

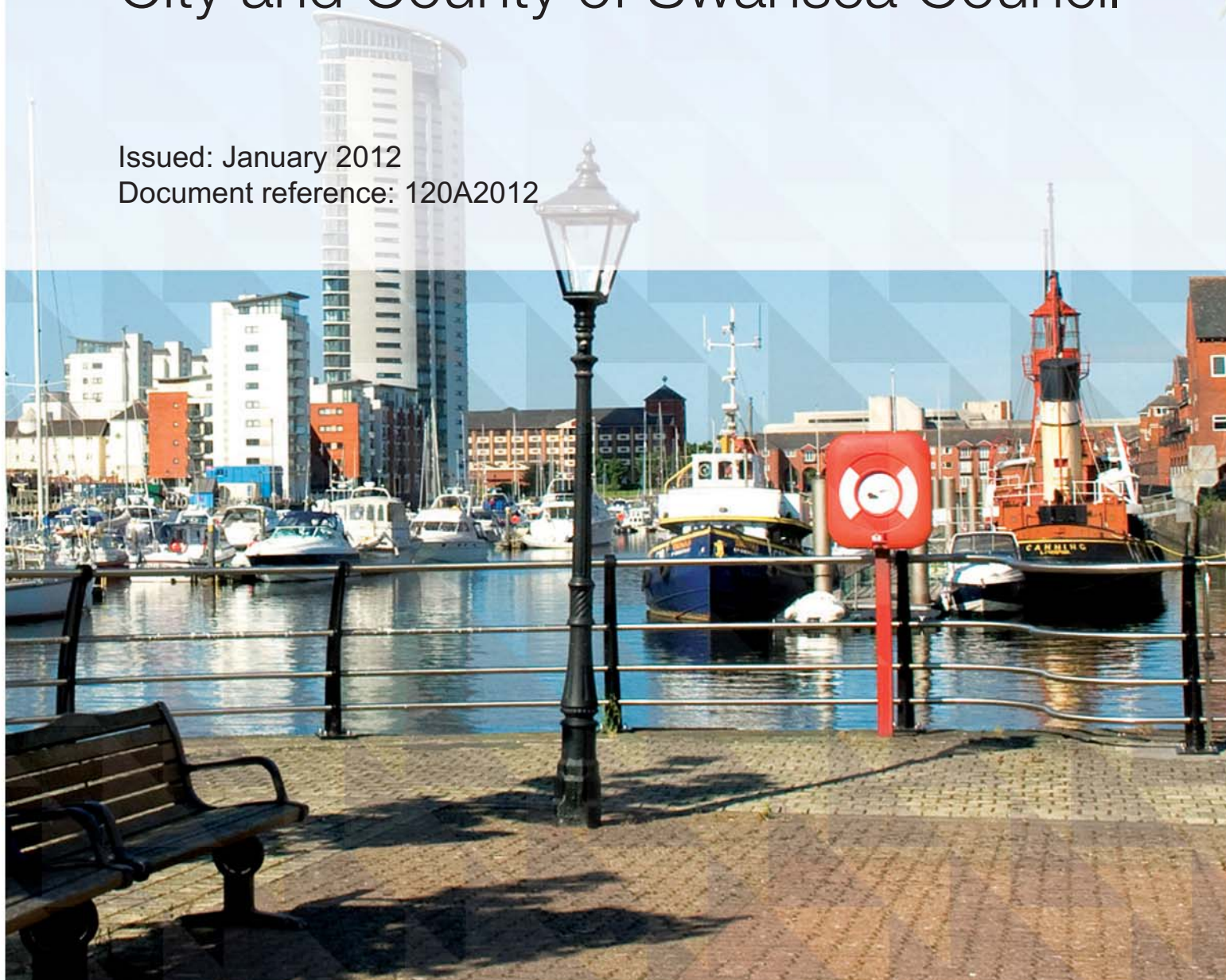


WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report

City and County of Swansea Council

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About the Auditor General for Wales

The Auditor General is independent of government and is appointed by Her Majesty the Queen. He leads the Wales Audit Office and is held accountable by the Public Accounts Committee of the National Assembly for the Wales Audit Office's work.

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. He also appoints the external auditors of Welsh local government bodies, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. The Auditor General's appointed auditors are responsible for the annual audit of the majority of public money spent in Wales, including the £15 billion of funds that are voted to Wales annually by the Westminster Parliament. Nearly £5.5 billion of this funding is passed by the Welsh Government to local government in the form of general and specific grants. Local government, in turn, raises a further £2.1 billion through council tax and business rates.

As well as carrying out financial audit, the Auditor General's role is to examine how public bodies manage and spend public money, including achieving value in the delivery of public services. The Wales Audit Office aims to make public money count, by promoting improvement, so that people in Wales benefit from accountable, well-managed public services that offer the best possible value for money. It is also committed to identifying and spreading good practice across the Welsh public sector.

Huw Vaughan Thomas, Auditor General for Wales, was supported by Rod Alcott, Jeremy Evans and colleagues under the direction of Jane Holownia in conducting the Improvement Assessment and producing this report.

