



WALES **AUDIT** OFFICE
SWYDDFA **ARCHWILIO** CYMRU

Annual Improvement Report

Neath Port Talbot County Borough Council

Issued: July 2013

Document reference: 268A2013



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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Steve Barry and Samantha Spruce 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, and his own work, this report presents a picture of improvement over the last year. This report is in three main sections, which cover Neath Port Talbot County Borough Council's (the Council) delivery and evaluation of services in relation to 2011-12, and its planning of improvement for 2012-13.
 - establishing revised management arrangements that are intended to address the concerns;
 - despite a dip in performance, the Council is performing well in diverting waste from landfill but the level of recycling achieved was the lowest in Wales and exposes the Council to risks of incurring financial penalties should it miss 2012-13 Welsh Government targets;
 - the Council has continued to focus on regeneration as a priority and has been successful in securing funds to finance its programme of improvements;
 - more people were getting involved in Council-sponsored employment initiatives but there were fewer requests for support from businesses;
 - since transferring its housing stock to NPT Homes, the standard of tenants' homes has improved and significant progress has been made towards attaining the Welsh Housing Quality Standard (WHQS);
 - the Council's arrangements for administering housing benefit are supporting improvement, and current processes should ensure that timely and accurate payments are made to the right people; and
 - there have been delays in preparing and agreeing a revised *Welsh Language Scheme* which have resulted in slow progress in improvements to its corporate website and bilingual workforce planning.
- 2 Overall the Auditor General has concluded that: the Council is securing improvement in many areas but it faces particular challenges in children's services and is developing performance arrangements during a time of considerable change.
- 3 We found that the Council has improved in many areas but challenges remain, including addressing the serious concerns identified in children's services:
 - changes in arrangements to deliver services for older people and vulnerable adults are beginning to secure improvement;
 - the Council has continued to reduce the percentage of pupils who leave school without an approved qualification and continues to improve school buildings, yet attendance levels are below average in the primary sector;
 - in November 2012 the Care and Social Services Inspectorate for Wales (the CSSIW) identified serious concerns in children's services leading to the Council

- 4 We also found that the Council is taking steps to improve its approach to performance management but in the absence of good measures of impact for service users it is difficult to establish whether aspirations are being met:
- there is potential for the Council to improve its reporting arrangements in line with Welsh Government guidance about the content and publication of its Performance Report;
 - the Council's financial statements were generally satisfactory;
 - the Council is reporting the evidence necessary to demonstrate improvement, but recognises the need to further develop a corporate approach to performance management which will reinforce links between service activity and delivery of improvement objectives;
 - in the absence of clear performance milestones for some aspects of service, it is difficult to establish whether aspirations for improvement are being met; and
 - the impact of service scrutiny and collaboration on securing improvement is not always clearly explained.
- 5 Finally, this 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 generally sound but it faces some difficult financial decisions whilst undergoing significant change in its corporate management team:
- the Council is likely to comply with the requirement to make arrangements to secure continuous improvement during the financial year;
 - the Council continues to manage its financial challenges effectively, but councillors face some tough decisions to address the forecast funding gap over the next four years;
 - whilst undergoing a period of significant change, the Council has made mixed progress in dealing with our previous proposals for improvement having had to prioritise activity in the context of reduced financial and human resources; and
 - the Council is dealing with the issues in children's services that led to the serious concerns protocol put in place by the CSSIW.

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 CSSIW, we have brought together a picture of what each council or authority 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 Given the wide range of services provided and the challenges facing the Council, it would be unusual if we did not find things that can be improved. 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 make no formal recommendations in this report and because the Council is addressing the areas where we believe there is potential for improvement we make no new proposals for improvement. 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 or writing to us at 24, Cathedral Road, Cardiff CF11 9LJ.

The Council is securing improvement in many areas but it faces particular challenges in children's services and is developing its performance arrangements during a time of considerable change

The Council has improved in many areas but challenges remain, including addressing the serious concerns identified in children's services

- 10 To support our evaluations, we have relied upon the Council's own self-assessment of its performance in its *Annual Review of Performance Report for 2011-12* (Performance Report). In addition, we have made reference to key issues from any recent Estyn and CSSIW reports, and findings from our own testing of a sample of service areas in the Council which included performance management arrangements adopted to manage:
- the delivery of the promises in the Offer Letter to NPT Homes' tenants post transfer of housing stock;
 - leisure centres managed by Celtic Trust;
 - disabled facilities grants; and
 - the transfer of development and control of residential homes to Grwp Gwalia.
- 11 The Council's overall assessment of its own performance during 2011-12 was one of strong performance, achieving the majority of its key milestones across the Council's seven priorities for improvement and demonstrating improved performance in a number of services.

Changes in arrangements to deliver services for older people and vulnerable adults are beginning to secure improvement

- 12 The Council has a high-level objective to improve the privacy and dignity afforded to elderly people living in the Council's residential care homes. To support this the Council successfully completed a procurement exercise to find a partner to design, build, finance and operate four replacement care homes for older people and vulnerable adults in a phased approach over the next 25 years. It will also continue to operate and maintain Dan y Bryn care home. Residents and staff transferred on 1 April 2012 to Grwp Gwalia. It is intended that the significant new investment will deliver efficiency savings by enabling the rationalisation of provision so there will be real benefits for service users in the quality of facilities provided as well as financial benefits for the Council.
- 13 The Council had not published performance measures in relation to the development and operation of the care homes at the time of its 2011-12 annual report. Key performance indicators for residential care, respite care and the supported housing contract awarded to Grwp Gwalia in February 2012 is an area under development as the contract matures and the performance management arrangements bed in. There is a clear governance framework with a number of work streams, one of which focuses on developing performance management arrangements between Grwp Gwalia and the Council.

