



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report 2014-15

Conwy County Borough Council

Issued: July 2015

Document reference: 368A2015



This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Huw Lloyd Jones and Gwilym Bury under the direction of Jane Holownia.

**Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ**

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.

Contents

Summary report	4
Purpose of this report	4
The Council continued to make progress in delivering improvements in its priority areas; its track record in delivering its financial objectives leaves it well placed to secure continuous improvement in 2015-16	5
2014-15 performance audit and inspection work	5
Headlines – a summary of key findings	7
Recommendations and proposals for improvement	9
Detailed report	10
Performance	11
Use of Resources	20
Governance	23
Appendices	
Appendix 1 – Status of this report	26
Appendix 2 – Audit of Conwy County Borough Council's 2014-15 Improvement Plan	27
Appendix 3 – Audit of Conwy County Borough Council's Assessment of 2013-14 Performance	29
Appendix 4 – Annual Audit Letter	31
Appendix 5 – National report recommendations 2014-15	34
Appendix 6 – Information about Conwy County Borough Council's resources	39

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 duties¹. 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 In addition, the Auditor General undertakes an in-depth corporate assessment at each authority on a cyclical basis (currently at least once every four years). In the intervening years, in addition to audits of improvement planning and reporting, the Wales Audit Office, on behalf of the Auditor General, will keep track of developments and focus further improvement assessment work on a number of key themes, developed in discussion with each authority.
- 3 This Annual Improvement Report (AIR) summarises the audit work undertaken at Conwy County Borough Council (the Council) since the last such report was published in May 2014. The AIR also includes a summary of the key findings from reports and letters issued by 'relevant regulators', namely; the Care and Social Services Inspectorate Wales (CSSIW); Her Majesty's Inspectorate for Education and Training in Wales (Estyn); and the Welsh Language Commissioner (WLC). Nonetheless, this report does not represent a comprehensive review of all the Council's arrangements or services. The conclusions in this report are based on the work carried out at the Council by the relevant regulators and, unless stated otherwise, reflect the situation at the point in time that such work was concluded.
- 4 Taking into consideration the work carried out during 2014-15, the Auditor General has provided an 'Overall Conclusion' in this report (see [page 6](#)) as to whether he believes that the Council is likely to make arrangements to secure continuous improvement for 2015-16.
- 5 This conclusion should not be seen as a definitive statement 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.
- 6 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 Council continued to make progress in delivering improvements in its priority areas; its track record in delivering its financial objectives leaves it well placed to secure continuous improvement in 2015-16

7 The Auditor General has based this conclusion on the performance audit work carried out during the year by the Wales Audit Office and the inspection work of the other regulators. The projects undertaken, together with the resultant findings, recommendations and/or proposals for improvement, are summarised below.

2014-15 performance audit and inspection work

8 In determining the breadth of work to be undertaken we considered the extent of accumulated audit and inspection knowledge as well as other available sources of information, including the Council’s own mechanisms for review and evaluation. For 2014-15, the Wales Audit Office undertook improvement assessment work under three themes: Performance, Use of Resources, and Governance. Individual projects undertaken by the Wales Audit Office and the other regulators during the year included:

Project name	Brief description	Dates when the work was undertaken
Wales Audit Office – Financial planning review	Assessment of the Council’s financial position and how it is budgeting and delivering on required savings.	July to November 2014
Wales Audit Office – Audit of the Council’s Improvement Plan	Assessment of the Council’s adherence to Welsh Government guidelines for the publication of its Improvement Plan.	April to June 2014
Wales Audit Office – Audit of the Council’s Performance Report	Assessment of the Council’s adherence to Welsh Government requirements for the publication of its Performance Report.	October to November 2014
Wales Audit Office – Review of corporate modernisation arrangements	Assessment of progress on arrangements for corporate modernisation.	October to December 2014

Project name	Brief description	Dates when the work was undertaken
Wales Audit Office – Review of arrangements for environmental health services	Assessment of progress on arrangements for provision of councils’ environmental health services.	October 2014 to January 2015
Wales Audit Office – Review of the Council’s arrangements for distributing Discretionary Housing Payments	Assessment of the effectiveness of the Council’s services for the allocation, distribution, administration and use of Discretionary Housing Payments.	January to March 2015
Wales Audit Office –Review of the Council’s progress in addressing the proposals for improvement identified as part of the 2013 Corporate Assessment	Review of the Council’s progress in addressing the proposals for improvement identified as part of the 2013 Corporate Assessment.	October to December 2014
CSSIW – Inspection of the regulated services in Conwy	Inspections of regulated services in Conwy including the services provided by Conwy County Borough Council.	April to July 2014
CSSIW – Inspection of safeguarding and care planning of looked-after children and care leavers who exhibit vulnerable or risky behaviour	Assessment of the effectiveness of the Council’s services for looked-after children over 11 years of age and care leavers who were identified as being vulnerable and/or involved in risky behaviours.	April to May 2014
CSSIW – Review of the Social Services Department’s performance in 2013-14	Assessment of the performance of the Council’s Social Services Department.	April to October 2014
WLC – Review of the Council’s Welsh Language Scheme	Assessment of the effectiveness of the Scheme in providing Council services to the public in Welsh.	July to August 2014

Headlines – a summary of key findings

- 9 The table below summarises the key findings of work undertaken by the Wales Audit Office, and the other regulators, in 2014-15.

