

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

18 JANUARY 2018

REPORT OF CORPORATE DIRECTOR, OPERATIONAL AND PARTNERSHIP SERVICES

WALES AUDIT OFFICE ANNUAL IMPROVEMENT REPORT (AIR) 2016-17 - BRIDGEND COUNTY BOROUGH COUNCIL

1. Purpose of Report

- 1.1 To introduce the report of the Auditor General to Audit Committee (attached as **Appendix A**).

2. Connection to Corporate Improvement Objectives / Other Corporate Priority

- 2.1 The Wales Audit Office (WAO) report assesses whether or not the Council meets its continuous improvement duties under the Local Government (Wales) Measure 2009, taking account of a range of audit, regulatory and inspection work reported during 2016-17.

3. Background

- 3.1 The Local Government (Wales) Measure 2009 requires the Auditor General to undertake a forward-looking annual improvement assessment and to publish an annual improvement report for each improvement authority in Wales.
- 3.2 For 2016-17, the Auditor General undertook improvement assessment work at all councils under three themes: governance, use of resources, and improvement planning and reporting. For some councils, local risk-based audits were also carried out.
- 3.3 The Wales Audit Office undertook the following individual projects under the above mentioned themes for Bridgend County Borough Council during 2016-17:
- Good governance when determining service changes (the full report is attached as **Appendix B**)
 - Annual audit letter 2015-16, under the Public Audit (Wales) Act 2014
 - Savings planning
 - Corporate assessment follow up
 - Annual improvement plan audit
 - Annual assessment of performance audit

A summary of the findings for each project is set out in Exhibit 1 (pp. 6-90 of the attached report).

- 3.4 The report also includes a summary of the national studies the WAO undertook during the year (Exhibit 2, pp. 14-16), with recommendations that require all local authorities to address.

4. Current situation / proposal

4.1 The overall conclusion of the AIR is positive, as follows:

The Council is meeting its statutory requirements in relation to continuous improvement, and that based on the work carried out by the WAO and relevant regulators the Council is likely to comply with the requirements of the Local Government Measure (2009) during 2017-18.

4.2 Headline findings under each project are summarised below:

Good governance when determining service changes

Findings – “the Council has clear priorities that shape its decisions on significant service change and it seeks to learn and improve its arrangements, but there is scope to improve the accessibility of some information”.

The Auditor General did not make any formal recommendations but made three proposals for improvement:

P.1. the Council should improve the availability and accessibility of information relating to decision-making on significant service change, including, for example, publishing Forward Work Programme(s) that cover Cabinet and Council business.

P.2 the Council should resolve how it will embed the sustainable development principle into decision-making.

P.3 the Council should clearly set out how the impact of service change will be monitored at the point of decision.

Annual audit letter 2015-16

Finding – “the Council complied with its responsibilities relating to financial reporting and use of resources”.

The Auditor General did not make any formal recommendations nor proposals for improvement.

Savings planning

Finding – “whilst the Council has a sound financial planning framework underdeveloped savings plans may not fully support future financial resilience”.

The Auditor General did not make any formal recommendations but made one proposal for improvement:

P.1 - Strengthen financial planning arrangements by ensuring that savings proposals are:

- fully developed;
- clearly identified over the period of the MTFP; and

- include realistic delivery timescales prior to inclusion in the annual budget.

Corporate assessment follow up

Finding – “the Council has responded effectively to the issues we raised in the Corporate Assessment and has either fully implemented our proposals for improvement or has made progress against them”.

The Auditor General did not make any formal recommendations nor proposals for improvement.

Annual improvement plan audit

Finding – “the Council has complied with its statutory improvement planning duties”.

The Auditor General did not make any formal recommendations nor proposals for improvement.

Annual assessment of performance audit

Finding – “the Council has complied with its statutory improvement reporting duties”.

The Auditor General did not make any formal recommendations nor proposals for improvement.

4.3 The Council has been addressing the proposals for improvement.

5. Effect upon Policy Framework & Procedure Rules

5.1 There is no effect upon the Policy Framework and the Procedure Rules.

6. Equality Impact Assessment

6.1 No equality impact assessment has been undertaken as the Auditor General’s Annual Improvement Report is essentially a retrospective assessment of the Council’s performance.

7. Financial Implications

7.1 There are no financial implications in this report.

8. Recommendation

8.1 That Audit Committee notes the Annual Improvement Report produced by the WAO.

Andrew Jolley
Corporate Director, Operational and Partnership Services
3 January 2018

Contact Officer: Yuan Shen, Corporate Improvement Manager
Telephone: (01656) 643224
E-mail: yuan.shen@bridgend.gov.uk

Postal Address Level 4, Civic Offices, Angel Street, Bridgend, CF31 4WB

Background documents

None