



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report 2015-16

Brecon Beacons National Park Authority

Issued: October 2016

Document reference: 562A2016



This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Huw Rees, John Roberts, Rob Hathaway, and Katherine Simmons under the direction of Alan Morris.

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

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

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

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

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Summary report

About this report

- 1 This Annual Improvement Report (AIR) summarises the audit work undertaken at Brecon Beacons National Park Authority (the Authority) since the last such report was published in July 2015. This report also includes, where appropriate, a summary of the key findings from the Welsh Language Commissioner (the Commissioner) as a 'relevant regulator' under the Local Government (Wales) Measure (the Measure). This report does not represent a comprehensive review of all the Authority's arrangements or services. The conclusions in this report are based on the work carried out at the Authority and 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 Authority 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.

The Authority is meeting its statutory requirements in relation to continuous improvement

- 5 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Authority is likely to comply with the requirements of the Local Government Measure during 2016-17.
- 6 The Auditor General has reached this conclusion because:
 - a We found that, in 2014-15, The Authority has made good progress on most of its improvement objectives; in particular successfully supporting the Park's most vulnerable listed buildings and promoting sustainable transport
 - b We undertook work at all three National Park Authorities in Wales to assess the extent to which they are delivering efficient planning services with less money. In this Authority, we found that good leadership and strong governance are improving planning services, although, the Authority's approach to collaborating with other national park and planning authorities in Wales and achieving value for money is not sufficiently robust.
 - c The Authority evaluated and reported on its performance and published its plans for improvement in accordance with the requirements of the Local Government Measure.

Recommendations and Proposals for Improvement

- 7 Given the wide range of services provided by the Authority and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
- make proposals for improvement – if proposals are made to the Authority, we would expect it to do something about them and we will follow up what happens;
 - make formal recommendations for improvement – if a formal recommendation is made, the Authority must prepare a response to that recommendation within 30 working days;
 - conduct a special inspection and publish a report and make recommendations; and
 - recommend to Ministers of the Welsh Government that they intervene in some way.
- 8 During the course of the year, the Auditor General did not make any formal recommendations. However, lower-priority issues, known as proposals for improvement, were contained in our other reports and are set out below. We will continue to monitor proposals for improvement during the course of our improvement assessment work.

Proposals for improvement

P1

Work in partnership with other national park authorities and other planning authorities in Wales to develop:

- consistent, robust comparative cost and volume data and use this to demonstrate whether or not it is providing value for money; and
- relevant outcomes to help measure the contribution towards meeting the goal of sustainable development, especially in relation to longer-term change.

