

REPORT OF BUSINESS & PERFORMANCE MANAGER

SUBJECT: IMPROVEMENT ASSESSMENT

The Auditor General for Wales is required, under the Local Government (Wales) Measure 2009 (the Measure) to report the audit and assessment work in relation to whether Pembrokeshire Coast National Park Authority (the Authority) has discharged its duties and met the requirements of the Measure.

Mr John Roberts from the Wales Audit Office will present the report to members at the Authority meeting and answer any questions from Members.

The Improvement Assessment letter from the Auditor General is attached.

Recommendation:

Members are requested to receive and comment on the Improvement Assessment.

(For further information, please contact Alan Hare, Business & Performance Manager on extension 4810)



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Tegryn Jones
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Llanion Park
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SA72 6DY

Date 23 September
Our reference 471A2013
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Dear Tegryn

Improvement Assessment

I am required, under the Local Government (Wales) Measure 2009 (the Measure) to report my audit and assessment work in relation to whether the Pembrokeshire Coast National Park Authority (the Authority) has discharged its duties and met the requirements of the Measure.

This letter summarises:

- my views on whether the Authority has discharged its statutory duties in respect of improvement planning; and
- my views on the Authority's compliance with requirements to make arrangements to secure continuous improvement, based on work carried out to date by the Wales Audit Office and relevant regulators, including:
 - the Authority's progress on areas for improvement and recommendations identified in my previous assessments; and
 - any relevant issues that may have emerged since my last report, including comments on how the Authority is addressing financial challenges. my further proposals for improvement and/or recommendations.

I shall update my views during the year and will report my findings in full in my next Annual Improvement Report.

The Authority has discharged its improvement planning duties under the Measure and has acted in accordance with Welsh Government guidance

I have reached this conclusion because:

- The Authority's improvement objectives for 2013-14:
 - were developed in the context of consultation with stakeholders that was at an appropriate level for a relatively small organisation;
 - were developed with the involvement of members and staff and subsequently formally approved by the Authority;
 - were subject to an equalities impact assessment before being adopted;
 - support delivery of some of the outcomes set out in the Authority's corporate strategy; and
 - are generally focused on outcomes, rather than actions.
- The Authority's improvement plan for 2013-14:
 - uses a format which is easy to read, concise and clear;
 - includes measures and targets, where appropriate, for its improvement objectives;
 - contains information on how communities or stakeholders may propose new improvement objectives during the year; and
 - was formally approved by the Authority and was published in early June, which was as soon as practical after the start of the financial year.

The Authority's 2013-14 improvement plan focuses largely on four Improvement Outcomes, with the Authority's annual Improvement Objectives designed to support their delivery.

Based on, and limited to, work carried out to date by the Wales Audit Office, I believe that the Authority is likely to comply with the requirement to make arrangements to secure continuous improvement during this financial year

I have reached this conclusion because, since my letters to you of 10 September 2012 and 26 November 2012, the Authority has:

- agreed an improvement plan that sets out the Authority's plans for delivering improvements;
- established, where appropriate, measures and targets for its improvement objectives;

- made progress in responding to the outstanding proposals for improvement; and
- been actively involved in initiatives designed to improve the quality of its Annual Governance Statement.

The Authority's Improvement Plan for 2013-14¹ was adopted and published on the Authority's website on 17 June 2013. Although submitted for approval to members at an earlier date, members requested amendments designed to strengthen aspects relating to the social and economic contribution of the national park. While this change led to delays, it does help to demonstrate that members are actively engaged in finalising the Improvement Plan. Copies of the Improvement Plan are made available via the Authority's website and at the Authority's centres. Copies are not available at places such as libraries and nor is the Improvement Plan available in Braille.

As in previous years, the Authority's Improvement Plan is a concise, readable document, setting out the Authority's Improvement Outcomes, together with an annual Improvement Objective that supports delivery of each Improvement Outcome. The Authority also produces a Corporate Strategy², in which it again sets out its Improvement Outcomes but without reference to its annual Improvement Objectives. We found many similarities between these two documents but we also found a number of confusing inconsistencies. While these inconsistencies weren't particularly significant, we thought it was confusing to have two documents that essentially addressed the same issues. We felt that it was likely that staff and members would also find this approach confusing.

The Authority has made steady progress in responding to most of our more recent proposals for improvement

I have previously reported a number of recommendations/proposals for improvement and also noted some areas where we would undertake further work. Progress on these matters is summarised below:

- the Authority has continued reviewing its policies and procedures and progress is reported to the Authority's leadership team every month;
- reports to the relevant committees on progress towards delivering the Authority's Improvement Objectives, based on information within the Ffynnon performance management system, have been introduced; and
- a review of the extent to which the various existing terms of reference support the effective and efficient operation of the Authority's newest scrutiny committee is scheduled to take place after completion of the second joint scrutiny project.

¹ Improvement Plan Part 1 2013/14.

² Corporate Strategy 2013/14.

