

REPORT OF BUSINESS & PERFORMANCE MANAGER

SUBJECT:
WALES AUDIT OFFICE – ANNUAL IMPROVEMENT REPORT

The Auditor General for Wales is required, under the Local Government (Wales) Measure 2009 to report the audit and assessment work in relation to whether Pembrokeshire Coast National Park 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 Annual Improvement Report from the Auditor General is attached.

Recommendation:

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

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



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report

Pembrokeshire Coast National Park Authority

Issued: May 2014

Document reference: 217A2014



About the Auditor General for Wales

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

Together with appointed auditors, the Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by John Roberts and Andy Bruce under the direction of Alan Morris.

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Summary report and proposal for improvement

- 1 Each year, the Auditor General must report on how well Welsh councils, fire and rescue authorities, and national park authorities are planning for improvement in delivering their services. The report covers Pembrokeshire Coast National Park Authority's (the Authority) delivery and evaluation of services in relation to 2012-13 and its planning of improvement for 2013-14.
- 2 We found that, in 2012-13, the Authority made good progress delivering improvements in those areas it had identified as being of high priority, in particular:
 - the evidence collected by the Authority suggests that people were inspired by, and valued, much of what the Park has to offer;
 - although the Authority was unable to complete a full reassessment of its paths network, access options continued to increase, despite less use being made of the Park's paths;
 - in advance of more meaningful measures of performance being developed for planning services across Wales, the Authority was able to demonstrate that issues were dealt with more quickly and that applicants were generally happy with the service; and
 - the Authority continued to promote greater opportunities for the public to access and understand the Park and in many cases this led to increased participation.
- 3 We also found that the Authority published an informative assessment of the extent to which it delivered its improvement objectives for 2012-13.
- 4 Finally, we found that, during 2013-14, the Authority's plans for improvement are focused on outcomes and are supported by a promising approach to evaluating its governance arrangements and to managing its assets.
- 5 The Authority faces a number of significant challenges over the next two years but it is too early to say to what extent these will affect the Authority's ability to deliver improvements.

Proposal for improvement

- 6 We have not made any recommendations in this report but one proposal for improvement is set out below.

P1 The Authority should expand its asset management policy to provide more detail and a broader picture of the scale, nature and performance of the portfolio.

Detailed report

Introduction

- 7 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 park authorities are planning for improvement in delivering their services. Appendix 1 provides more information about the Auditor General's powers and duties under the Measure.
- 8 We do not undertake a comprehensive annual review of all Authority 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.
- 9 Given the wide range of services provided and the challenges facing the Authority, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
- make proposals for improvement – if proposals are made to the Authority, we would expect them to do something about them and we will follow up what happens;
 - make formal recommendations for improvement – if a formal recommendation is made the Authority must prepare a response to that recommendation within 30 working days;
 - conduct a special inspection and publish a report and make recommendations; and
 - recommend to Ministers of the Welsh Government that they intervene in some way.
- 10 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 Authority made good progress delivering improvements in those areas it had identified as being of high priority

11 This section of the report looks at the Authority's performance in the period between 1 April 2012 and 31 March 2013. We have focused on those areas that the Authority had identified as improvement objectives under the Local Government Measure and on the available evidence collected by the Authority that could demonstrate whether or not these objectives had been delivered. The Authority had planned to deliver four annual improvement objectives during 2012-13, each of which was designed to contribute towards achieving one or more of its eight longer term corporate outcomes.

The evidence collected by the Authority suggests that people were inspired by, and valued, much of what the Park has to offer

12 During 2012-13, the Authority carried out a number of surveys and consultation exercises with a wide range of stakeholders. These initiatives focused on a number of aspects of service delivery and were designed to provide information about the extent to which the authority monitored and improved the level of customer service and satisfaction. Performance information for 2012-13 directly linked by the Authority to this improvement objective within the Authority's improvement plan includes:

- only two out of 248 visitors surveyed at Castell Henllys said that their visit failed to meet or exceed their expectations, with teachers using the Castell Henllys education programme reporting that

82 per cent of the visits inspired their pupils;

- over 80 per cent of visitors to the Oriell y Parc visitor centre who were surveyed said that they enjoyed their visit; and
- the results of a planning service survey¹ showed that at least 75 per cent of planning applicants were satisfied or very satisfied with various aspects of the service that was provided.

