



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Annual Improvement Report 2015-16

## City and County of Swansea Council

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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Steve Barry and Samantha Clements under the direction of Jane Holownia.

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**Auditor General for Wales**  
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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 Board, 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.

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.

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# Summary report

## About this report

- 1 This Annual Improvement Report (AIR) summarises the audit work undertaken at the City and County of Swansea Council (the Council) since the Corporate Assessment and combined AIR was published in June 2015. This report also includes a summary of the key findings from 'relevant regulators', namely: the Care and Social Services Inspectorate Wales (CSSIW); Her Majesty's Inspectorate for Education and Training in Wales (Estyn); and the Welsh Language Commissioner (WLC). Nonetheless, this report does not represent a comprehensive review of all the Council's arrangements or services. The conclusions in this report are based on the work carried out at the Council by relevant external review bodies and, unless stated otherwise, reflect the situation at the point in time that such work was concluded.
- 2 Taking into consideration the work carried out during 2015-16, the Auditor General will state in this report whether he believes that the Council is likely to make arrangements to secure continuous improvement for 2016-17.
- 3 This statement should not be seen as a definitive diagnosis of organisational health or as a prediction of future success. Rather, it should be viewed as providing an opinion on the extent to which the arrangements currently in place are reasonably sound insofar as can be ascertained from the work carried out.
- 4 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@audit.wales](mailto:info@audit.wales) or writing to us at 24 Cathedral Road, Cardiff, CF11 9LJ.

## 2015-16 performance audit work

- 5 In determining the breadth of work undertaken during the year, we considered the extent of accumulated audit and inspection knowledge as well as other available sources of information including the Council's own mechanisms for review and evaluation.
- 6 For 2015-16, we undertook improvement assessment work under two themes: performance and use of resources, as well as assessing the progress being made in dealing with the proposals for improvement made in our June 2015 report. During the year the Council was reviewing decision making arrangements in response to a proposal for improvement that we made in 2015. Changes had not become embedded so we propose to review governance arrangements in more detail in the latter part of 2016 and will report on the outcome in due course.
- 7 The work carried out since the last AIR, including that of the 'relevant regulators', is set out below.

Project name	Brief description	Dates
Wales Audit Office review of Performance Management Arrangements	Follow-up implementation and effectiveness of the Council's developing approach to reporting and evaluating performance. Our report identified progress was being made and included four proposals for improvement which the Council is implementing.	July 2016
Wales Audit Office Financial Resilience Assessment	Review of the Council's financial position and how it is budgeting and delivering on required savings. We found that the Council had improved medium-term financial planning, but the pace at which planned savings were being achieved was too slow and accountability for delivering all savings proposals had yet to be resolved. The report included two proposals for improvement which are being considered by the Council.	May 2016
Wales Audit Office Annual 'Improvement Plan' Audit	Each year the Council must publish its improvement objectives. We reviewed publication in 2015 and again in 2016 and issued certificates confirming the Council had complied with statutory requirements.	May 2015 and May 2016

Project name	Brief description	Dates
Wales Audit Office Annual 'Assessment of Performance' Audit	Each year the Council must publish an assessment of its performance in the previous year. In October 2015 the Council published its report of its performance in 2014-15. We reviewed the report and issued a certificate confirming the Council had complied with statutory requirements.	November 2015
Wales Audit Office Audit of Accounts	Review of the Council's financial statements, which concluded they give a true and fair view of its financial position and expenditure and income for the year.	November 2015
CSSIW Performance Evaluation Report 2014-15	CSSIW's review of the Council's performance in both Adults' and Children's Social Services.	October 2015
Welsh Language Commissioner review	Every council 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.	December 2015

## The Council has continued to improve in its priority areas and its arrangements are likely to support future improvement

- 8 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Council is likely to comply with the requirements of the Measure and secure improvements during 2016-17. The Auditor General has reached this conclusion because:
- a The Council has made clear progress in developing its performance management arrangements and understands what needs to be done to further refine activities.