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Summary report

- 1 Each year, the Auditor General must report on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement and delivering their services. Drawing on the work of the Wales Audit Office and that of relevant Welsh inspectorates, this report presents a picture of improvement over the last year. The report is in three main sections, which cover the planning, delivery and evaluation of improvement by the City and County of Swansea Council (the Council).
- 2 Overall the Auditor General has concluded that the Council provides good and improving services in important areas and now needs fewer priorities and better evaluation of its performance in order to support future improvement. The reasons for arriving at this conclusion are summarised below.
- 3 We found that the Council has many appropriate arrangements in place to support improvement but has too many priorities to provide a clear focus for decision making. We based this conclusion on the following:
 - the Council has a good understanding of its financial situation and, with clear leadership, will remain well placed to address its financial challenges;
 - the Council's arrangements for developing, using and supporting technology are likely to support improvement;
 - the Council's approach to information management is increasing in rigour, and becoming better able to support further improvement in the future;
 - the Council is committed to increasing the public's influence on its business and promoting a wider range of public engagement;
 - the Council is meeting its statutory obligation with regard to the Welsh Language Act;
 - the Council has too many priorities to provide a clear focus for decision making; and
 - the Council has responded well to previous suggestions for improvement, but has not fully addressed the statutory recommendation regarding planning committee arrangements.
- 4 We also found that overall the Council has achieved much of what it set out to achieve in its priority areas. We based this conclusion on the following:
 - Overall, the Council made good progress towards achieving its Improvement Objectives in 2010-11, and in most cases the Council has an action plan in place to improve performance, where that was not as good as expected.
 - The Council has improved its support for people in need. Children's services are improving. Adult services are being reshaped and the Council has laid the foundations for future improvement. The Council has done most of what it set out to do in its Improvement Objectives relating to supporting people in need, although the effect on performance has been mixed.

- The Council is providing good support to help people develop. Education performance is good, particularly at secondary level and the Council has done what it set out to do in its Improvement Objective relating to education and this has resulted in an overall improvement in performance.
 - The Council has done what it set out to do to in its Improvement Objectives relating to helping create and maintain the area as a safe, prosperous and pleasant place. Additionally, the actions of the Council, working alone and with its partners, should have a beneficial impact on economic inactivity in the area.
- 5 Finally, the report sets out our views on the Council's own assessment of its performance and arrangements. We concluded that the Council monitors progress against actions but does not consistently evaluate the outcome of these actions. This limits the Council's ability to report improvement in a meaningful way.

Proposals for improvement

Proposals for improvement

- P1** The Council needs to develop a rationalised set of priorities that form the basis for decision making and determining the allocation of resources.
- P2** In order to help citizens fully understand the progress the Council is making in meeting its objectives and improving performance, the Council should:
- be clear about what it is trying to achieve;
 - communicate clearly to local citizens what difference achieving these objectives will make to their lives;
 - measure its performance so that everyone understands whether and how it is improving; and
 - ensure its Annual Report is more meaningful and balanced.
- P3** The Council needs to continue to address areas for development and improvement set out in previous external audit and inspection reports.

Detailed report



Introduction

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

The Council provides good and improving services in important areas and now needs fewer priorities and better evaluation of its performance in order to support future improvement

- 10 This report sets out the Auditor General's view of the performance of the City and County of Swansea Council (the Council) in discharging its statutory duty to make arrangements to secure continuous improvement. This view has been informed by the work of the Wales Audit Office, Estyn, the Welsh Language Board and the CSSIW.
- 11 We do not undertake a comprehensive annual review of all council arrangements or services. Our work has focused on the main objectives that the Council has set itself and some other key issues such as self-evaluation and reporting performance to the public. The report builds upon earlier Corporate Assessment and Annual Improvement reports issued to the Council and the conclusions are based on our cumulative and shared knowledge and findings from work undertaken this year.
- 12 Our overall conclusion reflects the Council's progress in providing good and improving services in important areas, and recognises the need to develop clear priorities and better evaluation of its performance in order to support future improvement. Clearly defined priorities allied to the ability to accurately evaluate performance are critical to the efficient allocation of resources that are essential to delivering improvement in the current difficult financial climate. Establishing, and gaining commitment to, clear priorities along with creating a culture of well informed critical evaluation, are two of the major challenges facing the Council in its quest for continuous improvement.
- 13 In addition to promoting the efficient allocation of resources, it is also important to have a good understanding of the extent of progress and improvement that is being made for the Council to report performance in a meaningful way to local citizens.

The Council has many appropriate arrangements in place to support improvement but has too many priorities to provide a clear focus for decision making

14 This section of the report sets out our assessment of how well the Council is delivering against the improvement objectives that it has set itself (as listed in [Appendix 4](#)) and how the Council is planning and managing its business to maintain and improve services. This section of the report also considers whether the Council has taken sufficient and appropriate action in response to issues raised in our previous reports.

15 The Council is starting to change the way it does things to become more efficient. The Council's Strategic Programme is monitoring and driving progress across the Council; the Council has successfully implemented a revised business planning process and is now giving it appropriate levels of commitment and support. This has put the Council in a good position to ensure that business planning drives progress, as well as aligning departmental activity with the Council's strategic aims.