13 The results of a local Citizens' Panel survey were published in March 2013. This survey indicated that 76 per cent of panel members rated the Authority's services to be good or excellent and that only five per cent overall rated them as being unsatisfactory.

14 Although not strictly a 'satisfaction' measure, the Authority's ability to inspire visitors to the Park and users of its services has been recognised by the Authority as being an important measure of performance. The Authority, together with the other two National Park Authorities in Wales, developed a measure for performance in relation to this aspect some years ago. In 2012-13, 78 per cent of school groups recorded an inspiration score of 10 or higher². This is the same result as for 2011-12 and compares to a target of 75 per cent set by the Authority for 2012-13. Similarly, surveys by the Authority of those school groups that took part in its Out and About³ school programme suggested that 83 per cent of the groups felt inspired by the activity.

1 The survey elicited only a 23 per cent response rate.

2 Inspiration scores range from one to 11, with 11 being the highest level of inspiration.

3 School groups take part in a variety of conservation related activities.

Although the Authority was unable to complete a full reassessment of its paths network, access options continued to increase, despite less use being made of the Park's paths

- 15 As a result of a joint exercise carried out by all three National Park Authorities in Wales, the Authority discovered that it was using different criteria to assess whether its paths were open and useable. Using its old criteria, the Authority had assessed the figure to be as high as 87 per cent. The revised criteria brought this figure down to just over 70 per cent. The Authority set itself an ambitious improvement objective of bringing this figure back up to 85 per cent during 2012-13.
- 16 However the Authority was not able to provide a definitive assessment, although it estimated that the percentage of paths open and usable by the public had risen to at least 75 per cent during 2012-13. A full survey has commenced but, due to the nature and size of the task, a final assessment may not be available until later in 2014. Work continues on this aspect and on making improvements in the condition of paths where required.
- 17 Although progress on surveying its paths is behind its original schedule, the Authority has ensured that there has not been any reduction in the length of rights of way that is suitable for the less able and has provided and promoted circular walking opportunities within 500 metres of least 45 settlements within the Park.
- 18 Despite these initiatives, information from the Authority's own fixed point counters suggest that less use was made of the paths within the Park during 2012-13 than in the previous year. Anecdotal evidence suggests that this may be linked to weather conditions.

In advance of more meaningful measures of performance being developed for planning services across Wales, the Authority was able to demonstrate that issues were dealt with more quickly and that applicants were generally happy with the service

- 19 Further work on developing and improving the performance of the Authority's planning service was another annual improvement objective that the Authority had set itself for 2012-13. The Welsh Government is currently exploring options for developing new performance measures for planning services across Wales. These may well be informed by the outcome of the Welsh Government's consultation on a draft Planning Bill and its proposals to modernise the planning system in Wales. In addition, officers from the Authority have been involved with the Welsh Government and the Welsh Local Government Association in exploring options for agreeing new and more meaningful performance indicators.