- 14 The work stream group is refining a suite of 54 performance indicators and reporting them in varying detail to a cross-section of both audiences at monthly, quarterly and annual intervals.
- 15 The performance measures have been developed to monitor the performance of the contractor in delivering its contractual responsibilities. The mechanisms include the submission of management information from Grwp Gwalia; cyclical performance review meetings and monitoring visits. The latter could be improved by including an assessment of service user views as to the impact on the quality of care/accommodation etc, and Grwp Gwalia's commitment to invest in the service.
- 16 The Council is redesigning its Homecare out-of-hours service to make it more flexible and cost-effective. It issued a tender for the purchase of an electronic call-monitoring system, which will eliminate the need for many paper-based administrative tasks, and started work on the standardisation of Homecare staff contracts terms and conditions of employment. The Council's Performance Report does not clarify the anticipated improvement in outcomes for service users as a result of the introduction of a more flexible service and provision of electronic call monitoring, but does provide assurance that the Council is developing a number of measures by which it can better assess its performance.
- 17 The Council, with its partners, has improved the rate of older people (aged 65 or over) supported in the community per 1,000 population during 2011-12 to 95.07 compared with the Welsh average of 78.60;
- 18 thus ensuring Neath Port Talbot remains in the top 25 per cent of performers across Wales.
- 18 The Council is leading work on the integration of intermediate care services provided by both the Council and Abertawe Bro Morgannwg University Health Board (ABMUHB). Intermediate care services include the Homecare Enablement Assessment Team (HEAT) provided by the Council and the Community Integrated Intermediate Care Service (CIIS) provided by ABMUHB. Baseline data for new measures will be set during 2012-13 to demonstrate service improvement and lessons learned. The integration will increase capacity through more efficient deployment of staff and therefore it is hoped it will reduce the need for admittance into hospital settings.
- 19 The Council's comparative performance in 2011-12 in the rate of delayed transfers of care for social care reasons per 1,000 population aged 75 or over was within the bottom 25 per cent in comparison with all Wales. However, there is marked improvement on the previous year from 14.83 per 1,000 population aged 75 or over in 2010-11 to 9.81 per 1,000 population aged 75 or over in 2011-12. The Welsh average for 2011-12 was 5.03 per 1,000 population aged 75 or over. Data available for 2012-13 shows continued improvement by the Council and in comparison to Wales averages.
- 20 In addition, the Council has increased the number of people accessing the Telecare service by 63 new users, helping these people to remain in their own homes for longer.

21 The Council has given priority to the modernisation of learning disability services and the development of community-based support options. This priority aligns with the expectations of the national strategic agenda.

22 The Council has commenced work on its plan, *Transforming Adult Social Care (TASC)* and has agreed that learning disability services will be the main focus of the projects initiated within the first two years of the programme. A report by the CSSIW dated 31 October 2012 drew the following conclusions with regard to adult social services.

23 'The programme for transforming older people services has continued to be implemented. This has included the successful transfer of the Council's residential care homes for older people to Grwp Gwalia, and changes to the home care service. A new model of intermediate care services with the health board has been agreed and is in the process of implementation. The first phase has seen the amalgamation of the management of the reablement and home care enabling and assessment service. This provides greater resilience and improves consistency.

24 The Western Bay Social Services Regional Collaborative has been established to ensure that three councils involved Bridgend, Neath Port Talbot, and Swansea and the ABMUHB can improve services and deliver efficiencies through integrated and collaborative working. Performance with delayed transfers of care and the proportion of older people in residential care need on-going attention.

25 The Director's Report gives a comprehensive and accurate account of the Council's performance in adult's services and clearly reflects evidence provided to CSSIW.'

The Council has continued to reduce the percentage of pupils who leave school without an approved qualification and continues to improve school buildings, yet attendance levels are below average in the primary sector

26 The Council is the lead authority in *ENGAGE*, a priority 1 South West Wales Convergence project, part-funded by the European Social Fund (ESF). The purpose of the project is to engage, re-engage, inspire and motivate young people between the ages of 14 and 19 who are Not in Employment, Education or Training (NEET) or are at risk of becoming NEET. The project covers Neath Port Talbot, Swansea, Carmarthenshire, Pembrokeshire and Ceredigion and six colleges. In its Performance Report, the Council reflected on the performance of the *ENGAGE* project in 2011-12 only. It did not compare and contrast performance with the prior year – comparison would have shown that the Council has significantly increased the numbers of young people supported by the project.

27 The comparative information below was taken from the Performance Report for 2010-11. During 2011-12, the *ENGAGE* project supported 1,031 participants compared to 658 in 2010-11 (908 were identified as at risk of being NEET), of which:

- 410 gained a qualification, compared to 316 in 2010-11;
- 221 participants gained other positive outcomes compared to 100 in 2010-11; and
- there were 28 supported and extended work placements agreed with employers as in 2010-11, and 200 participants have entered further learning compared to 114 in 2010-11.

- 28 The Council has continued to reduce the percentage of pupils who leave school without an approved qualification.
- 29 The Performance Report makes reference to several proposals and new arrangements to ensure that schools are fit for purpose, and that they are capable of delivering high-quality educational experiences for all pupils across both primary and secondary sectors. The Council was successful in securing 50 per cent funding for a £93 million capital programme to support this objective. However, the Performance Report is not always clear how the plans for all those schools earmarked for proposed change have progressed since 2010-11. Information subsequently produced by the Council indicates progress with the programme with new facilities completed at Dŵr y Felin and other projects developing.
- 30 Attendance rates in the primary sector are below the Welsh average and have been in bottom quartile since 2010-11. Performance dipped in 2010-11 to 92.2 per cent and has remained fairly static showing a marginal

improvement to 92.5 per cent in 2011-12 compared with the Welsh average of 93.3 per cent. Secondary sector attendance of 91.9 per cent in 2011-12 was higher than the Welsh average of 91.4 per cent and previous year's performance of 91.7 per cent. In addition the Council, whilst continuing to perform better than its peers at Key Stage 4, continues to underperform in comparison for Key Stages 1 and 3. The Council recognises the need for action to address these issues.

In November 2012 the Care and Social Services Inspectorate for Wales (the CSSIW) identified serious concerns in children's services leading to the Council establishing revised management arrangements that are intended to address the concerns

- 31 The CSSIW *Report of Inspection of Children's Social Services in Neath Port Talbot County Borough Council*¹ in November 2012 identified serious concerns in the management and operation of children's services resulting in the invoking of the serious concerns protocol. The transformation and modernisation programme for children's social services which has been a priority for Neath Port Talbot had not delivered the improvements necessary. The 'systems' model of service delivery which was rolled out across children's services in 2011 had led to inconsistent, and in some cases, unsafe practice.

