

Improvement audit and assessment 2015-16

Improvement plan audit

Audit of discharge of duty to publish an improvement plan.

Timing – Report due in June 2015.

Assessment of performance audit

Audit of discharge of duty to publish an assessment of performance.

Timing – Report due in November 2015.

Financial management review

Further work on financial management arrangements following up our 2014-15 review, and looking forward to 2016-17 budget setting and savings proposals. There will also be a focus on reserves position, policy and use of reserves.

Timing – June to September 2015

Governance review

This work will focus on areas identified as being in need of improvement in the Corporate Assessment report.

Timing – July 2015 to March 2016

Performance management review

Study across North Wales on benchmarking social services costs against performance. This will include CSSIW involvement.

Timing – April to October 2015

Locally determined review(s)

Follow-up of aspects identified as being in need of improvement in the Corporate Assessment report.

Timing – July 2015 to March 2016

Annual Improvement Report

Annual summary and assessment by the Auditor General and other regulators.

Timing – December 2015 to March 2016

Local Government studies 2015-16

The strategic approach of councils to income generation and charging

Under theme of 'delivering with less', this study will involve an audit of councils' strategic approach to charging, the approval process for setting and reviewing charging and the impact of charging on services and on service users.

Council funding of third-sector services

Also under the theme of 'delivering with less', this study will:

- examine the level of investment in voluntary sector services to benchmark findings against earlier assessments;
- review the measures used to judge the effectiveness of funding in a 'tracer' area; and
- review decision-making processes to determine whether the principles of good governance in funding third sector services are being followed.

The effectiveness of local community safety partnerships

This study examines the effectiveness of community safety partnerships and the impact of the work of partnerships in delivering improvement within their communities.

Timing for all to be confirmed.

Improvement audit and assessment for 2014-15

Corporate Assessment 2014-15

The assessment is complete and report being drafted with a view to publishing the report in June 2015. Feedback has been provided to SLT, Cabinet and Shadow Cabinet members.

Review of Anglesey and Gwynedd Joint Local Service Board

The review is complete and report is in draft awaiting approval. The LSB received feedback on 31 March. The report will be issued following the end of the election embargo on 8 May 2015.

Housing Benefit Assessment

The review looks at the management, customer focus, decision-making and oversight of Discretionary Housing Payment (DHP) monies and is primarily a desktop analysis of key documentation. The outputs will be a short national summary updating our position statement on DHP in 2013-14 and a short summary for inclusion in the Annual Improvement Report on current performance for each council.

Local Government studies 2014-15

Impact of Welfare Reform on social housing

Published 8 January 2015. The report is available at <https://www.wao.gov.uk/publication/managing-impact-welfare-reform-changes-social-housing-tenants-wales>

Safeguarding arrangements

Report to be published May 2015

Financial resilience of councils in Wales

Published 2 April 2015. The report is available at <https://www.wao.gov.uk/publication/financial-resilience-councils-wales>

Independence of Older People

The fieldwork is due to be completed by March 31 2015 dependent upon outstanding information being provided by councils. The provisional date for publication is July/August 2015.

Delivering with less leisure services

The fieldwork is due to be completed by March 31 2015 dependent upon outstanding information being provided by councils. The provisional date for publication is August/September 2015.

Good practice

In line with the Auditor General's commitment to identify and share good practice, he will continue to host shared learning seminars, identify relevant case studies and focus work on identifying and promoting effective practice. Public bodies receive notification and invites in advance of the events. Forthcoming events can be accessed at WAO's website -

<https://www.wao.gov.uk/forthcoming-events/Shared-Learning-Seminar>

Other regulators

Joint work with CSSIW across North Wales on benchmarking social services costs against performance.

Estyn has no plans to review Anglesey. However, Estyn is completing a thematic review of the regional school improvement service (GwE) across North Wales.

Other reports

The Auditor General's recent report on [Managing Early Departures across Welsh Public Bodies](#) identified the extensive use of early departures to support workforce cost reduction across 58 of the public bodies that we audit. The report concluded that, overall, the governance of early departures has been satisfactory, although not all schemes complied fully with good practice principles. The report was primarily based on our survey and additional data collection rather than detailed review of any individual organisation's arrangements.

Six of the seven recommendations in the report relate specifically to public bodies' own early departure arrangements and are applicable across all sectors. The reports are available at <https://www.wao.gov.uk/publication/managing-early-departures-across-welsh-public-bodies>
All reports are bilingual.

Recommendations from Early departures Report

We found that not all public bodies were using business cases for all individual early departures and that where public bodies are using business cases, some are applying more rigorous criteria than others ([paragraphs 2.18-2.20](#)).

R1 Public bodies should use business cases to support all individual early departures. Business cases should identify the cost and service delivery implications of the individual leaving and take account of relevant wider workforce planning.

For voluntary exits and voluntary redundancies, local authorities have discretion to set their own early departure arrangements and, in practice, have applied a range of different terms and conditions ([paragraph 1.13](#)). Given the Welsh Government's desired reduction in the number of local authorities in Wales, early departures are likely to be a feature of any future merger agreements.

R2 Working with local government, the Welsh Government should seek agreement on some common principles to underpin any early departure arrangements arising from local government mergers.

Scrutiny of early departures is important in ensuring that proposals for both schemes and individual early departures represent value for money. We found that more than three quarters of public bodies had councillors or board members involved in some way in ensuring value for money for their early departures ([paragraphs 2.25-2.26](#)).

R3 We recommend that public bodies:

- **Ensure that councillors or board members have the opportunity to examine the value for money of early departure schemes through established scrutiny/governance arrangements.**
 - **Ensure that councillors and/or board members approve higher value packages, such as those for senior management.**
 - **Consider using internal audit to provide assurance on overall management of early departure schemes.**
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We found that around one in five early departures have involved some form of settlement agreement, with seven per cent of these cases including an enhancement payment. However, not all public bodies could tell us whether their early departures involved a settlement agreement or an enhancement payment ([paragraphs 2.29-2.32](#)).

R4 Public bodies should ensure where settlement agreements are used, their records clearly identify whether a package includes an enhancement payment and if so, its value and the reason for the enhancement payment.

We found that not all public bodies that ran an early departure scheme undertook some form of equality impact assessment. Equality impact assessments should ensure that those with protected characteristics are not subjected to unfair disadvantage or exclusion (paragraphs 2.27-2.28).

R5 Public bodies should give due consideration to the equality impact of all early departure arrangements, in particular where a public body is running a specific scheme covering multiple possible departures.

We found that, assuming staff were not directly or indirectly replaced, public bodies would, on average, start to have made cost savings from early departures after 10 months. We found that once this payback period elapsed, public bodies stood to save around £305 million per year. However, public bodies might not realise any of these savings in full for a variety of reasons (paragraphs 1.18-1.23).

R6 Public bodies should monitor and report as part of their internal governance arrangements on expected and achieved savings as a result of early departures. This will help inform future cost reduction plans.

We found the quality of data held by public bodies on early departures was inconsistent. Several public bodies were not able to provide us with some key information we requested (paragraph 2.37).

R7 Public bodies should review their record keeping for early departure arrangements, so that they can more readily identify key information including the number and costs of early departures in a given period, payback period information based on salary and employers' National Insurance and pension costs, and settlement agreements.