



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report 2015-16

Merthyr Tydfil County Borough Council

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

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

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

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

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Summary report

About this report

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

2015-16 performance audit work

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

Project name	Brief description
Wales Audit Office: Financial Resilience Assessment	Review of the Council's financial position and how it is budgeting and delivering on required savings.
Wales Audit Office: Review of the Council's Human Resources Function	Review of the Council's arrangements for managing and utilising its workforce.
Wales Audit Office: Review of the Council's Service Improvement Framework	Review of the implementation of the Council's Service Improvement Framework.
Wales Audit Office: Performance Assessment: waste and leisure	Assessment of the Council's progress in its active lifestyles priority area and in the waste element of its sustainable environment priority area.
Wales Audit Office: Annual 'Improvement Plan' Audit	Review of the Council's published plans for delivering on improvement objectives.
Wales Audit Office: Annual 'Assessment of Performance' Audit	Review of the Council's published performance assessment.
Wales Audit Office: Follow-up work	Review of the Council's corporate processes for responding to regulatory reports, tracking implementation of recommendations and reporting to appropriate committees.
Estyn: Monitoring Visit	Monitoring visit following Estyn's inspection of education services for children and young people in November 2012.
Estyn: Desk top analysis	An overview of key education performance indicators prepared by Estyn.

Project name	Brief description
CSSIW: Review of the Social Services Department's performance 2014-15	Annual Review and Evaluation of Performance of the Council's social services functions for 2014-15.
The Commissioner: Review of the Council's Welsh Language Scheme	Assessment of the effectiveness of the Scheme in providing Council services to members of the public who prefer to communicate in Welsh.

The Council is strengthening its management arrangements and making progress in its priority areas, but there is scope to further embed financial and performance management arrangements

- 7 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Council is likely to comply with the requirements of the Measure during 2016-17.
- 8 The Auditor General has reached this conclusion because the Council is:
 - a improving its education and waste services performance, but further improvements in social services are necessary to meet future challenges;
 - b strengthening its financial management arrangements and is improving the services provided by its Human Resources function but there remains scope to further develop arrangements for budget monitoring and workforce planning; and
 - c developing its arrangements for improvement planning and self-evaluation, but there are weaknesses in the Council's arrangements for responding to external regulatory reports.
- 9 During 2016-17 the Council will continue to face the challenges associated with continued pressure on public finances against a backdrop of legislative change and rising demand for some services. It will be important for the Council to further strengthen and embed its financial, governance and performance management arrangements to enable it to effectively respond to the challenges ahead.

Recommendations

- 10 Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
- a make proposals for improvement – if proposals are made to the Council, we would expect it to do something about them and we will follow up what happens;
 - b make formal recommendations for improvement – if a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days;
 - c conduct a special inspection, publish a report and make recommendations; and
 - d recommend to Ministers of the Welsh Government that they intervene in some way.
- 11 During the course of the year, the Auditor General did not make any formal recommendations to the Council. However, lower-priority issues, known as proposals for improvement, are contained in our other reports to the Council and may be referred to later on in this report. He also makes recommendations that may be relevant to the Council in his Local Government National Reports. A list of recommendations contained in those reports issued in 2015-16 can be found in [Appendix 3](#). We will continue to monitor proposals for improvement during the course of our improvement assessment work.
- 12 In addition, the CSSIW, Estyn and the Commissioner included areas for improvement in their inspection reports and letters issued to the Council during the year. These are available at www.cssiw.org.uk, www.estyn.gov.wales and www.comisiynyddygydraeg.org.

Detailed report



Performance

The Council is improving its education and waste services performance, but further improvements in social services are necessary to meet future challenges

The Council has worked effectively with the recovery board to ensure generally strong progress across its education services and no longer requires special measures

