

# **Protocol on the Wales Programme for Improvement between the Welsh Local Government Association, Audit Commission and Welsh Assembly Government**

## **1. Principles**

The guiding principle of the relationship between these three bodies is that the Audit Commission, while an independent body, will work to support the delivery of the Welsh Assembly Government's policies for local government and these policies will be developed in partnership.

The supporting principles are:

- There should be an individually tailored approach to improvement and regulation, based on local discussion of the needs of the individual authority and an understanding of its capacity for action
- Enabling local authorities to achieve improvement in key areas is the first priority
- Regulation should add value which can be demonstrated
- The prioritisation of areas for improvement should be based on both the national policy framework and local priorities
- Local authorities themselves should decide the best combination of support to enable them to achieve improvement

## **2. Approach**

- National agencies will co-ordinate their work on improvement and regulation at both national and local level, based on shared intelligence
- The Audit Commission will define and organise its work to support improvement so as not to compromise its independence as a regulator. It will plan and manage its work in relation to the Wales Programme for Improvement in line with this protocol.
- There will be an all Wales Improvement Board including membership from the Welsh

Assembly Government, Welsh Local Government Association including Syniad, Audit Commission and audit suppliers, Estyn and Social Services Inspectorate (Wales) to oversee implementation of the Wales Programme for Improvement and resolve any questions about the way it is being implemented locally. The Improvement Board will be a working group of the Partnership Council and will report to it.

- At local level, there will be a joint approach to planning support for improvement and regulatory activities. Each agency will provide a named contact for each authority and the local authority will be fully consulted on proposed regulatory activity.

## **Purpose**

3. The purpose of this document is to set out how the Welsh Local Government Association, Audit Commission and Welsh Assembly Government (referred to collectively as "the partners") will work with each other to support the continuous improvement of local authorities in Wales, within the framework of the Wales Programme of Improvement.

4. It applies to all aspects of the Wales Programme for Improvement. In particular it covers how the partners will support local authorities in meeting their needs for continuous improvement, as identified in their whole authority analyses, their improvement plans and their action plans, as they are defined in the Wales Programme for Improvement. It recognises that the "Welsh Way" to public sector reform is based on policies that emphasise local management and self-direction as the main driver of improvement. This Protocol aims to clarify the respective roles of the partners to ensure proper transparency and fundamentally to bring about improvement in public services.

5. It is intended to cover the first three years of operation of the Wales Programme for Improvement, to April 2005. The Improvement Board referred to below and the Partnership Council will review its operation in January 2004 and 2005.

## **Context**

6. Devolution has allowed the Welsh Assembly Government, and the National Assembly for Wales as a whole, to pursue a unique approach to local government policy within Wales. The new approach is based on partnership and a willingness to change, with the joint aim of improving the standard of services to the public.

7. This has enabled the Welsh Assembly Government, in consultation with its partners in local government and elsewhere, to develop the Wales Programme for Improvement. This incorporates the duty on local authorities to secure continuous improvement in the provision of

services, as required by the Local Government Act 1999. The Welsh Assembly Government recognises that the prime responsibility for securing improvement lies with the local authorities themselves and their supporting bodies such as the Welsh Local Government Association, Syniad and its sister organisation the Improvement and Development Agency (IDeA). It is the responsibility of the three parties to this protocol, together with other organisations, to support those efforts in their various areas of responsibility.

