions made and the pressures being faced by the Authority in terms of funding, including the potential impact on its reserves. While some of these aspects are reported verbally to members at the Authority's meetings, these are not set out in supporting documents which could then be shared more widely and could be updated as circumstances change. Although there is significant uncertainty about future levels of funding for all national park authorities in Wales, a medium term financial plan (MTFP) that includes a range of scenarios is becoming increasingly important for the Authority as a means of planning effectively for the future. A more comprehensive MTFP would help support the Authority's move towards exploring options for how services could be provided in the longer term.

3 A grant from the Welsh Government that focuses on promoting wider access to countryside and coastal areas.

- 34 The Authority used a number of quick, although not necessarily easy, wins in making budgetary cuts in 2014-15 but recognises that dealing with current and future budgetary cuts will be much more challenging. Four posts were kept vacant and seven posts were subject to redundancy arrangements. Four of these were voluntary with the remaining three being compulsory. The Authority established a sub-committee to deal with any appeals against redundancies and issues around payments associated with redundancies. Only one appeal has had to be addressed to date and this has been resolved.
- 35 Other staffing changes which helped to cut costs include:
- a amalgamating the posts of Head of Property and Property Officer;
 - b deleting one receptionist post at Plas Tan y Bwlch which had been affected by long-term illness and making the temporary covering arrangements permanent;
 - c not filling a vacant senior lecturer post but retaining some savings to allow for the purchase of specialised support when needed; and
 - d using the two vacant warden officer posts to reassess other ways of providing the service, including making an appointment at a lower grade.
- 36 At the time that the current chief executive took up his post in April 2014 a decision had been taken not to fill the resulting vacant post of the Director of Land Management but to review the situation in the autumn of 2014. That review concluded that the post should be deleted and its responsibilities shared out between the chief executive and other directors. Given the situation with staff being made redundant there is no appetite for affected directors to apply for a regrading. Some possible redundancies were deferred but the Authority recognises that these will need to be reviewed as further budgetary cuts impact on the Authority.
- 37 The Authority consulted with staff in relation to proposed changes to employment terms and conditions. Trade union ballots were subsequently carried out, resulting in broad agreement for accepting the proposals. Staff absence has been a significant problem within the Authority's finance section. The payments officer was on sick leave during the final quarter of 2013-14 and three out of the four staff within the finance section were on sick leave during 2014-15. The shortfall in staffing was partly addressed through the use of internal and agency staff but it was a key factor in delaying the implementation of the module whereby individual services could raise purchase orders and process invoices electronically.
- 38 Earlier in this report in [paragraph 19](#), we referred to the Authority's intention to review its use of information centres. A consultant's report was commissioned to look at different options and a review of this report by members began in November 2014. None of the options set out in that report have yet to be formally adopted but members decided to move to seasonal opening. This change would result in some savings but would still need an input of £40,000 for 2015-16 which will be taken out of the Authority's SDF. The Authority took this approach partly as a means of buying time before moving to a more permanent option which could include the ability to generate more income.

- 39 The Authority has also looked at options for changes to the way Plas Tan y Bwlch⁴ (Plas) is used. These options include changing the dates when the Authority uses Plas so that additional dates can be made available to generate extra income. In the past the Plas has sometimes not been available to take advantage of income opportunities resulting from lack of capacity at venues associated with courses run by the Field Studies Council⁵.
- 40 The Independent Remuneration Panel for Wales recently recommended significant increases in remuneration for the Chair of the Authority, its Vice Chair, and the chairs of two committees. The individuals currently in those posts have decided not to accept these increases, partly because, at a time of budgetary constraints, this would send out the wrong message to the Authority's staff.
- 41 In the summer of 2014, the Authority decided to apply for the renewal of its Charter Status for Member Support and Development⁶. At the time of carrying out our work not all of the members had had a personal development plan meeting. The Authority subsequently adopted an approach that retained the original system of the Chair of the Authority holding these meetings with members in key positions, but that these meetings should, in future, be held by the Head of Personnel.

The Authority continues to take a positive approach to safeguarding and promoting the Welsh language

- 42 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.
- 43 The Commissioner works with all authorities in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of authorities to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every 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.
- 44 The Commissioner reported that Welsh speakers continue to be in the majority in the Authority's workforce. The ability to communicate in Welsh was essential for all posts advertised during 2013-14. A Welsh speaker was appointed in all instances where an appointment was made. The Authority undertook equality impact assessments, including the Welsh language, on every new or revised policy or proposal adopted subsequently.

4 The Authority's Environmental Studies Centre where various courses, some residential, are run relating to the countryside and the Park.

5 An environmental education charity providing opportunities for people of all ages and abilities to discover, explore, and understand the environment.