- 13 Following Estyn's inspection of education services for children and young people in November 2012, the Council was identified as requiring special measures. Following Estyn's report in 2012, the Minister for Education removed the powers for education from Merthyr Tydfil County Borough Council (the Council) and in June 2013 established a recovery board.
- 14 In order to accelerate improvement, and in consultation with the Council, the recovery board delegated the day-to-day powers for education back to Cabinet and officers. A plan for follow-up visits was agreed, and teams of inspectors undertook monitoring visits in February and November 2014. The third and final monitoring visit took place from 30 November to 4 December 2015. Following the visit Her Majesty's Chief Inspector of Education and Training in Wales considers that the Council no longer requires special measures and is removing it from follow-up activity.
- 15 Estyn found that the Council has made strong progress in addressing its recommendations to:
 - a secure better outcomes for learners at all key stages and analyse and use performance data to identify and address underperformance;
 - b strengthen the level of challenge to schools and use the full powers available to the authority to improve leadership and management in underperforming schools;
 - c develop a robust self-evaluation framework for the work of the local authority's education services and introduce appropriate and challenging performance targets that drive improvement;
 - d develop a more rigorous scrutiny framework, supported by data analysis, to challenge the education services;
 - e evaluate the impact of Youth Support Services in order to adjust the provision and rebalance resource allocation where necessary; and
 - f develop and implement systems to judge whether initiatives and services have a positive impact on children and young people and offer good value for money.

- 16 Estyn also found that the Council had made satisfactory progress in addressing the recommendations to:
- a devise and apply better strategies to reduce the number of young people not in education, employment or training and build upon existing strategies to reduce the number excluded from school and improve pupil attendance rates, especially in primary schools; and
 - b ensure that data on the needs and attainment of all pupils with additional learning needs, and of vulnerable groups, is used at a strategic level to identify specific issues and trends that inform service planning.

Estyn's evaluation of schools performance in Merthyr Tydfil

- 17 The proportion of pupils eligible for free school meals in Merthyr Tydfil is much higher than the Wales average. This is taken into account when evaluating the performance in the authority.
- 18 Over the last three years, outcomes at the Foundation Phase¹, key stage 2 and key stage 3 have improved at a much faster rate than in Wales as a whole, albeit from low levels. As a result, in 2015, performance in the main indicators² at the end of each stage is much closer to the average in Wales.
- 19 At key stage 4, the rate of improvement in all of the main headline indicators has been much faster than the rate of improvement across Wales, albeit from a low level. In 2015, performance for the level 2³ threshold including English or Welsh and mathematics is just above the benchmark for performance set by the Welsh Government. Performance for the capped points score in 2015 is well above the Welsh Government's benchmark.
- 20 Since 2012, the performance of pupils eligible for free school meals has improved across all key stages. In 2015, performance by this group of pupils in the level 2 threshold including English or Welsh and mathematics is in line with the average for these pupils in Wales.
- 21 Generally, the rate of progress by girls has been much stronger than that of boys. In 2015, the gap in performance between girls and boys in the level 2 threshold including English or Welsh and mathematics is over three times larger than the average difference in Wales.

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

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

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

- 22 Attendance in primary and secondary schools has generally improved since 2012 and around half of schools have improved their attendance rates year-on-year over this period. Despite this, the authority has the lowest primary attendance rate in Wales in 2015. Secondary attendance is broadly average compared to levels in similar authorities.
- 23 The rate of exclusions of five days or less is lower than the Wales average and much lower than in similar authorities.

The Council is making progress with some elements of its prevention and early intervention services, but further improvements in commissioning, joint working arrangements and early intervention services in relation to children 'in need' would help to ensure that the Council is able to respond to financial pressures and the introduction of the Social Services and Wellbeing Act

- 24 CSSIW published its Annual Review and Evaluation of Performance 2014/2015 in October 2015 and this is available on its website. CSSIW reported that there has been a change of director this year in social services, along with other senior staff. There are considerable financial pressures on the Council, although the director does not feel this has had a significant impact on services for people as yet.
- 25 People are beginning to experience the benefits of prevention and early intervention services. This has contributed to reduced delays for people leaving hospital and resulted in fewer older people requiring residential care and/or long-term support in the community. The director is clear that further progress can be made in safely reducing longer-term interventions by providing reablement services. She is aware it will be important to fully engage the community in this process of change that is required by the Social Services and Wellbeing (Wales) Act (SSWBW Act) and the current financial pressure on the local authority. The Council is increasingly commissioning services rather than providing them itself. There is more progress that can be made to ensure innovative and proactive commissioning of services that meet the needs of people and follow the drive toward increased independence where this is possible.
- 26 The Council is involved in several strands of joint working with Rhondda Cynon Taf and Cwm Taf University Health Board (CTUHB). An example of innovation is the establishment of the Multi Agency Safeguarding Hub (MASH). The Council should continue to seek efficiencies and good practice by taking opportunities to work jointly with other councils. There is a clear imperative to integrate services with health and there is room to improve upon the pace of change here.
- 27 Fewer children have become looked after as a result of a coherent strategy, and the numbers of children placed on the child protection register has also reduced. The Council is undertaking further analysis of the reasons behind this reduction to fully satisfy itself that decision making is robust. While there has been a very slight reduction in children deemed to be 'in need', it is not yet apparent that early intervention services are having a significant impact in reducing the flow of children requiring traditional forms of social services support.