¹ www.wales.gov.uk/cssiwsite/newcssiw/publications/lareviews/2012/neath/?lang=en

32 The serious concerns protocol leads to continued attention by the CSSIW. In response, the Council is implementing a strategic improvement plan which is monitored on a regular basis. The CSSIW will be reporting later in the year when it will assess whether the Council has made adequate progress in addressing issues.

Despite a dip in performance, the Council is performing well in diverting waste from landfill but the level of recycling achieved was the lowest in Wales and exposes the Council to risks of incurring financial penalties should they miss 2012-13 Welsh Government targets

33 The Council has maintained its high level of achievement in diverting municipal waste from landfill and is one of the highest-performing authorities in Wales (second) in this respect. It has already met 2019-20 Welsh Government targets for the diversion of biodegradable municipal waste from landfill. Performance dipped in 2011-12 compared with the previous year; the amount of waste sent to landfill increased from 25.77 per cent to 28.3 per cent because an accident resulted in the temporary closure of one of the Council's operations.

34 The percentage of municipal waste used to recover heat and power at 22 per cent compared very well with the Welsh average of 4.05 per cent.

35 The percentage of municipal waste prepared for reuse, recycled or collected as source-segregated biowastes was below average in every category (see **Exhibit 1**). This category of waste amounted to 42 per cent in total compared to the Welsh average for 2011-12 of 48 per cent. This is the poorest performance in Wales.

36 In order to improve recycling performance, the Council has introduced fortnightly collections of household waste and the roll-out to the majority of households was completed by February 2012.

37 The Council recognises the challenges it faces if it is to meet future Welsh Government recycling targets (52 per cent in 2013, 58 per cent in 2016 and 64 per cent in 2020), which may result in significant financial penalties for the Council (£250,000 for every one per cent short of the target). A waste management strategy has been adopted with the aim of securing the improvements required.

Exhibit 1 - Performance indicators provided for waste management

During 2011-12, performance was mixed when compared with both the Welsh average and 2010-11 performance

	2010-11	2011-12	Welsh average
The percentage of municipal waste sent to landfill.	25.77%	28.3%	44.73%
The percentage of municipal waste used to recover heat and power.	26.03%	22.2%	4.05%
The percentage of local-authority-collected municipal waste:			
• prepared for reuse;	0.45%	0.18%	0.49%
• recycled; and	26.9%	28.19%	29.03%
• collected as source-segregated biowastes and composted or treated biologically in another way.	13.9%	13.46%	18.92%
Total	41%	42%	48%
The percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source-segregated biowastes that are composted or treated biologically in another way.	41.28%	41.83%	48.53%

Source: Annual Review of Performance 2011-12

The Council has continued to focus on regeneration as a priority and has been successful in securing funds to finance its programme of improvements

- 38 The Council has continued to focus on regeneration as a priority, in particular the regeneration of town centres and the replacement of key community facilities lost to fire. The Council succeeded in obtaining £14.4 million funding for its programme of improvement at Neath Town Centre, Port Talbot Town Centre and Croeserw Enterprise Centre.
- 39 The Council completed the renovation of the Gwyn Hall in Neath which reopened in March 2012 and significant improvement works were concluded at Victoria Gardens which reopened in July 2011.
- 40 On 16 December 2009, the Afan Lido Sports complex was badly damaged by fire. The Council has embarked on two rounds of consultation to determine the mix of facilities and location on the redeveloping beachfront. The Council has also identified future funding streams for the complex.
- 41 The number of people using public libraries per 1,000 population was 6,926 visits in 2011-12, showing improvement on the number of visits in the previous year of 6,754 and the Welsh average for 2011-12 of 6,048, placing Neath Port Talbot in the top quartile.
- 42 The number of visits to local authority sport and leisure centres, where the visitor will be participating in physical activity per 1,000 population was 5,589 in 2011-12 which compared favourably with 2010-11

performance of 4,831, but less favourably when compared to the Welsh average of 8,760. This measure should inform the Council's reappraisal of improvement objectives given its commitment to embed improving health and well-being into all its policies.

More people were getting involved in Council-sponsored employment initiatives but there were fewer requests for support from businesses

- 43 In 2011, Neath Port Talbot had the third-lowest employment rate and the seventh-highest rate of children living in workless households amongst Welsh local authorities. To address these issues, the Council is relying on two projects in particular.
- 44 The *COASTAL Project* (Creating Opportunities and Skills Teams Alliance) was set up to help people overcome barriers to employment. The project is backed by funding from the ESF. There are six partners including Bridgend, Swansea, Pembrokeshire, Ceredigion and Carmarthenshire.
- 45 The Neath Port Talbot *COASTAL Project* helps people with disabilities develop employment skills. During 2010-11, through this project, the Council helped 297 people to either get work, or move closer to obtaining work. During 2011-12, the Council helped 40 people find full or part-time employment and 543 people achieve a positive outcome such as further learning, employment or achievement of a qualification. There was no directly comparative data provided in the

2011-12 Performance Report to inform an assessment of direction of travel. For example, the 2010-11 Performance Report had said that the Council had helped 297 people to either get work, or move closer to obtaining work. This is an example of improved performance which was not highlighted in the 2011-12 Performance Report.

- 46 The *South West Workways project* is led by the Council in collaboration with Carmarthenshire, Pembrokeshire and Swansea. The project is backed with almost £13 million from the ESF and intends to help economically inactive people, particularly those who are long-term unemployed, to improve their employability. In 2010-11 the project within Neath Port Talbot boundaries helped 1,594 people who were not in work, and of those, 545 achieved sustainable employment. At the end of March 2012, there were 2,484 people engaged with the project. Whilst there were fewer people than the previous year engaged in the project due to changes in eligibility criteria, a higher number of participants (1,083) achieved sustainable employment.
- 47 The Council commits to provide an effective and supportive service to local businesses to help them prosper. However, in 2011-12, there were fewer local business enquiries/ requests received by the Council resulting in advice, information or financial support being provided, at 663 compared to 1,026 the previous year.