- 20 In the meantime, the Authority has chosen its own performance indicators to help in providing evidence on achievement of this objective. Many of these are the traditional indicators that have been used by all planning services in Wales to measure performance.
- 21 Although full year results for the percentage of applications determined within eight weeks was three per cent lower than the 70 per cent target the Authority had set itself, this was primarily due reducing the backlog of older, more complex, applications. Full year results did, however, show an improvement over the 65 per cent achieved in recent years resulting in the Authority moving up from 16th to 13th out of 25 in terms of performance for all planning authorities in Wales.
- 22 Speed of service delivery continues to be one of the measures that the Welsh Government currently uses to assess the performance of planning authorities. In 2012-13, the Authority closed 67 per cent of pre-application enquiries within its target of 30 working days. The Authority concedes that, because the data for 2011-12 was not reliable, it is difficult to make comparisons with the previous year. However, the average time taken to close these enquiries was reduced during the year. The Authority's speed in closing enforcement cases is significantly faster than the other two national park authorities. In 2012-13 it closed 89 per cent within 12 weeks, compared to 53 per cent by Snowdonia National Park Authority and 22 per cent by Brecon Beacons National Park Authority. This was better than the 85 per cent achieved in 2011-12. The number of enforcement cases outstanding for more than 12 weeks reduced from 92 in 2011-12 to 59, significantly lower than its target of 80. However, the figures relating to enforcement cases are those for new cases as the Authority does not have sufficient information to be sure of closure dates for some of its older cases.
- 23 Reference has already been made, earlier in this report, to the level of satisfaction expressed by applicants. The Authority is keen to improve its ability to obtain feedback on its planning service, particularly with a view to being able to make comparisons with other planning authorities. National Park Authorities are involved in an initiative to develop a survey that could apply to all planning authorities in Wales.
- 24 Other factors that can help to form a judgement on the performance of the Authority's planning service include the following achievements:
- sustainable design proposals being included in planning approvals;
 - contributing towards ensuring that affordable housing becomes part of all multiple unit developments;
 - holding six monthly meetings with housing associations; and
 - development having only taken place on those open spaces designated within the Local Development Plan (LDP).

The Authority continued to promote greater opportunities for the public to access and understand the Park and in many cases this led to increased participation

- 25 In 2011-12, the Authority exceeded its target for increasing the number of 'hard to reach' participants taking part in its events and activities by over 30 per cent, and nearly a 45 per cent increase over the previous year. The Authority continued this theme in 2012-13 with an improvement objective aimed at increasing and improving opportunities for hard to reach groups to access and understand the Park.
- 26 In many instances, this involved working with partner organisations. In total, the Authority calculated that it had increased participation by these groups by a further 31 per cent, to over 3,400 participants. The Authority has expressed an intention to engage with a total of 5,000 hard to reach individuals a year by 2013-14. Despite its successes so far, this is a very challenging, though admirable, ambition.
- 27 The Authority successfully bid for funding from the Big Lottery Fund to establish a three year Your Park project. Although the project was only established part way through the year, the Authority estimates that over 2,000 individuals who would not normally be interested in the Park made use of the Park's facilities. The Authority's Walkability programme, established in the autumn of 2011-12, supported supervised walking opportunities for over 650 people.

The Walkability initiative is designed to promote the health benefits of walking, with an emphasis on those people who may find access difficult due to problems with health, finance or other issues.

- 28 Further examples of achievements in relation to this improvement objective include:
- the jointly funded MOSAIC⁴ project which resulted in 135 participants visiting events run within the Park; and
 - involving over 620 participants, including the disabled, young offenders and those with learning difficulties, in organised events and work parties run by the Authority's rangers.
- 29 While not classified as 'hard to reach' groups, the Authority's work with secondary schools encourages wider interest in the Park and its activities. The Authority is involved in preparing various activities and worksheets which are used as part of GCSE geography course work. The success of this work has led to some schools approaching the Authority to explore options for developing similar work for A level students.
- 30 More generally, the Authority increased participation at its learning events from 8,573 in 2011-12 to nearly 9,300 in 2012-13, exceeding its target of 9,000 participants. The Authority's continued investment, together with Pembrokeshire County Council, in the Greenways and Coastal Buses schemes promotes access opportunities for a wide range of people.

⁴ A project designed to encourage black and ethnic minorities to make more use of what National Parks have to offer.

The number of people using coastal buses increased to 86,000 in 2012-13, from less than 77,500 in 2011-12, which was higher than the Authority's target of 80,000.

