

Wales Audit Office Improvement Assessment Letter**October 2013****Executive Response**

The Wales Audit Office's Improvement Assessment Letter is, overall, a fair, evidenced and agreeable summary of the position of the Council. The letter is a positive endorsement of a transitional year for improvement planning supported by strong governance.

There are no new statutory recommendations or proposals for improvement. However, the letter notes that arrangements for improvement planning can and should be improved from 2014 once the transition is complete. We support this view and in our response we set out how we will make these improvements to ensure full compliance with the spirit and detail of the national guidance.

Listed below are the principal topics within the letter. The number in brackets refers to the pages in the letter where the topic is covered.

Topic	Issue	Response
Setting Improvement Priorities (2)	Improvement Planning	<p>The renewed approach to Improvement Priority setting has concentrated organisational capacity and energy and should be built upon. The letter does not fully appreciate that this was a new approach with collective learning and an overdue streamlining of business planning arrangements.</p> <p>For 2014 we plan to:-</p> <ol style="list-style-type: none"> 1. review priorities for 2014/15 alongside the budget process to ensure that they are complementary. This review will be based on a mid-year evaluation of performance in 2013/14 which is due to be published in October 2. the supporting priorities for operational plans at service divisional level will similarly be reviewed and re-set according to this timescale 3. targets for performance will be reviewed within the same timescale 4. publish the new Improvement Plan supported by the full baseline performance data and renewed targets by the Council Annual General Meeting (May 2014)
Improvement Plan format and structure (2)	Improvement Planning	<p>The new Plan format, with some improvement over time, sets a new standard which should be continued. The Council has received positive feedback both locally and nationally on the new</p>

		format.
Improvement Plan contents (3)	Meeting Welsh Government guidance - consultation	The letter does not fully appreciate the complexity of setting Priorities and the right of the Council and its political leadership, with professional advice, to do so. How Priorities have been developed and selected has been explained in previous Improvement Plans and will be set out in the Annual Performance Report 2012/13 (due for publication by 31/10.13).
Improvement Plan contents (3, 4)	Meeting Welsh Government guidance – measuring objectives	The Council has considerable underpinning background documentation within which measures and targets for achieving the Priorities objectives as set. Whilst it is accepted that this was not published in a single place alongside the Improvement Plan it should be recalled that 2013 was a transition year where we ‘overhauled’ the way we go about Improvement Planning to make it more meaningful. From 2014 this will be corrected.
Improvement Plan arrangements (4,5)	Single Status	A Single Status Agreement is close to completion for recommendation to full Council on 29 October and with a combined effective and implementation date of 1 April 2014.
Financial and Organisational Planning (5)	Capacity to identify in sufficient detail the sources of efficiency savings or service cuts to meet the funding gap to set the 2014/15 budget and beyond	<ul style="list-style-type: none"> • A second revision of the Medium Term Financial Plan is being published in October 2013 • This second revision will set out an outline of the Organisational Change and Re-Design Plan to further modernise the organisation and secure major efficiencies through a co-ordinated strategic change programme • Given the growing scale of the financial ‘gap’, as a result of national fiscal and public services funding changes, meeting such targets will pose major challenges to the capacity and the capability of the organisation
Annual Governance Statement (5)	Greater involvement of members	The Audit Committee has agreed further improvements to the process of developing the Annual Governance Statement
Effectiveness of Scrutiny (6)	Peer evaluation	The study offered a learning opportunity and encouraged self-reflection of the use of scrutiny skills by the Peer Learning Evaluation Team. An initial report on the study’s findings has been considered by the Constitution Committee and changes to working practices are being evaluated.
Safeguarding arrangements (7)	CSSIW field visit	The letter is an endorsement of good standard of arrangements in place. Areas for improvement are being worked through.