Since transferring its housing stock to NPT Homes, the standard of tenants' homes has improved and significant progress has been made towards attaining the Welsh Housing Quality Standard (WHQS)

- 48 In 2010, the Council's tenants voted in favour of transferring its housing stock. On 4 March 2011, the Council transferred its housing stock to NPT Homes. As part of the transfer agreement, NPT Homes committed to providing half-yearly update reports to the Council's Social Care, Health and Housing Cabinet Committee on progress made in respect of the delivery of the promises made to tenants.
- 49 The Council monitors performance against the promises made to tenants in the information supplied at the time of the vote. This is an appropriate vehicle for monitoring the completion of tasks to timescales such as the major works programme.
- 50 NPT Homes has made significant progress in delivering its major works programme which is ahead of schedule, including bathrooms, kitchens and windows replaced in those transferred properties in Sandfields, Neath and Pontardawe. As of 31 March 2012, 479 properties had received new windows, 335 new kitchens, and 335 new or upgraded bathrooms as NPT Homes seeks to achieve WHQS.

51 As the investment programme continues, NPT Homes is fulfilling its obligation to employ local contractors and local agencies to create training and job opportunities. Currently, contractors have established 52 new jobs, over 80 per cent from the local area. Fifty per cent of those recruited were long-term unemployed. Partnerships have been created with Career Wales and Neath Port Talbot College to provide apprenticeship opportunities. It is unclear from the Performance Report what targets were set for both the investment programme and economic regeneration to get a sense of the scale of the achievement.

52 The Council reported in 2010-11 that it was among the best-performing authorities in Wales for homelessness support and services. It reduced the number of days taken to discharge its homelessness duty from 86 days to 66 days. The performance in this area has since declined to 87 days in 2011-12 which is worse than the 2009-10 position but still marginally better than the Welsh average of 89. The performance in the prevention of homelessness for at least six months has remained relatively static at 97.48 per cent compared to 97 per cent in 2010-11. This is above the Welsh average of 60.46 per cent and in the Welsh upper quartile.

53 On average, homeless families with children in Neath Port Talbot spent no days in bed and breakfast accommodation in 2011-12, compared to three days in 2010-11 and the Welsh average of 18.79. Performance in other housing-related services was, on

the whole, positive. Of the 11 measures, five showed performance below the Welsh average, and of those five, four showed improved performance when compared with prior years and one a marginal decline.

The Council's arrangements for administering housing benefit are supporting improvement, and current processes should ensure that timely and accurate payments are made to the right people

54 The service has acted on recommendations made by the Wales Audit Office in 2010. Processing times for both new housing benefit claims and changes in circumstances are better than the Welsh average. The service reduced the average time taken to process new claims by three days between 2010-11 and 2011-12. Accuracy has improved and an increased percentage of overpayments have been identified and recovered. The number of fraud referrals and investigations has increased, and there were also a higher number of successful sanctions during 2011-12 than the previous year. The total number of appeals has reduced, and those that are received are dealt with more quickly than the Welsh average.

There have been delays in preparing and agreeing a revised *Welsh Language Scheme* which have resulted in slow progress in improvements to its corporate website and bilingual workforce planning

- 55 The role of the Welsh Language Commissioner (the Commissioner) was created by the Welsh Language (Wales) Measure 2011. Over time, new powers to impose standards on organisations will come into force through legislation. Until that time, the Commissioner will continue to review Welsh language schemes by virtue of powers inherited under the Welsh Language Act 1993. The Commissioner works with all local authorities in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of local authorities to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every local 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. A summary of the Commissioner's comments in relation to the Council is set out below:
- 56 'The work of preparing and agreeing a revised Welsh Language Scheme has been further delayed, which has proved a barrier to the development of some services. We would expect the Council during the next year to focus on ensuring a work programme is in place for bridging the period until

the implementation of the new system of standards in relation to the Welsh language. The programme should also prioritise improvements to the corporate website and consider bilingual workforce planning issues. The Council has arrangements in place for implementing the Scheme and for the collection and storage of data on staff language skills that will assist with these priorities.'

The Council is taking steps to improve its approach to performance management but in the absence of good measures of impact for service users it is difficult to establish whether aspirations are being met

There is potential for the Council to improve its reporting arrangements in line with Welsh Government guidance about the content and publication of its Performance Report

- 57 The Council met its statutory responsibilities by publishing its annual report on performance for 2011-12 by the deadline of 31 October 2012. The Performance Report contained information on progress made to achieve its 11 improvement objectives. The Council's overall assessment of its own performance was that of strong performance; demonstrating improved performance in a number of services.
- 58 In our *Improvement Assessment Letter*, dated 17 December 2012, we confirmed that the Performance Report included sufficient evidence to demonstrate whether or not the Council had improved its services and it provided us with assurances that arrangements were either in place or being developed to secure continuous improvement.
- 59 The Council reported that nearly two-thirds of its performance measures showed improvement compared with less than 50 per cent of measures in the previous year.
- 60 The Measure requires the Council to have regard to any guidance issued about the discharge of its duties. We concluded that there is potential for the Council to improve its reporting arrangements in line with Welsh Government guidance, such as:

- broadening the range of evidence to support the self-assessment (drawing on systems reviews) to present a fuller picture of service quality and of users' experiences;
- explaining the methods used to evaluate its performance, for example by means of peer reviews, scrutiny assessment or benchmarking;
- stating whether collaborative undertakings have achieved their intended outcomes and contributed to the achievement of improvement objectives;
- taking opportunities to become more innovative in the range of promotional undertakings to improve ease of access; and
- reporting past performance more fully and using performance information more effectively to demonstrate outcomes for service users.

The Council's financial statements were generally satisfactory

- 61 The auditor appointed by the Auditor General recently gave his opinion on the Council's accounts and based on this the Auditor General's view is that the financial statements were generally satisfactory. [Appendix 3](#) gives more detail.