<p>Performance</p>	<p>Wales Audit Office – National indicators continue to present a satisfactory picture of performance (paragraphs 14 to 16).</p> <p>CSSIW - The Council's Social Services Department is facing up to the challenge of delivering better quality services with reduced financial resources (paragraphs 17 to 31).</p> <p>Wales Audit Office – The Council's arrangements for achieving corporate modernisation are developing well and, though currently on track, are in their early stages and benefits are yet to be realised (paragraphs 32 to 37).</p> <p>Wales Audit Office – The Council is delivering its environmental health services at levels that are mostly above the minimum standard despite reductions in budgets and staff numbers (paragraphs 38 to 42).</p> <p>Wales Audit Office – The Council is making good progress in committing its Discretionary Housing Payments but it is not able to judge the effectiveness of its work in addressing the impact of welfare reform (paragraphs 43 to 46).</p> <p>Welsh Language Commissioner – The Welsh Language Commissioner has continued to report good practice in the Council's implementation of its Welsh Language Scheme (paragraphs 47 to 49).</p>
<p>Use of Resources</p>	<p>Wales Audit Office – The Council has adequate financial management arrangements with no immediate shortcomings (paragraphs 50 to 60).</p>
<p>Governance</p>	<p>Wales Audit Office – The Council is effectively addressing the proposals for improvement identified as part of the 2014 Corporate Assessment (paragraphs 61 to 68).</p> <p>Wales Audit Office –The Council's improvement plan and its evaluation of its performance comply with the requirements of the 2009 Measure (paragraphs 69 to 70).</p>

<p>Improvement planning and reporting audits</p>	<p>Wales Audit Office – The Auditor General issued audit certificates stating that the Council had discharged its duties under the Local Government (Wales) Measure 2009 (Appendices 2 and 3).</p>
<p>Audit of accounts</p>	<p>Wales Audit Office – On 28 November 2014, the Appointed Auditor issued an Annual Audit Letter to the Council. The Letter summarises the key messages arising from his statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor and his reporting responsibilities under the Code of Audit Practice. It confirmed that, on 30 September 2014, he issued an unqualified opinion on the Council’s financial statements, confirming that they present a true and fair view of the Council’s financial position and transactions (Appendix 4).</p>

Recommendations and proposals for improvement

- 10 Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
 - a make formal recommendations for improvement – if a formal recommendation is made the Council must prepare a response to that recommendation within 30 working days;
 - b make proposals for improvement – if proposals are made to the Council, we would expect them to do something about them and we will follow up what happens;
 - 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 The Auditor General makes no formal recommendations or proposals for improvement to the Council in this report. He does, however, make recommendations that may be relevant to the Council in his Local Government National Reports. A list of recommendations contained in reports issued in 2014-15 can be found in [Appendix 5](#). There are also a number of proposals for improvement for the Council arising from the work undertaken by the Wales Audit Office during the year.
- 12 In addition, the CSSIW, and the WLC included areas for improvement in their inspection reports and letters issued to the Council during the year. These are available at www.cssiw.org.uk, www.estyn.gov.uk and www.comisiynyddygygymraeg.org.
- 13 Estyn issued no inspection reports to the Council during 2014-15.

Detailed report



Performance

National indicators continue to present a satisfactory picture of performance

- 14 The Council's performance in 2013-14 improved in comparison with the previous year, with 15 of the 43 statutory performance indicators and public accountability measures in the top quartile in Wales. Only four of the all-Wales measures were in the bottom quartile and the Council continued to achieve improvements across many of its service areas.
- 15 We have previously reported that the Council rightly considers performance information integral to effective performance management and service delivery. It has developed approaches to target-setting which are well supported by management information. The Council has developed a comprehensive set of documents and supporting guidance that help provide assurance that its performance management arrangements are effective. Despite overall staffing numbers being reduced in internal audit, a system of internal controls is in place to monitor the accuracy of performance data collected by individual services and to recommend corrective action where required.
- 16 In our 2014 Corporate Assessment, we concluded that the Council produces balanced and well-informed evaluations of its performance. This remains the case. Service Performance Reviews continue to form an important strand of the Council's performance management arrangements and contribute well to the Council's ability to evaluate its progress. In advance of a Review, managers produce comprehensive and detailed position statements drawing on the available performance data. Corporate performance reports provides councillors with an appropriate high-level overview of progress on performance. The quality of performance papers presented to scrutiny and Cabinet is mostly good.

The Council's Social Services Department is facing up to the challenge of delivering better quality services with reduced financial resources

- 17 CSSIW concluded in its review and evaluation of the provision of social care services in 2013-14 that, overall, the performance during the year of the Council's Social Services Department is satisfactory. The Council is facing up to the challenge of delivering better quality services with reducing financial resources. A greater emphasis on promoting independence, coupled with changes to the pattern of care and support services, are seen as key factors in driving the Council's objectives of achieving greater efficiency and sustainability in its services. Progress has been made and strategies are in place to achieve further improvement. Findings from the individual local authority inspections and the CSSIW national overview report can be found on the CSSIW website.
<http://cssiw.org.uk/our-reports/national-thematic-report/2014/safeguarding-and-care-planning-of-looked-after-children-and-care-leavers/?lang=en>

- 18 Progress in adult services is apparent although to a lesser degree than in children's services. Challenges remain as social services travel through a period of change and strive for greater integrated working with partners. Where integrated working is in place, there is already evidence of good outcomes for people using the services. There is a greater emphasis on early intervention to help people before their needs grow and require more extensive care and support. In 2013-14, there was a rise from 81.2 to 84.5 per cent in clients over the age of 65 years receiving services in the community whereas the numbers supported in residential care remains approximately the same. The Council recognises the need for improved links and more integrated working with the local health board and is developing with health partners a profile of people with learning disabilities, aiming to create more integrated preventative services.
- 19 The Council's systems for planning future adult service provision have some shortcomings. The Local Service Board plan for 2012-2015 ('One Conwy') predicts that, by 2025, the number of people over the age of 65 will increase by 30 per cent, and the number of people over 85 by 60 per cent. CSSIW found that the Council has not yet developed a commissioning strategy that takes into account these demographic changes although the Council plans to take account of the data in its planning. Conwy's current social services data system does not effectively capture unmet need and this makes forward planning more difficult. CSSIW noted during the year that there was no system in place to keep track of occupancy levels in local residential and nursing care homes. This makes it difficult to assess capacity in the county. To develop an effective commissioning strategy, improved systems for accurately capturing the full profile of needs in the county and identifying gaps in services is essential.
- 20 CSSIW found that the Council has invested considerably in its dementia care residential service, Llys Elian, with proposals to change the facility into a more homely model. Some progress has already been made in relation to the premises and staff training and CSSIW's last inspection of the service was very positive. However, in 2012 CSSIW recommended a need for further development of community-based services for people with dementia and this remains a critical area for development.