8. Guidance for local authorities on implementing the Wales Programme for Improvement is contained in National Assembly for Wales Circular 18/2002. The partners will seek to ensure that their whole organisations act consistently with this guidance. The "spirit" in which the guidance is set out is a key factor and is based in the Welsh context on the direction set by the Welsh Assembly Government. This was typified recently in a statement from Mrs Edwina Hart, Minister for Finance, local government and communities:

**"the Welsh Assembly Government is developing its own challenging and robust agenda to deliver reform. In many areas we believe that this can be achieved without necessarily introducing a plethora of inspection and audit regimes because the relationship between the Welsh Assembly Government and the deliverers of public services is closer in Wales".**

### **Definition of roles: Wales Programme for Improvement**

9. The role of the **Welsh Assembly Government** in this context is

- to define the overall policy and approach to the implementation of its functions under the Local Government Act 1999
- to ensure that consistent guidance is offered to local government and others.
- to support public services reform in Wales.
- to analyse with other partners the outcomes of the Whole Authority Analyses and wider trends across Welsh local government, in order to identify the actions needed to support reform.
- to monitor, in full consultation with Audit Commission and Welsh Local Government Association, the remit of a "relationship manager" assigned to each local authority by the Audit Commission to maintain contact over the council's overall approach to the whole authority analysis, the emerging risk assessment and the content of the regulatory plan for that council.
- to ensure joint accountability of the "relationship managers" to a Wales Programme for Improvement Board made up of the Welsh Assembly Government , Welsh Local Government Association and Audit Commission, Social Services Inspectorate Wales, Estyn and audit suppliers.
- to utilise reserve powers on intervention where appropriate and in accordance with any intervention protocol agreed with the Welsh Local Government Association and Audit

10. The role of the **Welsh Local Government Association** is

- to represent the views of local government and of county and county borough councils in particular.
- to assist councils in the interpretation of Assembly policies and guidance.
- to work in conjunction with the Welsh Assembly government on developing and refining the Wales Programme for Improvement framework through its discussions at the Partnership council.
- to provide support and guidance to its member authorities on relevant aspects of the Wales Programme for Improvement
- to be fully involved in any possible intervention within Welsh Local government under the Local Government Act 1999 arising from service failure when requested by the local authority.

11. The role of **Syniad, the Improvement Arm of the Welsh Local Government**

**Association** is to provide independent and impartial support to local authorities free of any political determination or influence; and in particular

- to advise and support authorities on their local approach to the Wales Programme for Improvement including their whole authority analysis, risk assessment and action planning
- to analyse with other partners the outcomes of the Whole Authority Analyses and wider trends across Welsh local government
- to offer practical assistance through peer reviews where that is an aspect of the whole authority analysis or part of an ongoing action plan for improvement
- to identify good practice revealed by the whole authority analysis and take action to help others to learn from it
- to provide national programmes of support for local government in Wales in partnership with other agencies including sister organisations such as the Improvement and Development Agency and the Employers' Organisation
- to establish Excellence Wales as the primary vehicle for the dissemination of good practice, innovation and mutual learning for local authorities
- to broker improvement solutions with authorities in support of their local management approach to the Wales Programme for Improvement
- to manage and/or deliver organisational training and development and support to address areas for improvement for councils, whether individually or collectively.

12. The **Audit Commission** provides independent evidence and challenge on the performances of public services, and recommendations to stimulate and support service improvement. It does so through its audit, inspection and research functions. In the context of the Wales Programme for Improvement, its role is

- to ensure the audit of local authority improvement plans
- to appoint auditors and to provide a framework for consistency of approach at local level based on the Code of Audit Practice
- to contribute independently gathered information (from performance audit and inspection) to assist each council in compiling its whole authority analysis and to liaise with other inspectorates and auditors in doing so.
- to work with the authority and seek agreement on the outcome of the risk assessment arising from the whole authority analysis
- to co-ordinate the preparation of an annual regulatory plan for each local authority in full consultation with each authority and other inspectorates.
- to prepare and publish reports making recommendations about good practice based on findings from performance audit and inspection across several authorities and national research
- to contribute expertise based on surveys of current practice and the experience of its staff to assist councils both individually (when requested and on the basis of proper procurement practice) and collectively, when they are seeking to plan and implement improvements.

13. The Audit Commission has an essential role in measuring and reporting upon service improvement. In common with other auditors and inspectors it is able to identify not only good practice but also the actions needed to achieve improvement. Although authorities are free to decide to commission support work from the Audit Commission, this is not its primary role. The Audit Commission will operate strict controls on such work to enable it to maintain its highly regarded role as an independent body responsible for ensuring that public money is used economically, efficiently and effectively.

### **Identifying areas where local authorities require support to deliver continuous improvement**

14. The focus of this protocol is on meeting the different needs of local authorities in order to deliver the objectives of the Wales Programme for Improvement and service excellence to the Welsh public:

- policy leadership and consistent guidance;

- support for individual authorities in conducting their whole authority analysis,
- assessing risk and identifying priority areas for action
- external and independent input
- feedback on performance
- building capacity
- interim solutions
- an overview of performance and of collective improvement needs
- sharing of good practice
- support for improvement tailored to the needs of individual authorities
- assessing trends in performance and collective support needs to inform the national policy agenda and the work priorities of supporting agencies.
- public assurance and accountability

## **Partnership working**

15. It is clear from the Wales Programme for Improvement guidance that a number of organisations have a role in supporting authorities to deliver continuous improvement. The Welsh Local Government Association Improvement Agency, Syniad, in particular has a key role in this respect. The partners to this agreement will seek to ensure not only that they work together to support authorities but also that authorities have easy access to information about all sources of advice and support. This is in with the spirit of the guidance where the partners are given a co-ordination role for support options. They will exercise this role through the Improvement Board, reporting to the Partnership Council.

## **Prior consultation**

16. Before issuing any general guidance or deciding any general approach relating to the Wales Programme for Improvement, the partners will consult each other and seek to agree the terms and mode of any consultation with others in advance.

## **Sharing information and joint planning**

17. The partners will share information with each other regularly and fully on the extent of their activities in relation to the Wales Programme for Improvement. They will jointly seek the consent of individual councils to the sharing between the partners of information relevant to the Wales Programme for Improvement in respect of those individual councils, to the extent necessary to enable the partners to work together to target their advice and support appropriately and to enable individual authorities to benefit from shared solutions.

18. On the basis of this shared information they will work together wherever possible to avoid duplication of effort and support authorities in identifying the best package of support for them.

19. In particular they will conduct a joint analysis of the information which emerges from all the whole authority analyses; identify the development needs which arise from them; and agree together how best to plan their own services, activities and investment in a complementary way to address those needs. This planning will take full account of the contributions which others, such as private training providers and academic bodies, can also make. It will also have regard to the strategic themes for action already identified in the Welsh Assembly Government policy statement "Freedom and Responsibility in local government:

- Joint working at both strategic and operational level between individual authorities and with other public bodies;
- Partnership working with organisations in the public, private and voluntary sectors;
- Coherent and streamlined systems for setting overall priorities and measuring progress, cutting bureaucracy.

It will result in a joint and transparent programme of support.

20. The partners will work together to improve the accessibility of information and sources of advice and support available to councils, for example through improved internet sites and links.

### **Advice to local authorities**

21. All the partners will, in offering advice to authorities to support them in their efforts to achieve continuous improvement, keep in view the need for consistency and coherence of approach between them.

22. They will work on the common principles that councils should be enabled to take well-informed decisions on their own support needs and how to address them; that councils should take responsibility for their own improvement programme and for tackling the highest priority issues for improvement rather than relying upon others to identify risks and priorities and take action; and that councils should be alerted fully to the potential role and contribution of other organisations, whether public, private sector or voluntary organisations, in helping them to realise potential improvements to the full.

### **Assurance and accountability**

23. In terms of accountability the Partnership Council between the Assembly and Local Government will be the main vehicle for reporting and determining where the Wales Programme for Improvement may be further developed or improved. In addition to publishing reports on inspections as required by law, the Audit Commission Director-General for Wales will present an annual report to the Partnership Council. This will set out the Audit Commission's own actions in support of the Wales Programme for Improvement and its findings on progress made in achieving Wales Programme for Improvement objectives.

