

## CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday, 15 September 2016
<b>Report Subject</b>	Annual Improvement Report of the Auditor General for Wales
<b>Portfolio Holder</b>	Leader of the Council
<b>Report Author</b>	Chief Executive
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

This Annual Improvement Report (AIR) summarises the audit work undertaken at the Council by the Wales Audit Office since the last report was published in March 2015.

Overall the Auditor General for Wales has reached a positive conclusion: *“Despite increasing financial pressures, the Council has continued to improve performance within its priority areas and to strengthen its corporate arrangements.”*

This report has previously been considered by the Cabinet at its meeting on 19 July, when it was resolved to ‘accept the Annual Improvement Plan and note the updated response to the Proposals for Improvement from the 2015 report’.

### RECOMMENDATIONS

1.	That having considered the report and the Council’s response to it, the Committee is assured by the contents of the Annual Improvement Report.
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### REPORT DETAILS

<b>1.00</b>	<b>THE ANNUAL IMPROVEMENT REPORT</b>
1.01	The Auditor General under the Local Government (Wales) Measure 2009 (Measure) undertakes and publishes an annual improvement report for all Welsh Councils, Fire and Rescue Authorities and National Park Authorities.

1.02	This is the sixth such Annual Improvement Report for Flintshire. It includes the Appointed Auditor's Annual Audit Letter as previously reported to Audit Committee in January 2016.
1.03	<p>It also includes an updated assessment of the review of the seven proposals for improvement which were incorporated within last year's Annual Improvement Report as part of the four year cycle of Corporate Assessments.</p> <p>The full report is appended at Appendix 1.</p>
1.04	<p>Overall the Auditor General has concluded that:</p> <p><i>"Despite increasing financial pressures, the Council has continued to improve performance within its priority areas and to strengthen its corporate arrangements."</i></p>
1.05	<p>The Auditor General has reached this conclusion as verified within the three sections of the report:</p> <p>Performance:</p> <p><i>a) despite increasing budget pressures the Council continues to make good progress against its priority areas and maintains compliance with the Local Government Measure 2009;</i></p> <p>Use of Resources</p> <p><i>b) the Council is strengthening its management of financial resources, but has made less consistent progress revising other resource management strategies; and</i></p> <p>Governance</p> <p><i>c) the Council has made good progress in addressing the governance related proposals for improvement arising from our 2015 corporate assessment report.</i></p>
1.06	<p>Of particular significance is the assessment made of the Council's own performance for 2014/15.</p> <p><i>"During 2014-15, the Council maintained or improved its performance for almost two-thirds (63 per cent) of national performance indicators. Although this was slightly below the 67 per cent achieved in 2013-14, it is still good performance, considering the significant financial pressures facing local government."</i></p> <p><i>"The Council's performance relative to other councils in Wales improved significantly. The proportion of indicators where performance was better than the national average improved from 51 per cent in 2013-14 to 62 per cent in 2014-15 and a higher proportion of national indicators were in the top half – 60 per cent in 2014-15 compared to 54 per cent in 2013-14 ."</i></p>

1.07	The Auditor General has not made any statutory recommendations with which the Council must comply, nor any further advisory proposals for improvement.
1.08	The Council's updated response to the seven proposals for improvement from last year's report are attached as Appendix 2.
1.09	This report was considered and accepted at the meeting of the Cabinet in July. It has been submitted to the Corporate Resources Overview & Scrutiny Committee to ensure that the Committee is kept fully apprised of matters within its remit.
<b>2.0</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	Resource implications have been considered during preparation of the Medium Term Financial Strategy and will continue to be monitored during the regular budget monitoring and financial planning arrangements.
<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	All Overview and Scrutiny Committees have the opportunity to review the performance of the Improvement Plan priorities for 2015/16 and have been involved throughout the year with the quarterly monitoring reports.
<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	Delivery of the plan objectives is risk managed as part of each of the sub priorities of the Improvement Plan and is monitored and reported against quarterly by the Overview and Scrutiny Committees.
<b>5.00</b>	<b>APPENDICES</b>
5.01	<b>Appendix 1:</b> <a href="#">Annual Improvement Report June 2016</a> <b>Appendix 2:</b> Flintshire's updated executive response <b>Appendix 3:</b> <a href="#">Annual Improvement Report incl. Corporate Assessment 2014</a>
<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<b>Contact Officer:</b> Karen Armstrong, Corporate Business and Communications Executive Officer <b>Telephone:</b> 01352 702740 <b>E-mail:</b> <a href="mailto:karen.armstrong@flintshire.gov.uk">karen.armstrong@flintshire.gov.uk</a>

7.00	<b>GLOSSARY OF TERMS</b>
7.01	<b>Annual Improvement Report:</b> The Annual Improvement Report is publicised by the Wales Audit Office (WAO) on behalf of the Auditor General for Wales. It brings together, with the input of other inspectorates such as Estyn and the Care and Social Services Inspectorate for Wales (CSSIW), a summary of the regulatory work of the past year.
7.02	<b>Corporate Assessment:</b> In 2013/14 the Wales Audit Office (WAO) began a new four year cycle of Corporate Assessments of improvement authorities in Wales. An in-depth Corporate Assessment reports on the Council's track record of performance and outcomes as well as the key arrangements necessary to underpin improvements in services and functions. Flintshire's first Corporate Assessment was conducted in late 2014 and the report on its outcomes was included in the Annual Improvement Report published in March 2015.
7.03	<b>Improvement Plan:</b> the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.
7.04	<b>Wales Audit Office:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.