- 21 Conwy has made good progress in improving the timeliness of reviews, particularly for people living in residential care. Performance indicators show improvement in this area with 95.8 per cent of reviews of care plans having been completed. However, there have also been examples of where reviews that were more timely may have prevented crises for some service users. Some reviews, triggered by the Protection of Vulnerable Adults (PoVA) or Escalating Concerns procedures, have concluded that some people are living in care homes that no longer meet their needs. In one care home, seven service users had to be moved following reviews that found unmet needs and heightened risks for the individuals concerned. This would suggest the need for earlier and/or more comprehensive reviews of the care plans of people living in residential care. The low rate of delayed discharge from hospital and indicators of safer discharges from hospital, show that progress in the timeliness and quality of assessments continues. The Council still has the lowest (best) rate of delayed discharge in Wales at 0.7 per 1000.
- 22 CSSIW found that the Council is making good progress to develop services that promote independence. There are now four extra care facilities enabling older people to maintain an independent lifestyle. The Council is working with Clwyd Alyn Housing association to develop a similar service for people with a learning disability.
- 23 The Adult Protection annual report shows PoVA activity has increased from 245 referrals to 354 in the last year. There are also links on the Council website for those wishing to raise a concern and leaflets in reception areas. Conwy's data shows that 65 per cent of these referrals were for people aged 65 years and over and 165 (47 per cent) are related to people living in care homes. The Council has identified increased joint working with Betsi Cadwaladr University Health Board (BCUHB) and the police as key achievements this year and CSSIW has attended many meetings where effective joint work has been demonstrated.
- 24 There is evidence of progress in children's services, particularly in relation to the timeliness of reviews of care and support for care leavers. There have been improvements in most performance indicators for services to children. Timeliness of reviews of child in need plans has improved to 86.8 per cent and of looked-after children to 97.9 per cent against Wales averages of 78.8 per cent and 95.9 per cent respectively. There has also been a marked improvement in the proportion of core assessments completed within 35 working days, from 74.2 per cent in 2012-13 to 89.9 per cent in 2013-14. The Council recognises that it needs to improve the timeliness of child protection conferences.

- 25 Performance indicators for looked-after children have improved overall. CSSIW found greater placement stability with an improved performance across a range of national indicators. The number of children starting their first placements with a care plan in place has increased from 84.8 per cent to 91.2 per cent. This is just above the Wales average of 90.9 per cent; however, some authorities are striving for and attaining 100 per cent in this area.
- 26 CSSIW found that the arrangements for ensuring the health of looked-after children remain an area where performance needs to improve. For example, fewer children than last year had health assessments or were registered with a GP. These are areas for the corporate parenting group's continued monitoring.
- 27 More positively, CSSIW's looked-after children inspection found a good range of strategies and initiatives in place geared towards improving outcomes for children and young people. A seamless transition into adult services has been possible with the development of a Transition team. This means that young people have continuous support from people who know them.
- 28 CSSIW found that Conwy's use of personal advisors to support young people and advocate on their behalf through the transition phase has received very positive reviews, with 98.3 per cent of looked-after children having been allocated a personal advisor. However, despite the recent development of a Youth Accommodation Strategy and a Youth Homelessness Strategy, progress in implementing these remains slow. The housing department does not yet have a clear overview of the numbers of care leavers and their potential needs.
- 29 The Council is responding to the requirements of the Social Services and Wellbeing (Wales) Act 2014 through its transformation programme, the progress of which is subject to multi-layered scrutiny. The Director has instigated various opportunities to communicate progress to practitioners and seek feedback. This helps to ensure a shared understanding of the Council's objectives.
- 30 The Council has implemented a strategy to address the needs of Welsh speakers and their families or carers, with the 'More Than Just Words'² action plan providing a stronger framework for detailing the practical steps taken to ensure English and Welsh languages have equal status.

² Mwy na geiriau/More than just words: A Strategic Framework for Promoting the Welsh Language in Health, Social Services and Social Care' was published in 2012 by the Welsh Government Deputy Minister for Social Services. The aim of the framework is to ensure that organisations recognise that language is an intrinsic part of care and that people who need services in Welsh are offered them.

- 31 During 2014-15, CSSIW undertook an inspection of Safeguarding and care planning of looked-after children and care leavers who exhibit vulnerable or risky behaviour. The inspection was carried out as part of CSSIW's national thematic inspection programme. The aim of the national inspection was to assess the quality of care planning across Wales and whether it effectively:
- a supports and protects looked after children and care leavers;
 - b identifies and manages the vulnerabilities and risky behaviour of looked after children and care leavers;
 - c promotes rights based practice and the voice of the child;
 - d promotes improved outcomes for looked after children and care leavers; and
 - e promotes compliance with policy and guidance.

The Council's arrangements for achieving corporate modernisation are developing well; plans are currently on track, albeit in their early stages, and benefits have yet to be realised

- 32 The Council has established a Corporate Modernisation Programme (CMP) to coordinate the changes it is planning to make in modernising the way it works in order to improve efficiency, reduce costs, and rationalise assets, whilst maintaining frontline services. The main objectives of the Modernisation Programme are to implement 'Workwise', Conwy's version of agile working across the Council; and to implement the Council's Office Accommodation Strategy that will facilitate the development of new office accommodation in Colwyn Bay.
- 33 The CMP governance structure is robust. A programme board is in place to oversee progress. Activities are aligned to six workstreams, namely Assets; HR; ICT; Customers; Business Processes; and Communications & Change. A Programme Officer Group is in place to allow lead officers for each workstream to share progress and coordinate activity and a Quality Assurance Group has been established to provide challenge on programme outputs. A Programme Definition Document sets out programme objectives and describes how they link to corporate priorities. It clarifies the roles and responsibilities of officers and members involved with the Programme, and the routes for decisions.
- 34 Project management components are in place to manage the programme effectively. The CMP identifies the resources needed to operate effectively and includes plans to meet any future shortfalls. The Programme Board is attended by the Council's strategic directors and the chief executive as well as the Leader, two cabinet members and the chair of the Principal Overview & Scrutiny Committee. This enhances the Programme Board's profile within the Council and helps to ensure that the Board's work takes full account of the Council's wider priorities. Each workstream is overseen by a workstream lead officer and support officer, and the Programme has a full time programme manager in place.

