



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Annual Improvement Report

## Bridgend County Borough Council

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# About the Auditor General for Wales

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

The Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales. He also appoints the external auditors of Welsh local government bodies, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. The Auditor General's appointed auditors are responsible for the annual audit of nearly £5.5 billion of funding that is passed by the Welsh Government to local government in the form of general and specific grants. Local government, in turn, raises a further £2.1 billion through council tax and business rates.

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

This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Steve Barry, Helen Keatley and KPMG, under the direction of Jane Holownia.

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# Summary report

- 1 Each year, the Auditor General must report on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement and delivering their services. Drawing on the work of the relevant Welsh inspectorates, as well as work undertaken on his behalf by the Wales Audit Office, this report presents a picture of improvement over the last year. The report covers the delivery, evaluation, and planning of improvement by Bridgend County Borough Council (the Council).
  - The quality of children's services improved in a number of areas, through the introduction of new collaborative initiatives; but some operational weaknesses within the service still need to be addressed.
  - Although the education services have some effective processes in place, including financial and project management, the standard of educational attainment at both primary and secondary level was below the Welsh average.
- 2 Overall the Auditor General has concluded that: the Council continues to enhance its arrangements to deliver improvement, developing a more robust and balanced approach to evaluate and report its performance.
- 3 We found that during 2011-12, the Council made good progress in delivering its improvement objectives:
  - The Council continued to build safe and inclusive communities, and recognised that it now needs to include programmes to improve roads.
  - The Council improved support for the disabled in their homes and people applying for housing benefit; it has also taken action to prevent homelessness, especially among young people.
  - The Council improved the structure and delivery of its services to safeguard and support vulnerable adults, collaborating well with key partners; but, the service faces a challenging period, with changes to senior management and increasing demand for its services.
  - The Council effectively promoted physical activity initiatives to improve the health of its citizens and is making significant progress in remodelling its leisure services.
  - The Council has effectively supported a number of businesses and communities to improve the local economy and physical environment, but it still faces significant challenges to achieve larger-scale regeneration.
  - The Council continues to improve the quality and accessibility of its natural environment, and has made some progress to protect and enhance its historic and heritage assets.
  - The Council continues to improve its corporate governance arrangements, especially regarding workforce planning, financial planning and customer care. However, we found some weaknesses within its information management processes.

- 4 We also found that the Council is improving the way in which it evaluates performance and aligns service improvement with financial planning:
- through the refinement of its corporate business review process which now focuses on monitoring the progress of its improvement objectives; and
  - by improving the quality of its self-assessment processes.
- 5 Finally, the report sets out our views on how well the Council is planning for, and making arrangements to support, improvement. We concluded that: the Council's arrangements to support improvement are sound, though it faces a period of change within its senior management. In particular, we found that:
- the Council is likely to comply with the requirement to make arrangements to secure continuous improvement during 2013-14, however, it is facing a period of change within its senior management structure.

# Detailed report

## Introduction

- 6 Under the Local Government (Wales) Measure 2009 (the Measure), the Auditor General must report each year on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement and delivering their services. ([Appendix 1](#) provides more information about the Auditor General's powers and duties under the Measure). With help from Welsh inspectorates, Estyn (for education) and the Care and Social Services Inspectorate for Wales (CSSIW), we have brought together a picture of what each council in Wales is trying to achieve and how it is going about it. This report also sets out the progress the Council has made since the Auditor General published his last annual improvement report, drawing on the Council's own self-assessment.
- 7 We do not undertake a comprehensive annual review of all council arrangements or services. The conclusions in this report are based on our cumulative and shared knowledge, and the findings of prioritised work undertaken this year.
- 8 The Auditor General is able to:
- recommend to Ministers of the Welsh Government that they intervene in some way;
  - conduct a special inspection and publish the report with detailed recommendations;
  - make formal recommendations for improvement – if a formal recommendation is made, the Council must respond to that recommendation publicly within 30 days; and
  - make proposals for improvement – if we make proposals to the Council, we would expect it to do something about them and we will follow up what happens.
- 9 We want to find out if this report gives you the information you need and whether it is easy to understand. You can let us know your views by e-mailing us at [info@wao.gov.uk](mailto:info@wao.gov.uk) or writing to us at 24, Cathedral Road, Cardiff CF11 9LJ.