- b The Council has improved medium-term financial planning, but the pace at which planned savings are being achieved is too slow and accountability for delivering all savings proposals has yet to be resolved:
  - the Council has improved medium-term financial planning arrangements and understands the overall financial savings required but is not achieving specific savings as quickly as planned;
  - controls are in place for managing most of the Council’s financial activity but a lack of clarity about responsibility for delivering some savings targets weakens overall control; and
  - financial governance arrangements are in place but weakened by the lack of accountability for delivery of some savings targets.

## Proposals for improvement

- 9 Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
  - a make proposals for improvement – if proposals are made to the Council, we would expect it to do something about them and we will follow up what happens;
  - b make formal recommendations for improvement – if a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days;
  - c conduct a special inspection and publish a report and make recommendations; and
  - d recommend to Ministers of the Welsh Government that they intervene in some way.
- 10 During the course of the year, the Auditor General did not make any formal recommendations. Lower-priority issues, known as ‘proposals for improvement’, are contained in our other reports. During the year we made a total of six proposals for improvement in two reports. We will continue to monitor the implementation of proposals for improvement during the course of our future performance audit work.

## Performance

### **P1 Improve the effectiveness of decision making by:**

- reviewing the effectiveness and resource implications of all task and finish groups, management committees, and improvement boards; and
- clarifying responsibilities for elements of performance.

### **P2 Improve external reporting of performance by:**

- developing the Council's website; engaging user groups in determining the most effective and efficient ways of reporting performance, and then taking action to improve public reporting;
- maximising the impact of performance reports by assessing their readability and comprehension; and
- assessing the costs and benefits of any opportunities to communicate performance information using video, social media, and interactive media.

### **P3 Improve service business planning by:**

Further developing the Council's service planning toolkit to include:

- giving greater clarity on operational priorities and to pinpoint budget savings;
- developing an appropriate set of smaller, more focused, representative and outcome-based local performance indicators for each service; and
- improving data quality and security by acting on the findings of recent internal data quality reviews, and continue testing data security systems and policies.

### **Improve performance management by:**

P4 Increasing the coverage, positive impact and frequency of formal staff appraisals.