- 35 The Council has structured the CMP to ensure that it works closely with the two existing transformation programmes already underway – social services modernisation and the restructure of the Environment, Roads and Facilities (ERF) service. The three programme boards share common representatives such as the Head of HR, and HR business partners attached to each programme meet regularly as a group to share experience and ensure consistency. Staff members from social services and the ERF team also sit on CMP workstreams and the Programme Officers group to facilitate learning.
- 36 Staff are well informed about the progress of the CMP. Officers involved directly in the CMP are informed about the work of other workstreams through the monthly Programme Officers Group. In addition, a representative from the Communication and Change Workstream sits on each of the other workstreams to ensure key messages and issues are captured. The Senior Leadership Team (SLT) ensures that regular updates on progress are cascaded to staff in a variety of ways such as via the intranet, at Senior Management Team (SMT) meetings and team briefings.
- 37 The CMP is at an early stage of development so is, as yet, unable to demonstrate any tangible benefits but initiatives are currently on track. Benefits realisation plans have been drafted as part of the business cases for Workwise and the office accommodation changes. The benefits realisation plan for Workwise includes 28 specific benefits grouped under five themes such as ‘improved service delivery’ and ‘environment and sustainability’. The Council intends that each benefit in the plan will set out how the benefit will be measured and will include a baseline and target measure. A timescale of when the benefit can be expected is also included. However, almost two thirds of the benefits stated currently lack baseline and/or target measures. The Council recognises this gap and has established a task group to review available information to ensure that the measures selected are relevant and robust.

The Council is delivering its environmental health services at levels that are mostly above the minimum standard despite reductions in budgets and staff numbers

- 38 Environmental health services cover the assessment, control and prevention of factors in the environment that can adversely affect human health. They cover a range of issues that are of particular public concern, such as food safety, pest control, dog fouling and noise pollution. In Conwy, the Council has set three improvement objectives that relate to environmental health: People in Conwy are safe and feel safe; People in Conwy live in safe and appropriate housing; and People in Conwy are healthy and independent.

- 39 The Chartered Institute of Environmental Health and the all Wales Heads of Environmental Health Group have, through the Best Practice Standards, sought to further define the range of statutory and discretionary environmental health services delivered by councils in Wales. In most environmental health areas, the Council is delivering services at a level that are above the minimum standard in Wales (26.7 per cent of the services in Conwy are at or above the minimum level of Best Practice Standards, compared to an all-Wales average of 22 per cent).
- 40 In Conwy, the budget for environmental health services fell by 6.9 per cent between 2011-12 and 2013-14, the seventh largest cut in expenditure for all councils in Wales, with the budget falling from £1,676,814 in 2011-12 to £1,561,113 in 2013-14. In addition, the Council underspent against its environmental health budget in 2011-12 by 5.4 per cent and by 9.8 per cent in 2012-13. This indicates that the Council planned large cuts when setting its annual budget but it also delivered savings on top of these cuts.
- 41 The staffing of council environmental services across all 22 councils in Wales has seen a sharp reduction of 16.4 per cent, with the number of council employees working in environmental health services falling from 1,046 in 2011-12 to 874 in 2013-14. The number of staff employed in Conwy to deliver environmental health services has fallen only slightly, from 37.35 full time equivalents in 2011-12 to 35.35 in 2013-14. This equates to a reduction of 5.4 per cent.
- 42 A Wales Audit Office survey of environmental health staff showed that 50 per cent of staff respondents in Conwy agreed that the quality of the Council's environmental health services are improving, a slightly higher proportion than the Welsh survey average, of 47 per cent. Sixty-six per cent of the Council staff respondents felt that the environmental health service met all of its statutory obligations, marginally higher than the all Wales average of 63 per cent.

The Council is making good progress in committing its Discretionary Housing Payments but it is not able to judge the effectiveness of its work in addressing the impact of welfare reform

- 43 The Welfare Reform Act 2012 heralds a significant change to the administration and distribution of benefits and will have a major impact on many citizens. In April 2011, the UK Government embarked on a programme of reform which will culminate in the phased introduction of Universal Credit between October 2013 and 2017. Changes to Housing Benefit by the UK Government are aimed at reducing annual expenditure by around £2.3 billion and will mean that millions of households in Great Britain will receive less in benefits, creating hard choices for them about how they use their money and manage financially on a day-to-day basis.

- 44 In January 2015, the Auditor General for Wales published his report on how well councils in Wales are managing the impact of welfare reform changes on social housing tenants. His report reviewed the management and use of Discretionary Housing Payments (DHP) by councils and concluded that the allocation, distribution, administration and use of these payments have significant inconsistencies and weaknesses. We followed up this work at individual councils.
- 45 Our review found that, in Conwy, information on DHP is clearly signposted and it is easy for customers to apply for DHP. Customers are required to complete a six-page application form, which can be downloaded. The application form includes supporting information for applicants about how to apply for DHP. The Council has a comprehensive system to monitor the amount spent against the amount of money provided by the Department for Work and Pensions. The Council also monitors how many customers it has helped and the amount of money in the budget available to assist applicants. The Council also monitors which and how many landlords are being assisted; the length of time it takes to decide on applications; and type of applicant assisted, such as customers affected by the Spare Room Subsidy. This information is fed back to the Housing Advice team to assist in their day-to-day work but it is not clear how this information is used to support the development of a policy on DHP and to judge the effectiveness of the Council's work in addressing the impact of welfare reform.
- 46 The Council had paid out £189,848 of its annual DWP allocation of £217,097 at the end of November 2014, representing 87 per cent of its allocation. This indicates that the Council is positively trying to use DHP to support those who need it but needs to link DHP into a wider strategic welfare policy to better demonstrate the impact of its work. In April 2015, most councils in Wales, including Conwy County Borough Council, agreed to adopt a uniform approach to the future distribution of DHP payments, in part to address the significant inconsistencies and weaknesses identified in our review.