Although the Authority has not yet developed performance measures relating to the Welsh language, there has been a small increase in the number of Welsh speaking staff and it is exploring more effective training methods

- 31 The role of the Welsh Language Commissioner was created by the Welsh Language (Wales) Measure 2011. It is expected that new powers to impose standards on organisations will come into force through subordinate legislation by the end of 2014. Until that time, the Commissioner will continue to review Welsh language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 32 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.
- 33 The Authority's annual monitoring report on implementation of the Welsh language scheme was received promptly in 2013. There has been a small increase in the proportion of the Welsh speaking workforce, namely 23 per cent compared to 20 per cent in 2011-12. A Welsh course which staff attended in the community has come to an end due to lack of demand. The Authority is considering other training methods to improve the language skills of the workforce. The Authority has not developed performance measurement methods, recommended in 2012. This has been identified as a target for 2013-14. It intends to introduce a new electronic human resources system that will collect more detailed information about the Welsh language skills of the workforce. Priority should be given to these matters.

The Authority published an informative assessment of the extent to which it delivered its improvement objectives for 2012-13

- 34 In January 2014 we wrote to the Authority's Chief Executive to advise him that the Authority had discharged its improvement reporting duties under the Measure. We reached this conclusion because:
- the Authority published an assessment of its performance during 2012-13 in its *Improvement Plan – Part 2 2012/13* (the Report) before 31 October 2013;
 - the Report assessed the Authority's performance in the preceding financial year (2012-13) and set out how the Authority had sought to discharge its duties under the Measure;
 - the Report included summary evaluations on progress against the Authority's improvement objectives, together with performance information on a number of areas with, where available, comparisons with its own performance in the previous year;
 - the Report included a short section for citizens who want to provide feedback or make comments on the Review; and
 - the Report included information on the ways in which the Authority has sought to collaborate.
- 35 The auditor appointed by the Auditor General recently gave his opinion on the Authority's accounts and based on this the Appointed Auditor's view is that the financial statements were satisfactory. [Appendix 3](#) gives more detail.

The Authority's plans for improvement are focused on outcomes and are supported by a promising approach to evaluating its governance arrangements and to managing its assets

- 36 We wrote to the Authority's Chief Executive in September 2013 to advise him of our views about the arrangements the Authority had put in place to secure improvements during 2013-14. Our opinion was that the Authority had discharged its improvement planning duties under the Measure and had acted in accordance with Welsh Government guidance. We reached this conclusion because:
- 37 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;
 - supported delivery of some of the outcomes set out in the Authority's corporate strategy; and
 - were generally focused on outcomes, rather than actions.
- 38 The Authority's improvement plan for 2013-14:
- used a format which was easy to read, concise and clear;
 - included measures and targets, where appropriate, for its improvement objectives;
- contained 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.
- 39 In that same letter we expressed our view that the Authority was likely to comply with the requirement to make arrangements to secure continuous improvement during 2013-14. We reached this conclusion because the Authority had:
- agreed an improvement plan that set 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.
- 40 The Authority's Improvement Plan for 2013-14 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 were actively engaged in finalising the Improvement Plan. Copies of the Improvement Plan were made available via the Authority's website and at the Authority's centres. Copies were not available at places such as libraries and nor was the Improvement Plan available in Braille.

41 As in previous years, the Authority's Improvement Plan was 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 Strategy, in which it again set 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 a start on combining these documents.

42 In our Improvement Assessment Letter to the Authority, dated 23 September 2013, 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. All three national park authorities in Wales are now working together to improve the way they report annually on their governance arrangements, exploring an option of developing an identical reporting structure.

43 During January 2014, we carried out a short review of the Authority's asset management arrangements. That review resulted in a separate report to the authority. We concluded that most of the Authority's asset management arrangements support effective decision-making and improvement, but could be expanded to provide a broader picture of the scale, nature and performance of the portfolio. We reached that conclusion because:

- The Authority's asset management policy supports improvement and is based on good practice, however, it could provide a clearer direction and incorporate a set of formal objectives, for the on-going management of the property assets.
- Roles and responsibility for asset management are clearly defined. However, workforce-planning issues could be more strategically coordinated.
- The Authority works with internal and external stakeholders to maximise the positive impact of its assets.
- The Authority is managing the performance of its assets effectively in some areas and actively considers sustainability issues.

