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Stuart Rosser  
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Dear Stuart

## Improvement Assessment

In my letter of 15 October 2013, I gave my opinion on whether the Council had discharged its statutory duties in respect of improvement planning.

I am also required, under the Local Government (Wales) Measure 2009 (the Measure) to give an opinion on whether Caerphilly County Borough Council (the Council) has discharged its duties in respect of improvement reporting and met the requirements of the Measure.

**In my opinion, and based on audit work undertaken to date the Council has discharged its improvement reporting duties under the Measure although there is potential to strengthen its arrangements further.**

I have reached this conclusion because:

- The Council approved and published its Annual Performance Report 2012-13 (the Report) before the statutory deadline of 31 October 2013.
- The Report assesses the Council's performance in the preceding financial year (2012-13).
- The Report sets out how the Council has sought to discharge its duties under the Measure.
- The Report includes details of performance and comparisons as measured by the national statutory performance indicators.
- The Report includes details of the ways in which the Council has sought to collaborate and used examples to illustrate the outcomes of some of these collaborations.

- The Report is available in English to download from the Council's website. Due to translation the Welsh version is due to be published mid-November. The Report is also available in hard copy, and versions in other formats, such as Braille and audio, can be provided upon request.

It is pleasing to note that the Council has addressed many of my proposals for improving its Annual Performance Report raised in my letter dated 17 December 2012, specifically:

- The Report includes comparative data for all the National Strategic Indicators and Public Accountability Measures that illustrates how the Council compares with the all Wales average and sets out its ranking out of the 22 Welsh Councils for 2012-13 and 2011-12. In addition, the Council has reported its performance against the targets it set itself in its 2012-13 Improvement Plan.
- The Report includes interpretations of the performance data to assist readers to better understand if a high value indicates good or poor performance and has more clearly set out the direction of improvement. In addition, for each performance measure reported, the Council has provided a narrative summary of performance to help 'tell the story'.
- The Council has incorporated more financial information into the Report to help illustrate how resources are being spent in each Directorate and to highlight the financial pressures it is facing.
- The Council has drawn on a wider evidence base of information to assess whether it has delivered its Improvement Objectives, including the use of more qualitative information, such as the 2013 Household Survey and the National Survey for Wales. However, there is still scope to expand the evidence base further.
- The Council's Scrutiny Committees and Audit Committee have been more involved in evaluating the Council's success in delivering its Improvement Objectives, both throughout the year and at year-end to inform the development of the Report.
- The Report presents a fairer and more balanced picture of its performance this year than it did last year.
- The Report has been signposted on the home page of the Council's website, making it easier to locate the Report.

I have identified a number of areas where the Council can further improve the Report:

- More contextual information could be provided within the main narrative of the Report to give a more rounded picture of performance. For instance, the Education Director's statement of overall performance for 2012-13 highlights that one of the Education service's achievements is that school attendance figures have increased. However, this part of the Report does not reflect that the Council's performance continues to be lower than the Welsh average and remains in the bottom quartile. This information is only set out in the table of indicators later in the section.
- A fuller evaluation of performance against the Council's improvement objectives could be provided within the main body of the Report. Performance against measures and actions relating to the improvement objectives is included in Appendix A, using the performance reports from Ffynnon.
- The Council could set out more consistently what action it is going to take to address poor / under-performance.
- Consideration could be given to more targeted use and reporting of comparative information. For example, the Council could consider comparing its performance with other similar councils or bodies rather than just using the all-Wales average.

### **Further proposals for improvement/recommendations**

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

#### **Proposals for improvement**

- P1 In future Performance Reports, the Council should:
- explain what corrective actions it has taken when performance and comparative information identifies areas in need of improvement;
  - provide more contextual information within the main narrative to give a more rounded picture of performance and provide a fuller evaluation of performance against its improvement objectives; and
  - consider more targeted use and reporting of comparative information with similar councils during the year and within future Performance Reports.

I will undertake more detailed work on the arrangements that support the Council's performance management and reporting over the following months and report this, as well as summarising all of my work and that of relevant regulators during 2013-14, in an Annual Improvement Report for the Council that I will issue by the end of March 2014.

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

Non Jenkins – Manager

Jackie Joyce – Performance Audit Lead