The Welsh Language Commissioner (WLC) has continued to report good practice in the Council's implementation of its Welsh Language Scheme

- 47 The role of the WLC 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 WLC will continue to review Welsh language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 48 The Commissioner works with all councils in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of councils to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every council is required to provide 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.
- 49 In Conwy, the Council is continuing the good practice noted last year and developing its provision. It now webcasts some of its meetings, allowing the viewer to choose a Welsh channel or an English channel. Eighty one per cent of the staff appointed to posts during 2013-14 were Welsh speakers, a higher percentage than last year. Due to technical difficulties, the Council was able to report only partially on the number of Welsh speakers in the whole workforce. In order to tackle these difficulties a device was developed for staff computers which collects information about language skills. The information is stored in a spreadsheet for statistical purposes. It is also included in staff details on the intranet to facilitate communication in Welsh between individuals. The Council intends to update this data regularly from now on.

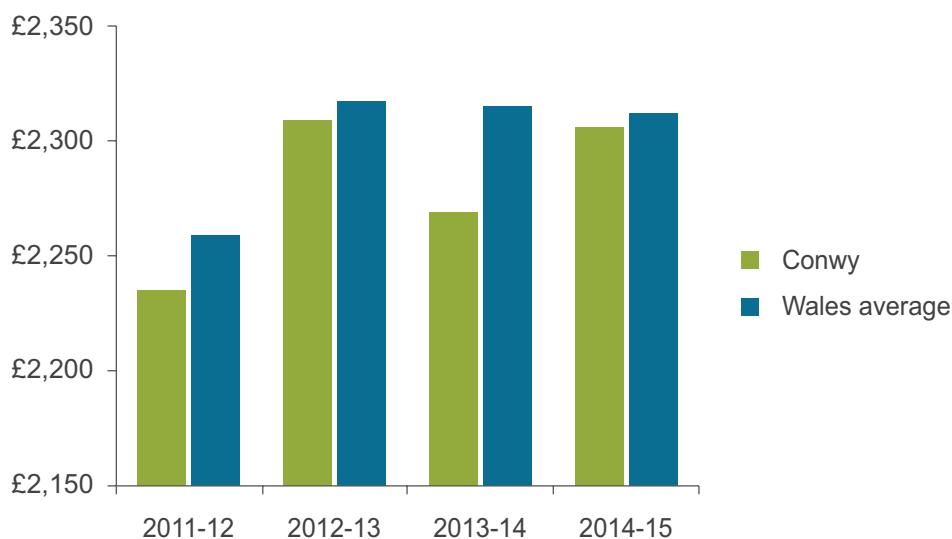
Use of Resources

The Council has adequate financial management arrangements with no immediate shortcomings

- 50 During the period May to August 2014, the Wales Audit Office examined authorities' financial position and how they are budgeting and delivering on required savings. This work considered whether authorities have robust approaches in place to manage the budget reductions that they are facing to secure a stable financial position that will enable them to continue to operate for the foreseeable future. The focus of the work was on the 2014-15 financial planning period. In order to inform views on the planning for and successful delivery of budgets, we also considered the track record for the previous financial years 2011-12 to 2013-14.
- 51 The Council has a good track record in delivering identified savings within year against the planned actions that it approved. The Council successfully identified, planned for and delivered a range of recurring and non-recurring savings required to meet the budget shortfall between 2011-12 and 2013-14. There were no unidentified savings that needed to be developed at the time the 2011-12, 2012-13 and 2013-14 budgets were approved and the Council's planned reductions and savings were achieved across all three years. Budget-setting supports the delivery of corporate visions, aims and improvement objectives and the Council's priorities influence annual budget and savings plans. The Council accurately identified a shortfall of £7.193 million in the 2013-14 budget and £14.7 million in the 2014-15 budget
- 52 Overall, the Council's plans and arrangements to deliver savings are fit for purpose and are being managed effectively. The Council has an adequate corporate framework for financial planning and has a clear vision and aims, and the overall aims are reflected in a coherent set of improvement objectives. All improvement objectives are linked to service and financial plans.
- 53 Robust data supports the inflation assumptions used during budget setting and the assumptions used by the Council are reasonable and prudent. There is a clear description of where savings will be made and specific amounts are agreed against each item as part of the annual budget. The 2014-15 Savings Plan is SMART (specific, measurable, achievable, relevant and timely). Efficiency savings plans had been developed for 2014-15 across all Council departments. Budget planning for 2015-16 and 2016-17 uses an updated set of assumptions which the Council intends to refresh as more information emerges.
- 54 The Council has improved its Medium Term financial planning process but it will still need to develop the process as the financial challenges continue. The Council does not have a formal policy on the use of reserves but the appropriateness of reserves is considered regularly by officers and Members. The Council's review of reserves and balances is an ongoing process, with annual references within the budget reports.

- 55 In our last Annual Improvement Report issued in May 2014, we noted that the Council was using reserves to balance the 2014-15 budget to 'buy time' for further planning. The Council recognised that this was not a sustainable solution for the future. The Council's general fund reserve at the end of 2012-13 represented only 1.1 per cent of gross expenditure, the lowest proportion of all councils in Wales. Earmarked reserves at 31 March 2013 represented 8.5 per cent of gross expenditure, well below the Wales average of 11.3 per cent. In 2015, Wales Audit Office will carry out a further review of councils' financial resilience, focusing on the 2015-16 financial planning period and including further work on the use of reserves.
- 56 The Council's financial management and control arrangements are robust and are being effectively managed by a Finance team that is professionally qualified and very experienced. The Council has strong financial controls and manages financial and budget-related matters well. The Council's budget management policy is appropriate and effective and is supported by a comprehensive suite of policies and procedures for Members, officers and budget holders.
- 57 In setting its budget for 2015-16, the Council identified a shortfall of £16.08 million, with further estimated savings of £27.8 million required over the two subsequent years. For 2015-16, the Council's budget includes savings in service budgets of some £10.2 million and an increase of five per cent in Council Tax. The budget also includes £3.47 million of non-recurrent funding as a balancing factor, thereby beginning to reduce gradually the previous year's use of reserves. **Exhibit 1** below compares the Council's planned gross revenue expenditure (net of income) per head of population over the last four years with the average for councils across Wales.