44 As a result of our review of asset management we made one proposal for improvement.

The Authority faces a number of significant challenges over the next two years but it is too early to say to what extent these will affect the Authority's ability to deliver improvements

- 45 All three national park authorities in Wales face some significant changes in the future. These include the Welsh Government's response to the Commission on Public Service Governance and Delivery ('Williams Commission Report') and the outcome of consultation on a proposed new Planning Bill. A governance review of national park authorities is also planned.
- 46 Overall, the changes proposed by the Williams Commission that could affect the national park authorities in Wales are less sweeping than might have been anticipated. The Williams Commission did not recommend that the planning function should be taken away from national park authorities but did suggest that options for creating one national park authority should be looked into. The Authority, along with the other two national park authorities in Wales, has submitted its response to the consultation on the proposed Planning Bill.
- 47 While the Authority is mindful of significant changes that might fundamentally affect the way it operates and, indeed, its very existence, these are very much in the future and, for now, its focus is primarily in relation to the budgetary cuts it faces over the next two years, and possibly beyond.
- 48 The Chancellor of the Exchequer announced the 2010 spending review to parliament on 20 October 2010. This formed a central part of the coalition government's response to reducing the national deficit, with the intention to bring public finances into balance. These savings represent the largest reduction in public spending since the 1920s and come at a time when demographic changes and recession-based economic pressures are increasing demand for some services. To effectively plan finances authorities should analyse details of financial trends, appropriate benchmarking information, possible scenarios and their likely impact over the short, medium and long term. The current financial climate and the recent tough settlement for authorities mean that good financial planning is critical to sustaining financial resilience.
- 49 The Wales Audit Office is currently examining authorities' financial health, their approach to budgeting and delivering on required savings, to provide assurance that authorities are financially resilient. This work will consider whether authorities have robust approaches in place to manage the budget reductions that they are facing to secure a stable financial position that enable them to continue to operate for the foreseeable future. The focus of the work is on the 2014-15 financial planning period and the delivery of 2013-14 budgets. This review will be completed early in 2014-15 and we will publish the findings in our next cycle of improvement assessment work.
- 50 All three national park authorities in Wales face significant budgetary cuts during the 2014-15 and 2015-16 financial years. These cuts have been imposed by the Welsh Government, with no guarantee that further cuts will not be required in future years. The cuts equate to a reduction of 8.75 per cent in 2014-15 and a further four per cent in 2015-16. For this Authority, this equates to just under £600,000 over two years. With a significant percentage of the Authority's budget comprising of staff costs, the savings will inevitably affect staffing levels, with a consequential impact on service delivery.

- 51 In exploring the options available for making savings, the Authority, understandably, ensured that some of the proposals being discussed were kept confidential. This confidentiality primarily related to those elements of the budgetary cuts that would personally affect some individuals employed by the Authority.
- 52 At the time of drafting this report, the definitive approach to delivering the budgetary cuts had not been finalised and shared with relevant staff. As such, it would be inappropriate to set them out in detail within this report. However, in working towards a final decision, the Authority has involved staff, members and trade unions in drawing up a number of options for finding the required savings.
- 53 The Authority's general approach is to manage the process so that the main decisions that would affect service delivery are delayed until the end of the 2014-15 financial year and the beginning of the 2015-16 financial year. In order to help do so, it intends to offer up half of its £200,000 sustainable development fund as a budgetary cut. This has been agreed by the Welsh Government. The Authority also intends to reallocate over £116,000 of its revenue funding as a capital spending, as it satisfies the definition of capital expenditure. This will be in relation to such matters as buildings maintenance, rights of way projects and spending on IT equipment. The Authority maintains that this is a valid reallocation of funds since a significant proportion of work being carried out under these headings relates to discrete capital projects.
- 54 The Authority was awarded the Welsh Local Government Association's Charter for Member Support and Development in 2011. Although the Authority could now apply for the Advanced Charter, it is going ahead with a renewed application. This is primarily because of the significant number of new members appointed to the Authority since the initial charter was first awarded.
- 55 At the time of drafting this report, only six of the 18 members of the Authority had completed their personal development reviews. In recognising that this is an aspect that needs to be addressed, the Authority is considering adopting a self-assessment approach that is used by some other authorities.
- 56 The planned review of the terms of reference of the Authorities various committees did not take place in the autumn of 2013, as planned. This was an issue that arose because the Authority replaced its single Performance Review Committee with three new review committees, each acting as a scrutiny committee and focusing on a different aspect of the Authority's work. At the full authority meeting on 5 February 2014, the Authority resolved to reduce the number of these review committees to two, with nine members on each, to meet quarterly. This change will lead to a review of the terms of reference for these committees.
- 57 The Authority has decided not to roll out the 360 degree appraisal⁵ it piloted with its team leaders in 2013. This is partly due to the inevitable staff changes that will result from the budget cuts but also because this allows an option to review the type of questions