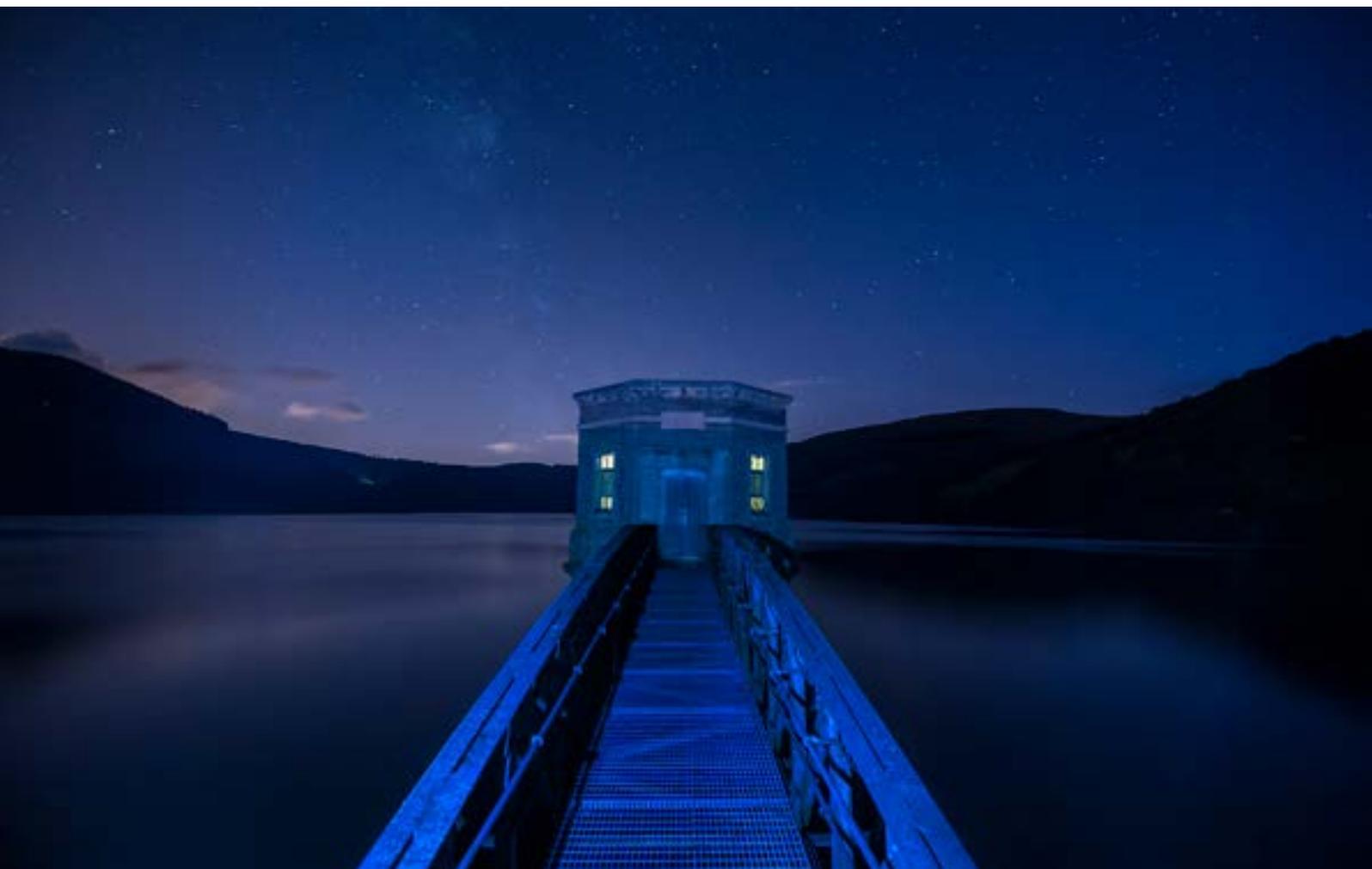
This work should be undertaken in co-operation with the Planning Officers Society for Wales, Welsh Local Government Association and the Welsh Government, building on the experience of cost measurement and comparison via Heads of Planning Scotland and the Planning Advisory Service England.

P2

Increase levels of strategic collaboration and partnership working, especially with other national park and planning authorities in Wales, including exploring opportunities for reducing planning service costs and the options for closer workforce planning.

- 9 In addition, the Welsh Language Commissioner included areas for improvement in their inspection report issued to the authority during the year. This is available at their [website](#).

Detailed report



The Authority has made good progress on most of its improvement objectives; in particular successfully supporting the Park's most vulnerable listed buildings and promoting sustainable transport

- 10 This section of the report looks at the Authority's performance for the period 1 April 2014 to 31 March 2015.
- 11 Brecon Beacons National Park Authority produced two plans relating to 2014-15. The first, 'Improvement Plan 2014-15 Part 1' sets out their Improvement Priorities and Objectives for the year ahead. The second, 'Annual Report on the Business Improvement Plan 2014-15 Part 2' reports on 2014-15 activities and performance.
- 12 The Authority's Management Plan has six core themes, from which its four Improvement Priorities are derived. Each of these priorities are to be achieved 'through effective partnership, facilitation, practical action and the planning function'. For 2014-15 the Authority had 11 Improvement Objectives feeding into these priorities.
- 13 We have focused on those areas that the Authority had identified as improvement objectives under the Local Government Measure and on the available evidence collected by the Authority that could demonstrate progress towards these objectives.

Improvement Priority One: (Management Plan Theme 1 – Managing park landscapes to maximise conservation and public benefits): Through effective partnership, facilitation, practical action and the planning function the Park's historic environment and cultural heritage will be conserved, enhanced and promoted.