The Council is making progress on its planned improvements in waste services, and performance in its active lifestyles priority area is mixed but there are weaknesses in the Council's performance information in these priority areas

- 28 During 2015-16 we reviewed the Council's progress in relation to its active lifestyles priority area and the waste element of its sustainable environment priority area. We looked at performance for 2014-15 and where more recent information was available we also looked at performance for 2015-16.
- 29 The review asked the question 'Is the Council making progress on its planned improvements?' We concluded that: 'The Council is making progress on its planned improvements in waste services, and performance in its active lifestyles priority area is mixed but there are weaknesses in the Council's performance information in these priority areas.' We arrived at this conclusion because the Council has set out its performance ambition but its chosen measures for the active lifestyles priority area do not provide a comprehensive picture of performance. We also found that the Council is making progress on its planned improvements in waste services, and performance in the active lifestyles priority area is mixed. We also found the Council is starting to improve the use of its data but lacks timely and reliable information in some priority areas to enable it to better understand its performance and to take action to improve it.

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

- 30 In June 2015, the Council discharged its improvement planning duties through the publication of its Corporate Plan 2013-17 Annual Delivery Document 2015/16. In October 2015 the Council discharged its performance reporting duties through the publication of its Annual Performance Report 2014-15. Following our audits of these documents we issued certificates in July 2015 and November 2015 stating our view that the Council had complied with its improvement planning and reporting responsibilities.

Welsh Language Commissioner's evaluation of Merthyr Tydfil County Borough Council's performance

- 31 The role of the Commissioner was created by the Welsh Language (Wales) Measure 2011. New powers to impose standards on organisations came into force through subordinate legislation on 31 March 2015. The Commissioner will continue to review Welsh-language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 32 The Commissioner works with all councils in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of councils to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every council is committed to providing an annual monitoring report to the Commissioner outlining its performance in implementing the language scheme. The Commissioner analyses every monitoring report, provides a formal response and collects further information as required.
- 33 Inspection reports and letters issued to the Council during the year by the Commissioner are available on the WLC website.

Use of resources

The Council is strengthening its financial management arrangements and is improving the services provided by its Human Resources function but there remains scope to further develop arrangements for budget monitoring and workforce planning

Audit of the Council's accounts

34 On 18 November 2015, the Auditor General issued an Annual Audit Letter to the Council. The letter summarises the key messages arising from his statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor and his reporting responsibilities under the Code of Audit Practice. The Auditor General issued an unqualified opinion on the Council's accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. The Annual Audit Letter can be found in [Appendix 2](#) of this report.

The Council is strengthening its financial management arrangements but financial and corporate planning are not yet sufficiently integrated and there is scope to strengthen arrangements for scrutinising the achievement of budgeted savings

35 During 2015-16, we undertook a financial resilience assessment of the Council. We considered whether the Council has appropriate arrangements to plan to secure and maintain its financial resilience in the medium term. The focus of the work was on the delivery of 2014-15 savings plans, and the 2015-16 financial planning period. In reaching our view on the Council's financial resilience we have considered evidence of the Council's approach to managing its finances in the recent past and over the medium term. We found that the Council is strengthening its financial management arrangements, but financial and corporate planning are not yet sufficiently integrated and there is scope to strengthen arrangements for scrutinising the achievement of budgeted savings.

36 We came to this conclusion because whilst the Council has strengthened its financial planning arrangements and is developing its savings plans for future years, corporate and financial planning are not yet sufficiently integrated. The Council also has a clear framework for managing its financial affairs and is strengthening its financial control arrangements. We also found that the Council's financial governance arrangements are becoming more robust although there is scope to strengthen arrangements for scrutinising the achievement of budgeted savings.