Exhibit 1 – Gross revenue expenditure (net of income) per head of population



Source: Stats Wales

- 58 The graph shows that expenditure per head in Conwy has been a little lower than the Wales average in each of the three years prior to 2014-15. This reflects many factors such as deprivation, falling pupil numbers relative to the rest of Wales, very low population growth, and rurality that influence the Welsh Government's distribution formula for Revenue Support Grant. Since 2011-12, we calculate that spend per head has fallen by three per cent in real terms in Conwy, a similar level of reduction to the average across councils in Wales.
- 59 We include in [Appendix 6](#) some information about the distribution of the Council's financial resources in 2013-14 and about trends in the Council's gross revenue expenditure and income since 2008-09. The data are drawn from the Council's Statements of Accounts.
- 60 As in all councils, the costs of education and social care form a high proportion of the Council's expenditure. A little under half its gross income for 2013-14 derived from Revenue Support Grant and other Welsh Government grants that are not ring-fenced (37.8 per cent) and Non-Domestic Rates (10.9 per cent). These are income sources over which the Council has no control, and Revenue Support Grant is falling. Income from Council Tax represented 17.6 per cent of the Council's income for 2013-14, a little above the Wales average of 15.2 per cent. 'Other Income' (including fees and charges) represented 33.7 per cent of the Council's income, a slightly lower proportion than the Wales average.

Governance

The Council is effectively addressing the proposals for improvement identified as part of the 2014 Corporate Assessment

- 61 The Wales Audit Office carried out a corporate assessment at Conwy County Borough Council in 2013 as part of its Wales-wide programme. The resulting report, published in May 2014, set out a number of proposals for improvement. The report proposed that the Council should:
- a work with its schools and with the regional school improvement consortium, GwE, to improve the value for money of the primary school system;
 - b improve some aspects of the ways its committees work;
 - c develop longer term financial plans that co-ordinate resources and include realistic timescales for implementing any transformation programmes; and
 - d work more closely with its partners to improve the Local Service Board's ability to monitor and manage its performance.
- 62 Our follow up work on the Council's progress found that it has an action plan in place to address our proposals for improvement, and which is regularly reviewed and updated. The Improvement and Audit Group (IAG) oversees actions arising from external regulatory reports such as the Corporate Assessment and progress is reported quarterly to the Audit Committee. The Council can evidence that actions are either on track or completed for each of the six proposals for improvement as set out below.
- 63 The Council is making progress in working with its schools and with the regional school improvement consortium, GwE, to improve the value for money of the primary school system. The Council has a Primary School Modernisation Programme in place. This resulted in the closure of two small schools in 2014, including Ysgol Llangwm, which had the highest unit costs in the County Borough. Partly as a result, the total budgeted cost per pupil of the primary education system in Conwy fell slightly in 2014-15. The Council is consulting about the closure of a further four schools. The Council reports its progress against the School Modernisation Programme to the Customer Scrutiny Committee.
- 64 In 2012-13 eight primary schools in the County Borough received critical Estyn inspection reports that required follow-up. Following Estyn re-visits in 2013-14 all eight of the schools are now out of this critical category. Some aspects of attainment in Conwy primary schools improved in 2014. The Foundation Phase indicator shows a four percentage point improvement since 2013 resulting in a comparative ranking of 13th out of 22. The proportion of 11 year-olds achieving the core subject indicator improved slightly in 2014, but the Council's ranking at Key Stage 2 fell from 15th to 17th.

- 65 The Council in reviewing the way its committees work has revised its Cabinet report template to include a new mandatory paragraph (section 11) setting out any relevant Overview & Scrutiny Committee comments. Where time does not allow Cabinet reports to be updated with Overview & Scrutiny Committee comments or recommendations (such as when the meetings are close together), committee officers have been instructed to record scrutiny recommendations in the cabinet minutes. In order to clearly distinguish committee members from other councillors or officers at scrutiny meetings, seating arrangements have been changed. Committee members have allocated a seating area and committee officers ensure the allocation is adhered to. A report was presented to the Principal Overview & Scrutiny Committee in August 2014 to consider how portfolio holders should be held to account. The committee recommended that Cabinet members attend scrutiny, but prefer officers to present papers so that portfolio holders do not exert undue influence on committee members. The committee also recommended that the existing 'Meet the Cabinet' sessions be replaced with a Member Development and Information Forum that Cabinet members attend, in rotation, to advise on future strategic issues or issues relevant to their portfolio. The Forum will give committee members the opportunity to raise questions with Cabinet members.
- 66 The Council has made more explicit the processes in place to assure itself that internal audit and external regulators' recommendations are acted on. Internal procedural flowcharts have been prepared to clarify the processes. All recommendations from external regulators are monitored by the Council's IAG. A schedule of outstanding high risk recommendations from Internal Audit Reports with limited assurance will be reviewed quarterly by the Audit Committee, alongside outstanding recommendations from external regulators. Lower risk recommendations will be integrated into service plans and reviewed six monthly via Service Performance Reviews, which are attended by the most relevant Scrutiny Committee Chair or Vice Chair, the Cabinet Lead for performance and, where appropriate, the Audit Committee Chair and other relevant members.
- 67 As part of the Council's ongoing modernisation, there are three main transformation programmes in place. Each of the three transformation programmes are at different levels of maturity. They are each run using project management principles and governance arrangements are in place with dedicated project support. We refer earlier in this report in more detail to the progress being made.
- 68 To improve its effectiveness the Conwy and Denbighshire Local Strategic Partnership concluded that it will concentrate its focus on one priority for 2014-15 – Healthy & Independent- and within these three themes of childhood obesity, alcohol misuse, and ageing population.

The Council's improvement plan and its evaluation of its performance comply with the requirements of the 2009 Measure

- 69 The Council 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. The Auditor General's May 2014 Improvement Plan Certificate ([Appendix 2](#)) concluded that the Council had discharged its improvement planning duties under the Measure.
- 70 The Council has also met its improvement reporting duties under the Measure. The Auditor General's November 2014 Improvement Assessment Certificate ([Appendix 3](#)) concluded that the Council had discharged its improvement reporting duties under the Measure.