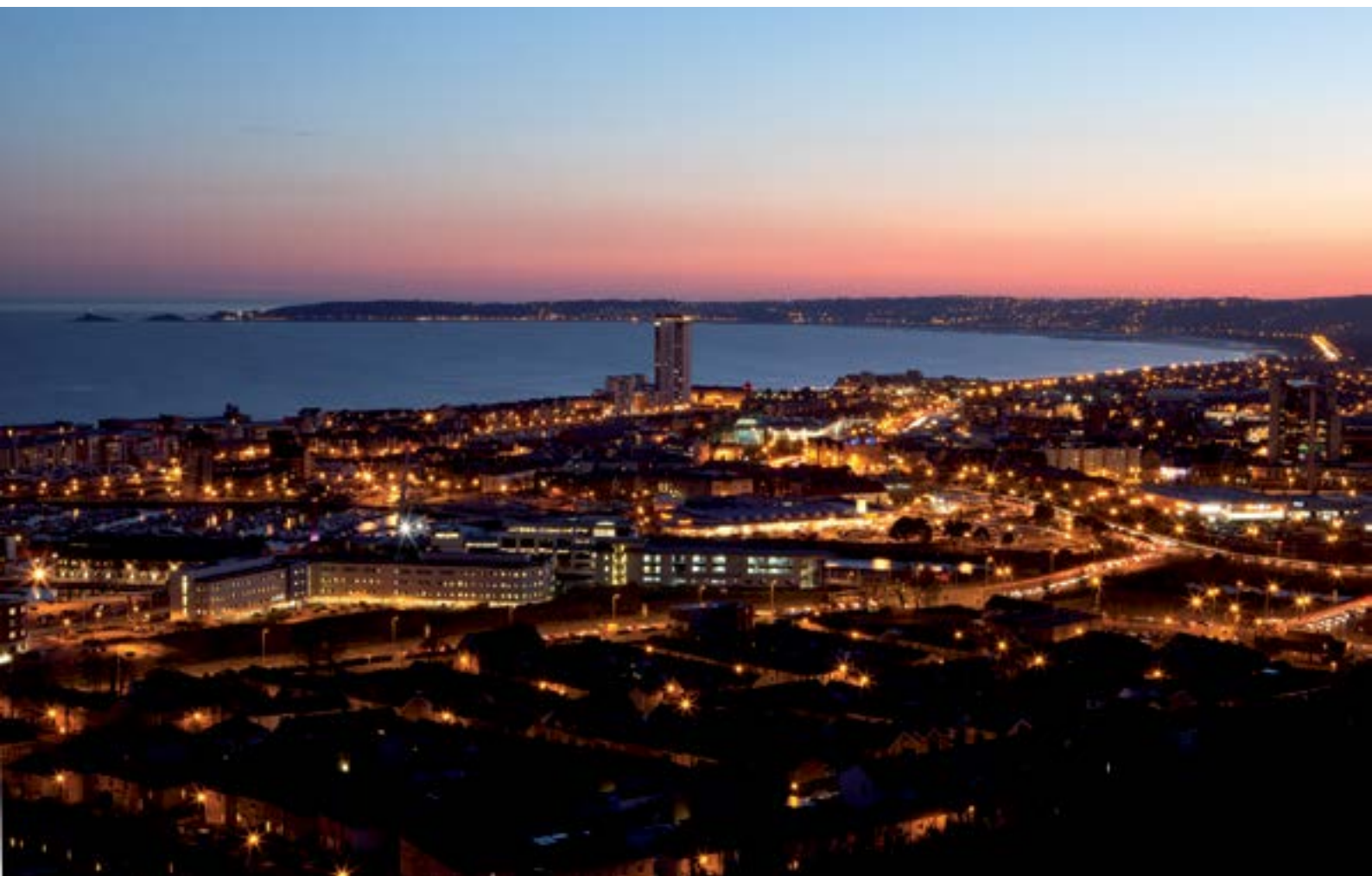
## Use of Resources

**P5** Ensure timescales for the delivery of specific savings proposals are realistic and act to drive delivery.

**P6** Ensure responsibility for delivery of planned savings is assigned to specific managers' services.



# Detailed report



# Performance

## Audit of the Council's 2015-16 and 2016-17 Improvement Plans

- 11 In May 2015 and May 2016 we issued certificates confirming that the Council had discharged its duties under section 15(6) to (9) of the Local Government Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties. The certificates are contained in [Appendix 2](#).

## Review of the Council's assessment of its 2014-15 performance

- 12 On 23 November 2015, we issued a certificate confirming that the Council had discharged its duties under sections 15(2), (3), (8) and (9) of the Measure. Our certificate is contained in [Appendix 3](#).

## The Council had made clear progress in developing its performance management arrangements and understood what needed to be done to further refine activities

- 13 In June 2015 we reported that the Council should 'Increase the pace of implementation of improvements to performance reporting arrangements to provide a balanced range of readily accessible information that assists decision making.' In 2016 we assessed the progress being made by the Council.
- 14 We found that the Council had made clear progress in developing its performance management arrangements and understands what needs to be done to improve its prospects for further improvement because:
- a improvements to Service Business Planning are creating a more consistent, collaborative and corporate approach although not all plans reach the same high standard;
  - b improvements to performance management arrangements are supporting the delivery of corporate priorities although performance appraisals require significant improvement;
  - c public access to high-quality performance information is limited and reduces accountability and opportunities for community engagement;
  - d effective use of performance information is supporting improved results and outcomes in some key priority areas; and
  - e corporate support for managers, good self-awareness and a collaborative approach to improvement are promoting a culture likely to sustain improvements in the future.
- 15 The detailed report includes case studies of how four other councils have been refining performance management arrangements in recent years and how this has led to more effective use of their resources which are being used by the Council as a reference point for refining its own arrangements.