⁵ A system whereby by staff both receive feedback from, and give feedback to, line managers.

- used and to consider a slightly amended approach in the future.
- 58 The Authority's leadership group continues to review progress on its approach to updating, rationalising and ensuring consistency in relation to its policies and procedures. This work will continue into 2014-15 with an expectation that the framework of policies will be significantly simplified. The Authority is rebuilding its intranet and recognises the opportunities this will bring for ensuring that staff have a clear understanding of their responsibilities when carrying out their work.
- 59 The Authority has resolved to start preparations for a partial review of its LDP, but a formal start date for that process has not yet been agreed. The Authority will be required to carry out a full review within the next year or so. Since carrying out even a partial review will be demanding on staff and member resources, the Authority is considering whether it would be more appropriate to bring the full review forward. However, any decision on the most appropriate approach may have to wait until the Welsh Government publishes its draft guidance on reviewing LDPs.
- 60 Having tried different approaches to consultation on planning issues in the past, the Authority is involved in exploring an updated survey approach that could be applied across Wales. Options include adapting surveys used by national park authorities in England or may result from on-going work with the Welsh Government's Data Unit⁶.
- 61 Ffynnon is a nationally procured software solution designed to meet the performance management requirements of local authorities, fire and rescue services, national park authorities and their partners. It has been used by all three national park authorities in Wales for a number of years. However, the Welsh Government's contract with Coactiva Aspiren Ltd for the supply of the Ffynnon software performance management system comes to an end on 30 June 2014. The absence of suitable software for handling information would have a significant effect on the Authority's ability to monitor and report on its performance. All three national park authorities are exploring the option of a bridging contract that could secure the performance management system over the next two years. We understand that this has now been secured for a period of 12 months.
- 62 The three National Park Authorities in Wales commissioned a study into the joint working opportunities for the planning departments of the three Welsh National Parks⁷. The final report was published in August 2013. The report sets out a number of recommendations and 'quick wins'. The report's findings have been generally welcomed by all three national park authorities in Wales and have begun to jointly explore how some of the recommendations could be implemented, with each of the three national park authorities taking a lead on different elements. These include options for joint approaches to reviewing LDPs, consultation and options for sharing services and staff.

⁶ A public sector, not-for-profit company providing advice, guidance and support to local government in Wales around data and statistical issues.

⁷ Carried out by Land Use Consultants.

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 park authorities, and fire and rescue authorities.

This report has been produced by the staff of the Wales Audit Office on behalf of the Auditor General to discharge his duties under section 24 of the Measure. The 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 park authorities, 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 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. The Auditor General will summarise his audit and assessment work in a published *Annual Improvement Report* for each authority (under section 24).

The Auditor General may also in some circumstances carry out special inspections (under section 21), which will be reported to the authority and Ministers, and which he may publish (under section 22). An important ancillary activity for the Auditor General 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 the Pembrokeshire Coast National Park Authority

The Authority spends approximately £5.3 million per year (2013-14). This equates to about £238 per resident. In the same year, the Authority also planned to spend £1.2 million on capital items⁸.