The Council is reporting the evidence necessary to demonstrate improvement and recognises the need to further develop a corporate approach to performance management which will reinforce links between service activity and delivery of improvement objectives

- 62 We concluded that based on, and limited to, work carried out to date by ourselves and relevant regulators, the Council was likely to comply with the requirement to make arrangements to secure continuous improvement during 2012-13.
- 63 The evidence provided by the Council included a range of activities supported by a mix of both local and statutory performance indicators. We considered the Performance Report to be balanced in its reference to both services performing well and those that were considered to be underperforming.
- 64 The Council has prioritised and is progressing its programme of system reviews covering those service areas where improvement is likely to have the greatest impact. Reviews will focus on identifying what is important to the service user and how best those important elements of the service can be delivered in a more efficient manner. The service will then measure performance based on those key elements. The three key stages are:
- Check – understand the organisation as a system
 - Plan – identify levers for change
 - Do – take direct action on system
- 65 The Change Management and Innovation Unit (CMIU) is tasked with the responsibility for collating performance information in order to discharge the Council's responsibilities under the Measure and to report to Corporate Directors Group, Cabinet, Policy and Resources Committee, and Council. The CMIU has engaged with us during 2012-13 and has acted upon observations made to support the drafting of the Corporate Plan for 2013-2016.
- 66 Each scrutiny committee receives performance and budget monitoring reports on a quarterly basis throughout the year with the overarching responsibility for performance monitoring sitting with the Policy and Resource Committee. Each scrutiny committee has specific meetings to discuss the relevant budget proposals, including specific savings strategies, before the Council considers the proposal. Services provide performance information as part of their statutory reporting timetable or make available regular reports to the Executive, Scrutiny and Council.
- 67 The CMIU has begun engaging more directly with services to encourage them to take more ownership and accountability for their contribution to the fulfilment of improvement objectives. Members of the CMIU have attended Senior Management Team meetings within each directorate to discuss performance measures and raise their profile.
- 68 The CSSIW provides an annual overall assessment of social services, making reference to the Council's Director of Social Services' own evaluation. The CSSIW considered that the director's report gave

a comprehensive and accurate account of the Council's performance in adult's services, and highlighted poor performance in children's services.

69 The Council recognised the need to develop a consistent corporate approach to performance management and self-evaluation, and set up a member-led task and finish group to review 'the arrangements the Council has in place to ensure continuous improvement of its functions'.

70 The review recommended the following actions:

- report card/dashboard standardised presentation of performance information in summary format;
- adoption of Results-Based Accountability (RBA) ideology which attempts to separate performance and population outcomes, and embed a consistent culture of self-evaluation;
- forward-looking milestones to gauge achievement of aspirations;
- timing of performance reports and scrutiny committees' work programmes to ensure performance reports are made available to members throughout the year;
- review of business planning processes to increase consistency; and
- member involvement in the production of the annual review of performance to ensure the impact of service scrutiny is clearly explained.

71 This report was published in March 2012 before the local government elections in May and the CMIU is currently consulting on the balanced scorecard approach.

In the absence of clear performance milestones for some aspects of service, it is difficult to establish whether aspirations for improvement are being met

72 The annual report reflects upon the impact of systems reviews on its services which has involved:

- asking people who use the services 'what matters' to them;
- seeking to improve the efficiency of those services; and
- seeking to improve people's experiences of them.

73 As part of the rolling programme of reviews, there are 13 areas designated for improvement in the 'Improving our Business' section in the Performance Report. The Council intends that the outcomes from the reviews in addition to renegotiated terms and conditions of service for council workers will assist in achieving a balance between improving services and protecting employment whilst balancing the budget.

74 We recognise a balance needs to be struck in the Corporate Plan between providing sufficient clarity about the improvements expected and the level of detail provided in the Corporate Plan compared with that available at service level. The Council developed a document to illustrate how

its objectives and outcomes fit into a new corporate management framework connecting to the Forward Financial Plan (FFP), corporate plan and single integrated plan. The schematic also refers to the supporting principles of collaboration, effective public engagement and equalities and adoption of service improvement plans. We will continue to discuss this with the CMIU with the aim of ensuring a succinct description at Corporate Plan level supported by a range of measures at service level that will support an evaluation of performance. The target achievements in the Corporate Plan 2011-2014 for specific services did not provide sufficient clarity as to what it is they are trying to achieve. For example they make use of phrases such as to 'continue to deliver improvements' or conduct a 'review'. This makes it difficult to establish whether the 'desired' improvements were met. For example, the target to 'continue to deliver improvements in the Drainage Service' could be expressed in a way that will be more meaningful to the service user, for example 'improve the quality of drainage services so that the public experiences fewer episodes of flooding and disruption'. All reported activities are relevant to achieving outcomes for citizens but they are not expressed from a service user perspective. The following are some examples from the 'Improving our Business' section of the Performance Report.

75 The target in the Corporate Plan 2011-2014 is to 'complete the implementation of the new sickness absence arrangements'. In the Performance Report, the Council reports 'we implemented our new sickness management

policy which aims to maximise attendance at work for all'. (The impact has been to reduce short-term sickness but overall sickness levels have gone up although the level of sickness absence is below the Wales average.) The connection has not been made between variations in sickness absence and improved performance as the Council attempts to optimise resources to deliver front-line services.

76 The target in the Corporate Plan 2011-2014 is to 'deliver improvements in the catering and cleaning services'. However, it does not clarify the desired improvements. The outcomes were anticipated financial savings to be released over two years of £112,000 and that customer satisfaction would be maintained at existing levels as the savings were realised. There is no reference to the service improving, or to customer satisfaction levels, and the only measure reported reflects a financial saving.

77 The target in the Corporate Plan 2011-2014, is to 'continue to deliver improvements in the way in which the Council manages its neighbourhood services'. The commentary reflects upon improvements to the average time for responding to fly-tipping incidents within five days from 84 per cent in 2010-11 to 96.5 per cent in 2011-12, which is better than the Welsh average of 91.4 per cent. It does not comment on how the service user will benefit.

78 The Performance Report has also indicated a strong correlation between reduced crime and closer partnership working between the Council, police and fire in specific pilot renewal areas. There is no data to support

this statement. It is less clear how changes in the frequency of grass-cutting and litter-picking operations and mechanical sweeping will derive positive outcomes for the service user.