## Estyn's evaluation of school performance

- 16 The proportion of pupils eligible for free school meals in Swansea is slightly higher than the Wales average. This is taken into account when evaluating the performance in the authority.
- 17 Performance in the Foundation Phase has improved strongly over the last four years. In 2015, overall performance for the Foundation Phase indicator is now in line with performance across Wales. At key stage 2, performance in the core subject indicator has also improved well in recent years. In 2015, performance in this measure is just above the all-Wales average.
- 18 At key stage 3, performance in the core subject indicator has improved rapidly over five years. In 2015, performance in this measure is now in line with the average performance in Wales. At key stage 4, performance in the level 2 threshold including English or Welsh and mathematics has improved strongly in the last three years. In 2015, performance in this measure is well above the benchmark for performance set by the Welsh Government. Similarly, performance in the capped points score indicator has improved well. In 2015, performance is above the benchmark for performance set by the Welsh Government. In 2015, the proportion of pupils achieving five A\* or A grades at GCSE or an equivalent qualification is higher than the average for Wales.
- 19 Performance by pupils eligible for free school meals has improved across all main indicators. At key stage 4, in 2015, performance by these pupils in the level 2 threshold including English or Welsh and mathematics is higher than that of similar pupils in other Welsh authorities.
- 20 Attendance has improved well over the last two years and is now broadly in line with the average in Wales in both primary and secondary schools.

## The Care and Social Services Inspectorate Wales considered the Council to have made progress in modernising its services and to be in a strong position based on its progress against areas for improvement

- 21 The CSSIW published its [Annual Review and Evaluation of Performance 2014-2015](#) in October 2015 and this is available on its website.
- 22 The CSSIW reported that the Council continues to make progress with implementing the modernisation and transformation programme which it has been working on for the past three years. It recognises the challenges posed by the Social Services and Wellbeing (Wales) Act 2014, which comes into force in 2016. The Council is working to address long-term demand pressures, by building a sustainable, high-quality model of social care. Social services have a clear vision which is underpinned by corporate plans and a strategic framework.

- 23 The CSSIW also reported that the challenges facing the Council were clearly identified in the director of social services' annual report. There are detailed strategic business plans in place for both adult and children's services which set out the values, principles, areas for development, and achievements of the past year. Despite this having been a time of great change, the Council is in a strong position based on the progress against the areas for improvement identified in last year's performance evaluation report.
- 24 The CSSIW recognised there have been significant changes both at a strategic senior officer and operational team level, leading to structural and service reorganisation within adult and children's services. Against a context of significant efficiency savings and budget constraints, this has been unsettling for some staff groups. The Council has committed to minimising the impact of these changes on service delivery to citizens. A joint workshop with the local authority and health board staff is being organised to review and evaluate what has been achieved to date, and to ensure that future progress is built on a strong foundation.

## Welsh Language Commissioner's evaluation of performance

- 25 The role of the Welsh Language Commissioner (the Commissioner) was created by the Welsh Language (Wales) Measure 2011. New powers to impose standards on organisations came into force through subordinate legislation on 31 March 2015. The Commissioner will continue to review Welsh-language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 26 The Commissioner works with all councils in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of councils to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every council 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. The **response** was published in December 2015.

# Use of resources

## Audit of the Council's accounts

- 27 On 17 November 2015 the Auditor General issued an Annual Audit Letter to the Council. The letter summarises the key messages arising from his statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor and his reporting responsibilities under the Code of Audit Practice. The Auditor General issued an unqualified opinion on the Council's accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. The Annual Audit Letter can be found in [Appendix 4](#) of this report.

## The Council had improved medium-term financial planning, but the pace at which planned savings are being achieved was too slow and accountability for delivering all savings proposals had yet to be resolved

- 28 We undertook our assessment during the period May to October 2015, and followed up issues highlighted in the 2014-15 financial position work. The focus of the work was on the delivery of 2014-15 savings plans, and the 2015-16 financial planning period.
- 29 The work focused on answering the following question: Is the Council managing budget reductions effectively to ensure financial resilience? We considered whether:
- a financial planning arrangements effectively supported financial resilience;
  - b financial control effectively supported financial resilience; and
  - c financial governance effectively supported financial resilience.
- 30 Overall we concluded: 'The Council had improved medium-term financial planning, but the pace at which planned savings were being achieved was too slow and accountability for delivering all savings proposals had yet to be resolved.' We came to this conclusion because:
- a the Council had improved medium-term financial planning arrangements and understood the overall financial savings required but was not achieving specific savings as quickly as planned;
  - b controls were in place for managing most of the Council's financial activity but a lack of clarity about responsibility for delivering some savings targets weakened overall control; and
  - c financial governance arrangements were in place but were weakened by the lack of accountability for delivery of some savings targets.

# 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 parks, and fire and rescue authorities.

This report has been produced by 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 parks, 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 – Audit of the City and County of Swansea’s 2015-16 and 2016-17 Improvement Plans

## Audit of the City and County of Swansea’s 2015-16 Improvement Plan

### Certificate

I certify that I have audited the City and County of Swansea’s (the Council) Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

### Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Council is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Council has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Council’s auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Council has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

## Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas  
**Auditor General For Wales**

CC: Leighton Andrews, Minister for Public Services  
Steve Barry, Manager  
Samantha Clements, Performance Audit Lead



## Audit of the City and County of Swansea's 2016-17 Improvement Plan

### Certificate

I certify that, following publication on 17 March 2016, I have audited Swansea Council's Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Council is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Council has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Council's auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Council has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

## Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas  
**Auditor General For Wales**

CC: Leighton Andrews, Minister for Public Services  
Steve Barry, Manager  
Samantha Clements, Performance Audit Lead

# Appendix 3 – Audit of the City and County of Swansea’s assessment of its 2014-15 performance

## Certificate

I certify that, following publication on 29th October 2015, I have audited Swansea’s (the Council) assessment of its performance in 2014-15 in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

## Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to annually publish an assessment which describes its performance:

- in discharging its duty to make arrangements to secure continuous improvement in the exercise of its functions;
- in meeting the improvement objectives it has set itself;
- by reference to performance indicators specified by Welsh Ministers, and self-imposed performance indicators; and
- in meeting any performance standards specified by Welsh Ministers, and self-imposed performance standards.

The Measure requires the Council to publish its assessment before 31 October in the financial year following that to which the information relates, or by any other such date as Welsh Ministers may specify by order.

The Measure requires that the Council has regard to guidance issued by Welsh Ministers in publishing its assessment.

As the Council’s auditor, I am required under sections 17 and 19 of the Measure to carry out an audit to determine whether the Council has discharged its duty to publish an assessment of performance, to certify that I have done so, and to report whether I believe that the Council has discharged its duties in accordance with statutory requirements set out in section 15 and statutory guidance.

## Scope of the audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information. Other assessment work that I will undertake under section 18 of the Measure may examine these issues. My audit of the Council's assessment of performance, therefore, comprised a review of the Council's publication to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the assessment complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing it.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas  
**Auditor General For Wales**

CC: Leighton Andrews, Minister for Public Services  
Steve Barry, Manager  
Samantha Clements, Performance Audit Lead

# Appendix 4 – Annual Audit Letter – City and County of Swansea Council 2014-15

Mr Jack Straw  
Leader  
City and County of Swansea  
Civic Centre  
Oystermouth Road  
Swansea SA1 3SN

Dear Mr Straw

## Annual Audit Letter — City and County of Swansea 2014-15

This letter summarises the key messages arising from the Auditor General for Wales' statutory responsibilities under the Public Audit (Wales) Act 2004, and reporting responsibilities under the Code of Audit Practice.

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

It is the Council'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 Council'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.

Local 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. On 28 September 2015, the Auditor General for Wales issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Authority's and the Pension Fund's financial position and transactions. This report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in the Audit of Financial Statements report on 21 September 2015.

**The Auditor General for Wales is satisfied that the Authority has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources**

The 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. The Annual Improvement Report will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made.

The Auditor General for Wales issued a certificate confirming that the audit of the accounts has been completed on 28 September 2015.

**Work to date on certification of grant claims and returns has not identified significant issues that would impact on the 2015-16 accounts or key financial systems**

A more detailed report on grant certification work will follow in 2016 once this year's programme of certification work is complete.

The financial audit fee for 2014-15 is currently expected to be in line with the agreed fee set out in the Annual Audit Outline.

Yours sincerely

Kevin Williams  
**PricewaterhouseCoopers LLP**

**For and on behalf of the Auditor General for Wales**

cc. Cllr. Rob Stewart



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