The Authority is made up of 12 elected members appointed by Pembrokeshire County Council and by six appointees made by the Welsh Government. These members make decisions about priorities and use of resources.

The Authority's Chief Executive is Tegryn Jones. Jane Gibson is the Director of Park Direction and Planning. The Director of Delivery and Discovery is James Parkin, Alan Hare is the Head of Business Management and Richard Griffiths is the Authority's Finance Manager.

For more information see the Authority's own website at www.pembrokeshirecoast.org.uk or contact the Authority at Pembrokeshire Coast National Park Offices, Llanion Park, Pembroke Dock, Pembrokeshire SA72 6DY.

⁸ Financial and population data extracted from the Welsh Government's StatsWales website.

Appendix 3

Annual Audit Letter

Mr T Jones
Chief Executive
Pembrokeshire Coast National Park Authority
Llanion Park
Pembroke Dock
Pembrokeshire
SA72 6DY

Dear Mr Jones

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 Park Authority complied with its responsibilities relating to financial reporting and its use of resources

It is the Authority'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 Authority'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.

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.

I issued an unqualified audit opinion on 30 September 2013 on the accounting statements confirming that they presented a true and fair view of the Authority'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 at the Full Authority meeting on 18 September 2013 in my Audit of Financial Statements (ISA260) report. The main issues arising were as follows:

- There was one minor 'uncorrected misstatement' relating to vehicle and equipment leasing expenditure arising out of a reappraisal of the interpretation of the relevant accounting guidance.
- There were a small number of 'corrected misstatements'.
- As in previous years, the information provided for audit was relevant, reliable, comparable and easy to understand, reflecting well on a department which had particular pressures during the year.
- I did not encounter any significant difficulties during our audit. We received information in a timely and helpful manner and were not restricted in our work. The effective working arrangements established with finance staff have continued for this year.

My consideration of the Authority'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 Authority has appropriate arrangements in place. The Auditor General will highlight areas where the effectiveness of these 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 had been completed on 11 October 2013. During the course of the year there have been no formal challenge or objection issues that I have had to deal with. The financial audit fee for 2012-13 will be in line with the agreed fee that was set out in my Annual Audit Outline.

I would like to express my appreciation to all the Authority staff that assisted with the completion of my audit.

Yours sincerely

Richard Harries, Engagement Lead

For and on behalf of the Appointed Auditor
6 December 2013

cc: Richard Griffiths, Finance Manager

Appendix 4

Pembrokeshire Coast National Park Authority's improvement objectives and self-assessment

The Authority's improvement objectives

The Authority 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 Authority intends to do to improve. The Authority must do this as soon as possible after 1 April each year.

The Authority published its improvement objectives for 2013-14 in its *Improvement Plan Part 1 2013/14* which can be found on the Authority website at www.pembrokeshirecoast.org.uk. They are:

Improvement objectives for 2012-13	Improvement objectives for 2013-14
To monitor and improve the level of customer service and satisfaction in delivering the Corporate Outcomes.	To review at least 50% of the managed sites during 2013/14 and identify any failing to meet their management plan objectives.
Increasing the percentage of paths open and usable, as measured against revised criteria, to 85%.	To develop a network of rights of way which are open, usable, suitably signposted, and in an acceptable condition with at least 80% of path network open and meeting the Authority's standard by March 2014.
To continue to develop and improve the performance of the planning service.	To provide our services in a manner which improves the socio-economic well-being of residents and visitors to the National Park.
To increase and improve the opportunities for access and understanding of the National Park for 'hard to reach' groups.	To maintain and improve the level of customer satisfaction for our services.

The Authority's self-assessment of performance

The Authority's self-assessment of its performance during 2012-13 can be found in its *Improvement Plan - Part 2 2012/13* which can be found on the Authority website at www.pembrokeshirecoast.org.uk.

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