The Council has made good progress in improving the services provided by its Human Resources function, but there remains scope to further develop arrangements for workforce planning and performance monitoring

- 37 During 2015-16 we reviewed the Council's Human Resources function. Our review asked the question: 'Does the Council have effective arrangements in place to manage and utilise its workforce?' We concluded that: 'The Council has made good progress in improving the services provided by its Human Resources (HR) function, but there remains scope to further develop arrangements for workforce planning and performance monitoring.'
- 38 We arrived at this conclusion because the Council has strengthened the leadership of its HR function, is improving HR services and is getting better at communicating and engaging with staff and stakeholders. The Council has also developed a range of plans and policies to manage its workforce more effectively but has more work to do to ensure that these are implemented consistently. In addition, the Council's Medium Term Financial Plan (MTFP) is driving its approach to service transformation and workforce planning but succession planning would benefit from a more strategic approach. The Council is also developing its HR and workforce performance monitoring arrangements but these are not yet operating effectively.

Governance

The Council is developing its arrangements for improvement planning and self-evaluation, but there are weaknesses in the Council's arrangements for responding to external regulatory reports

The Council is developing its arrangements for improvement planning and self-evaluation but it is too early to assess the effectiveness of the revised arrangements

- 39 During 2015-16, we reviewed the Council's Service Improvement Framework to evaluate how established it had become since our earlier Corporate Assessment in 2014-15, and to assess the impact it is having in helping the Council to achieve its aims.
- 40 We found that the Council is developing its arrangements for improvement planning and self-evaluation but it is too early to assess the effectiveness of the revised arrangements. We came to this conclusion because the Council's revised senior management structure provides clearer accountability for the delivery of its corporate priorities but the Council's Service Improvement Framework has not been updated to reflect the changes to the Council's approach. The Council is also strengthening its self-evaluation arrangements through improved challenge and a clearer role for the scrutiny function, however, as the Council's arrangements for improvement planning are evolving it is too early to assess their effectiveness.

There are weaknesses in the Council's arrangements for responding to external regulatory reports for which the Council recognises the need to address

- 41 The Council has a mechanism for recording the recommendations of internal and external audit reports. The system is a corporate spreadsheet entitled the 'Audit Action Plan system' (AAP). This system records: recommendations, action taken, level of progress on implementation and the lead officer. Under the Council's constitution the Audit Committee will consider the reports of external audit and inspection agencies.
- 42 However, we found that there were gaps in the implementation of the Council's processes. For example, we found that not all of the recommendations made by the Auditor General for Wales had been recorded on the AAP system, although the Council had identified this and sought to address it. We also found that not all managers are systematically updating the AAP with actions taken in response to recommendations. In addition there is no corporate mechanism to confirm that all external audit report recommendations and the actions taken against these have been recorded on the AAP system.

43 We also found that not all national reports of the Auditor General for Wales have been reported to the Audit Committee in a timely manner. In addition, where national reports had been presented to Audit Committee, the cover reports attached to them do not always detail how the Council was responding or intending to respond to the recommendations.

44 In view of our findings, we make the following proposal for improvement:

Proposal for improvement

P1 The Council strengthens its arrangements for responding to external regulatory reports by:

- clarifying its process for dealing with reports that are received; and
- clarifying the role of committees when receiving reports, and ensuring there is appropriate challenge and clear monitoring of the Council's progress in addressing any recommendations.

45 Officers recognise the need to strengthen the Council's arrangements in this area, and we will continue to monitor the Council's progress.

Appendix 1 – Status of this report

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

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

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

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

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

Appendix 2 – Annual Audit Letter

Cllr. Brendan Toomey
Merthyr Tydfil County Borough Council
Civic Centre
Castle Street
Merthyr Tydfil
CF47 8AN

Dear Cllr. Toomey,

Annual Audit Letter – Merthyr Tydfil County Borough Council 2014-15

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

Merthyr Tydfil County Borough 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 28 September 2015, the Auditor General for Wales 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. This 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 the Audit of Financial Statements report on 21 September 2015.

The Auditor General for Wales is satisfied that the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources

The Auditor General for Wales' 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 Annual Improvement Report will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made.

The Auditor General for Wales issued a certificate confirming that the audit of the accounts has been completed on 28 September 2015.

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

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

The financial audit fee for 2014-15 is currently expected to be in line with the agreed fee set out in the Annual Audit Outline.

Yours sincerely

John Herniman

For and on behalf of the Auditor General for Wales

cc. Gareth Chapman, Chief Executive

Appendix 3 – National report recommendations 2015-16

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

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

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

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

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

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

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

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

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

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

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