6 Awarded by the Welsh Local Government Association.

Decision making on planning issues is a positive aspect of the Authority's governance arrangements and it has systems in place to support sustainable development but performance management, particularly in relation to its planning service, does not make enough use of comparative data or the assessment of progress against targets

- 45 As part of our ongoing work of reviewing the Authority's planning service we took the opportunity to explore further the Authority's approach to governance, performance management and sustainable development. Brief details of our findings are set out in the following paragraphs and, where relevant, have informed other aspects of this AIR.
- 46 Governance is enhanced because of the mix of members from more than one council and nominees by the Welsh Government, helping to ensure that the work of the Authority is apolitical. Members have demonstrated a willingness to take difficult decisions in the interests of securing a more cost-efficient planning service. For example, the Authority has recently introduced pre-application charges on a trial basis.
- 47 Although the proportion of planning applications that have to go to the Authority's Planning and Access Committee has reduced, it is still higher than in many parts of Wales, suggesting that there is potential for the Authority to review its approach to delegation to improve efficiency. However, call-in powers by members to decide planning applications are used sparingly and appropriately. Decision making, when judged by member overturns and defended appeals, is good compared to the Authority's own target and in comparison with the rest of Wales.
- 48 Performance Management at the Authority is supported by the Ffynnon system and the Authority's Corporate Work Plan. Performance data is input into the Ffynnon system, allowing reports to be generated when required. The Ffynnon system incorporates the ability for all three NPAs in Wales to share performance data on a range of common themes, allowing some limited benchmarking between these authorities. The Corporate Work Plan sets out the specific tasks that have been identified as being important for working towards achieving the Authority's annual objectives. The new Chief Executive has recently introduced regular Performance Meetings between himself and all Directors and Heads of Department.
- 49 The Ffynnon reports, together with progress on the Corporate Work Plan, are looked at by the Authority's Performance and Resources Committee (PRC) every quarter. However, quarterly reports to PRC do not take advantage of Ffynnon's ability to include in-year comparative data nor do they include sufficient information to assess progress against targets.
- 50 The Welsh Government is withdrawing support for the Ffynnon system and introducing an improved system, although this is no longer freely available to local authorities. The Authority is considering its options for how best to respond to this change, particularly at a time when its funding is being reduced. One option being considered by the Authority is to revert to an in-house spread sheet system, although this would have the disadvantage of reducing all national park authorities' ability to easily share performance information on a 'live' basis.

- 51 Although performance information is regularly monitored by staff and reported to members, more could be done by the Authority to understand how the performance of its planning service could be improved by comparing with, and learning from, others. This aspect, together with more information on comparison of costs, will be discussed in more detail in our forthcoming report on the Authority's planning service.
- 52 Sustainable Development is promoted by the Authority in a number of ways. As with all national park authorities in Wales, the Authority has a statutory duty to foster the social and economic well-being of local communities. The Authority's Local Development Plan included the required assessment of environmental capacity and, in 2013-14, the Authority granted consent for the building of 28 affordable houses, twice the number granted consent in both other national park authorities combined.
- 53 The Authority has used the Seren Scheme for certifying its Environmental Management System (EMS). The EMS helps the Authority improve its approach to recycling, reducing waste, saving energy and to identifying and managing significant environmental impacts. The Authority's SDF⁷ provided by the Welsh Government is used by the Authority to contribute towards the cost of local projects that can improve the quality of life and social resilience of local communities. In 2013-14, the SDF supported the implementation of 37 new projects that promote the conservation, sustainability, and cultural traditions of Snowdonia. These projects include an Advice Centre in Bala, Siop Ogwen in Bethesda and a Pan-Celtic symposium at Plas Tan y Bwlch. During 2013-14, a total of £232,000 was spent on projects aimed at continuing to improve the quality of life within the Park and beyond.

⁷ Designated as Cronfa Arbrofol Eryri (CAE) by the Authority.

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 authorities, 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 park authorities, 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 the extent to which 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 – Audit of Snowdonia National Park Authority's 2014-15 Improvement Plan

Certificate

I certify that I have audited Snowdonia National Park Authority's (the Authority) Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Authority has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Authority and the Auditor General

Under the Measure, the Authority is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Authority to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Authority is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Authority has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Authority's auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Authority has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Authority can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Authority's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Authority had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas
Auditor General for Wales

CC: Carl Sargeant, Minister for Natural Resources
Leighton Andrews, Minister for Public Services
Jane Holownia, Manager
John Roberts, Performance Audit Lead

Appendix 3 – Audit of Snowdonia National Park Authority’s assessment of 2013-14 performance

Certificate

I certify that I have audited Snowdonia National Park Authority’s (the Authority) assessment of its performance in 2013-14 in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Authority has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Authority and the Auditor General

Under the Measure, the Authority is required to annually publish an assessment which describes its performance:

- in discharging its duty to make arrangements to secure continuous improvement in the exercise of its functions;
- in meeting the improvement objectives it has set itself;
- by reference to performance indicators specified by Welsh Ministers, and self-imposed performance indicators; and
- in meeting any performance standards specified by Welsh Ministers, and self-imposed performance standards.