Improvement Objective One: Historic Environment – We will protect and enhance the Park's archaeology

Improvement Objective Two: Cultural Heritage – We will conserve and enhance the Park's most vulnerable listed buildings

- 14 In our last Annual Improvement Report we reported that long-term officer sickness absence had contributed to the Authority's failure to meet its historic environment and cultural heritage targets in 2013-14. For 2014-15, the Authority's performance against the measures supporting this Improvement Priority and its objectives has significantly improved. The Authority met its historic environment target through undertaking positive conservation measures on at least two Scheduled Ancient Monuments (SAMs, archaeological sites of national importance).

- 15 The Authority met and exceeded its target to reduce the number of buildings on the Buildings at Risk register. It reduced the amount of buildings by 23, against a target of six buildings. This is a significant improvement from the previous two years where no reductions were made. The Authority has attributed this improvement to a re-classification exercise combined with a number of at risk buildings having been the subject of applications to bring them back into use.

Improvement Priority Two: (Management Plan Theme 2 – Conserving and enhancing biodiversity): Through effective partnership, facilitation, practical action and the planning function Biodiversity will be conserved and enhanced

Improvement Objective Three: Biodiversity – Through partnership working, we will bring an area of habitat into active conservation management

Improvement Objective Four: Biodiversity – Through facilitation, we will bring another area of habitat into active conservation management

- 16 The Authority has the long term aim of achieving 'Favourable Conservation Status' for Llangasty Caeau Tŷ Mawr, which will be accomplished through a series of actions within their Management Plan. Improvement Objective three's measure of success – to establish a site management steering group for Llangasty – Caeau Tŷ Mawr is a continuation from 2013-14 and is the next step towards this ambition. During 2014-15 the Management Plan for Llangasty Caeau Tŷ Mawr was approved by the Steering Group and the Authority reported it is satisfied with progress in working towards this priority.
- 17 The Authority's Improvement Plan Part 1 2014-2015, states that Improvement Objective four will be achieved through assisting the graziers at Mynydd Du to make applications to the Glastir Advanced scheme. In 2013-14, four applications were submitted. The target for 2014-15 was to facilitate the implementation of one Glastir Capital Works Agreement in partnership with one Mynydd Du grazing association, which the Authority completed.
- 18 The Authority was also successful in bidding for funding from the Welsh Government's Nature Recovery Fund to develop a continuous improvement programme to restore heathland, peat bogs and other habitats in the Black Mountains. This is a key area that the Authority seeks to develop and it is one of the three wellbeing objectives it has chosen against this priority for 2016-17.

Improvement Priority Three: (Management Plan Theme 5 – Building and maintaining sustainable communities, towns and villages): Through effective partnership, facilitation, practical action and the planning function sustainable living, social resilience, and community pride will be enabled.

Improvement Objective Five: Sustainable Living – Increase the number of participants benefiting from Brecon Beacons National Park Authority skills programmes

Improvement Objective Six: Social Resilience – Use Sustainable Development Fund grants to generate match funding

Improvement Objective Seven: Community Pride – Support development of National Park related Community Projects

Improvement Objective Eight: Social Resilience – Understand how the adopted LDP impacts on the Park’s communities

Improvement Objective Nine: Sustainable Living – Develop and implement place based plans in partnership with communities

- 19 Improvement Priority three has a broad remit, which seeks to support and enable local people and communities, fostering sustainability and improving quality of life. Overall performance against this priority was good, with the Authority meeting or exceeding its targets for four of the five supporting measures. The Authority surpassed its target for the number of National Park related Community Projects supported by way of development advice/funding by 88 per cent. As this is the first year of reporting this measure there was no comparative basis on which to set targets, but for 2015-16 it should be possible to set a more ambitious target.
- 20 Unfortunately the Authority failed to meet its target under Improvement Objective nine to adopt one Village Plan in 2014-15, although, it developed a framework and held a workshop to work towards this goal in 2013-14. The Authority Business Improvement Plan doesn’t give a clear explanation for why this was not achieved, but it notes that progress has been made on Hay on Wye Town Plan and a second Village Plan.

Improvement Priority Four: (Management Plan Theme 6 – Sustainable Economic Development): Through effective partnership, facilitation, practical action and the planning function the use of sustainable transport by visitors will be encouraged and enhanced

Improvement Objective Ten: Sustainable Transport – Businesses will receive training on sustainable transport

Improvement Objective Eleven: Sustainable Transport – Produce a bus timetable leaflet for visitors

- 21 Sustainable transportation must take economic, environmental and social factors into consideration in order to be effective. The National Park Authority has worked closely with local tourism businesses and Fforest Fawr Geopark, sharing ways to reduce their impact on the environment and develop sustainable transport networks. These initiatives combined with the promotion of bus routes strive to offset the economic benefits of increased tourism against the carbon footprint and pollution from long distance visitors.
- 22 Maintaining its trend in performance against this Improvement Priority and its Improvement Objectives, the Authority met or exceeded its targets in this area. The Authority more than doubled its target to have 24 people from the private sector trained as part of transport training courses, with 52 participants. This training is followed up by the Sustainable Tourism Team who contact businesses that have attended the training courses in order to seek feedback for advice given to their guests as a result of the training. The Authority also met its target to produce 30,000 bus timetable leaflets for visitors, which is the performance measure for Improvement Objective 11.
- 23 The Authority is collaborating with the other National Park Authorities in Wales to take a different approach to improvement plan reporting. Their Corporate Plan 2016-17 will integrate new Well-being of Future Generations Act objectives with Corporate and Improvement Objectives. In the context of reduced funding, the National Park Authorities have also identified the allocation of spend against the seven national wellbeing goals set out in the Well-being of Future Generations Act. By aligning and revising its improvement objectives with the seven wellbeing goals, the Authority aims to take a more joined up approach.

Good leadership and strong governance are improving planning services, although, the Authority's approach to collaborating with other national park and planning authorities in Wales and achieving value for money is not sufficiently robust

- 24 In October 2015, we published our Delivering with Less: Planning Services – Brecon Beacons National Park Authority Report.
- 25 The Welsh Government has recently reduced funding to all three national park authorities. These reductions came into effect during 2014-15, with further reductions required in 2015-16 and possibly beyond. All national park authorities in Wales are now taking difficult decisions on how they deal with reductions in funding. Given the proportionately high spend on the delivery of planning services in national park authorities in Wales when compared with councils, reductions in overall funding pose particular risks. During 2015-16 we examined how national park authorities are managing this risk, assessing the extent to which they were delivering efficient planning services with less money.
- 26 We concluded that good leadership and strong governance are improving planning services, although, the Authority's approach to collaborating with other national park and planning authorities in Wales and achieving value for money is not sufficiently robust.
- 27 We reached that conclusion because the Authority has a clear vision, better scrutiny processes and has improved the way that senior officials work together. The planning service's performance is good, although customer satisfaction is low. Its public reputation has improved but collaboration, while improving, is not sufficiently strategic. Development management costs still appear comparatively high. We also found the Authority has improved its approach to performance management, although, it is not sufficiently focused on costs, value for money or outcomes for its planning service.
- 28 The Authority considered this report at the National Park Authority Meeting on 5 February 2016. The Authority welcomed the report and acknowledged both the positive progress made since 2009 and the areas for improvement. The Authority is in the process of exploring how to work with other planning authorities to develop comparative data and outcomes; and is increasing levels of strategic collaboration and partnership working, to explore opportunities for reducing planning service costs and the options for closer workforce planning.

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

- 29 In November 2015 the Auditor General issued a certificate to the Authority confirming that he had audited the Authority's Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and the Wales Audit Office's Code of Audit Practice. As a result of that audit, the certificate also stated the Auditor General's belief that the Authority had discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties.
- 30 Under the Measure, the Authority is required to annually publish an assessment which describes its performance:
- a in discharging its duty to make arrangements to secure continuous improvement in the exercise of its functions;
 - b in meeting the improvement objectives it has set itself;
 - c by reference to performance indicators specified by Welsh Ministers, and self imposed performance indicators; and
 - d in meeting any performance standards specified by Welsh Ministers, and self imposed performance standards.
- 31 The Measure requires the Authority to publish its assessment before 31 October in the financial year following that to which the information relates, or by any other such date as Welsh Ministers may specify by order. The Measure requires that the Authority has regard to guidance issued by Welsh Ministers in publishing its assessment.
- 32 In June 2015 the Auditor General issued a certificate to the Authority confirming that the Authority's Improvement Plan had been audited in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and the Auditor General's Code of Audit Practice. As a result of that audit, the certificate stated the Auditor General's belief that the Authority had discharged its duties under section 15(6) to (9) of the Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties.
- 33 Under the Measure, the Authority is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:
- a make arrangements to secure continuous improvement in the exercise of its functions;
 - b make arrangements to secure achievement of its improvement objectives; and
 - c make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

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

Welsh Language Commissioner's evaluation of Brecon Beacons National Park Authority

- 36 The role of the Welsh Language Commissioner (the Commissioner) was created by the Welsh Language (Wales) Measure 2011. New powers to impose standards on organisations came into force through subordinate legislation on 31 March 2015. The Commissioner will continue to review Welsh language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 37 The Commissioner works with all authorities in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of authorities to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every authority is committed to providing an annual monitoring report to the Commissioner outlining its performance in implementing the language scheme. The Commissioner analyses every monitoring report, provides a formal response and collects further information as required.
- 38 An investigation was carried out as a result of regular scrutiny by the Commissioner on the implementation of the Brecon Beacons National Park Authority's Welsh language scheme. Although a complaint under section 18 of the Act was not received, the Commissioner decided to exercise her powers under section 17 to conduct an investigation to ascertain whether there had been a failure to comply with the scheme.
- 39 The report states that 'in light of the available information, it is believed that the Authority acted in accordance with clause 3.1 of its language scheme, but there is reason to believe that the Authority has failed to implement clauses 4.5 and 6.6.2 of its language scheme in creating and launching the [destination website](#). The Commissioner issued four recommendations within this report.
- 40 The full inspection report and letters issued to the Authority during the year by the Commissioner are available on the Commissioner's [website](#).

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 park authorities, and fire and rescue authorities.

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

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

The annual improvement assessment is the main piece of work that enables the Auditor General to fulfil his duties. The improvement assessment is a forward-looking assessment of an authority’s likelihood to comply with its duty to make arrangements to secure continuous improvement. It also includes a retrospective assessment of 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

Mr John Cook
Chief Executive
Brecon Beacons National Park Authority
Plas y Ffynnon
Cambrian Way
Brecon
LD3 7HP

Dear John

Annual Audit Letter – Brecon Beacons National Park Authority 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 my reporting responsibilities under the Code of Audit Practice.

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

It is the Authority's responsibility to:

- a put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- b maintain proper accounting records;
- c prepare a Statement of Accounts in accordance with relevant requirements;
and
- d 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:

- a provide an audit opinion on the accounting statements;
- b review the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- c 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 2015, I issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Authority's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on 23 September 2015, and a more detailed report will follow in due course.

The audit did not identify any material errors in the draft financial statements although there were a number of minor amendments. We reported in our ISA260 report to those charged with governance an understatement of income and expenditure related to development control enforcement. The recommended adjustments were not made to the accounts. The impact of the mis-statements was not material.

We received information in a timely and helpful manner and were not restricted in our work. The audit team will work with the finance officer this year to identify areas where further efficiencies can be made in the audit process.

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

My consideration of the Authority's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed as part of the Improvement Assessment under the Local Government (Wales) Measure 2009. My Annual Improvement Report will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made.

The Authority continues to improve many aspects of the Park and has responded effectively to cuts in funding, although it could do more to develop some supporting processes.

I have not yet issued a certificate confirming that the audit of the accounts has been completed

In September 2015, I received a formal objection to an item of account. My work on this objection has not yet been completed.

The financial audit fee for 2014-15 is likely to be slightly higher than the fee set out in the Annual Audit Outline as we will need to charge an additional fee in relation to the work undertaken in dealing with the objection at audit. This extra cost is currently being discussed with the Director of Finance but is approximately £4,000.

Yours sincerely

Richard Harries

For and on behalf of the Auditor General for Wales

cc. Mrs Melanie Doel, Chair of the Park Authority

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