The Authority, along with the other two national park authorities in Wales, is starting to prepare for how best to respond to a period of significant budgetary cuts

The Welsh Government has requested that the Authority submits draft options for how it could deal with a range of budgetary cuts over the next two financial years. This is a process that all three Welsh national park authorities have undertaken. The expectation is that the Welsh Government will implement significant budgetary cuts for the next two financial years. The Welsh Government will publish its draft budget on 8 October 2013 and this will provide the national park authorities with greater clarity on the level of cuts required. At that point, all three authorities will need to begin to make plans for how to implement the final budgetary cuts that the Welsh Government will be imposing. The Authority recognises, as do the other two national park authorities in Wales, that options for dealing with these cuts will need to include discussions with each other about how cost savings can best be made and whether there are opportunities to work more closely together and to share and pool resources.

The Authority is aware that the ideal approach to making budgetary cuts is to make reductions in those areas of lowest priority, as opposed to making the 'easiest' cuts or sharing the cuts equally across all aspects of the delivery of its services. The Authority recognises that some of the cuts will take time to deliver. The Authority has not yet finalised its approach to making decisions about how to respond to the cuts.

The Authority continues to develop more evaluative approaches to the way it works, but there is still more to do to complete its review of policies

In our Improvement Assessment Letter to the Authority, dated 10 September 2012, we noted that in starting to use its Annual Government Statement to evaluate its arrangements, the Authority was better able to improve those areas that are least effective. Since issuing that letter, representatives from the Authority, together with the other two national park authorities in Wales, attended a workshop run by the Wales Audit Office designed to assist those authorities in developing more evaluative Annual Governance Statements in future years.

Staff recently piloted a 360 degree appraisal exercise. This allows individuals taking part to both receive from and give feedback to their line managers and to staff who they manage. While this exercise was carried out on an informal basis and only for the corporate management team, the Authority is considering whether to roll out the process to include all 25 managers.

The Authority is continuing its work on reviewing its policies and procedures and progress on this issue is reported monthly to the Authority's leadership team. The Authority has produced a useful document that summarises a number of the key elements of each policy, including:

- how it links to the Authority's outcomes;
- how and when it was approved;
- the current planned date for next review;
- its main characteristics; and
- how compliance with the policy is monitored.

This has helped the Authority identify those policies that are due for review in 2013 and to set up a timetable for carrying out that work. The Authority has identified over 40 policies and procedures that are subject to review. Since we raised the issue in our Preliminary Corporate Assessment in July 2010, the Authority has carried out useful work to help rationalise and update its policies and procedures. However, there is more to do to ensure all of its staff to have a clear understanding of their responsibilities when carrying out their work.

Members' continuing involvement in joint scrutiny reviews is likely to promote improvement, as will the planned review of the Terms of Reference for Authority's committees and the involvement of all members in the Authority's personal development review programme

The Authority recently agreed to work with the Snowdonia National Park Authority to conduct a review of an issue that affects all national parks in Wales. This latest review involves members from both parks working together to scrutinise economic development within the national parks. Brecon Beacons National Park Authority involvement in that process consists of a 'watching brief'. This is the third review that the three national park authorities in Wales have established as part of a collaborative approach to scrutinising key issues.

The Authority has also carried out a scrutiny review on affordable housing and a final report to the Authority is expected in October 2013. This is approximately two months later than anticipated but we understand that the delay relates primarily to the complexity of the subject area and to further work aimed at identifying outcomes, rather than to problems relating to capacity.

Once the remaining scrutiny reviews are complete the Authority intends to review the various Terms of Reference for its committees. This is likely to take place during the Autumn of 2013 and should help ensure that they support the effective and efficient operation of the Authority's committee structure.

The Authority has been awarded the Member Charter³ and members initially wanted to go on to apply for the Advanced Charter. However, the Authority has agreed that, due to the number of new members and to the fact that the Member Charter was awarded over three years ago, it will reapply for the Member Charter and then move quickly to applying for the Advanced Charter. At the time of drafting this letter, only six of the 18 members had had their personal development reviews. More timely reviews will need to be put in place if the Authority wants to maximise its chances of being awarded the Charter.

Further proposals for improvement

One new proposal for improvement is being suggested in this letter. We will continue to monitor and report on the progress made by the Authority in implementing the proposals set out in my previous reports and letters.

Proposals for improvement

P1 Consider combining the Authority's Corporate Strategy and Improvement Plan into one document.

Updates to the work plan

My Improvement Assessment Team will keep the Authority informed of the detailed arrangements for the delivery of my assessment work.

I shall be asking my Improvement Assessment Team to consider during the year the reliance that we can place upon the self-assessment processes (including your review of governance in producing the Annual Governance Statement and your Annual Performance Report). I shall comment on this approach in my Annual Improvement Report.

³ The Wales Charter for Member Support and Development awarded by the Welsh Local Government Association.

I am grateful to the Authority for the way in which it has helped to facilitate our work and hope to see even more effective and efficient arrangements developing over time. I remain committed to providing appropriate levels of public assurance while supporting you in mitigating the inevitable risks to services and accountability that stem from reducing resources and consequential change.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Huw Vaughan Thomas'.

HUW VAUGHAN THOMAS

AUDITOR GENERAL FOR WALES

CC: Lesley Griffiths, Minister for Local Government and Government Business

John Griffiths, Minister for Culture and Sport

John Roberts, Performance Audit Lead