## The Council continues to enhance its arrangements to deliver improvement, developing a more robust and balanced approach to evaluate and report its performance

### During 2011-12, the Council made good progress in delivering its improvement objectives

10 The Council met its statutory responsibilities by publishing an Annual Report on its performance for 2011-12 by October 2012. The Council's report contained information on the progress it had made to achieve its nine improvement objectives. Operating within financial constraints, the Council stated that it continued to focus on supporting its frontline services. It concluded that it had 'made improvements in many areas' stating that over three-quarters of its services could evidence improved performance; comparisons were also made with regional and national performance results. In our *Improvement Assessment Letter* dated 14 December 2012, we confirmed that the Annual Report included sufficient evidence to demonstrate that the Council had improved its services or had ensured arrangements were in place to secure continuous improvement. The Annual Report could have been improved by showing more clearly what difference had been made as a result of Council activities. The Council has recognised this and is continuing to develop its reporting arrangements with the aim of making the impact of its actions and the outcomes clearer.

11 The Council delivered a range of changes to achieve its improvement objectives such as outsourcing its leisure services and, through better procurement, improving the quality of its waste and recycling service whilst also reducing the costs. It also seeks opportunities to share service delivery with neighbouring councils and its partner organisations in the local service board. For example, with the local health service, joint working is developing at a local level through shared locality teams.

### The Council continued to build safe and inclusive communities, and recognised that it now needs to include programmes to improve roads

12 The Council's objective to build safe and inclusive communities covers a wide range of activity to protect and keep residents safe, including diverse issues such as: food hygiene; supporting young offenders not to reoffend; ensuring road safety by improving the highway infrastructure; and offering facilities to make sure people can communicate in their preferred language.

13 Partnership and engagement initiatives have been used by the Council to improve neighbourhood security. Examples include working with South Wales Police to extend the number of public order measures and encouraging residents to share information and work together.

- 14 As a result of its inspections of food premises, the Council found that 77 per cent were 'broadly compliant' with food hygiene regulations and are participating in the *Food Hygiene Rating Scheme*, which was introduced in 2011 by the Food Standards Agency. This is an improvement from 72 per cent the previous year. However, the Council recognises that it needs to continue to improve performance in order to achieve the target of at least 82.98 per cent, which is the current Welsh average.
- 15 The Bridgend Youth Bureau, launched in 2011, encourages young people who have offended, to enter into 'contracts' and undertake a number of activities aimed at ensuring their offence is a one-off and that they don't reoffend. The Council reported that 93 per cent of those attending the bureau did not reoffend.
- 16 The Council acknowledges that the condition of its main roads is deteriorating. However, it is confident that current and long-term work programmes will improve standards. The Council has been assured by reports from South Wales Police of year-on-year reductions in road casualties. The Council also reports that the Bridgend area can claim the largest percentage reduction in road casualties achieved by unitary authorities in the South Wales area, since baseline figures were set in 1998.
- 17 The Council's recycling rates are now 54 per cent, improved from approximately 46 per cent the previous year. This performance exceeded the Welsh Government's target for 2012-13 which is 52 per cent; Bridgend has now become the sixth best performing council in Wales at recycling, from seventh position the previous year. However, the Council recognises it must maintain its efforts to encourage and enable its residents to recycle in order to achieve the challenging Welsh national target of 70 per cent by 2024-25.
- 18 The Council's new *Welsh Language Scheme* was approved in March 2012. It was reviewed by the Welsh Language Commissioner who concluded that the Council is effectively extending the use and provision of Welsh in its communications and service delivery.
- The Council improved support for the disabled in their homes and people applying for housing benefit; it has also taken action to prevent homelessness, especially among young people**
- 19 The Council reported good progress in delivering housing solutions for those in greatest need. It continues to improve the quality and range of its support, such as providing housing advice and family mediation to prevent younger people aged 16-21 years becoming homeless. It is also increasing the supply of appropriate accommodation for those young people already deemed homeless.
- 20 The Council recognised that housing provision, especially among vulnerable families and individuals, needs to remain a priority especially in light of current welfare reforms. It agreed a Common Allocation policy with local social landlords, to establish standards and procedures to make sure



that social rented housing is allocated fairly. The Council helped more people who were potentially facing homelessness in 2011-12. Of the total number, 43.2 per cent were assisted, compared with 34 per cent in 2010-11. However, this is still well below the Welsh average of 60.5 per cent.