The Measure requires the Authority to publish its assessment before 31 October in the financial year following that to which the information relates, or by any other such date as Welsh Ministers may specify by order.

The Measure requires that the Authority has regard to guidance issued by Welsh Ministers in publishing its assessment.

As the Authority’s auditor, I am required under sections 17 and 19 of the Measure to carry out an audit to determine whether the Authority has discharged its duty to publish an assessment of performance, to certify that I have done so, and to report whether I believe that the Authority has discharged its duties in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information. Other assessment work that I will undertake under section 18 of the Measure may examine these issues. My audit of the Authority's assessment of performance, therefore, comprised a review of the Authority's publication to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the assessment complied with the requirements of the legislation, and that the Authority had regard to statutory guidance in preparing and publishing it.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas
Auditor General For Wales

CC: Carl Sargeant, Minister for Natural Resources
Leighton Andrews, Minister for Public Services
Jane Holownia, Manager
John Roberts, Performance Audit Lead

Appendix 4 – Annual Audit Letter

Mr E Williams
Chief Executive
Snowdonia National Park Authority
National Park Office
Penrhyndeudraeth
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LL48 6LF

Dear Emyr

Annual Audit Letter – Snowdonia National Park Authority 2013-14

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 Park Authority complied with its responsibilities relating to financial reporting and use of resources

It is the Park Authority'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 Park Authority'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 2014, I issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Park Authority'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 Park Authority in my Audit of Financial Statements report on 24 September 2014. The main issues arising were as follows:

- The statutory deadline for the publication of the draft financial statements was missed by a few days and the Park Authority needs to ensure that this does not happen in future years.
- There were no 'uncorrected misstatements' and a small number of 'non-material' misstatements that were corrected by management.
- We received information in a timely and helpful manner and were not restricted in our work. The quality of working papers provided and finance officer co-operation was of a high standard.
- We reported on one weakness in internal controls in relation to the reconciliations carried out over car parking income for a period during the year.

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

My consideration of the Park Authority'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. 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.

The Park Authority continues to face financial challenges due to the anticipated falls in its income from the Welsh Government's national park grant. The position is being monitored and I am satisfied with the action that the Park Authority has taken, and continues to take to address the pressures it faces.

I issued a certificate confirming that the audit of the accounts had been completed on 29 September 2014

The financial audit fee for 2013-14 will be in line with the agreed fee set out in the Annual Audit Outline. Further information is being prepared on the audit fee, as previously discussed, which will be shared and discussed with you early in 2015.

Yours sincerely



Richard Harries
Engagement Lead
For and on behalf of the Appointed Auditor

Appendix 5 – National report recommendations 2014-15

Date of report	Title of review	Recommendation
May 2014	Good Scrutiny? Good Question!	R1 Clarify the role of executive members and senior officers in contributing to scrutiny.
		R2 Ensure that scrutiny members, and specifically scrutiny chairs, receive training and support to fully equip them with the skills required to undertake effective scrutiny.
		R3 Further develop scrutiny forward work programming to: <ul style="list-style-type: none"> • provide a clear rationale for topic selection; • be more outcome focused; • ensure that the method of scrutiny is best suited to the topic area and the outcome desired; and • align scrutiny programmes with the council's performance management, self-evaluation and improvement arrangements.
		R4 Ensure that scrutiny draws effectively on the work of audit, inspection and regulation and that its activities are complementary with the work of external review bodies.
		R5 Ensure that the impact of scrutiny is properly evaluated and acted upon to improve the function's effectiveness; including following up on proposed actions and examining outcomes.
		R6 Undertake regular self-evaluation of scrutiny utilising the 'outcomes and characteristics of effective local government overview and scrutiny' developed by the Wales Scrutiny Officers' Network.
		R7 Implement scrutiny improvement action plans developed from the Wales Audit Office improvement study.
		R8 Adopt Participation Cymru's 10 Principles for Public Engagement in improving the way scrutiny engages with the public and stakeholders.