The Council has a good understanding of its financial situation and, with clear leadership, will remain well placed to address its financial challenges

16 For a number of years a medium term financial plan has been produced annually by the Council as part of an established suite of budget papers approved by members each spring. In February 2011, the Medium Term Financial Plan 2012-13 – 2014-15 was approved as the basis for future service and financial planning. The Council has demonstrated, through the implementation of successive medium term financial plans and annual budgets, that it can make clear choices on a timely basis to maintain its

financial health. The Council has begun to prepare next year's budget and to update its Medium Term Financial Plan and is working on a range of options to achieve a balanced budget.

17 The Council set a net revenue expenditure budget of £384.5 million in 2010-11 that contained a challenging programme of savings, totalling £11.3 million, that it needs to implement to achieve the budget. In November 2011, the Council's cabinet considered a financial monitoring report for the first six months of 2011-12. It highlighted that there was a forecast overspend on service budgets of £4.5 million, primarily arising within Child and Family Services. Actions designed to achieve a balanced budget and the availability of the Council's Contingency Fund, which stands at £14.7 million, to meet potential unbudgeted spending requirements in 2011-12 and future years were noted.

18 The auditor appointed by the Auditor General gave his opinion on the Council's 2010-11 accounts on 30 September 2011 and found that the financial statements were generally satisfactory. [Appendix 3](#) gives more detail.

The Council's arrangements for developing, using and supporting technology are likely to support improvement

19 Our review of the way the Council uses technology, which is essential for transforming the delivery of public services, improving outcomes for citizens and delivering efficiency savings, concluded that:

- the Council's arrangements for developing, using and supporting

technology are likely to support improvement, but stronger corporate drive and support is needed if the Council is to exploit technology more effectively;

- arrangements are sound with examples of good practice, but lack strong senior management ownership of, and engagement with, the implementation of strategies, plans and policies; and
- performance in some areas is sound and robustly managed, but the Council needs to exploit technology more effectively to maximise benefit realisation and savings.

The Council's approach to information management is increasing in rigour and becoming better able to support further improvement in the future

20 Due to the increasing financial pressure on the public sector, there is a need to maximise and exploit the information held to deliver and plan for quality services effectively. Our review of the way the Council manages information concluded that:

- The Council's approach to information management is increasing in rigour and the arrangements are likely to better support improvement as remaining weaknesses are resolved.
- Current arrangements are sound. The Council has governance arrangements in place, but the allocation of some responsibilities needs further debate to ensure they are allocated to officers with appropriate seniority.

- Performance is generally sound and the Council is addressing many of the current weaknesses and building a solid foundation upon which it can secure further improvement.

The Council is committed to increasing the public's influence on its business and promoting a wider range of public engagement

21 Public engagement can be defined as 'a process that brings people together to address issues of common importance, to solve shared problems, and to bring about positive social change. Effective public engagement invites citizens to get involved in deliberation, dialogue and action on issues that they care about'.¹

22 Our work at the Council focused on the overall corporate approach to public engagement with a specific focus on public participation in recycling. From our work, we concluded that the Council's officers and members are very committed to increasing the influence of the public on its business through promoting a wider range of public engagement, but needs to better respond to the results of public engagement. We came to this conclusion because:

- the Council has recognised the benefits of greater public engagement and is committed to this aim; and
- as expected, there are more current examples of informing and consultation than engagement involving joint decision making, joint activity and empowerment.

¹ Definition taken from 'Public Agenda' website 2010.

The Council is meeting its statutory obligation with regard to the Welsh Language Act

- 23 The Welsh Language Board praised the Council for attaining positive judgements in electoral documentation and website inspection exercises and for undertaking to address any outstanding issues. The Board did, however, continue to express concern over the lack of progress against targets contained within the Council's Welsh Language Scheme. The problems included: first contact services, particularly the Council's Contact Centre, and also the preparation and implementation of the Council's Linguistic Skills Framework. Further information was provided to the Board on these issues as part of a feedback meeting, and there are positive indicators that the Council is working to improve these areas.

The Council has too many priorities to provide a clear focus for decision making

- 24 The Council does not have a track record of clearly articulated and documented priorities that provide a strong sense of direction for the Council. Priorities exist in many formats, in many places and are too numerous to provide a clear focus for improvement. The appointment of a new Chief Executive in 2011, and the start of a new electoral cycle following the local government elections in May 2012, creates an opportunity for the Council to develop a rationalised set of priorities.
- 25 Where clear priorities have existed, they have been the product of external forces rather than the result of internal corporate decision making. The most recent example being the priority afforded to Child and Family Services in response to the setting up of an Intervention Board.

The Council has responded well to previous suggestions for improvement but has not fully addressed the statutory recommendation regarding planning committee arrangements

- 26 The Corporate Assessment reports of 2010 and 2011 and the Annual Improvement Report of 2011, contained a number of Areas for Improvement for the Council. As reported in the Corporate Assessment Update in June 2011, the Council has made good progress in addressing these.
- 27 Our previous Annual Improvement Report also contained a statutory recommendation requiring the Council to set out its response to the recommendations contained in our November 2010 report on planning committee arrangements. The Council has made some progress in addressing these recommendations but more remains to be done. In particular, the Council has effectively chosen to ignore the recommendation requiring it to fully consider alternative planning committee arrangements. In response to our recommendations the Council decided (on 3 February 2011) to reinstate a two Area Committee arrangement on an interim basis, pending consideration of options in further detail. However, a Notice of Motion to Council on 4 August 2011 confirmed this interim arrangement of two Area Committees as the Council's preferred approach. The rationale for this decision is unclear and lacks transparency. It was made without any accompanying report or public record of the reasons for the Motion or record of any associated debate on the matter.
- 28 We will be meeting with the Council early in 2012 to consider what action we need to take in response to our concerns.