21 The Council significantly reduced the waiting period for people requiring the installation of disabled facilities, from 414 days in 2010-11 to 251 days in 2011-12, making it the sixth best performing Council in Wales and exceeding the Welsh average of 326 days.

22 The payment of housing benefit supports those seeking help to retain or find affordable accommodation. Our review found that the Council continues to experience an increase in the number of claims for housing benefit, although the rate of increase has slowed this year. It improved the time it takes to process new claims from 21 days in 2010-11 to 19 days in 2011-12; this is slightly better than the Welsh average of 20 days. However, the Council took longer to process the existing claims of people whose circumstances have changed, from seven days in 2010-11 to eight days in 2011-12. This is slightly longer than the Welsh average of seven days. The Council has indicated that this increase was due to having to deal with a small number of complex cases and staff reorganisation in 2011.

23 We have considered this performance and a number of other measures which help to give a full picture of how well the Council is processing housing benefit applications. We conclude that the Council is generally effective in processing the applications, but there are some areas which it can still improve. Our original recommendations which were included in our report consist of: increasing the number of new claims decided within 14 days; reducing the number of claims outstanding over 50 days; and reducing the time taken to deal with applications which need to be reconsidered or revised. Having taken account of the continued increase in the number of claims for housing benefit that have arisen since we undertook our review, and the financial constraints it faces, the Council has set a 19-day target for processing new claims. We will continue to assess the impact of the Council's performance in this area.

The Council improved the structure and delivery of its services to safeguard and support vulnerable adults, collaborating well with key partners. But the service faces a challenging period, with changes to senior management and increasing demand for its services.

- 24 The CSSIW published its *Annual Review and Evaluation of Performance 2011-2012* of the Council's Social Care Directorate in October 2012.
- 25 The CSSIW reported that: 'Momentum in the modernisation of adult services has been sustained. To date the Council has benefitted from clear leadership and the commitment of its staff to the vision and integration that has provided opportunities for new structures and joint posts with health (services). There are strong commissioning and contracting arrangements and a robust approach to safeguarding adults is in place.'
- 26 The CSSIW also noted good collaborative arrangements with Abertawe Bro Morgannwg University Health Board: 'the Western Bay regional collaboration also continues to develop, with potential benefits for the future'. The Council's own Annual Report also provided examples of greater integration and collaboration between services and partners. In order to provide an improved universal service for young people requiring supported living, the aftercare and youth service 'Just @sk'<sup>1</sup> was expanded to form 'Just @sk Plus' to provide a greater range of services for vulnerable 16-25 year

olds, including education, employment, and welfare rights. Further, a joint Public Health team, including Public Health Wales and the health board, was formed to implement targeted health intervention programmes to improve the chances of people deemed 'at risk' of long-term health problems.

- 27 The Council's Annual Report also presented a number of improvements resulting from the remodelling of adult social care. These, such as increasing the number of 'Telecare' installations from 504 in 2010-11, to 1,089 in 2011-12, and increasing the supply of extra care housing, demonstrate a commitment to enable people to retain their independence and be cared for within their community.
- 28 The CSSIW noted the following good practice in adult care:
- 'In adult services, contracted care services are robustly monitored and improvement is promoted. The Council has put in place a risk based approach and is developing a quality assessment scheme. Vulnerable adults are protected by a robust and well managed safeguarding mechanism and contract monitoring process.
  - People are well supported by good partnership working with Health through the Council's re-ablement and early response service. People who have used it rate it as 'excellent'.
  - People are supported in the community by the imaginative and increasing use of 'Telecare'. There are now over

<sup>1</sup> Bridgend 'Just @sk' projects and initiatives are set up to tell young people in Bridgend all about the range of services, activities and resources available to them, ranging from housing advice to how to access training and employment. The service is based in the 'Just @sk' information shop.

1,000 users of the service which is complemented by a mobile response team to assist users who have fallen. This has improved outcomes for service users as it enables early assessment and access to appropriate support, and has led to a reduction of emergency calls and hospital admissions.

- A new resource centre for people with complex needs has enabled more effective and appropriate therapeutic intervention whilst the development of localised day care opportunities has improved access and support in the community.'

29 However, the CSSIW expressed concern that the Council was 'going through a period of very significant change. The previous Corporate Director of Wellbeing and the Chief Executive left the authority in March and July 2012 respectively. Since the departure of the Corporate Director, the statutory role of Director of Social Services has been held by the Corporate Director for Children's services. Other elements, such as responsibility for adult social care, have been covered through secondment on an interim basis. It will be important to secure stability in the future leadership group to ensure that the improvements the council has achieved are sustained, especially given the volume of demand and the scale of challenges, particularly in children's services.'

### The quality of children's services improved in a number of areas through the introduction of new collaborative initiatives but some operational weaknesses within the services still need to be addressed

- 30 Both the Council's *Annual Report and the CSSIW Annual Review and Evaluation of Performance 2011-2012*, agreed that progress had been made to improve children's services, but there are still areas for improvement.
- 31 The Council's Annual Report showed evidence of the introduction of new initiatives to improve the quality of services for children and young people, such as the development of a more integrated 'team around the family' approach to support vulnerable families.
- 32 The Council reported that as a result, it had helped significantly more families than in the previous year: from four in 2010-11 to 71 in 2011-12. In order to continue this level of support, the Council launched its *Families Together* strategy and action plan in 2012, which explained how the Council and partners will 'advance the Welsh Government's Families First agenda'.
- 33 A review of looked-after children and young people was undertaken by the CSSIW and a report published in July 2012. The CSSIW found services had improved and concluded that the Council 'continues to prioritise the improvement of children's services'. It noted the strong commitment of management and staff, the general good quality of service provided for service users, and an improvement in the percentage

of looked after children being seen and supported more quickly. However, the report also contained some key areas for concern, such as the inconsistency in quality of the work undertaken by staff, the need for more regular training of social workers, and the poor communications with service users. It also found that challenges remain as 'further increases in the numbers of looked after children have resulted in increasing pressure on placements, staff and budgets'.

**Although the education services have some effective processes in place, including financial and project management, the standard of educational attainment at both primary and secondary level was below the Welsh average**

- 34 During the week commencing 15 October 2012, Estyn undertook an inspection of the Council's education services for children and young people. The subsequent report, published on 13 February 2013, rated the current performance of the education services as 'adequate'. The report concluded that there has been some improvement at key stage 4, but for key stages 2 and 3 'performance is below the average for Wales'.
- 35 Attendance levels at many of both primary and secondary schools are still below average. However, the numbers of fixed-term and permanent exclusions were reduced, so that the average number of days lost per exclusion is now the lowest in Wales. The additional learning needs service

provided a good level of training, guidance, information and support for schools, through good partnership working with a wide range of agencies. However, the percentage of pupils leaving full-time education, without employment or training, was over seven per cent and has remained well above the Welsh average for several years.

- 36 The Estyn report also voiced concerns about the education service's prospects for improving. Deemed as 'adequate', the report noted that the education service is unable to consistently measure or evaluate whether its actions, to help learners achieve and improve, were having the desired effect. Furthermore, the service's reports to councillors did not contain sufficient factual information and evaluation to demonstrate what impact its actions are having and what should be done to improve standards of service.
- 37 However, the report took note of the progress being made by the education service to develop joint projects and services with partners within the health services, inclusion and behaviour support service, and the third sector. It also recognises that the service's financial and asset management is good and it is successfully delivering school modernisation projects.

### The Council effectively promoted physical activity initiatives to improve the health of its citizens and is making significant progress in the remodelling of the leisure services

- 38 The Council successfully introduced initiatives to promote more active lifestyles, such as *Dragon Sport*. Aimed at children aged 7-11 years, the scheme exceeded its targets, achieving 9,319 registrations against a target of 7,900 in its first year in 2011-12, and was recognised as 'good practice' by the Sports Wales organisation. A similar programme for children over 11 years attracted 4,787 registrations and managed to increase the frequency and range of activities.
- 39 For adults and families, the *Lets Walk Cymru* project encourages community based exercise. The project attracted a significantly higher number of participants in 2011-12, rising from 350 in the previous year, to 948, including 129 families.
- 40 The Council also reported a six per cent increase in the number of visits to the area's sports and leisure facilities for physical activities (from 8,974 per 1,000 population to 9,520 per 1,000 population). This figure also exceeded the Welsh average by eight per cent.
- 41 The Council has recently remodelled its leisure services by placing responsibility for the running and maintenance of its leisure facilities in the hands of an external organisation for the next 15 years. Our recent review of leisure services noted that the remodelling arrangements were

developing well. At the time of our review, there were still a number of internal actions required to strengthen the arrangements between the Council and the organisation, including establishing robust monitoring of how well the new services are performing and to ensure that staff continue to be fully supported and trained. Through regular consultation and feedback, the services are monitoring the quality of customer care during the transition period. Also, as a result of the remodelling, the Council reports that it is already achieving savings (budgeted at £150,000 in 2012-13 with a further £125,000 in 2013-14).

### The Council effectively supported a number of businesses and communities to improve the local economy and physical environment, but it still faces significant challenges to achieve larger-scale regeneration

- 42 The Council continued to support local enterprise, but faced significant challenges in its attempts to regenerate its towns and communities. For example, a major project to remodel the Porthcawl Harbour area was put on hold due to the withdrawal of a potential developer. However, the Council has completed the new Marina and has undertaken to borrow money to ensure that the necessary highway infrastructure is also built, to further stimulate the town's regeneration. The Council also made some progress in implementing its *Bridgend Town Centre Masterplan*, nearing the completion of town-enhancing schemes in Cheapside and Merthyr Mawr Road.

43 The Council continues to benefit from European Union Convergence Programme funding, using £1.2 million Local Investment Fund; and £1.8 million from the Community Enterprise grants to support small-to-medium-sized local businesses and social enterprises. To date £589,100 has been allocated to support 46 firms and seven individuals, helping to create over 82 new jobs. The Council also estimates that this monetary support has attracted additional private sector investment totalling £810,220.

44 Together with partners from the public, private and third sectors within the Western and Ogmore Valley regeneration plans, the Council completed four strategic projects to improve local communities, such as providing economic support in order to tackle deprivation and carrying out physical improvements to improve their environment.

**The Council continues to improve the quality and accessibility of its natural environment, and has made some progress to protect and enhance its historic and heritage assets**

45 The Council benefited from a number of grants, mainly from the European Council and the Welsh Government, enabling it to undertake a number of initiatives to improve the access and quality of the natural environment in the area.

46 For example, *The Rights of Way* improvement programme created 6.6 kilometres of new paths and enhanced 24.6 kilometres of existing paths including the installation of signage and way-marking. The Council has also encouraged the use of the paths through promotion and events, such as the annual walking festival which experienced a 102 per cent increase on the number of participants from the previous year's event. The Council also continues to extend its cycle path network.

47 The Council has been effective in implementing a series of actions to improve its energy efficiency. One example is a project to reduce the amount of time that street lights are turned on; the Council reports that to date it has helped reduce carbon dioxide emissions by over 4,000 tonnes and nearly 90,000 kWh in energy use. The project completion deadline is the end of March 2013, but has already achieved a saving of approximately £27,000.

48 The Council began a programme of statutory appraisals for 15 conservation areas, and four potential sites, to take advantage of available funding for this type of work.



The Council continues to improve its corporate governance arrangements, especially regarding workforce planning, financial planning and customer care. However, we found some weaknesses within its information management processes

- 49 The Council stated in its Annual Report that it has completed its workforce plan, which covers a period of three years and should help improve the management of staff resources. It is also continuing to review how efficiently its services are delivered, endeavouring to speed up delivery, minimise costs, improve quality and assess what benefits are provided for service users.
- 50 Its *Medium-Term Financial Strategy* (MTFS) was approved by Council in February 2012. The document set out what challenges the Council faces, such as dealing with a £2 million budget shortfall in 2014-15, and proposals for activities. These included clarifying base costs; identifying which core activities were driving costs; and exploring the potential for generating income. The Council considered that this information would enable it to identify how services could be better delivered and in the most economical way, such as more collaborative working. The Council intended to analyse the information during the 2012-13 period, alongside further development of the MTFS.
- 51 A council's annual governance statement captures and evaluates its governance arrangements, including policies, performance monitoring and an ability to self-challenge. Our review of the Council's processes found that generally, the Council

is effective at checking and reviewing most of its governance arrangements and taking action to make improvements. However, the processes could be improved by establishing robust governance of partnership arrangements, and service-related self-assessments. We also noted that due to changes to the political administration and senior management structure, the process of checking had been delayed in 2012-13.

- 52 We undertook a review of the Council's information management systems and found that the arrangements for the governance of its information assets were generally sound. The Council performed well in some areas of information management, such as the development of the new approach to disaster recovery and overseeing the electronic document management project.
- 53 However, the review also found that the Council lacked a formal strategic approach and permanent framework to manage its information and records. It was dependent on the ability and contribution of a few key officers, leaving it vulnerable should the officers leave the authority. Furthermore, there were notable weaknesses in its information security processes which posed risks, such as the uncontrolled use of USB ports, insufficient amount of staff training in information management, and a lack of clarity on who has overall responsibility for information security. The Council accepted our findings and has been taking action to address the points made with an emphasis on uncontrolled USB ports and a software solution which is expected to be implemented by July 2013.

## The Council is improving the way in which it evaluates performance and aligns service improvement with financial planning

- 54 In 2012, the Council reinvigorated its corporate business review arrangements to better oversee and evaluate its progress in achieving its nine improvement objectives. The main change was a move from focusing on the performance of each of its directorates, to reviewing by improvement objective. This has ensured a more joined-up consideration of common themes and issues.
- 55 The Corporate Performance Assessment (CPA) group meets quarterly and calls together all services which contribute to the delivery of the improvement objectives. They provide information on progress, and updates on budget spend covering the previous quarter. This process is helping to make performance review a more routine and regular function throughout the Council, involving managers and members in the assessment and management of performance and resources.
- 56 One example of how this has brought benefits was the realisation that several departments were trying to increase the number of apprenticeships for young people. By bringing this issue together at the CPA group, a better corporate-wide focus is being developed in order to improve apprenticeship schemes.
- 57 The changes to the corporate monitoring process are being supported at operational level with the merger of the performance monitoring team with finance services. The intention is that the newly merged team should be in a better position to keep track of how much is being spent or saved. Being able to estimate the resources required and used to achieve the improvement objectives and other service delivery targets. The Council has also begun to revise its service business and budget planning cycle, to align budget and resources with service planning. This should enable it to more effectively align the delivery of its key priorities and future objectives by services. The new arrangement will also better support its MTFS and annual budget process for 2013-14.
- 58 In October 2010<sup>2</sup>, we reported that the Council's ability to self-assess the quality of its services and evaluate how well they are performing, had improved from the previous year. Within its Annual Report, the Council provided a more balanced account of its performance, promoting its successes but also acknowledging what services and areas it needs to improve. It is also beginning to develop a more outcome-based approach to improve its ability to recognise what outcomes have actually been achieved through its activities, eventually to introduce the means to measure whether services are having the positive impact intended.
- 59 In order to self-assess the effectiveness of its own scrutiny and overview committees, the Council is taking an active role in a peer observation project within the South Wales region. Scrutiny members are observing, and in turn observed by, neighbouring authority members in order to share ideas on how to improve the quality and impact of scrutiny.

- 60 The CSSIW<sup>2</sup> reviewed the heads of service reports for both adult and children's services which were submitted in July 2012. The inspectorate found that the Council had supplied comprehensive and up-to-date information, to demonstrate progress and to assist in its evaluation of performance within these services.
- 61 During its recent inspection, Estyn<sup>3</sup> reported that 'the Council is improving the quality of information provided to elected members so that they can challenge the performance of the authority's services and schools more robustly'. However, the Council needs 'to strengthen its self-evaluation in order to understand what is working well and what needs to improve in order to help learners achieve their goals'.
- 62 On 28 September 2012, the auditor appointed by the Auditor General gave an unqualified opinion on the Council's 2011-12 accounts and based on this the Auditor General's view is that the financial statements were generally satisfactory and 'give a true and fair view of the financial position'. The appointed auditor also issued his *Annual Audit Letter* before the end of November 2012 (see [Appendix 3](#) for more detail).

<sup>2</sup> Care and Social Services Inspectorate Wales

<sup>3</sup> See page 13, Estyn Inspection, reference to Council's Improvement Objective Five.

## The Council's arrangements to support improvement are sound, though it faces a period of change within its senior management

### The Council is likely to comply with the requirement to make arrangements to secure continuous improvement during 2013-14, however, it is facing a period of change within its senior management structure

- 63 By publishing its *Corporate Plan 2010-13* (the Corporate Plan), which set out its improvement objectives for the year, by 30 April 2012, the Council complied with the Measure.
- 64 The Corporate Plan contained nine improvement objectives for 2012-13. These were subject to an equality impact assessment and contained references to aspects of the Council's *Strategic Equality Plan*. The Council had undertaken public and stakeholder consultation to agree the selection and prioritisation of its improvement objectives, which is in line with good practice.
- 65 The Council is making good progress with the production of its new corporate plan for 2013-2017. The current draft, which is still subject to public consultation, indicates that the Council has reduced the number of its improvement objectives from nine to six 'improvement priorities', with the focus being more on people than environment. The draft document is clearer than corporate plans from previous years, providing more information on the reasons for selecting priorities and what actions it will take to deliver high-level outcomes. Local measures of success are also included which indicate the Council's progress in adopting a more outcome-focused approach to performance assessment.
- 66 The Council has endeavoured to improve its processes to consult and engage with citizens and stakeholders to enable them to influence the choice and remit of the Council's improvement objectives. With its local service board partners, the Council has launched the *Ask Bridgend* consultation website to encourage citizens to make their views and ideas known regarding the Council's priorities and service provision. Both the Council's Annual Report and Corporate Plan enabled and encouraged citizens to send in their views on the contents of each document.
- 67 The Council is currently managing a period of high turnover of a number of senior managers. The post of Corporate Director for Wellbeing is covered by a secondment and the Director of Children's Services is due to retire this year. The Assistant Chief Executive post is to be replaced by the post of Director of Resources, and the Corporate Director for Communities post has been filled on an interim basis. The appointment of the Section 151 Officer, with significant responsibility for governance issues, is also currently an interim arrangement. The Chief Executive, who himself only took up post in September 2012, is aware of the overall risks of this situation and is currently considering and planning the future structure of his management team.

# Appendices

## Appendix 1 Status of this report

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

This report has been produced by the 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 informed by a forward-looking assessment of an authority's likelihood to comply with its duty to make arrangements to secure continuous improvement. It also includes a retrospective assessment of whether an authority has achieved its planned improvements in order to inform a view as to the authority's track record of improvement. This report also summarises the Auditor General's conclusions on the Council's self-assessment of its performance.

The Auditor General may also in some circumstances carry out special inspections (under section 21), which will be reported to the relevant authorities and Ministers, and which he may publish (under section 22). This published *Annual Improvement Report* summarises audit and assessment reports including any special inspections (under section 24).

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

## Appendix 2

### Useful information about Bridgend and Bridgend County Borough Council

#### The Council

Bridgend County Borough Council spends approximately £312 million per year (2011-12). This equates to about £2,241 per resident. In the same year, the Council also spent £28 million on capital items.

The average band D council tax in 2011-12 for the Council was £1,288.04 per year. This has increased by 0.6 per cent to £1,296.16 per year for 2012-13. 79 per cent of the Council's housing is in council tax bands A to D.

*Source: Welsh Government – Stats Wales*

The Council is made up of 55 elected members who represent the community and make decisions about priorities and use of resources. The political make-up of the Council is as follows:

- 1 Conservative
- 4 Independent Annibynwyr
- 6 Independent
- 1 Plaid Cymru
- 39 Labour
- 3 Welsh Liberal Democrats (Independent)
- 1 Vacancy

Bridgend Council's Chief Executive is Darren Mephram.

Corporate Director Well-being: Simon Brindle; Corporate Director Children: Hilary Anthony; Corporate Director Communities: interim appointment.

#### Other information

The Assembly Members for Bridgend are:

- Carwyn Jones, Bridgend
- Janice Gregory, Ogmore
- Peter Black, Bethan Jenkins, Suzy Davies and Byron Davies, Regional



The Members of Parliament are:

- Madeleine Moon, for Bridgend Constituency
- Huw Irranca-Davies, for Ogmore Constituency

For more information see the Council's own website at [www.bridgend.gov.uk](http://www.bridgend.gov.uk) or contact the Council at Civic Centre, Angel Street, Bridgend, CF31 4WB.

## Appendix 3

### Appointed Auditor's Annual Audit Letter

Councillor Mel Nott  
The Leader  
Bridgend County Borough Council  
Civic Offices  
Angel Street  
Bridgend  
CF31 4WB

Dear Councillor Nott

#### Annual Audit Letter

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 reporting requirements relating to its financial performance 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 2012 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 the 26 September 2012.

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. Overall, I am satisfied that the Council has appropriate arrangements in place. 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.

In previous years, I have commented on importance of resolving the outstanding equal pay claims and the job evaluation project to enable the Council to effectively plan its future pay budget and have confidence about the demands on its resources into the medium term. I am pleased to report that this year the Council has made substantial progress in these areas, with the equal pay claims now fully settled and the job evaluation project progressing towards resolution.

I issued a certificate confirming that the audit of the accounts has been completed on 9 October 2012.

The financial audit fee for 2011-12 is £197,500, which is in line with the agreed fee set out in the Annual Audit Outline.

Yours sincerely

**Ian Pennington**

**Director, KPMG LLP**

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

20 November 2012

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

## Appendix 4

# Bridgend County Borough Council's improvement objectives

### The Council's improvement objectives

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

The Council published its improvement objectives for 2010-2013 in its *Annual Report 2011-12 & Improvement Plan 2012/13* which can be found on the Council's website at [www.bridgend.gov.uk](http://www.bridgend.gov.uk). They are to be found in left-hand column. The 'improvement priorities' 2013-2017, in the right-hand column, are the Council's proposed key actions.

Key improvement objectives 2010-2013	Improvement priorities 2013-2017
To build safe and inclusive communities supported by an effective physical infrastructure	Working together to develop the local economy
To develop and support sustainable and affordable housing solutions for those who are homeless or in need	Working together to raise ambitions and drive up educational achievement
To implement better integrated health and social care services to support independence, choice, empowerment, dignity and respect	Working with children and families to tackle problems early
To work in collaboration with partners to combat poverty and provide children with the best start in life	Working together to help vulnerable people to stay independent
To help all children and young people to achieve higher standards of attainment by accessing high quality learning opportunities	Working together to tackle health issues and encourage health lifestyles
To improve physical and emotional wellbeing by promoting active lifestyles, participation and learning	Working together to make the best use of our resources
To support our disadvantaged communities by promoting economic growth, physical renewal and sustainability	
To manage and promote the natural and historical environment	
To improve the way we work to ensure effective and efficient use of our financial, technological, physical and human assets	

## The Council's self-assessment of performance

The Council's self-assessment of its performance during 2011-12 can be found in the same document again on the Council's website at [www.bridgend.gov.uk](http://www.bridgend.gov.uk).

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