Date of report	Title of review	Recommendation
July 2014	Young people not in education, employment or training - Findings from a review of councils in Wales	R1 Together with partners, map and review expenditure on NEETs services to better understand the resources required to deliver the Framework.
		R2 Clarify their strategic approach to reducing the proportion of 19 to 24 year olds who are NEET as well as their approach for 16 to 18 year olds.
		R3 Focus on young people with significant or multiple barriers to engaging with education, employment or training rather than those who are more likely to re-engage without significant additional support.
		R4 Develop their objectives and targets for reducing the number of young people NEET so that they can be held to account and their work aligns with the Welsh Government's targets and objectives.
		R5 Ensure that elected members and partners fully understand that councils have a clear responsibility for leading and co-ordinating youth services for 16 to 24 year olds.
		R6 Improve the evaluation of the effectiveness and relative value for money of the services and interventions in their area that are intended to reduce the proportion of young people who are NEET.

Date of report	Title of review	Recommendation
October 2014	<p>Delivering with less – the impact on environmental health services and citizens</p>	<p>R1 Revise the best practice standards to:</p> <ul style="list-style-type: none"> • align the work of environmental health with national strategic priorities; • identify the wider contribution of environmental health in delivering strategic priorities of the Welsh Government; and • identify the benefit and impact of environmental health services on protecting citizens. <p>R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.</p> <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"> • consulting with residents on planned changes in services and using the findings to shape decisions; • outlining which services are to be cut and how these cuts will impact on residents; and • setting out plans for increasing charges or changing standards of service. <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> • Identifying the statutory and non-statutory duties of council environmental health services. • Agreeing environmental health priorities for the future and the role of councils in delivering these. • Determining an ‘acceptable standard of performance’ for environmental health services (upper and lower) and publicise these to citizens. • Improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> – collaborating and/or integrating with others to reduce cost and/or improve quality; – outsourcing where services can be delivered more cost effectively to agreed standards; – introducing and/or increasing charges and focusing on income-generation activity; – using grants strategically to maximise impact and return; and – reducing activities to focus on core statutory and strategic priorities. <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> • identifying, collecting and analysing financial, performance and demand/need data on environmental health services; • analysing collected data to inform and understand the relationship between ‘cost: benefit: impact’ and use this intelligence to underpin decisions on the future of council environmental health services; and • agree how digital information can be used to plan and develop environmental health services in the future.

Date of report	Title of review	Recommendation
January 2015	Managing the Impact of Welfare Reform Changes on Social Housing Tenants in Wales	<p>R1 Improve strategic planning and better co-ordinate activity to tackle the impact of welfare reform on social-housing tenants by ensuring comprehensive action plans are in place that cover the work of all relevant council departments, housing associations and the work of external stakeholders.</p>
		<p>R2 Improve governance and accountability for welfare reform by:</p> <ul style="list-style-type: none"> • appointing member and officer leads to take responsibility for strategic leadership on welfare reform and be accountable for performance; and • ensuring members receive adequate training and regular briefings on welfare reform to be able to challenge and scrutinise performance and decisions.
		<p>R3 Ensure effective management of performance on welfare reform by:</p> <ul style="list-style-type: none"> • setting appropriate measures to enable members, officers and the public to judge progress in delivering actions; • ensuring performance information covers the work of all relevant agencies and especially housing associations; and • establishing measures to judge the wider impact of welfare reform.
		<p>R4 Strengthen how welfare-reform risks are managed by creating a single corporate-level approach that co ordinates activity across the Council and the work of others to provide adequate assurance that all the necessary and appropriate actions to mitigate risk are taking place.</p>
		<p>R5 Improve engagement with tenants affected by the removal of the spare-room subsidy through:</p> <ul style="list-style-type: none"> • the provision of regular advice and information on the options open to them to address the financial impact of the change in their circumstances; • the promotion of the ‘Your benefits are changing’ helpline; and • the provision of support to tenants specifically affected by the removal of the spare-room subsidy to participate in regional/national employment schemes.
		<p>R6 Establish a set of minimum service standards on lettings and transfers to ensure that tenants affected by the removal of the spare-room subsidy receive a minimum standard of service from their landlord.</p>

Date of report	Title of review	Recommendation
January 2015	<p>Managing the Impact of Welfare Reform Changes on Social Housing Tenants in Wales</p>	<p>R7 Improve management, access to and use of Discretionary Housing Payments by:</p> <ul style="list-style-type: none"> • establishing a clear policy or guide that is available in hard copy and online to the public that sets out the Council's policy and arrangements for administering Discretionary Housing Payments; • clearly defining eligible and non-eligible housing costs covered by Discretionary Housing Payments in application forms, policy documentation and applicant guidance leaflets; • clearly setting out the maximum/minimum length of time that such payments will be provided; • setting and publishing the timescale for the Council making a decision on Discretionary Housing Payments applications; • including information within public literature on the Council's policy for right to review or appeal of a decision and the timescales and process to be followed in deciding on these; and • clearly define the priority groups for Discretionary Housing Payments in public literature to ensure that those seeking assistance, and those agencies supporting them, can assess whether such payments are a viable option to address their housing and financial needs.

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