Appendix 1 – Status of this report

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

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

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

The annual improvement assessment is the main piece of work that enables the Auditor General to fulfil his duties. The improvement assessment is a forward-looking assessment of an authority’s likelihood to comply with its duty to make arrangements to secure continuous improvement. It also includes a retrospective assessment of whether an authority has achieved its planned improvements in order to inform a view as to the authority’s track record of improvement. The Auditor General will summarise his audit and assessment work in a published annual improvement report for each authority (under section 24).

The Auditor General may also, in some circumstances, carry out special inspections (under section 21), which will be reported to the authority and Ministers, and which he may publish (under section 22). An important ancillary activity for the Auditor General is the co-ordination of assessment and regulatory work (required by section 23), which takes into consideration the overall programme of work of all relevant regulators at an improvement authority. The Auditor General may also take account of information shared by relevant regulators (under section 33) in his assessments.

Appendix 2 – Audit of Conwy County Borough Council’s 2014-15 Improvement Plan

Certificate

I certify that I have audited Conwy County Borough Council’s (the Council) 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 Council 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 Council and the Auditor General

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

As the Council’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 Council 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 Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council'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 Council 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: Lesley Griffiths, Minister for Local Government and Government Business
Huw Lloyd Jones, Manager, Wales Audit Office
Gwilym Bury, Performance Audit Lead, Wales Audit Office

Appendix 3 – Audit of Conwy County Borough Council’s Assessment of 2013-14 Performance

Certificate

I certify that I have audited Conwy County Borough Council’s (the Council) 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 Council 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 Council and the Auditor General

Under the Measure, the Council 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 Council 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 Council has regard to guidance issued by Welsh Ministers in publishing its assessment.

As the Council’s auditor, I am required under sections 17 and 19 of the Measure to carry out an audit to determine whether the Council 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 Council 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 Council's assessment of performance, therefore, comprised a review of the Council'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 Council 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: Leighton Andrews, Minister for Public Services
Huw Lloyd Jones, Manager, Wales Audit Office
Gwilym Bury, Performance Audit Lead, Wales Audit Office

Appendix 4 – Annual Audit Letter

Iwan Davies
Chief Executive
Conwy County Borough Council
Bodlondeb
Conwy
LL32 8DU

Dear Iwan

Annual Audit Letter – Conwy County Borough Council 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 Council complied with its responsibilities relating to financial reporting and use of resources

It is the Council's responsibility to:

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

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

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

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This code is based on International Financial Reporting Standards. On 30 September 2014, I issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on 29 September 2014.

- I reported on uncorrected misstatement in relation to the valuation of the year-end provision for maintenance works on the Victoria Pier. In the 2013-14 financial statements the value of this provision as at 31 March 2014 had reduced from £600k at the start of the year to £489k, due to the provision having been used to finance legal costs associated with the ongoing court case around ownership. The Council did not undertake a re-assessment of the provision's value as at 31 March 2014, despite this being a requirement of the Code and IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Management has, however, estimated that the present value of the maintenance obligation is approximately £650k as at 31 March 2014. I am satisfied that this revised position remains in line with our estimation range as previously reported to the Audit Committee in 2011-12 and 2012-13. An adjustment of £161k was therefore required to this provision balance. Management chose not to correct this audit misstatement. This uncorrected misstatement was not material.
- We also brought to the attention of management a further three misstatements which were corrected by management. These related to:
 - Investments and borrowings made by the Council on behalf of the North Wales Fire and Rescue Services;
 - A movement of £500k from reserves to provisions in relation to a probable liability regarding a construction contract dispute; and
 - A reclassification of grant income totalling £791k from 'Local Taxation & Non-Specific Grant Income' to 'Cost of services (income – Central Services)'.
- Our audit work also identified a small number of minor presentational errors that have been corrected in the final version of the financial statements. These change had no impact on the underlying financial position reported.
- Our audit work identified one new weakness in the Council's internal controls, relating to the review of manual journals control which should take place on a periodic basis throughout the year. Our testing identified this control did not operate until March 2014, when a retrospective review of all journals was completed. No issues were identified from this exercise. Details of a recommendation made in relation to this control weakness were included within the ISA 260 report that was presented to the Audit Committee on 29 September 2014.

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

My consideration of the Council's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed as part of the Improvement Assessment under the Local Government (Wales) Measure 2009. 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.

I issued my opinion on the audit of the accounts on 30 September 2014. I am not yet in a position to certify the closure of the audit for 2013/14. This is because the 2010/11, 2011/12, and 2012/13 audits remain open owing to a number of unresolved objections received from a member of the public. Objections have also been received for 2013/14 and we are presently evaluating the questions raised to assess whether they fall within our remit for investigation and how to resolve them. Where I have resolved objections during the year, I have reported this to the Council's Audit Committee.

My work to date on certification of grant claims and returns in relation 2013-14 is ongoing. I will prepare a detailed report on my grant certification work which will follow in early 2015 once this year's programme of certification work is complete.

The financial audit fee for 2013-14 is in line with the agreed fee set out in the Annual Audit Outline. There will be additional fees arising from the need to deal with a large number of objections from a member of the public.

Yours sincerely

Ian Pennington, Director, KPMG UK LLP

For and on behalf of the Appointed Auditor, Anthony Barrett, Wales Audit Office

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.