Overall the Council has done what it set out to do in its priority areas

29 This section of the report sets out our assessment of the Council's performance in:

- supporting people in need;
- helping people to develop;
- helping to create a safe, prosperous and pleasant environment; and
- achieving the improvement objectives it set for itself for 2010-11.

The Council has improved its support for people in need

30 This part of the report sets out how well the Council is improving the way in which it supports people in need. It reflects the views of CSSIW in relation to adult and children's services; and draws upon our own reviews of the Council's performance against other relevant improvement objectives.

Children's services are improving

31 There has been improvement in child and family services during 2010-11. The Intervention Board put in place in 2009 to promote improvement was disbanded in October 2010; but the progress evidenced during the three reviews carried out by CSSIW in 2010 has been continued. The planned restructuring of the service was completed in October 2010 and is still being closely monitored and reviewed by management. Such a large scale reorganisation of service delivery could have disrupted overall progress but, based on the available evidence, this has not been the case.

32 There are still a number of challenges for the Council including stabilising its budget for child and family services to facilitate sustainable long-term development. Additional resources were made available to support the improvement agenda in the short-term, but the level of spend can't be maintained. There is a plan in place to address this issue and corporately there has been significant focus on children's services to ensure progress is closely monitored and reviewed. The child and family services overview and scrutiny board won a national award in the 'Good Scrutiny Awards 2011' which is run by the Centre for Public Scrutiny.

Adult services are being re-shaped and the Council has laid the foundations for future improvement

33 In adult services the direction of travel is now much clearer than was evidenced previously. Many of the milestones and actions set out in 2010-2011 have been completed, and the establishment of an overarching commissioning framework is now in place. This has given adult services a higher profile across the Council, both corporately and politically. Key strategies and commissioning plans provide the underpinning detail which is beginning to demonstrate how the Council intends to transform adult services. This work needs to be further developed in 2011.

34 The integration of services, particularly with health, is a priority area if the Council is going to improve its performance in promoting independence and supporting people to live in the community, as well as improving performance in hospital discharge arrangements. There are indications of improved outcomes in the development of partnerships with health and with other

councils on a regional basis. Further development of integrated services is now a priority for development in 2011 if the Council is going to deliver its key aims. In 2010-11 adult services had managed within their allocated budget and achieved all of the required savings; a further reduction in budget of around two per cent will be required for 2011-12.

The Council has done most of what it set out to do in its Improvement Objectives relating to supporting people in need, although the effect on performance has been mixed

- 35 In respect of Improvement Objective1 Priority 3 – ‘Reduce the impact of poverty on children and young people in conjunction with others’, the Council has broadly achieved the actions it set out for 2010-11. There were nine Relevant Success Indicators identified by the Council. All of these are also used for Priority 2. There has been an improvement in seven of the PIs and a very slight decline in two (school attendance). The target has been achieved for all of them apart from levels of primary school attendance, which was just below target.
- 36 In respect of Improvement Objective1 Priority 1 – ‘Improve Child & Family Services’, progress has been made on delivering the planned actions, which has resulted in some improvement in performance. This conclusion is mirrored in the 2010-11 CSSIW letter. There were nine Relevant Success Indicators identified by the Council. Targets were met for timely placements and care plans and referrals for allocation; but there was a slight decline in performance for referrals for allocation. There was an improvement for initial assessments and core (in-depth) assessments completed within time, but the

targets were not met. A performance Indicator relating to ‘the percentage of child protection reviews carried out within statutory timescales’ was included in the June 2010 improvement plan as a relevant indicator, but no detail about it was given in the September 2011 retrospective report. The targets for three indicators were below the levels achieved in the prior year. We have been unable to assess formally if the improvements in performance have resulted in benefits to the users of the service. Although, it would not be unreasonable to conclude that the service users are probably better off as a result of the improvements in performance.

- 37 In respect of Improvement Objective 4 Priority 9 – ‘Reshape and reconfigure Health and related services in Swansea’, the Council has made progress in achieving three of the four actions it set out for 2010-11. Four relevant success indicators were identified by the Council. For ‘delayed transfers of care’ there has been a significant decline in performance from an average of three in 2009-10 to 9 in 2010-11 against a target of six. The ‘care plan reviews during the year’ and ‘percentage of clients aged 18 to 64 supported within the community’ have both improved over the past few years. The percentage of clients aged 65+ supported within the community has declined to 80.4 per cent from 83.7 per cent in the previous year, and is now at the Welsh average.
- 38 In respect of Improvement Objective 4 Priority 10 – ‘Promote and encourage healthier lifestyles’, the Council has mostly done what it said it would do. However, this does not seem to have had an impact at this stage in terms of the PIs. Seven relevant success indicators were identified by the Council; four of which

were also considered relevant to Priority 9 and are reported on above. Performance on 'Adults achieving 5 x 30 minutes exercise per week' was consistent with the previous year at 27 per cent and below the 32 per cent target. 'Participating visits to Council run leisure centres' saw a decline in performance on previous years, was below target and below the Welsh average. The percentage of 'high risk businesses inspected for Health & Safety' remains at 100 per cent. The performance measures in place for this priority do not allow the Council to monitor progress in this area fully. However, the use of milestones allows the Council to quantify achievement in respect of particular actions.

The Council is providing good support to help people develop

- 39 This part of the report sets out how well the Council is improving the way in which it helps people to develop. It draws on evidence from our own reviews of the Council's performance against specific improvement objectives and Estyn's views on education performance.

Education performance is good, particularly at secondary level

- 40 The above conclusion and the following paragraphs that underpin that conclusion represent the views of Estyn.
- 41 Overall, standards of achievement for learners in Swansea schools are good. When a range of contextual information is taken into account, the performance of pupils in Swansea is slightly below average in Key Stage 1, average in Key Stage 2 and good in Key Stage 3. At Key Stage 4, performance is generally good and very good on those

measures that involve English or Welsh and mathematics. On these indicators, over half of the secondary schools are in the top quarter when compared to similar schools.

- 42 In 2010 Swansea met or exceeded two of the three Welsh Government benchmarks for performance in Key Stages 3 and 4, based on entitlement to free school meals. This was an improvement on the previous year but not as good as in 2008 when Swansea met all benchmarks.
- 43 Attendance in primary and secondary schools is slightly below average when contextual information is taken into account. The number of exclusions from schools improved in 2010 and is better than the average for Wales.

The Council has done what it set out to do in its Improvement Objective relating to education and this has resulted in an overall improvement in performance

- 44 In respect of Improvement Objective 1 Priority 2 – 'Progress the Quality in Education 2020 (QED2020) programme and improve skills for learning, work and life', the Council has achieved the actions it set out for 2010-11. There were 13 Relevant Success Indicators identified by the Council. The first nine of these were also used for Priority 3. There has been an improvement in 10 of the PIs and a very slight decline in three (both school attendances and 'Teacher Assessment in Welsh (first language)' at the end of Key Stage 2. The target has been achieved for all PIs, apart from three - levels of primary school attendance and both teacher assessments in Welsh, which were just below target. The targets for seven indicators were below the levels achieved in prior years.

The Council has done most of what it set out to do to help create and maintain the area as a safe, prosperous and pleasant place

45 This part of the report sets out how well the Council is improving the way in which it helps people to create and maintain the area as a safe, prosperous and pleasant place. It draws on evidence from our review of the Council's performance in addressing economic inactivity and our reviews of the Council's performance against specific improvement objectives.

The actions of the Council, working alone and with its partners should have a beneficial impact on economic inactivity in the area

46 The Council is involved in a number of projects to address economic inactivity. Particular initiatives are Workways, Beyond Bricks and Mortar (BBM) and a project to improve collaboration between the various forms of support available to individuals who are economically inactive.

47 The Council has made good overall progress towards delivering the outcomes sought. In many cases key targets have been exceeded, for example, the number of temporary job opportunities created, the number of signatories to the BBM initiative and the number of local Small and Medium Enterprises given development support.

48 There is evidence of some good actions to progress the project to improve collaboration, but the nature of this project makes it difficult to assess what the impact of these have been on securing the desired outcome.

49 Key actions during the year have been the production of a Swansea Project Directory and the use of networking events between project teams to facilitate the efficient use of resources through information sharing, and cross-working between the various projects.

50 One of the key ambitions of the Council was to pull all of the different elements of the projects addressing economic inactivity together, under the Gateway project, to provide a single point of reference for individuals that the Council was trying to reach. This has proved to be more difficult to attain than envisaged, as different projects and initiatives run at different speeds and to different deadlines. So, for instance, by the time the Workways project was agreed at a regional level, other initiatives had moved forward.

51 There is a positive level of engagement between the Council and its partners in these projects to address economic inactivity and responsibilities, and accountability in relation to these projects is clearly understood. Importantly, the existence and involvement of partners has meant that the Council has been able to progress some key parts of its projects, not just within the Council, but through its partner organisations too.

52 The Council reports progress on projects to address economic inactivity to a number of stakeholder groups and this is tailored to each group. Some improvements can be made to formal reporting and the Council should consider its scrutiny arrangements in respect of these projects. In particular, scrutiny officers should consider how best to update members of the partnership overview and scrutiny committee on the background to

projects, so that meetings can focus on partnership aspects in accordance with the terms of reference of the committee. Consideration should be given to finding time for the environment and community service overview and scrutiny board to consider these projects.

The Council has done most of what it set out to do in its Improvement Objectives relating to helping create and maintain the area as a safe, prosperous and pleasant place, although the effect on performance has been mixed

- 53 In respect of Improvement Objective 2 Priority 4 – ‘Ensure that all public spaces in neighbourhoods are well maintained’, the Council has broadly achieved the actions it set out for 2010-11, but there has been a marginal decline in 2010-11 compared to 2009-10 in each of the chosen indicators. The target of 95 per cent for ‘highways cleanliness’ was not achieved. The targets for fly-tipping and graffiti were achieved, but both targets were a reduction on the performance in the previous year.
- 54 In respect of Improvement Objective 2 Priority 5 – ‘Reduce Swansea’s ecological footprint by encouraging: the minimisation of waste, an increase in recycling and a decrease in the amount of waste sent to landfill’, the Council has broadly achieved the actions it set out for 2010-11. It achieved its targets for both the chosen PIs. Performance of PI ‘amount of waste sent to landfill’ has improved but, at 59 per cent, is worse than the Welsh average of 51 per cent. Similarly, the PI ‘amount of waste recycled/composted’ at 40 per cent is slightly worse than the Welsh average of 44 per cent. For this PI there was no explicit Welsh Government target for 2010-11, the Council
- are achieving the 2009-10 target set by the Welsh Government of 40 per cent. This target becomes 52 per cent for 2012-13.
- 55 In respect of Improvement Objective 2 Priority 6 – ‘Encourage the provision of affordable, good quality, well-managed housing in Swansea and work towards improving Council Housing up to the Welsh Housing Quality Standard’, the Council has achieved two of the four actions it set out for 2010-11. There has been an improvement in the relevant PIs, although a number of the PIs did not have targets set for them.
- 56 In respect of Improvement Objective 3 Priority 7 – ‘Provide a more integrated transport system that promotes the use of public transport’, the Council has achieved the actions it set out for 2010-11. The Council has not identified PIs that are particularly relevant to the priority or planned actions. Two were selected and there has been a reduction in Park and Ride usage from the prior year and the target was not achieved. The target of 95 per cent of adults aged over 60 holding concessionary bus passes was achieved.
- 57 In respect of Improvement Objective 3 Priority 8 – ‘Improve and develop infrastructure that supports Swansea’s economic regeneration focusing on the City Centre, Waterfront, Strategic Employment Sites and Regeneration Areas’, the Council has achieved the majority of the actions it set out for 2010-11. Some of the performance indicators identified by the Council do not appear to be particularly relevant to the actions planned by the Council to achieve this priority. The ‘speedy determination of major planning applications’ declined in performance from 42 per cent to 17 per cent

and did not meet the 40 per cent target. There was a slight improvement in 'speedy determination of householder planning applications'. The 'Value of inward investment for property based projects' at £45 million was a big improvement from the previous year of £23 million and far beyond the target of £25 million.

The breadth of the Council's improvement objectives for 2010-2011 made it difficult for it to demonstrate improvement across them all

58 2010-11 was the first year that councils were required to produce improvement objectives. The Improvement Objectives identified for 2010-11 were very much transitional and the Council was always aware of this and fully intended to revise them for 2011-12. In line with our suggestions in our corporate assessment in 2010-11, the Council's improvement objectives for 2011-12 are better informed by public consultation and engagement than last year. Again, in line with our suggestions, the Council has replaced the very broadly based improvement objectives it set last year with five that focus on key service areas.

59 In our last Annual Improvement Report we stated that:

'The Council's transitional improvement objectives are very broad, covering almost all of the main services that the Council delivers. This approach does not enable citizens to easily understand what the priorities for the Council are and causes us to question whether they can all be delivered at a time of public spending cuts. We also think that such an approach makes it more difficult for citizens to hold the Council to account or to understand precisely what the Council is trying to achieve.'

60 The situation with regard to improvement objectives has been further complicated by a perceived lack of ownership of them within directorates and the plethora of competing priorities that exist across the Council. This has resulted in poor links between the improvement objectives and departmental activity plans which were not focused on achieving the improvement objectives. These factors combine to give the impression that the process of identifying and achieving improvement objectives sits outside the Council's day-to-day activity. The lack of ownership and incompatibility between the breadth of ambition and the resources to deliver may go some way towards explaining why, in some instances, improvement targets were set below the level achieved the previous year. Setting reduced targets is perfectly legitimate for areas where the Council has made a conscious decision to disinvest, but are hard to justify in areas that have been selected for improvement.

61 A further complication when assessing the Council's achievement with regard to its improvement objectives, is that while it is possible to determine whether or not the proposed actions were carried out, it is not possible to establish what impact these actions had. As evidenced above, the overall picture is one of actions being largely completed but the effect on performance being mixed.

The Council monitors progress against actions but does not consistently evaluate the outcome of these actions; this limits the Council's ability to report and describe improvement in a meaningful way

- 62 Robust self-assessment is critical to the Council's ability to:
- recognise the progress it is making;
 - take remedial action when performance is not reaching anticipated levels; and
 - report its performance to local citizens in a balanced way.
- 63 To assess the progress it is making, the Council needs good performance information and robust monitoring arrangements. Performance information is reported and monitored at a number of levels within the Council. The Council holds monthly Performance and Financial Monitoring (PFM) meetings, which includes consideration of performance information and relevant indicators. These meetings include a review of performance indicator information, as well as updates on key priorities and targets including Outcome Agreements. In areas where the Council has identified the need for improvement, action plans are developed.
- 64 The Council's performance indicators are monitored and reported on a quarterly and annual basis to the Corporate Management Team and also to Members and the public through Cabinet and the Council's Scrutiny Boards. Additionally, where a Strategic Programme is in place (for example in Child & Family Services, QED2020), progress against the programme is reported to the Strategic Programme Board on a monthly basis. There was no mechanism in place to enable the Council to directly monitor progress against the Improvement Plan as a whole during the year. Progress against the Improvement Plan was only undertaken to enable the retrospective review report to be produced.
- 65 The accountability for areas that underpin many parts of the Council's Improvement Plan, for example the Strategic Programme, is well established. However, it appears that ownership of the Improvement Plan and the Annual Report outside of the central business performance team is more limited. Drafting the Annual Report could be improved by securing greater input from lead officers and the Heads of Service.
- 66 The Council has used a range of sources within its Annual Report. These include performance indicators with trends and comparators, opinions from its citizen panel and tenant surveys. The Council has been able to evidence whether it completed the actions and milestones that it planned to undertake within each of the improvement objectives and, therefore, form a view on its progress. However, due to problems regarding the relevance of some performance indicators and seemingly perverse target setting, it is difficult to assess if the completion of actions has resulted in benefits to service users.
- 67 As stated above, a full evaluation of performance is frustrated by lack of measures to assess whether progress made is in line with what the Council was aiming to achieve. The Report lacks an overall assessment of the Council's progress and many citizens would find it difficult from reading this report to come to an accurate conclusion of the Council's progress in 2010-11. The Report lacks a real critical appraisal of how the Council thinks it has done overall, and what it is going to do differently as a result.

68 The Council's overall view of its success in achieving its Improvement Objectives is that it has made good progress against a challenging backdrop. This is not in itself an unreasonable assessment. However, at the more detailed level of the individual priorities that underpin the Improvement Objectives the main publication does not always present a meaningful and balanced picture of performance. There are many positive points made, but areas where performance has declined, areas where targets have not been met and areas where the Council is performing below the Welsh average, are not always mentioned in the narrative. Although the raw Performance Indicator data is available in Appendix B of the report, this requires the reader to perform their own analysis to be able to draw a conclusion on performance. In particular, we note that the same phrase has been used for each priority, namely: 'we have made good progress delivering this priority and delivered the actions set out within last year's improvement Plan'.

69 The Auditor General has determined that the Council has discharged all of its duties in relation to publishing improvement information. However the Council should ensure that it acts more in accordance with Welsh Government guidance when publishing information, specifically in:

- providing a clear explanation of why the comparisons that have been made, and those that have not been made, are included;
 - better explaining how it considered whether to collaborate, and if collaboration achieved the intended outcomes; and
 - presenting the information in a more meaningful and balanced way.
- developing better focused measures to evidence outcomes;
 - better comparing its performance with other Welsh improvement authorities and other public bodies;

Appendices



Appendix 1

Status of this report

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

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

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

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

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

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

Appendix 2

Useful information about Swansea and the City and County of Swansea Council

The Council

The City and County of Swansea Council spends approximately £545 million per year (2010-11). This equates to about £2,350 per resident. In the same year, the Council also spent £55.5 million on capital items.

The average band D council tax in 2010-11 for Swansea was £1,121.26 per year. This has increased by 3.6 per cent to £1,161.65 per year for 2011-12. Within Swansea, 76.6 per cent of the dwellings are in council tax bands A to D.

The Council is made up of 72 elected members who represent the community and make decisions about priorities and use of resources. The political make-up of the Council is as follows:

- 3 Communities of Swansea
- 26 Labour
- 1 Non-aligned
- 36 Swansea Administration
- 5 Welsh Conservatives

The City and County of Swansea Council's Chief Executive is Jack Straw, he is supported by:

- Corporate Director of Education: Richard Parry
- Corporate Director of Social Services: Phil Hodgson
- Corporate Director of Regeneration and Housing: Phil Roberts
- Corporate Director of Environment: Reena Owen

Other information

The Assembly Members for Swansea are:

- Edwina Hart, Gower, Labour
- Mike Hedges, Swansea East, Labour
- Julie James, Swansea West, Labour
- Suzy Davies, South Wales West, Welsh Conservative
- Peter Black, South Wales West, Welsh Liberal Democrat
- Byron Davies, South Wales West, Welsh Conservative
- Bethan Davies, South Wales West, Plaid Cymru

The Members of Parliament for Swansea are:

- Martin Caton, Gower, Labour
- Sian James, Swansea East, Labour
- Geraint Davies, Swansea West, Labour

For more information see the Council's own website at www.swansea.gov.uk or contact the Council at City and County of Swansea Council, Civic Centre, Oystermouth Road, Swansea SA1 3SN.

Appendix 3

The City and County of Swansea Council's accounts and use of resources

The auditor appointed by the Auditor General issued the following auditor's report on 30 September 2011.

Independent auditor's report to the Members of the City and County of Swansea

I have audited the accounting statements and related notes of:

- The City and County of Swansea
- The City and County of Swansea Group
- The City and County of Swansea Pension Fund

for the year ended 31 March 2011 under the Public Audit (Wales) Act 2004.

The City and County of Swansea's accounting statements comprise: the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Movement on the Housing Revenue Account Statement and the Housing Revenue Account Income and Expenditure Statement.

The City and County of Swansea Group's accounting statements comprise: the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet and the Group Cash Flow Statement.

The City and County of Swansea Pension Fund's accounting statements comprise: the Fund Account and the Net Assets Statement.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2010-11 based on International Financial Reporting Standards (IFRSs).

Respective responsibilities of the responsible financial officer and the independent auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 193, the responsible financial officer is responsible for the preparation of the Statement of Accounts, including Group and Pension Fund accounts, which gives a true and fair view.

My responsibility is to audit the accounting statements and related notes in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounting statements

An audit involves obtaining evidence about the amounts and disclosures in the accounting statements and related notes sufficient to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the City and County of Swansea's and City and County of Swansea Group's and City and County of Swansea Pension Fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the responsible financial officer and the overall presentation of the accounting statements and related notes.

In addition, I read all the financial and non-financial information in the Explanatory Foreword and Sustainability and Environmental Reporting disclosure to identify material inconsistencies with the audited accounting statements and related notes. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the accounting statements of the City and County of Swansea

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of the City and County of Swansea as at 31 March 2011 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2010-11.

Opinion on the accounting statements of the City and County of Swansea Group

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of the City and County of Swansea Group as at 31 March 2011 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2010-11.

Opinion on the accounting statements of the City and County of Swansea Pension Fund

In my opinion, the pension fund accounts and related notes:

- give a true and fair view of the financial transactions of the City and County of Swansea Pension Fund during the year ended 31 March 2011 and of the amount and disposition of the fund's assets and liabilities as at that date; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2010-11.

Opinion on other matters

In my opinion, the information contained in the Explanatory Foreword and the Sustainability and Environmental Reporting disclosure or the financial year for which the accounting statements and related notes are prepared, is consistent with the accounting statements and related notes.

Matters on which I report by exception

I have nothing to report in respect of the Governance Statement on which I report to you if, in my opinion, it does not reflect compliance with *Delivering Good Governance in Local Government: Framework* published by CIPFA/SOLACE in June 2007, or if the statement is misleading or inconsistent with other information I am aware of from my audit.

Delay in certification of completion of the audit

I am required to give an opinion on the financial statements of the pension fund included in the Pension Fund Annual Report of the City and County of Swansea Pension Fund. The Local Government Pension Scheme (Administration) Regulations 2008 require authorities to publish the Pension Fund Annual Report by 1 December 2011. As the Authority has not yet prepared the Annual Report, I have not yet been able to read the other information to be published with those financial statements and I have not issued my report on those financial statements. Until I have done so, I am unable to certify that I have completed the audit of the accounts in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Code of Audit Practice issued by the Auditor General for Wales.

Anthony Barrett
Appointed Auditor
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Date: 30 September 2011

The maintenance and integrity of the City and County of Swansea website is the responsibility of the City and County of Swansea; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the Statement of Accounts since it was initially presented on the website.

Local electors and others have a right to look at the Council's accounts. When the Council has finalised its accounts for the previous financial year, usually around June or July, it must advertise that they are available for people to look at. You can get copies of the accounts from the Council; you can also inspect all books, deeds, contracts, bills, vouchers and receipts relating to them for 20 working days after they are made available. You can ask the auditor questions about the accounts for the year that they are auditing. For example, you can simply tell the auditor if you think that something is wrong with the accounts or about waste and inefficiency in the way the Council runs its services. For more information see the Wales Audit Office leaflet, *Council accounts: your rights*, on our website at www.wao.gov.uk or by writing to us at 24 Cathedral Road, Cardiff CF11 9LJ.

Appendix 4

The City and County of Swansea Council's improvement objectives and self-assessment

The City and County of Swansea Council's improvement objectives

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

Swansea's Annual Corporate Improvement Plan 2010-2011 'Meeting the Challenge' set four Improvement Objectives for it to achieve during that year. For 2011-12, the Council has reviewed these objectives and added a fifth objective for delivery during this year. The Council's Improvement Objectives from both last year and this year are as follows:

The Council's Improvement Objectives for 2010-11	The Council's Improvement Objectives for 2011-12
1 Improve services for children and young people, maximise wellbeing, raise standards of attainment and achievement and ensure they are safe so that the City & County provides excellent education opportunities.	1 Ensure that younger adults, older people and carers have more choice and control over how they are supported by transforming adult social services.
2 Improve and protect our environment and make communities feel safer so that the City & County is a great place to live.	2 Ensure that vulnerable children are safeguarded and supported by maintaining and continuing improvements to Child and Family services.
3 Improve Swansea's economic performance so that the City & County of Swansea supports a prosperous economy.	3 Improve learning outcomes and assist pupils to achieve their potential.
4 Improve health and social care services for all so that the City & County supports and promotes good health.	4 Minimise waste and increase composting and recycling by promoting and facilitating the delivery of waste management and recycling services.
	5 Improve people's employability by maximising the impact of the Council's regeneration programme to offer and facilitate training and work placements.

The Council's Annual Corporate Improvement Plan can be found on the Council website at <http://www.swansea.gov.uk/index.cfm?articleid=155>

The City and County of Swansea Council's self-assessment of performance

The Council's self-assessment of its performance during 2010-11 was published by 31 October 2011 and can be found in its Annual Performance Review 2010-11 *Making a Difference* on the Council website at <http://www.swansea.gov.uk/index.cfm?articleid=155>

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