79 Commentary in the Performance Report on the review of the drainage service does not explain how service changes as a direct result of the application of Lean Systems principles will impact on the service user. The service is clearer about the level of demand it faces, and is in the process of redeploying resources to ensure the service is delivered as effectively and efficiently as possible. The Performance Report then comments on the impact of heavy rain on performance resulting in increases in the time taken to resolve requests, comments or complaints regarding gullies flooding and calls to hot spots. There is no explanation as to what the service aspires to achieve or assurances as to how future episodes of heavy rain fall can be better managed.

80 'There is also on going work to fulfil the Council's requirements under the Flood and Water Management Act'. The Performance Report does not provide assurances that under the increased responsibilities of the Flood and Water Management Act preventative works will occur to benefit those residents living in the most affected priority areas.

The impact of service scrutiny and collaboration on securing improvement is not always clearly explained

81 The Performance Report refers to 2011-12 being a year of increased activity for scrutiny; it does not explain the impact of the scrutiny reviews. Reference is made to task and finish group reviews of:

- equalities;
- community engagement activities of the Safer Neath Port Talbot Partnership; and
- performance management arrangements of the Council.

82 Although the subject matter of these reviews are relevant, in each case being driven by statutory obligations and/or a corporate awareness of the need to improve highlighted from performance reports, no explanation is offered of the benefits achieved, actions undertaken by officers in response to the recommendations and their anticipated impact on improvement objectives.

83 For example, information in the Performance Report assumed the downturn in the economy had hindered progress in assisting local businesses. Members recognised that small and medium-size businesses are a crucial part of the UK and Welsh economy, and that at the local level the importance of small businesses should not be underestimated, as they play a crucial role in employment provision and the health and diversity of Neath Port Talbot's economy.

- 84 The changing landscape of business support has had consequences for both small firms seeking support and also for the Council itself in terms of the support it can provide, hence it was agreed by the committee that a small group of members would undertake a review of the current provision of support for businesses in Neath Port Talbot with a view to looking to encouraging more business into the area and breaking down barriers to business.
- 85 As a direct result of the accepted recommendations from the review, the structure of the Business Support team was altered to have one point of contact for each area of business ie, tourism, construction, retail. It has been holistically agreed that this single point of contact will be of greater benefit to the service user and will lead to an improvement in service. Similarly, further direct improvements have come from the review including the implementation of a comprehensive start-up package of support for businesses now being offered, including funding to support web design, marketing, stand hire and literature in trade fairs and exhibitions, as well as advice on networking. The outcomes from this review were not reflected in the Performance Report, it is unclear how the impact will be measured, how the service user will benefit, and what arrangements are in place for scrutiny to follow up progress.
- 86 The Council assesses its partnership arrangements as strong, but does not provide sufficient evidence of the outcomes achieved to support this assessment. Section 5 of the Performance Report summarises key collaborative ventures for the Council and the region, but does not explain whether they have achieved intended outcomes and whether they will contribute towards the Council's priorities.

The Council's arrangements to support improvement are generally sound but it faces some difficult financial decisions whilst undergoing significant change in its corporate management team

The Council is likely to comply with the requirement to make arrangements to secure continuous improvement during the financial year

- 87 The Council has discharged its improvement planning duties under the Measure and has established improvement objectives for 2012-13. Our conclusion was that 'it was fully compliant with prescribed timescales for publication and with regard to required and recommended inclusions'.
- 88 The Council did not undergo a change in administration as a result of the May elections. The Labour Party increased its majority, and as a consequence, the Council decided to reaffirm its objectives for 2012-13. It has aligned its new election commitments with its financial and service planning to establish a new set of priorities and objectives for the period 2013 to 2017.
- 89 The Welsh Government's guidance states that improvement objectives should be legitimate, clear, robust, deliverable and demonstrable. Whilst the Council's Plan and its improvement objectives cover these aspects, the Council acknowledges that it needs to develop an outcome-based approach to measuring performance as the Council has only included performance indicators in its sections within its Corporate Improvement Plan 2012-13 to show how it will determine improvement. It has not for example, included a wider range of information sources, such as more information from surveys and focus groups, which may also provide more qualitative information to help the Council to determine the impact of its actions on its citizens and service users.
- 90 Cabinet and scrutiny committee structures remain the same. The Council has nine Cabinet members who have service-specific portfolios, five Cabinet boards, and the Council's seven improvement objectives closely align with the Cabinet and cabinet board structure such as 'Improving Education' and 'Improving Services for Older People'. There are five scrutiny committees which follow the same structure as the Cabinet.
- 91 Significant changes have been made to senior member appointments whereby the Cabinet consists of a mix of new and experienced councillors and they have all been appointed to new roles with two exceptions, Community and Leisure Services and Streetcare and Highway Services. The new Council moved quickly to allocate these roles and responsibilities which were in place shortly after the election in May 2012.
- 92 The Council is committed to delivering a transformation programme which has been in place since 2009. Since then, the Council has made significant progress in this programme. The key achievements are as follows:
- transferred its housing stock to a local registered social landlord, NPT Homes, and is making progress towards achieving WHQS;
 - recently transferred management of its residential care homes to Grwp Gwalia under a 25-year contract which includes the renewal of four homes; and
 - ongoing programme of Lean Systems Reviews.

- 93 As a key part of the transformation programme, the Council has embraced the concept of collaboration on both a regional basis via Western Bay and local arrangements with neighbouring councils.
- 94 The Council assesses its partnership arrangements as strong, but did not provide sufficient evidence in its Report of the outcomes achieved to support this assessment. Section 5 of the Performance Report summarises key collaborative ventures for the Council and the region, but does not explain whether they have achieved intended outcomes and to what extent they will contribute towards the Council's priorities.
- 95 The Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 sets out specific requirements for local authorities in Wales. They are required to develop and publish Equality Objectives and a Strategic Equality Plan (the Plan) by 2 April 2012. There is significant alignment between the requirement to produce equality objectives and the 'fairness' element that authorities must pay consideration to in setting improvement objectives under the Measure. All of the information arising from internal and external engagement activities have been collated, considered and distilled into objectives and projects as set out in the Plan. The Policy and Resources Scrutiny Committee also established a task and finish group to assist with the development of the Plan.

- 96 Our review of the Council's improvement objectives found that the evidence base set out in the Corporate Improvement Plan 2012-13 included equality information. However, links to the relevant equality objectives identified in the Council's *Strategic Equality Plan* were not specifically highlighted for each improvement objective.

The Council continues to manage its financial challenges effectively, but councillors face some tough decisions to address the forecast funding gap over the next four years

- 97 Last year, we reported that the Council failed to meet the statutory deadlines for the production of the statement of accounts. In 2011-12, significant progress was made in the accounts preparation process resulting in the statutory deadline being met with fewer audit amendments being required.
- 98 The Council recognises the financial challenges it faces due to anticipated reductions in funding from the Government for both revenue and capital expenditure and increased demand for some services, and has acknowledged that it is essential to prioritise what it does both in the current financial year, as well as over the medium term.
- 99 In the 2012-13 financial year, the Council is projected to break-even; this has been achieved in part through the planned use of reserves. A significant amount of additional funding has been required within children's services to address problems within this service.

100 An FFP is in place which identifies savings of £21 million to be made over the next four years to 2017-18. These savings are to be achieved through a mixture of systems reviews of Council services and changes to the terms and conditions of employees and longer-term fundamental changes in the way the Council operates and delivers its services. The Council has set a balanced budget for 2013-14 addressing the projected funding gap of over £4 million.

101 The Council is looking for a fair package of measures from its revised medium-term financial strategy that reflects the need for a balanced distribution of financial instruments which include:

- service cuts;
- reviews of staff terms and conditions; and
- reviews of fees and charges including council tax to be levied from the citizen.

102 Consultation and engagement with trade unions and other stakeholders is underway, and a wider dialogue with partners is also planned. The key facet of change will be to streamline the transformation programme into five areas including fewer, more focused activities as follows:

- *Children's Strategic Improvement Programme*
- *Transforming Adults Social Care (TASC)*
- *Strategic Schools Improvement Programme*
- *Efficiency and Innovation Programme*
- Jobs and infrastructure

103 The reformation of the programme will take into account human and financial resource implications identified at an early stage to support the delivery and repercussions of big change.

Whilst undergoing a period of significant change, the Council has made mixed progress in dealing with our previous proposals for improvement having had to prioritise activity in the context of reduced financial and human resources

104 In the last six months, the Council has undergone a period of significant change in its Corporate Management Team. It has appointed a new Section 151 Officer following a retirement in December 2012, an external appointment has filled the Director of Social Services Health and Housing post from April 2013, and the Council recently recruited a replacement Director of Education Leisure and Lifelong Learning.

105 The Council has been slow to respond to our proposal for improvement to introduce a consistently applied corporate system of staff performance appraisal, although it has had to prioritise other human resource activities.

106 During 2011-12 and 2012-13, the Council was developing a new performance appraisal system. This system was piloted in both a systems and non-systems thinking service to develop an approach suitable for both environments. Following the completion of the pilots, and underpinned by the outcome of the ongoing review of the Council's performance management framework, it was anticipated that this

approach would be rolled out across the Council on a phased basis.

- 107 The Council has made no further progress in this area. It has instead deployed its resources to look at developing a workforce cost reduction strategy. This is in direct response to the FFP and the need to identify £21 million in savings over four years which has taken precedence over some of the existing priorities.
- 108 The HR service has been redirected to manage the delivery of this strategy and has overseen significant organisational change as follows:
- reduction of 170 jobs which has secured financial savings;
 - development of a pay bill reduction strategy involving a bundle of proposals for a new pay and grading structure suppressing future pay increases;
 - new people strategy signed off in November 2012 to manage the staffing side of the FFP recognising the need to rationalise the structure of the HR service to manage and support change;
 - new organisational development strategy to help identify how the organisation needs to adapt and innovate to meet its emerging and ongoing challenges; and
 - manage resource implications from the transformation programme such as:
 - 2011 transfer housing stock;
 - 2012 transfer of residential care management to Grwp Gwalia; and
- regional provision of school improvement.
- 109 The Council intends to develop its performance appraisal and performance management framework together as part of the same framework. This exercise will determine what level of performance appraisal is appropriate for managers, with the main focus on sickness absence management and behaviours suitable for a dynamic environment. This significant change project is scheduled to commence in 2013-14. We shall continue to monitor the development of the human resource function in the coming year.
- 110 The Council reviewed its seven improvement objectives at the same time as a senior management review of the Council's FFP to ensure affordability. It has the same number of objectives and using RBA principles intends to connect these to five population outcomes. This is in response to our proposal for improvement to review existing improvement objectives so they are affordable, in line with priorities set out in annual budgets and clear to citizens. We also commented on the Council stretching its resources too thinly in some areas.
- 111 The Council has also undertaken extensive work as part of outcome agreement monitoring to create baselines and measures that will enable the Council to demonstrate results for citizens. The 2013-14 corporate plan will contain details of how progress will be measured and reported upon.

The Council is dealing with the issues in children's services that led to the serious concerns protocol put in place by the CSSIW

- 112 In response to the CSSIW November 2012 children's services inspection, the Council set up a *Children and Young People Improvement Programme* headed up by an implementation board. The Chief Executive is the Senior Responsible Officer of the board which includes a selection of 'senior users' and 'senior suppliers'.
- 113 The Council has decided that the recent CSSIW inspection report into children's services presents an opportunity to apply to the Welsh Government's Scrutiny Development Fund to improve the scrutiny of social services. An initial expression of interest has been accepted.

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 Performance 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 authority'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 Neath Port Talbot and Neath Port Talbot County Borough Council

The Council

The Council spends approximately £347.6 million per year (2012-13). This equates to about £2,485 per resident. In the same year, the Council also spent £76.1 million on capital items.

The average band D council tax in 2011-12 for Neath Port Talbot was £1,383.71 per year. This has increased by 2.35 per cent to £1,416.23 per year for 2012-13. 90.6 per cent of Neath Port Talbot's housing is in council tax bands A to D.