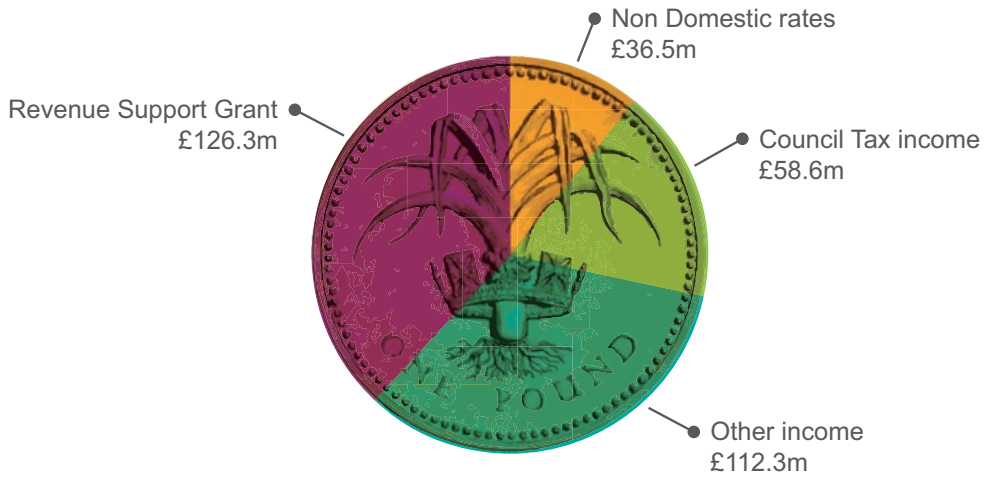
Date of report	Title of review	Recommendation
October 2014	<p>Delivering with less – the impact on environmental health services and citizens</p>	<p>R1 Revise the best practice standards to:</p> <ul style="list-style-type: none"> • align the work of environmental health with national strategic priorities; • 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	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.
		R2 Improve governance and accountability for welfare reform by: <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.
		R3 Ensure effective management of performance on welfare reform by: <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.
		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.
		R5 Improve engagement with tenants affected by the removal of the spare-room subsidy through: <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.

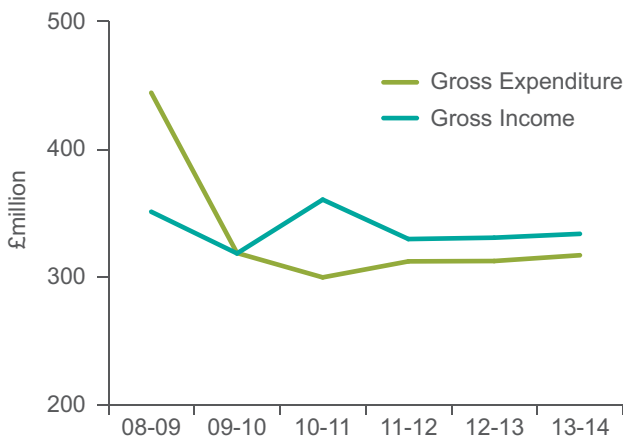
Date of report	Title of review	Recommendation
January 2015	<p>Managing the Impact of Welfare Reform Changes on Social Housing Tenants in Wales</p>	<p>R7 Improve management, access to and use of Discretionary Housing Payments by:</p> <ul style="list-style-type: none"> • establishing a clear policy or 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.

Appendix 6 – Information about Conwy County Borough Council’s resources

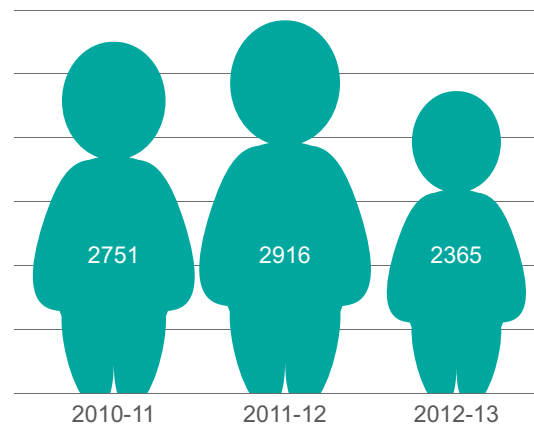
Total Gross Income 2013-14



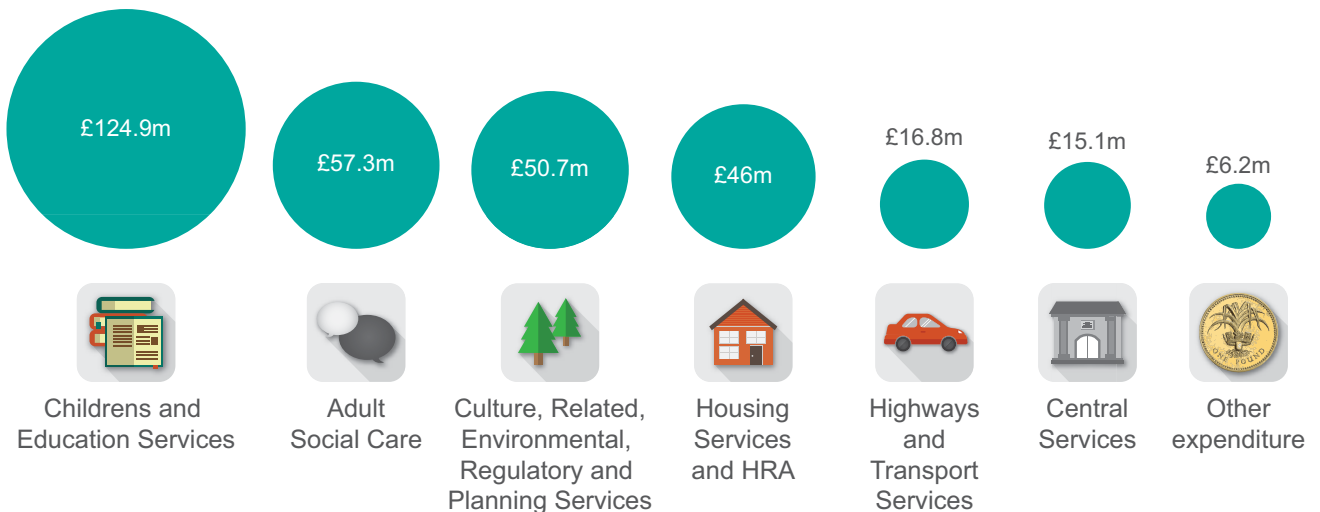
Total Income and Expenditure



Number of whole time equivalent staff 2010-11 to 2012-13



Total Gross Expenditure by service area



Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru