



WALES **AUDIT** OFFICE
SWYDDFA **ARCHWILIO** CYMRU

Annual Improvement Report

Pembrokeshire

County Council

January 2011



Annual Improvement Report by the Auditor General for Wales

This report is written by the Wales Audit Office on behalf of the Auditor General for Wales. (An explanation of what the Auditor General does is at Appendix 1). It is a new report that he is required to publish about how well Welsh councils are improving their services. With help from other inspectors like Estyn (for education) and the Care and Social Services Inspectorate for Wales, we have brought together a picture of what the council is trying to achieve; how it is going about it; and what it needs to do to improve its approach to improving services.

This Annual Improvement Report sets out that picture and each year we will produce a report to let you know what progress Pembrokeshire County Council (the Council) has made. We have not covered all the services the Council provides. We have focused on a small number of things, especially those things that the Council has said are its priorities for improvement.

We want to find out what you think of the services the Council is providing in your area and will be giving you an opportunity to comment in the future. In the meantime we would like to know whether this report gives you the information you need, and whether it is easy to understand. You can let us know your views by emailing us at info@wao.gov.uk or writing to us at 24 Cathedral Road, Cardiff CF11 9LJ.

The Wales Audit Office study team that assisted in preparing this report comprised Non Jenkins and Helen Keatley under the direction of Alan Morris.

This report has been prepared by the Wales Audit Office on behalf of the Auditor General for Wales as required by the Local Government (Wales) Measure 2009. The Auditor General for Wales assesses the compliance of Welsh improvement authorities (county councils, county borough councils, national park authorities and fire and rescue authorities) with the improvement requirements of Part 1 of the Local Government (Wales) Measure 2009.

The Auditor General for Wales and his staff together comprise the Wales Audit Office. For further information about the Wales Audit Office please write to the Auditor General at 24 Cathedral Road, Cardiff, CF11 9LJ. Telephone 029 2032 0500, email: info@wao.gov.uk, or see website www.wao.gov.uk.

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What kind of area is Pembrokeshire?

- 1 Pembrokeshire is a rural county, bordered by the sea on three sides, and by Ceredigion to the north east and Carmarthenshire to the east. Around 45 per cent of its population live in urban areas whereas the remaining 55 per cent live in rural communities. The county is one of the most westerly and peripheral counties in Wales. It has a geographic area of 1,590 km² and makes up 7.7 per cent of the total area of Wales. In 2009, around 117,400 people lived in Pembrokeshire. The population grows during summer, with many visitors to coastal towns like Tenby, Saundersfoot and the cathedral city of St David's.
- 2 Estimates from 2009 show that 18.6 per cent of the population was under 16; while 21.3 per cent was over 65. That means there is a higher proportion of older people in Pembrokeshire than the Wales average of 18.3 per cent. The net loss of local young people from the county and the net migration inwards of higher numbers of older people could spell significant challenges for the Council in the coming years. Overall, Pembrokeshire's population has grown by four per cent since 2001, making it one of the fastest growing counties in Wales.
- 3 The Landsker Line, which runs from St Brides Bay in the west to Carmarthen Bay in the east, represents a traditional language and cultural boundary. Around 18 per cent of the population are Welsh speakers, most of whom live above the Landsker Line in the north of the county.
- 4 Pembrokeshire seems to be relatively prosperous on some measures but there are pockets of deprivation, particularly in the Pembroke Dock area. Deprivation also exists in some parts of Pembrokeshire's rural hinterland. The county relies heavily on tourism, although agriculture is still important and petrochemical and natural gas industries have developed on the banks of the Cleddau Estuary.
- 5 Further information about Pembrokeshire and the Council is included in [Appendix 2](#).

geographic area
1,590 km²
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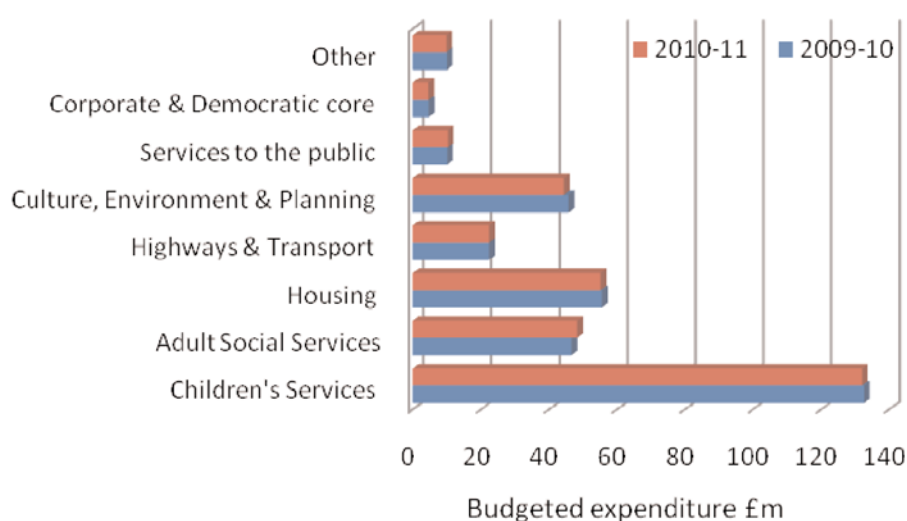
population
117,400
//////////

welsh speakers
18%
//////////

Is Pembrokeshire Council well managed?

- 6 Managing such a large organisation with its diverse range of services is very complex. In June 2010, the Wales Audit Office produced a report (called a Corporate Assessment) that gives quite a lot of detail on how the Council is organised and managed. The things we told the Council in that report are set out in [Appendix 3](#). If you want to read the whole Corporate Assessment report, you can find it on the Wales Audit Office website at www.wao.gov.uk.
- 7 The overall conclusion of that report was that strong stable leadership, and a culture of continuous improvement, are very likely to sustain improvement in the future. This stability has meant that the Council has had time to become clear about what they want to do to make things better and to make progress in doing those things. They have fostered a culture where Council staff are committed to doing their best and trying to make services better for the people of Pembrokeshire. Because this commitment to improving is so well embedded in the culture of the Council, we are confident that they will continue to improve, despite the challenges they face.
- 8 The Council has fostered this culture of continuous improvement even when its council tax rate (based on that set for a band D property) has consistently been the lowest in Wales, and continues to be the lowest of all 22 Welsh authorities for 2010-11.
- 9 Since we produced the Corporate Assessment, the pressure has grown on all public services to make the very best use of all their resources.
- 10 Recently, the Council has moved responsibilities between departments and made some new appointments including a new Director of Education and Children's Services. The Council has been working well across its departments and with other organisations to see how best to maintain and improve services over the next few years, whilst simultaneously cutting costs. It is moving forward effectively to make sure that staff are being paid fairly, according to the law on equal pay, and has improved its staff management systems. In developing its own staff, the Council's corporate learning and development team continue to provide good value training programmes by using information about the learning and development needs of each service and across the whole organisation. In our Corporate Assessment report we said that generally, the Council has a strong focus on developing and using staff with a robust approach to tackling poor performers and promoting lean staffing arrangements. The Council's Performance Review process and its Pembrokeshire Management programme are being further refined to reflect changing priorities. This includes the assessment of management behaviours and 360 degree appraisals.
- 11 The Council's budgeted cost of services (expenditure excluding income such as rents, fees and charges) for 2009-10 was £327.5 million and £326.8 million in 2010-11. [Exhibit 1](#) shows that 40 per cent of its budgeted expenditure is on children's services (education and social care of children and families), about 17 per cent on housing services and about 14 per cent each on adult social services and culture, environment and planning services.

Exhibit 1: Budgeted expenditure on services provided by the Council



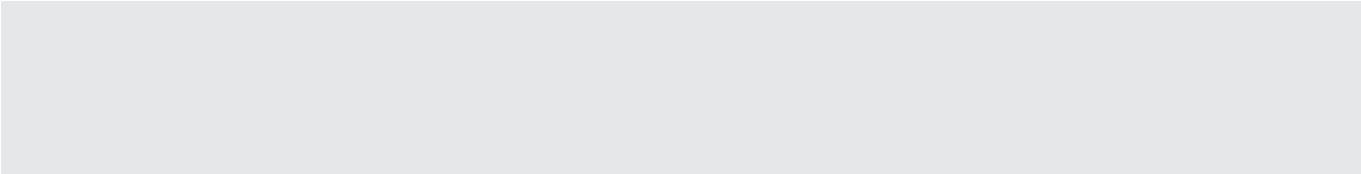
12 The Council's budget has always been well-managed. The Council has achieved balanced budgets in that it has delivered services within the resources available. This track record in managing budgets effectively places the Council on a sound footing going forward.

13 The auditor appointed by the Auditor General has confirmed in his Annual Letter to the Council on 29 November 2010 that the Council's financial statements for 2009-10 were satisfactory and that money had been spent in a proper way. His 2010 Annual Letter is included in this report in [Appendix 4.1](#).

14 Due to the financial climate, almost all public services face reductions in funding. Revenue funding is the money that councils spend running and managing their services. Pembrokeshire Council will see a reduction of around £2.7 million (1.7 per cent) in the revenue funding it gets from the Assembly Government for 2011-12. Once inflation is factored in, that means a real terms cut of around £5.8 million (3.58 per cent).² Indicative Assembly Government figures show further real terms reductions in the Council's revenue funding for 2012-13 and 2013-14.

¹ There is more information about the right to see council accounts in the Wales Audit Office leaflet, *Council accounts: your rights*, which you can find on our website at www.wao.gov.uk.

² Real terms means the effect of inflation is taken into account. There are lots of different measures of inflation. The figures used for public sector budgets come from the Treasury's GDP deflator series.

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- 15 Capital funding is the money that councils spend on infrastructure, for example new buildings and new equipment. The capital funding available to the Council is set to reduce considerably. Because councils make bids for capital funding, it is not possible to be entirely clear about how much each council will get. The total sum of capital available to councils will fall by 14 per cent in 2011-12 (a real terms cut of 18.5 per cent). There are no official figures for local government capital spending beyond 2011-12 but it is likely to be in line with a general reduction in the Assembly Government's capital spending, which will be cut by around 34 per cent (around 40 per cent in real terms) between 2010-11 and 2014-15.
- 16 These reductions are in line with the Council's assumptions. The Council has developed the way in which it plans for the future, and is making sensible preparations to help it achieve savings and introduce greater efficiency. It has chosen not to declare a savings 'target' until future funding levels from the Assembly Government have become clearer. The Council is continuing to develop its forward financial planning process ensuring that the resources available to it remain effectively deployed.
- 17 The Council has also reduced how much it overpays in housing benefits and increased the amount of debt it recovers, and is doing so at less cost. Although its council tax arrears have slightly increased in recent years and at the end of March 2010 stood at £1.226 million, proportionally, this was the lowest level of council tax outstanding per chargeable dwelling of all 22 Welsh councils. The Council recognises that collecting all income and finding the savings that it needs to make are crucial to sustaining service delivery.
- 18 The Council is responding positively to our Corporate Assessment report. Furthermore the Council has increased the scale and pace of change in facing the challenges ahead whilst keeping staff and members informed; it recognises the need to articulate how those plans will improve the lives of people in Pembrokeshire.

Does Pembrokeshire Council know what it needs to do to get better?

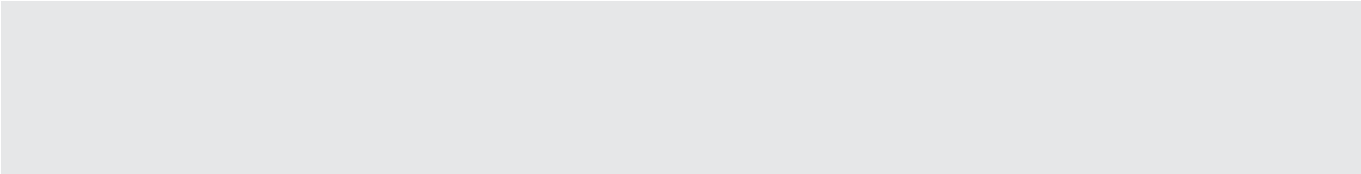
- 19 The Assembly Government requires all councils to publish their plans for improving what they do and how they do it. They must also publish a list of the main things they are aiming to improve each year – their improvement objectives. For 2010-11, Pembrokeshire Council has decided to concentrate on 26 objectives. These 26 objectives are set out in [Appendix 5](#). They are closely linked to those set out in Pembrokeshire's Community Plan and are pulled together into the same eight themes, which are:
- Well-being
 - Environment
 - Economy
 - Community
 - Housing
 - Learning
 - Access
 - Safety
- 20 The Council must publish its improvement objectives and its plans to achieve them as soon as practical after the beginning of April each year. The Council was one of the first in Wales to publish its improvement objectives, in May 2010. The objectives are in its Improvement Plan for 2010-11. The public can view this plan on the Council's website as well as in hard copy.³
- 21 The Council is required by the Assembly Government to produce an annual report on its achievements and progress within the last financial year. Therefore, the Improvement Review (the Review) was published by the Council in October 2010⁴ to comment on its performance from April 2009 until March 2010.
- 22 The Review meets statutory requirements although it could more clearly set out how equalities and sustainability issues are being addressed. The Review shows the progress the Council has made over the last year, how it compares with other councils, and what areas it will need to further improve over the next year. It describes how the Council has made progress on actions aimed to deliver improvements against the eight Community Plan themes namely Well-being, Environment, Economy, Community, Housing, Learning, Access and Safety.
- 23 The performance data is shown separately and is clearly laid out with Performance Indicator (PI) information showing the previous year and current year's performance, targets and comparison. A commentary is also provided to explain current performance on the PIs and areas for improvement.
- 24 The Review is descriptive and detailed, and is an improvement on the Council's previous corporate and improvement plans. However, the Review would have benefitted from linking more clearly and prominently its achievements with its areas for improvement and outcomes.
- 25 We also wanted to be sure the Council is clear how its intended improvements will benefit the people who live and work within its community. We checked its 26 objectives and found that in some ways they could be clearer and set out how they will benefit people. We also believe that although 26 is a large number of priorities for the Council to maintain a focus on delivering, we recognise that the Council has chosen to focus on a broad improvement agenda. The Council is, however, working on making its improvement

³ The Council's Improvement Plan can be found on its website at www.pembrokeshire.gov.uk/content.asp?nav=101,1566,1710&parent_directory_id=646

⁴ The Council's Improvement Review can be found on its website at www.pembrokeshire.gov.uk/content.asp?nav=101,1566,1782&parent_directory_id=646&id=21203&d1p1=1

objectives in future years clearer and more focused. The Council recognises that it needs to work on ways of measuring the impact it has: how well it is doing at making life better for people in Pembrokeshire. The Council has a robust performance management framework in place to deal with corporate, departmental and service level issues and improvements, and it recognises that it needs to adapt this framework to include different types of measures to show how it is making an impact on people's lives. In so doing, it should reflect how its partnerships and collaborations are helping it to achieve its outcomes and shape people's lives in Pembrokeshire.

- 26 We also looked at how well the Council involved local people, and those that work with and for it, in deciding what to prioritise. We found that the Council is very good at gathering the views of staff, citizens, partners and other organisations including quarterly consultations with its citizens' panel. We think the Council could make even better use of all of this information, which is gathered from a variety of sources, to work out exactly what it all adds up to. This will help it even more to make decisions, improvements, find savings, and verify that the desired outcomes will be or have been achieved.
- 27 To be customer-focused is one of the Council's three key principles, and is generally embedded into its corporate culture and arrangements. It also has clear and specific aims to improve the customer experience, including satisfying reasonable expectations, delivering services in ways that are convenient for the customer and avoiding repeating requests for information so that demands for service are not needlessly passed around the organisation.
- 28 The Council also recognises the importance of effective consultation, having consulted widely on its improvement objectives either through engagement mechanisms that have been set up to support the development of the Community Plan or via the website. There is a broad acknowledgement that improvement objectives reflect issues important to Pembrokeshire. However, the Council acknowledges the need for more ongoing and consistent dialogue between service providers and customers to measure rates of satisfaction and to clearly demonstrate how customer responses influence the improvement of service delivery.
- 29 However, some of the information it uses can quickly become out of date. The Council has used a number of consultation sources to inform this year's Improvement Plan and Community Plan including feedback received from the public and partners on its new Community Plan – a consultation that was carried out in early 2010. The Council also used citizens' views from its resident's survey from 2007 to inform this year's Improvement Plan and Community Plan. Those views were gathered before the recession and people's ideas and priorities may have changed significantly. In order to balance the costs and benefits of this sort of activity the Council carries out a survey of its residents every five years, and plans to undertake its next survey in 2012.
- 30 The complaints process is well established and the Council generally deals with customer queries effectively. However, learning from complaints needs to be consistent throughout all services as the process is not yet systematic throughout the Council.

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- 31 Internal communications is seen by the Council as being integral to effective joint working between its services and partners. It has established systems to encourage open dialogue, encouraging suggestions for service improvement, commitment and ownership.
 - 32 Finally, we asked how well the Council's plans will support its efforts to do better and if it could afford to pay for these improvements. Overall, we think the Council has done a good job of improving its services over the years, and it knows where there is still some more work to be done. This track record makes it very well placed to continue to improve in the future. The Council recognises the financial challenges it is facing and that tough decisions may need to be made between funding its improvement objectives and cutting costs.
 - 33 To help it make decisions, the Council assesses the costs and benefits of the activities it pursues and develops business cases to inform decision making. These assessments and plans help it to decide whether a particular option would represent value for money in the short and long term and whether it is focused on the customer.

Is Pembrokeshire Council serving people well?

- 34 Through the Auditor General's Improvement Assessment, we hope to gradually build a picture of how well the Council is serving local people. In order to do that, each year we will examine the Council's services and some of their objectives for improvement as they relate to three important aspects of life in Pembrokeshire. We think that, together, these aspects cover the main things that councils do. They are:
- helping to support people in need;
 - helping people develop; and
 - helping to create a safe, prosperous and pleasant place to live.
- 35 In this year's assessment, we have considered the Council's progress on these aspects. We have looked in limited detail only at all 26 objectives. We will look at them in more detail in our report next year.
- 36 Overall, if the Council has chosen to make things a priority, then it should be able to measure them in terms of how they affect local people.
- 37 The Welsh Language Board works with councils to help them develop their statutory Welsh language schemes that outline the way in which they provide services to the public in Welsh. The primary responsibility for the range and standard of services rests with the authorities who provide them, working in accordance with the statutory framework and guidelines of the Welsh Language Board. Every council is expected to provide the Welsh Language Board with an Annual Monitoring Report that explains how its scheme has been implemented. This report allows the Board to offer advice as to how a council might improve its local arrangements. The Board also undertakes its own reviews to assess the provision of Welsh language services and to promote improvement.
- 38 In 2009 about 18 per cent of the population of Pembrokeshire could speak Welsh compared with just under 26 per cent of the total population of Wales and the number of pupils assessed in Welsh as a first language is below the Welsh average. In 2009, 17.8 per cent of pupils received teacher assessment in Welsh at KS2 and 12.7 per cent at KS3. These were both below the Welsh average.
- 39 The Council has recently had a revised Welsh Language Scheme approved by the Welsh Language Board, who found that the Council had succeeded in delivering most of the targets in the previous Welsh Language Scheme. The Welsh Language Board has praised the Council for its compliance with the WLS by providing electoral documentation in Welsh and providing a comprehensive bilingual website. However, the Council is not able to provide robust data on the Welsh language skills of staff. The Welsh Language Board expects that the implementation of the revised Welsh Language Scheme and a Language Skills Strategy will help to address this issue.

Is Pembrokeshire Council supporting people in need?

- 40 The Welsh Index of Multiple Deprivation (2008) showed that Pembrokeshire had two areas in the most deprived 10 per cent of all wards in Wales. Teenage pregnancy levels in 2007-08 were around the Wales average. Figures also suggest that mental health and well-being of people in Pembrokeshire is similar to the Wales average, and that the adult obesity rate is increasing.
- 41 The rate of homelessness acceptances in Pembrokeshire remained significantly above the Welsh average since between 2001-02 and 2008-09. However, in 2009-10 performance in this area improved and the rate fell sharply to below the Welsh average. Although councils do not build affordable housing, they have a key role to play in facilitating their construction. The rate of additional affordable housing provision in Pembrokeshire decreased in 2008-09 and was below the Welsh average. However, provision of affordable housing significantly increased in 2009-10 to above the Welsh average.
- 42 The role of the Care and Social Services Inspectorate in Wales (CSSIW) is to make professional assessments and judgments about social care, early years and social services and so encourage improvement by the service providers. It works on behalf of Welsh Ministers, but there are a number of safeguards in place to ensure its independence. Under new legislation there is a new framework in place for local authority social services inspection, evaluation and review.
- 43 Directors of social services are required to produce an annual self-assessment report on how well services are being delivered. The CSSIW will then undertake a review and analysis of evidence underpinning the report, including evidence from other regulators and inspectors. This analysis will result in an individual inspection and review plan for each council. The CSSIW's analysis, and the inspection and review plan, will be set out annually in a published letter.
- 44 2009-10 is the first full year of the new framework with the purpose being to establish a baseline of current performance. The key messages of the letter issued in December 2010 are summarised below.
- 45 There is a wide range of strengths within the Council's adult services. The Council is delivering good performance across a range of indicators in adult services, including the timelines of assessments and arranging services. The Council is effectively managing the protection of vulnerable adults and has particular expertise in this area. More older people are being helped to remain within their own homes and more are receiving direct payments.
- 46 However, there are some areas for improvement within adult services including the need to further develop care management. There is also a need to improve the way in which users' views are considered and used to improve services.
- 47 Strengths within children's services include the provision of a good range of information for service users. Children's services are performing well across a range of indicators including the quality of child's assessment reports for adoption, key indicators for looked after children, indicators regarding safeguarding work and the timeliness of child protection procedures. There are positive outcomes for children in need of permanent replacement families.

48 Areas for improvement in children's services include the quality of core assessments and assessments and service provision for young carers. There is also scope for the Council to improve the way it maps unmet need and assesses whether children who are referred to social services but are not assessed have their needs met in the community. There are further issues with the monitoring and review of services such as the advocacy service and permanence planning for looked after children.

49 Across adult and children's services, partnership working is a particular strength. There are examples of successful cross-county initiatives and joint roles as well as strong support for social services from other council directorates. Recruitment and retention are both managed well, as are the corporate finances. But the Council needs to develop stronger commissioning and contracting arrangements. There is an established quality assurance framework in children's services. The Council is working to further develop quality assurance and performance management arrangements in adult services.

Is Pembrokeshire Council improving the well-being of the county?

50 The improvement objectives the Council has set itself to improve the well-being of the people of Pembrokeshire are:

- we will work with partners to address the underlying causes of poor health;
- we will promote public health and opportunities for healthy living;
- we will work with partners to mitigate the impact of poverty;

- we will support projects that will improve the integration of health and social care services; and
- we will continue to improve the quality of the social care services that we provide.

51 We think that these are the right kinds of improvement objectives for Pembrokeshire because they link well to its priorities of improving its services, and also promote fairness. However, the meaning of some of these improvement objectives is clearer than others. The Council recognises that it needs to define more clearly the outcomes that it is working towards.

52 The Council has a sound track record to build on in meeting these objectives. It is working jointly with the health service and others to continue to improve its social services. The Council works well with local health and volunteer services to help promote good health and has a number of secondments where its officers are loaned to work for other bodies. For example, the Council's Director of Social Care works for both the Council and the Hywel Dda Local Health Board. This joint appointment is an experiment and both the Council and the Health Board know that it is important to make sure that responsibilities and accountabilities are clear. Although this arrangement has placed additional pressures on those involved, there are good indications that it is starting to improve health and social care services for the people of Pembrokeshire.

53 Our work to assess services for adults with mental health needs across the Hywel Dda health community concluded that there has been good progress in improving adult mental health services since our baseline review in 2005 but the improvement agenda has been driven mainly by the former NHS trust and has not reflected a wider whole system approach.

- 54 This work fed into our national report,⁵ which assessed the housing services for adults with mental health needs. The national report gives an example of how Pembrokeshire County Council is effective at jointly planning housing services with its partners for people with mental health needs and achieving good outcomes for service users. The report notes that Pembrokeshire County Council's Supporting People and Social Services teams, in conjunction with the Health Board, hold statistical data that evidences the positive impact over the last six years of the well-being agenda in reducing hospital admissions for adults with mental health needs. The agenda was focused on community provision of services using Supporting People funds, and the data was shaping the Council's Supporting People Operational Plan and the strategic direction of the provision of services for people with mental health needs in Pembrokeshire.
- 55 The Council's services for supporting children, in many cases, perform better than the Welsh average even though they missed some of their targets over the last year.
- 56 It is also getting better at helping older people to live more independent lives. The number of older people in Pembrokeshire is rising. Helping people to stay living at home, rather than in a nursing or care home, is often better for everybody concerned. It is better for older people as they can remain independent and it is better for the taxpayer because nursing and care homes are much more expensive.
- 57 Housing and council tax benefits are important to people particularly in the current financial climate. The Council is processing benefit claims quicker than most other councils in Wales. The Council has good links to Citizen Advice Bureaus and other forums including the 50+ Forums to help resolve and avoid problems for people claiming benefits. It regularly compares itself to other councils to make sure it keeps being as good and giving a good service to the people of Pembrokeshire that need these benefits.
- 58 However, the Council acknowledges it needs to further improve the speed and efficiency with which it gives grants for disability facilities (DFGs) to those who need them. The Council spends annually £2.867 million on adapting housing in the county to assist disabled people to maintain their independence. Of this figure, £2.288 million is money invested in grants to private properties and £0.579 million is spent on adaptations to Council homes. At the end of September 2010, the Council had nearly spent its annual budget on private sector adaptation and was predicting a significant overspend at year-end. By using its performance information to effectively identify this issue, the Council is looking at ways to better manage the service and has made improvements in performance and how it assesses need and coordinates delivery of activity. Further work is required to improve how it works with contractors and manages individual schemes to completion which would result in a better value for money service.
- 59 CSSIW carried out an inspection earlier this year of how well councils in Wales were protecting vulnerable adults. This inspection showed that the Council was protecting its adults well, working well with its partners and delivering a skilled and professional frontline response to adult protection. It said that the Council needs to make some important decisions on how it will sustain this good quality while dealing with an increasing number of referrals.

5 www.wao.gov.uk/assets/englishdocuments/Housing_Mental_Health_eng_web.pdf

Is Pembrokeshire Council improving its communities?

- 60 The improvement objectives the Council has set itself to support its communities are:
- we will support the development of vibrant and sustainable communities; and
 - we will promote community cohesion.
- 61 Improvement objectives covering these issues are appropriate for Pembrokeshire to have as they reflect its priorities and promote fairness. But the Council is working now to make it clearer what they mean and what it wants to achieve from them.
- 62 There are some deprived communities in Pembrokeshire, with two electoral wards amongst the 100 poorest communities in Wales qualifying for the Communities First Programme. The two improvement objectives relating to the Community theme respond to the recognised inequalities, social and economic problems facing a number of villages and towns throughout Pembrokeshire. Two areas (Llanion and Monkton) have been designated in need of Community First resources, and European funding has been used by Planed to help identify needs of individual communities and to support project development to address those needs.
- 63 All departments in the Council work to regenerate communities and the Council works with many other organisations to run and support around 520 community projects. Much of this work to support communities is managed by the Council's Community Regeneration Unit. In practice, this unit cannot deliver on its own, and works well with many other organisations including other Council departments, services and the European Team,

voluntary groups and other public services. While it is committed to working with others, the Council is not always very clear about who is responsible for doing what on all of its projects. Neither is it clear about what difference it is actually making to improving communities, albeit it is recognised that measuring and evaluating outcomes from community regeneration activity is not easy.

- 64 While the projects clearly have benefits for local communities, and community regeneration targets are being met, the Council could do better to plan, monitor and keep track of the projects, how well they are doing, and use information to show whether people are better off as a result. The Council works well with its partners and we think it could work even closer with them to focus on the priority projects which will have the biggest impact.
- 65 The Council has a good track record in getting outside funding for community regeneration. But, because of the economic conditions, such fundraising is likely to become increasingly difficult.

Is Pembrokeshire Council improving housing in the county?

- 66 The improvement objectives the Council has set itself to improve its housing are:
- we will support projects that increase the supply of appropriate housing; and
 - we will continue to improve the quality of the Council's housing stock.
- 67 Both these improvement objectives are appropriate for Pembrokeshire to have as they reflect its priorities, improve the quality of its housing service and promote fairness. The Council recognises that the objectives could be clearer about how people

will be better off as a result of it achieving them and how this will be measured. We know that there is a shortage of affordable housing in Pembrokeshire, like many other counties in Wales, particularly in West Wales.

- 68 The Council has part-funded a Rural Housing Enabler post to identify and bring forward affordable housing schemes in rural communities. Although the rate of affordable housing provision in Pembrokeshire decreased in 2008-09 to below the Welsh average, it significantly increased in 2009-10 to be above the Welsh average. The Council has secured 123 new affordable housing units in 2009-10, of which 12 were delivered within the Pembrokeshire National Park. The Council faces a major challenge to help continue to increase the supply of affordable housing. It has identified a need to develop 2,913 affordable homes to meet housing need within the county and is working with its Local Service Board partners to achieve this increase in supply. The Council is dependent upon housing association partners and Social Housing Grant to deliver new affordable housing, and in 2009-10 it only secured two of 123 units which were developed through Section 106 agreements.⁶ With Social Housing Grant funding for building new housing reducing in future the Council will find it increasingly challenging to deliver its intended improvement.

- 69 The Council is ahead of most Welsh councils in improving the quality of local Council housing. The Council realises that it needs to continue to do more to involve its tenants about the way it improves Council housing and to improve how it plans, manages delivery and measures progress in how it is improving its homes. It also needs to ensure its procurement arrangements continue to manage the impact of local and national contractors going into liquidation. In recent months, three of the Council's contractors have gone into liquidation, thereby putting additional pressures on the Council to deliver property improvements.

- 70 The Council has helped to reduce homelessness in the county and improve the services it provides to homeless people. For the second year running, the Council, during 2009-10, did not use any bed and breakfast accommodation for homeless families. This practice is a good sign, as bed and breakfast accommodation is expensive and is not a good solution for families with children. This performance was matched by only a third of local authorities in Wales last year.

⁶ Section 106 (S106) of the Town and Country Planning Act 1990 allows a local planning authority (LPA) to enter into a legally-binding agreement or planning obligation with a landowner in association with the granting of planning permission. The obligation is termed a Section 106 Agreement. These agreements are a way of delivering or addressing matters that are necessary to make a development acceptable in planning terms. They are increasingly used to support the provision of affordable housing and typically, a new housing development over a given threshold size would be required to provide a pre-determined proportion of affordable housing.

Is Pembrokeshire Council helping people to develop?

- 71 In Pembrokeshire, 13.6 per cent of working-age adults have no qualifications. This figure has gradually fallen since 2001 and is below the Welsh average. The proportion of working-age adults with higher level qualifications⁷ in 2009 was 26.9 per cent, which is below the Welsh average of 29.6 per cent. However, the percentage of pupils achieving the expected rating at Key Stage 2 has risen since 1999 and is higher than the Welsh average.
- 72 Pembrokeshire primary schools have smaller class sizes than average (23.2 pupils compared with the Welsh average of 24.4), while its secondary schools class sizes (up to the age of 16) are virtually the same as the Welsh average of 22. The free school meal entitlement in Pembrokeshire is 17 per cent, which is lower than the Welsh average of 18.9 per cent. However, free school meal entitlements are increasing in Pembrokeshire at a faster rate (3 per cent in 2009-10) than that of the Welsh average (1.1 per cent in the same period). The proportion of pupils from ethnic minority backgrounds (non-white British) is 2.9 per cent, which is lower than the Welsh average of 6 per cent.
- 73 Estyn, the inspectorate of education and training in Wales, looks at how well councils are helping children and young people develop knowledge and skills. It carries out inspections of schools, further education colleges and training organisations as well as making judgements on how well councils support these education providers. Estyn, through its regional teams, analyses performance information, visits schools and has regular meetings with directors of education to come to a view about the role of the Council and about education performance in the area. The results of Estyn's inspections are summarised in the paragraphs below.

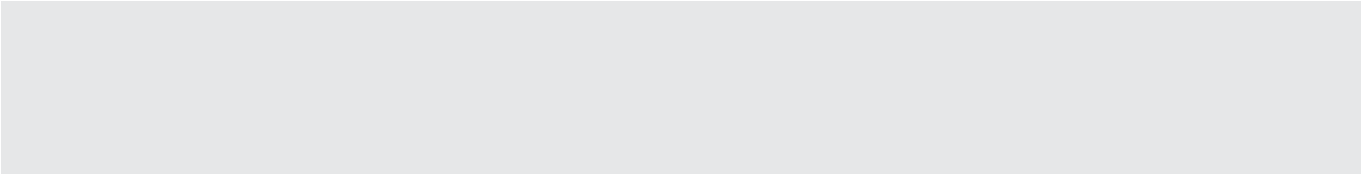
Is Pembrokeshire Council improving learning in the county?

- 74 The improvement objectives the Council has set itself in its Improvement Plan to improve learning in the county are:
- we will support projects that improve skill levels in Pembrokeshire;
 - we will continue to improve the quality of the education services we provide; and
 - we will address inequalities in educational attainment.
- 75 These three improvement objectives are appropriate for Pembrokeshire as they reflect its priorities, improve the quality of its education service and promote fairness and efficiency. The Council is working on making these objectives clearer and we think that it could clarify the important role of partners in addressing inequalities in educational attainment. There is a wide range of social and economic reasons that explain why pupils from certain backgrounds do better than others. The Council cannot tackle those problems by itself, and will need to share responsibility for delivering this objective with others.
- 76 Overall, the Council has prioritised education and spends more money per pupil every year than the Welsh average. The most recent inspection by Estyn in 2008 judged that the Council's education services were good, had some outstanding features and no important shortcomings.

⁷ Qualifications at Level 4 and above in the National Qualifications Framework eg, certificate of Higher Education, HND or Degree.

- 77 The Council was one of the first in Wales to start transforming its education services in light of falling numbers of pupils. Estyn and the Wales Audit Office have recognised that the Council's incremental approach to improving education since 1996 has been ahead of the times and well-managed. The Council is continuing with its programme of change and, as a result, has the lowest levels in Wales of expensive spare places in its schools. This is despite a slight rise in the number of empty school places in 2009, but this trend follows a general national pattern across most other councils in Wales. Pembrokeshire had 10.8 per cent spare school places in 2008 and 11.5 per cent in 2009.
- 78 Over the five-year period from 2006 to 2010, the performance of the Council's schools has fluctuated. Despite an overall trend of improvement at each key stage, pupil performance in several measures has not been consistent. Also, pupil performance in some subjects is below that expected of it, when taking into account social deprivation⁸ factors, usually expressed in terms of the level of pupils' free school meal entitlement:
- In 2010, the Key Stage 1 Core Subject Indicator (CSI) improved. Pupils perform very well in mathematics and science. However, in English and particularly in Welsh language, standards are below those expected when taking into account pupils' free school meal entitlement.
 - In 2010, the Key Stage 2 CSI is at the expected level. In science, pupils perform above expectations. However although Welsh language standards have improved in 2010, these are still below the attainment expected given the free school meals level.
- The Key Stage 3 CSI has improved considerably in 2010 and Pembrokeshire's performance is now well above the attainment expected given the free school meal level. However, performance of pupils in science is not as good as the other three subjects.
 - Pupil performance at Key Stage 4 dropped below what it should be in 2010, when measured against the attainment expected given the free school meal level in most indicators.
 - Performance of pupils aged 17 continues to improve. The average wider points score for 17-year-old pupils in Pembrokeshire is now the highest in the country.
 - In 2009 (using the latest data available), the unauthorised absences at primary school level have improved to the best in Wales, but authorised absences are among the worst in Wales. The levels of both authorised and unauthorised absences at secondary school level is slowly reducing, but they remain higher than is expected when taking into account the social deprivation and free school meal level.
- 79 It will be important for the Council to understand why there has been a dip in performance against the 2010 measures, why there is a significant difference between unauthorised and authorised absences in primary schools and why secondary level absences remain too high, so that it can improve its performance.

⁸ The proportion of pupils entitled to free school meals is used as one of the main indicators as to levels of socio-economic disadvantage. Relative poverty has a significant impact on overall educational achievement.

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- 80 In 2008, the number of working-age adults in Pembrokeshire with degrees or equivalent fell below the Welsh average for the first time in three years. The Council is working to improve the skills of adults through support for work-based learning programmes. Pembrokeshire's overall budget for schools for 2010-11 is £104 million gross and £94 million net, with £78 million delegated to schools where decisions about how this money will be spent is undertaken by the management of individual schools.
- 81 This is a delegation rate of 75 per cent, which is the same as the Welsh average. The Council spends £4,300 (gross) per pupil which is higher than the Welsh average at £4,000.
- 82 Pembrokeshire schools held a total of £3.9 million in reserves in March 2010, £2.4 million of which was in primary schools. The county held above the Welsh average for reserves per pupil. Each year, many schools are putting more money aside in reserves, and by now, 61 per cent of its schools have more than five per cent of their budget in reserves, which is amongst the highest in Wales, and 15 per cent of these schools have more than 10 per cent of their budget in reserves. Whilst it is wise to hold some funds in reserve, the Council should work with schools to ensure that levels are appropriate and that money that could be used to improve education is not being held back unnecessarily.

Is Pembrokeshire Council helping to create a safe, prosperous and pleasant place to live?

- 83 Life expectancy in Pembrokeshire is 81.9 years for women and 77.2 for men: both slightly higher than the Welsh averages. At the time of the last census in 2001, 22.3 per cent of people in Pembrokeshire reported having a limiting long-term illness, below the Wales average of 23.3 per cent.
- 84 Transport seems to be a significant safety issue in Pembrokeshire with the second highest rate (per head of population) at which people were killed or seriously injured on roads. In part, that is because it is a sparse rural area, so people in Pembrokeshire are more likely to travel to work by car, van or minibus.
- 85 The proportion of county 'A' roads in poor condition seems to be higher than any other council other than Powys, although the Council questions the robustness of this data and the accuracy of the instrument used to measure road conditions, and is looking into this issue. It is also worth noting that of the 276.9km of 'A' roads in Pembrokeshire, 120km are maintained by the Assembly Government.
- 86 Pembrokeshire has a fairly good employment rate, which is above the Welsh average. It had been rising since 2001 but, like the rest of the UK, fell slightly during the recession in 2008 and 2009. In July 2010, 3.2 per cent of the working-age population was unemployed and claiming benefit: below the Welsh average of 3.6 per cent.
- 87 Gross average weekly full-time earnings per household in 2009 were above average and Pembrokeshire's was one of the highest in Wales. However, in 2007, the level of disposable income available to households stood at £12,142 and was amongst the lowest of all 22 Welsh councils. Between 1999 and 2007, disposable income per head in Pembrokeshire has been below the Welsh average although the gap has narrowed slightly over this period.
- 88 Pembrokeshire is performing better than the Welsh average in several health indicators. Measures of adult obesity, adult smoking, alcohol misuse, babies born of low weight and under-18 conceptions are all lower in Pembrokeshire's than the Welsh average. Trends over the past five to six years show that Pembrokeshire's performance is improving over time in many of these indicators.
- ### Is Pembrokeshire Council improving the environment in the county?
- 89 The improvement objectives the Council has set itself in its Improvement Plan to improve the environment in the county are:
- we will work with partners to mitigate the impact of climate change;
 - we will continue to improve our waste management and recycling services; and
 - we will work to enhance our natural environment and maintain our cultural and historic distinctiveness.
- 90 These three improvement objectives are appropriate for Pembrokeshire as they reflect the Council's priorities, improve the quality of its service and promote fairness and sustainability.
- 91 The Council's waste management service is meeting important waste targets but it recognises that this achievement is getting harder every year. The recycling rate is improving. The Council sent less of the county's waste to landfill this year than last year and remains amongst the highest in Wales, but is an improvement on previous years. The Council is managing to balance performance and investment between its competing priorities and has been able to achieve its Assembly Government waste targets to date.

92 Due to uncertainty around this issue at a national level, it is difficult to predict whether or not the Council will be able to improve any further or meet the 70 per cent recycling target for 2025. The Council has experienced high rates of public participation in the recycling services it offers. It needs to continue to work with the public to better understand and address the reasons why people don't recycle and compost more of their rubbish.

93 The Council is working with other councils because they all need new facilities for processing particular types of waste, like food. It would not be value for money for them all to build their own facilities. That is why the Council is leading the South West Wales Regional Waste Management Committee. In our Corporate Assessment report, we said that the committee has faced challenges of working together over recent years and, whilst the region still faces continuing and new challenges, recent progress suggests a willingness to work together.

94 The Council's scrutiny committee is currently undertaking a review of waste and recycling, and at the invitation of the Council, we have already given evidence to this committee.

95 The Council is preparing for the coastal erosion and flooding problems that may arise as climate changes and sea level rise become more apparent in about 20 years, The Council is part of the shoreline management planning project that is currently identifying and mapping coastal erosion and tidal flooding risks. Work will start shortly to map the risks of inland, surface water and other forms of flooding. This work aims to give the Council the information needed to prepare plans to improve the resilience of communities and how they respond better to flooding and erosion.

96 The Council is also moving forward well in tackling the effects of climate change in the county including floods, coastal erosion, and by managing the use of energy and carbon emissions.

97 The Council has clear targets for reducing its energy consumption, and has good information about how well it is progressing. It is developing a good understanding of energy issues across the Council. But it needs a clearer focus on long-term sustainability, the potentially much greater cost savings, and other benefits that this long-term view can bring.

Is Pembrokeshire Council improving the economy in the county?

98 The improvement objectives the Council has set itself in its Improvement Plan to improve the economy in the county are:

- we will work with partners to improve Pembrokeshire's potential for wealth creation;
- we will continue to improve our town centres; and
- we will support local business.

99 These three improvement objectives are appropriate for Pembrokeshire as they reflect the Council's priorities. However, some of these objectives will be more difficult to achieve in the current funding climate. We think that the Council could be clearer that it will need to work with others to improve town centres in the county. The Council can, of course, make a huge contribution to improving town centres, but other partners are also vital in helping achieve this objective.

100 The Council has taken an active and sometimes innovative role in supporting the economy of Pembrokeshire, and has attracted significant funding for projects. The Council has effectively adapted the way it goes about developing and regenerating Pembrokeshire. The Council's approach has taken on board the county's economic needs, national strategies, the sources of funding and support available and the opportunities offered by major investors especially in the oil and gas industries, leisure and shipping. The Council has increased its focus on encouraging smaller scale, but sustainable business development, as information shows that these provide a better chance for more employment. The Council is also supporting more local projects, such as the Pembrokeshire Produce Direct Initiative. But the Council recognises that it needs to be better at clearly demonstrating that its efforts are making communities, businesses and the people of Pembrokeshire better off.

101 Some of its plans are out of date and need to be amended to reflect internal changes as well as the impact of the current financial climate. In particular, because of the global financial problems, accessing public and other funding for its major regeneration projects and town centre developments is likely to be even more difficult for the Council in the coming years.

102 The Council works well with others, including neighbouring councils, to provide advice and support for local businesses, or those thinking of starting a business. The Council has done a good job of encouraging skills training for the workplace with initiatives like Return to Earn, for people who have been unemployed for a length of time.

103 The performance of the Council's Planning Service is important in supporting the regeneration of Pembrokeshire. The Council has an up to date adopted Joint Unitary Development Plan and this gives a high weighting to economic development in its policies. The Service has a high rate of approvals for employment related development and plays an active role in facilitating affordable housing and town centre developments. In terms of other aspects of its service delivery the Planning Service shows a mixed picture after a period of poor performance in the speed of determining planning applications. It is now much quicker at making decisions on planning applications and it is more successful in defending the Council's position at planning appeals. However, its plans for preparing a Local Development Plan have slipped and its planning enforcement service has fallen short of its targets. The Service could do more to benchmark its own performance over time and with other similar councils.

Is Pembrokeshire Council improving access in the county?

- 104 The improvement objectives the Council has set itself in its Improvement Plan to improve access in the county are:
- we will work to improve communication links to, from and within Pembrokeshire;
 - we will continue to improve access to the services we provide;
 - we will promote sustainable travel; and
 - we will improve access to green spaces.

105 These four improvement objectives are appropriate for Pembrokeshire to have as they reflect its priorities, help to improve its performance in this area and to improve access to and availability of services. The Council could more clearly set out whether the work it is doing now to improve the condition of its roads is included in these improvement objectives. The Council has a good idea of where it needs to improve and is working closely with other councils and partners in the regional transport network. That network is currently gathering new information about how people travel in the region, which will help the Council to better understand what it needs to do to help people to travel around the county more easily.

106 The Council provides information to the public about its bus services and timetables at most of its bus stops, and is better at doing this than many other councils. Performance against the five measures used by the Council to assess public satisfaction with bus services has remained relatively stable over the course of the past five years. The public are not particularly satisfied with local bus services, but nor are they particularly dissatisfied. The public are particularly satisfied, however, with the coastal bus service and the Council has also achieved a number of awards for its work in community transport and is actively engaged in identifying ways to develop its provision in this area. The Council recently won the 'Partner of the Year' award from Community Transport Association Wales and the 'Best Local Authority' award from the Community Transport Association UK.

107 As the condition of roads in Pembrokeshire has been deteriorating since 2007-08, the Council is now working to improve them. The condition of the county's bridges is the best in Wales.

108 The cleanliness rate of highways and relevant land in Pembrokeshire has been around the Wales average since 2005-06, and in 2008-09 and in 2009-10, was higher than the Wales average.

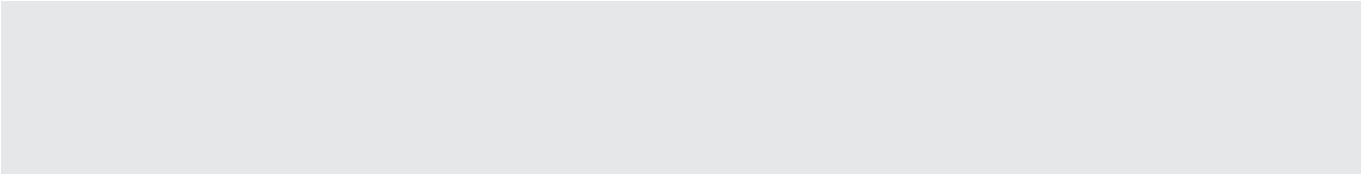
Is Pembrokeshire Council improving the safety of the county?

109 The improvement objectives the Council has set itself in its Improvement Plan to improve safety in the county are:

- we will support projects that reduce fear of crime;
- we will work with partners to address the underlying causes of crime and anti-social behaviour;
- we will continue to improve the quality of the child protection services we provide; and
- we will support projects that improve road and home safety.

110 The Council has set four improvement objectives to further improve safety in the county. These are wider than just those related to crime and anti-social behaviour and include issues such as child protection services which promote fairness and a better quality of service. Although crime and anti-social behaviour are not major problems, it is appropriate for the Council to have them as objectives.

111 The Council has a good track record to build on. Pembrokeshire is one of the safest counties in Wales in terms of crime and disorder. In 2008-09, Pembrokeshire's overall crime rate was the one of the lowest in Wales; violence with injury incidents were below the Wales average; and incidents of serious acquisitive crime, such as burglary, robbery and vehicle theft, were the also amongst



the lowest in Wales. Low crime and fear of crime helps make Pembrokeshire an attractive place for people to live, visit and invest in, which helps the local economy.

- 112 The Council works well with the police and local partners to help keep the county safe. Pembrokeshire's youth offending service, which does well at helping to reduce the chances of young people reoffending, has improved considerably since 2007 and is now a better service than the average in England and Wales.
- 113 Over recent years, there has been a spotlight on services provided by authorities to vulnerable children and their families. The Council has improved the way it protects its children. The recently reported serious case review completed in 2010 highlighted that the Council was quick to make arrangements to protect the children from further abuse. Pembrokeshire's Local Safeguarding Children's Board has developed a joint action plan with the other relevant local safeguarding children's boards to ensure that recommendations from the review are implemented. Progress on the implementation of the action plan will be monitored by CSSIW in 2010-11.

What should the Council do?

114 Given the wide range of services provided and the challenges facing the Council, it would be unusual if we did not find things that can be improved.

The Auditor General is able to:

- recommend to Ministers of the Assembly Government that they intervene in some way;
- conduct a special inspection and publish the report with detailed recommendations;
- make formal recommendations for improvement – if a formal recommendation is made, the Council must respond to that recommendation publicly within 30 days; and
- make proposals for improvement – if we make proposals to the Council, we would expect them to do something about them and we will follow up what happens.

115 In the light of our work, the Auditor General:

- does not intend to carry out a special inspection under section 21 of the LG Measure (Wales) 2009; or
- does not intend to make any formal recommendations.

116 We think the Council should, however, consider our proposals when preparing its future improvement plans and reviews to help it further improve.

Proposals for improvement

- include more explicit links between Improvement Objectives, service actions, performance measures and outcomes in the Council's Improvement Plan;
- publish more measures in its future improvement plans than it included in this year's Improvement Plan, as it has done in its Improvement Review, to give the public a balanced picture of its performance; and
- consider whether it needs to review, prioritise, and reduce the number of improvement objectives in light of the financial climate.

In future Improvement Reviews:

- set out more clearly how equalities and sustainability issues are being addressed, and link more clearly and prominently the Council's achievements with its areas for improvement and outcomes.

Appendix 1

About the Auditor General for Wales and this report

The Auditor General

The Auditor General is independent of government and is appointed by Her Majesty the Queen. He leads the Wales Audit Office and is held accountable by the Public Accounts Committee of the National Assembly for the Wales Audit Office's work.

The Wales Audit Office helps the Auditor General by examining various aspects of how Welsh public bodies work. It was created in 2005 when the National Audit Office in Wales and the Audit Commission in Wales merged.

The Auditor General is the external auditor of the Assembly Government and its sponsored and related public bodies; the National Assembly for Wales Commission and National Health Service (NHS) bodies in Wales. He also appoints the external auditors of Welsh local government bodies, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils.

As well as carrying out financial audit, the Auditor General's role is to examine how public bodies manage and spend public money, including achieving value in the delivery of public services. The law which created the Wales Audit Office also expanded the powers of the Auditor General to follow the 'public pound' wherever it goes.

This report

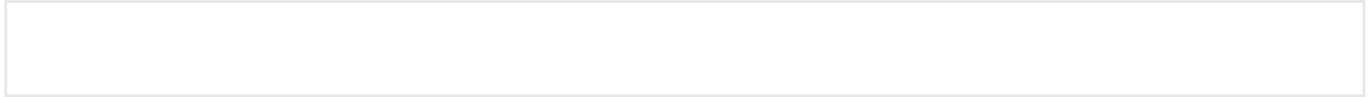
The Local Government Measure (June 2009) introduced new responsibilities for the Auditor General, including a responsibility to publish his assessment of each council/authority's arrangements to secure continuous improvement.

This report has been produced by the Auditor General to discharge his duties under section 24 of the Local Government (Wales) Measure 2009 (the Measure). The report also discharges duties under section 19, namely; to issue a report certifying that he has carried out an audit under section 17 and an Improvement Assessment under section 18.

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 authorities, national parks and fire and rescue authorities.

The main piece of work for the Wales Audit Office, to enable the Auditor General to fulfil his duties, is an annual Improvement Assessment⁹.

⁹ This assessment will be conducted for each improvement authority, under section 18 of the Measure. For each authority, it will determine whether the authority is likely to comply with the requirements of Part 1 of the Measure. The Wales Audit Office will also undertake an improvement information and planning audit, as required under section 17 of the Measure, in order to ascertain whether the authority has discharged its duties under section 15(1) to (7).



This will be informed by a:

- Corporate Assessment – a forward-looking assessment of an authority's likelihood to comply with its duty to make arrangements to secure continuous improvement; and
- Performance Assessment – 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 output(s) from these assessments will be issued by the Auditor General as Audit and Assessment Report(s), under section 19 of the Measure. In publishing this report under section 19, the Auditor General is certifying that we have undertaken a section 17 audit and a section 18 Improvement Assessment.

The Auditor General may also in some circumstances carry out Special Inspections (under section 21), in respect of which he will provide a report to the relevant authorities and Ministers, and which he may publish (under section 22).

The Auditor General will summarise Audit and Assessment Reports in this published Annual Improvement Report (under section 24). This will also summarise any reports of Special Inspections.

An important ancillary activity for the Wales Audit Office 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 will also take account of information shared by relevant regulators (under section 33) in his assessments and this report will summarise any work undertaken by them.

The Auditor General sets out the fee for performance audit work undertaken to discharge his duties under the Measure at each local authority in a Regulatory Programme agreed each year with the authority. The fee for November 2009 until March 2011 is currently expected to be in line with that set out in the Regulatory Programme.

Appendix 2

Useful information about Pembrokeshire and Pembrokeshire County Council

In 2009-10 the Authority's gross revenue spend was £322.4 million. In that year the Authority also spent £32.6 million on capital projects.

The average band D council tax in 2009-10 for Pembrokeshire was £864.32 per year, this will increase by 3.60 per cent to £895.47 per year for 2010-11. This includes the precept for the police and the town and community councils. Approximately 66 per cent of Pembrokeshire's housing are in council tax bands A to D.

Source: StatsWales, Wales Audit Office Ref: (71)

The services delivered by Pembrokeshire County Council include: education; social care; housing; planning; environmental services; libraries and leisure centres.

The Assembly Members for Pembrokeshire are:

- Paul Davies, Preseli Pembrokeshire, Welsh Conservative
- Angela Burns, Carmarthen West and South Pembrokeshire, Welsh Conservative

Mid and West Wales Regional Assembly Members are:

- Nicholas Bourne, Welsh Conservative
- Nerys Evans, Plaid Cymru
- Alun Davies, Labour Party
- Joyce Watson, Labour Party

Source: National Assembly for Wales website, Wales Audit Office Ref: (85)

The Members of Parliament for Pembrokeshire are:

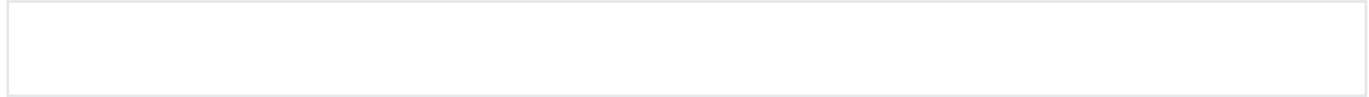
- Stephen Crabb, Preseli Pembrokeshire, Welsh Conservative
- Simon Hart, Carmarthenshire West & South Pembrokeshire, Welsh Conservative

Source: The Members' Research Service, Wales Audit Office Ref: (246)

The Council

The Council is composed of 60 Councillors (alternatively called 'Members') elected every four years. Councillors are democratically accountable to residents of their electoral division. The overriding duty of Councillors is to the whole community but they have a special duty to their constituents, including those who did not vote for them.

Councillors have to agree to follow a Code of Conduct to ensure high standards in the way they undertake their duties. The Standards Committee advises and arranges training for them on the Code of Conduct.



All Councillors meet together as the Council. Meetings of the Council are normally open to the public. Here, Councillors decide the Council's overall policies and set the budget each year. The Council agrees the form of the Executive Arrangements, Rules of Procedure and Codes of Conduct.

The Council also deals with certain specific matters as required by law.

The Executive

The Executive is the part of the Council which is responsible for taking decisions in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole. The Executive is made up of a Leader appointed by the Council and a Cabinet of up to nine other Members appointed by the Leader, including a Deputy Leader.

Source: Pembrokeshire County Council, Wales Audit Office Ref: (189)

There are 60 Councillors for Pembrokeshire who represent the community and make decisions about priorities and use of resources. The Council is made up of Members from the following political groups:

- 39 Independent
- 5 Welsh Conservatives
- 5 Plaid Cymru
- 5 Labour
- 6 Not affiliated

Source: Pembrokeshire County Council, Wales Audit Office Ref: (50)

Corporate Management Team

- Chief Executive: Bryn Parry-Jones
- Director of Finance & Leisure: Mark Lewis
- Director of Social Care Housing: Jon Skone
- Director of Development: Steven Jones
- Director of Education and Children's Services: Graham Longster
- Director of Transportation and Environment: Ian Westley

Appendix 3

The Auditor General's Corporate Assessment

The main conclusions of the Auditor General's Corporate Assessment, which was issued to the Council in June 2010, are set out below:

Overall conclusion

Strong stable leadership, and a culture of continuous improvement, are very likely to sustain improvement in the future.

How the Council has approached improvement over time

The Council's long-standing strong leadership, stability and embedded values make it well placed to address its known challenges:

- the Council has a history of strong corporate leadership and stability that has delivered continuous change and improvement to date;
- the Council's plans for improvement are based on clear priorities, values and standards that are embedded in the corporate culture; and
- the Council's arrangements make it well placed to address known challenges.

Analysis of the Council's arrangements to help it improve

The Council's approach to managing and supporting improvement shows particular strengths in relation to leadership and values:

- the Council's strong corporate leadership and embedded values are the key drivers in delivering the Council's strategic intentions;
- overall, the Council's resource and people management, and its approach to partnership working in Pembrokeshire, are providing a good platform for delivering change and improvement; and
- the Council is further strengthening some aspects of partnership working and managing its people and performance.

For the full report, see our website at www.wao.gov.uk or contact us at the address on the inside cover of this report.

Appendix 4

Appointed Auditor's Annual Audit Letter to the Members of Pembrokeshire County Council

The Local Government Measure 2009 has provided the Wales Audit Office with an opportunity to rethink how to report the findings from both the financial audit and the performance audit work to local government bodies. As you will be aware the Auditor General for Wales will be issuing an Annual Improvement Report (AIR) to each local authority over the next few months and many of the issues that were traditionally reported in the Appointed Auditor's Annual Audit Letter will be included in that report.

Therefore, I have taken the opportunity to summarise the key messages arising from the Appointed Auditor's statutory responsibilities (the accounts, the value for money conclusion and the audit of the improvement plan) into this short letter which forms the Annual Audit Letter.

The letter is designed to be a standalone document, but will be presented to the Council and the public as part of the Annual Improvement Report and therefore discharges my reporting responsibilities under the Code of Audit Practice.

Pembrokeshire County Council complied with financial and performance improvement reporting requirements

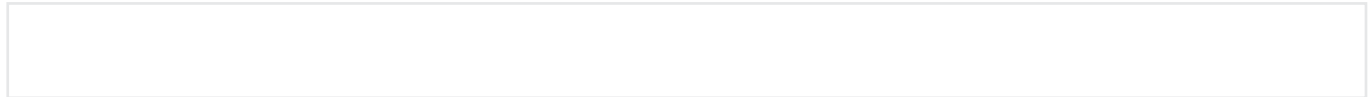
It is the Council's responsibility to:

- 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;
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- publish its Improvement Plan by 31 October.

The Code of Audit Practice issued by the Auditor General (the Code) 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;
- consider whether the Improvement Plan is prepared and published in accordance with statutory requirements; and
- issue a certificate confirming that I have completed the audit of the accounts.

On 27 September 2010 I issued an unqualified audit opinion on the accounting statements, confirming that they present a true and fair view of the Council's financial transactions. My report is contained within the Statement of Accounts.



I also issued my certificate confirming that I had completed the audit of accounts in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Code of Audit Practice issued by the Auditor General for Wales.

The following issues were identified during the accounts audit:

- the accounting statements preparation processes have continued to improve, resulting in good quality draft statements supported by comprehensive working papers; and
- revised accounting requirements for PFI were implemented and significant progress is being made in preparation for implementing IFRS in 2010-11.

My review of the Council'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 LG Measure. The main findings from this latter work will be set out in the Annual Improvement Report.

In addition I also bring to your attention the following two issues that have been identified in the Council's Statement of Internal Control as priorities for improvement during 2010-11:

- the continued review and updating of risk management processes; and
- the need to monitor progress in relation to joint working and partnership arrangements and follow up the use of a Joint Working Register being piloted in the Development Directorate.

Looking forward the Council faces significant financial pressures, but it has effective budgetary control arrangements and its medium-term financial planning (referred to as Forward Financial Planning) is developing well. This is referred to further in the Annual Improvement Report.

The Council's formal improvement planning processes included two specific documents. The Council was one of the first in Wales to publish its improvement objectives, in May 2010 (in an Improvement Plan) and its Improvement Review 2009-10 shows the progress it has made over the last year.

Taken overall these documents meet statutory requirements and provide a balanced view of the Council's performance in 2009 10. The Annual Improvement Report will refer to this in more detail, highlighting areas where further improvement in the reporting process is being considered.

The financial audit fee for 2009 10 is currently expected to be in line with that set out in the Financial Audit Strategy.

Ceri Stradling
Appointed Auditor
29 November 2010

Appendix 5

Pembrokeshire Council's improvement objectives

The Council published its improvement objectives in its Improvement Plan which can be found on the Council's website at www.pembrokeshire.gov.uk/content.asp?nav=101,1566,1710&parent_directory_id=646.

They are:

WELL-BEING

- 1 We will work with partners to address the underlying causes of poor health
- 2 We will promote public health and opportunities for healthy living
- 3 We will work with partners to mitigate the impact of poverty
- 4 We will support projects that will improve the integration of health and social care services
- 5 We will continue to improve the quality of the social care services that we provide

ENVIRONMENT

- 6 We will work with partners to mitigate the impact of climate change
- 7 We will continue to improve our waste management and recycling services
- 8 We will work to enhance our natural environment and maintain our cultural and historic distinctiveness

ECONOMY

- 9 We will work with partners to improve Pembrokeshire's potential for wealth creation
- 10 We will continue to improve our town centres
- 11 We will support local business

COMMUNITY

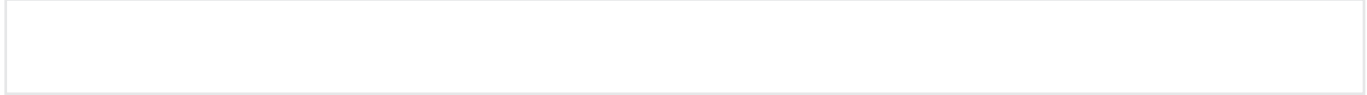
- 12 We will support the development of vibrant and sustainable communities
- 13 We will promote community cohesion

HOUSING

- 14 We will support projects that increase the supply of appropriate housing
- 15 We will continue to improve the quality of the Council's housing stock

LEARNING

- 16 We will support projects that improve skill levels in Pembrokeshire
- 17 We will continue to improve the quality of the education services we provide
- 18 We will address inequalities in educational attainment



ACCESS

- 19 We will work to improve communication links to, from and within Pembrokeshire
- 20 We will continue to improve access to the services we provide
- 21 We will promote sustainable travel
- 22 We will improve access to green spaces

SAFETY

- 23 We will support projects that reduce fear of crime
- 24 We will work with partners to address the underlying causes of crime and antisocial behaviour
- 25 We will continue to improve the quality of the child protection services we provide
- 26 We will support projects that improve road and home safety

Appendix 6

References

All the data referred to within the report is drawn from one of the following sources:

- Welsh Assembly Government, StatsWales
- Welsh Assembly Government, local area summary statistics
- Improvement Authority's own websites and improvement plans
- The Wales Yearbook
- The Home Office
- Members' Research Service
- Office for National Statistics