The Council is made up of 65 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:

- 52 Labour
- 8 Plaid Cymru
- 3 Independents
- 1 Social Democratic
- 1 UKIP

The Council's Chief Executive is Steven Phillips. He is supported by the following Corporate Management Team:

- Environment: John Flower
- Finance and Corporate Services: Hywel Jenkins (appointed December 2012)
- Social Services, Health and Housing: Nick Jarman (interim Director commences April 2013)
- Education, Leisure and Lifelong Learning: Karl Napieralla

Other information

The Assembly Members for Neath Port Talbot are:

- Gwenda Thomas, Neath, Labour Party
- David Rees, Aberavon, Labour Party
- Suzy Davies, South Wales West, Conservative Party
- Byron Davies, South Wales West, Conservative Party
- Peter Black, South Wales West, Welsh Liberal Democrats
- Bethan Jenkins, South Wales West, Plaid Cymru

The Members of Parliament for Neath Port Talbot are:

- Dr Hywel Francis, Aberavon, Labour Party
- Peter Hain, Neath, Labour Party

For more information see the Council's own website at www.npt.gov.uk or contact the Council at Neath Port Talbot CBC, Civic Centre, Port Talbot, SA13 1PJ, Tel: 01639 686868 or email contactus@npt.gov.uk.

Appendix 3

Appointed Auditor's Annual Audit Letter

Councillor A L Thomas
Leader
Neath Port Talbot County Borough Council
Civic Centre
Port Talbot
SA13 1PQ

Dear Councillor Thomas

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 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 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 27 September 2012, and a more detailed report will follow in due course.

The Council had appropriate internal controls in place to support financial reporting and an improved closedown process which enabled the Appointed Auditor to issue an unqualified opinion on the Council's financial statements in line with statutory deadlines; no fundamental weaknesses were identified but there are some areas where further improvement is needed:

- we have not identified any significant weaknesses in the Council's relevant internal controls but scope to strengthen controls exists;
- Internal Audit comply with the CIPFA Internal Audit Standards but there were some areas for further improvement highlighted and these are being addressed;
- high level financial controls form a reliable base for preparing the Council's financial statements but could operate more effectively by regular reconciliation of control accounts and greater transparency in budget reporting; and
- significant progress had been made in the accounts preparation process but further scope for improvement was identified particularly in respect of compiling the comprehensive income and expenditure account and capital closure processes.

We are currently working with officers to develop an action plan to take these issues forward. The Audit Committee will play a key part in driving this agenda forward and ensuring that sufficient progress is made to the financial reporting processes for 2012/13.

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, however other regulators are still concluding on their work. The Auditor General will highlight areas where the effectiveness of arrangements has yet to be demonstrated or where improvements could be made when he publishes his Annual Improvement Report.

I issued a certificate confirming that the audit of the accounts has been completed on 28 September 2012.

The financial audit fee for 2011-12 will be higher than the agreed fee set out in the Annual Audit Outline due to the additional time required to verify some of the balances in the statement of accounts.

Yours sincerely

Richard Harries
For and on behalf of the Appointed Auditor
26th November 2012

Anthony Barrett
Appointed Auditor
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

28 September 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 or by writing to us at the address on the back of this report.

Appendix 4

Neath Port Talbot County Borough Council's improvement objectives and self-assessment

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' 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 2012-2015 in its Corporate Plan 2012-2015, *Doing What Matters*, which can be found on the Council website at www.npt.gov.uk. They are:

Neath Port Talbot's improvement objectives for 2010-2013 and 2012-2015

Key themes supported by improvement objectives 2010-2013	Priorities for improvement 2012-2015
<p>Improving housing:</p> <ul style="list-style-type: none">• Improve the standard of the houses for our tenants to live in by transferring ownership of the existing council houses and related assets to NPT Homes.	Access to employment and transport.
<p>Improving services for older people and vulnerable adults:</p> <ul style="list-style-type: none">• improve the privacy and dignity afforded to elderly people living in the Council's residential care homes;• prevent more people from having to go into hospital when they could be cared for in the community and we wanted to ensure that more people can return from hospital when they are ready to be discharged; and• vulnerable adults will enjoy a good quality of life and be supported to live as independently as possible.	Giving children and young people the best possible start in life.
<p>Improving education:</p> <ul style="list-style-type: none">• schools are all fit for purpose and are capable of delivering high-quality educational experiences for all pupils improving services for vulnerable children and their families; and• provide support for young people who are at risk, and to reduce the numbers of young people in south west Wales who are not in education, employment or training (NEET), at risk of becoming so or who are failing to reach their full potential.	Improving educational performance.

Key themes supported by improvement objectives 2010-2013	Priorities for improvement 2012-2015
Improving service for vulnerable children and their families: <ul style="list-style-type: none"> • Improve the way we intervene in the lives of vulnerable children and their families. 	Helping older people and vulnerable adults.
Improving council services: <ul style="list-style-type: none"> • Make the services the Council provides easier for people to use, more efficient and better quality. 	Enhancing the local environment.
Improving and regenerating the environment: <ul style="list-style-type: none"> • Improve the arrangements the Council has in place to collect waste, increase recycling and minimise landfill. • Important community facilities – replace two key leisure and cultural facilities that were lost due to fire. We also wanted to measure if we had met public expectations following improvements to the well-used Victoria Gardens in Neath and we wanted to progress the regeneration of our town centres. 	Regenerate our town centres and local communities.
A strong and prosperous economy helps reduce poverty: <ul style="list-style-type: none"> • Help people who want to work find work and support new and existing businesses to help them prosper. 	Improving the health and well being of the people of Neath Port Talbot.
	Collaboration: working with local partners and neighbouring local authorities to identify realistic and achievable opportunities to improve service delivery and/or gain efficiency savings through joint working.
	Financial and service management.
	Effective engagement with our communities.

The Council's self-assessment of performance

The Council's self-assessment of its performance during 2011-12, The Annual Report 2011-12, *Doing What Matters*, can be found at www.npt.gov.uk/default.aspx?page=9216.

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