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Dear

## Consultation on three-year forward programme of work

During December 2018 and January 2019, I consulted on proposals to inform the development of a three-year programme of audit work. I am very grateful to the many organisations and individuals who responded.

I made clear at the time that, with this being my first programme of work as Auditor General, I am keen to ensure that it covers the big issues facing Welsh public services, as well as enabling us to offer detailed commentary on governance, management and service delivery. The proposals that I consulted on were anchored in the following themes:

- Key risks and opportunities facing Welsh public services, such as austerity, demographic change, Brexit, digital and public service transformation;
- Governance and management of Welsh public bodies; and
- Delivery of key programmes, projects and services.

Around 180 organisations or individuals were invited to provide views and we received a total of 55 responses. Those responses were predominantly from the organisations that we audit but also from a variety of other sources including representative bodies, the third sector, Public Accounts Committee members and committee clerking teams from the National Assembly, unions and professional bodies.

The responses that we received helped us prioritise a number of the proposed studies and indicated support for/interest in a wide variety of the topics that we had included in our consultation. Unsurprisingly, the balance of responses reflected the direct relevance to the organisations responding to some extent. Nevertheless, it is clear that many of those responding welcomed the opportunity to provide comments on a cross-sector basis and looking more than one year ahead. Alongside the responses to the consultation, my thinking about how we take our work forward has been informed by the very many conversations that I have been having over the past six months with Chief Executives and senior officers across our audited bodies and other partner organisations.

I emphasised as part of the consultation the importance of retaining flexibility within my programme to respond to any emerging or unanticipated issues. Nevertheless, mapping out a medium-term plan for my work will provide a clearer line of sight for

the various stakeholders. I will be providing fuller details of my plans over a three-year horizon following some further engagement activity.

In the meantime, I have appended to this letter an overview of new work that I intend to take forward in 2019-20 as part of my programme of national studies. This includes thematic local audit work across specific sectors and work to follow up on previous studies. For completeness, I have also provided details about work in progress prior to the consultation that will run into 2019-20.

When deciding on the specific plans for individual pieces of work, we will consider comments raised through the consultation and engage with relevant external parties. Please do not hesitate to contact us if there are any further thoughts about the topics that we have prioritised for 2019-20 that you would wish us to take into account.

I made clear as part of the consultation that I am keen to produce shorter, sharper reports, make more use of data analytics, issue more real-time commentary on the big issues facing public services, and use different media to communicate our messages. This is all with the wider aim of exploiting our unique perspective, insight and knowledge base, building on our already positive reputation and being more visible in the way we engage with the bodies we audit and the people of Wales more generally. We are already taking the learning from positive recent examples to help develop our future approaches, including tailoring more of our work to reflect the perspectives of citizens and service-users.

Once again, I am very grateful for the time that has been spent considering and responding to our consultation and look forward to working with you as we take forward our audit programme.

Yours sincerely

**ADRIAN CROMPTON**  
**Auditor General for Wales**

## Annex: 2019-20 programme of national studies work

### Work already in progress prior to the recent consultation<sup>1</sup>

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| <b>Improving the well-being of young people</b>      | We are drawing together data to provide an overview of relevant trends and will also be highlighting key lessons for the Welsh Government to learn based on our review of issues including young parents, young adult carers, homelessness, mental health, jobs and skills.  |
| <b>Primary care services</b>                         | Following on from our <a href="#">Picture of Primary Care report</a> , we will be building on local audit work to consider whether health boards are well placed to implement the strategic vision for primary care.   |
| <b>Integrated Care Fund</b>                          | We will be adopting this as a theme for different pieces of commentary-based work over a three-year period.<br><br>Reflecting proposals set out in our work programme consultation, in 2019-20 this will include plans for work on a <b>UK comparative spending analysis</b> and commentary on <b>changing approaches to public services</b> . |
| <b>Orthopaedic services</b>                          | We are following up our <a href="#">2015 report</a> to examine the extent to which previous audit recommendations have been implemented at a national and local level. The focus of the work will be on elective services, although the impact of emergency/unplanned demand on these services will also be considered.                        |
| <b>Quality governance arrangements in NHS bodies</b> | As an extension of our <b>structured assessment</b> work at NHS bodies we are examining quality governance arrangements at NHS bodies, with a particular focus on the arrangements underpinning the work of quality and safety committees.   |

<sup>1</sup> This list includes work already in progress prior to the consultation that will run into 2019-20.

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| <p><b>Tackling violence against women, domestic abuse and sexual violence</b></p> | <p>In the context of the <a href="#">Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015</a> and the <a href="#">national strategy</a>, this work is considering whether local authorities are collaborating effectively with their partners to prevent violence against women and domestic abuse.</p>                                   |
| <p><b>Planning services</b></p>   | <p>In the context of the <a href="#">Planning (Wales) Act 2015</a>, this work is considering how well local planning authorities are delivering their planning services and whether services are supporting sustainable development and delivering for the long-term well-being of local communities.</p>  |
| <p><b>First point of contact assessments</b></p>                                  | <p>This work is considering whether local authority first point of contact assessment and processes are meeting the needs of service users and carers in line with the <a href="#">Social Services and Well-being (Wales) Act 2014</a>.</p>  |
| <p><b>A465 (Section 2) road improvement</b></p>                                   | <p>We are undertaking this work in the context of wider concerns about cost and time overruns. We are planning to publish an initial ‘interim findings’ report.</p>  |
| <p><b>Well-being of future generations</b></p>                                    | <p>We will be continuing work to discharge the Auditor General’s duties under the <a href="#">Well-being of Future Generations (Wales) Act 2015</a> to examine and report on the extent to which relevant public bodies have acted in accordance with the ‘sustainable development principle’ when setting and taking steps to meet ‘well-being objectives’.</p> |

New work that we plan to take forward in 2019-20, building on the consultation<sup>2</sup>

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| <p><b>Picture of public services</b></p>        | <p>We plan to adopt this as a theme for different pieces of commentary-based work over a three-year period.</p> <p>Reflecting proposals set out in our work programme consultation, in 2019-20 this could include plans for work on a <b>UK comparative spending analysis</b> and commentary on examples of <b>changing approaches to public services</b>. It could also include further commentary on <b>NHS finances</b>.</p> |
| <p><b>Brexit</b></p>                            | <p>Following our <a href="#">February 2019 report</a>, we will be taking forward further work to consider how public bodies are responding to the implications, risks and opportunities of Brexit.</p> <p>This is likely to then continue as a theme for further work in 2020-21 and 2021-22.</p>   |
| <p><b>Preventing fraud and corruption</b></p>   | <p>We are already taking work forward to provide an initial overview report to inform a planned Public Accounts Committee inquiry. We may then take forward further work to consider in more detail the effectiveness of public bodies' arrangements.</p>   |
| <p><b>Administration of student finance</b></p> | <p>We plan to consider issues relating to the overall administration of the student finance system, including the implementation of the new arrangements introduced from September 2018 and the Welsh Government's modelling of future repayments. This work may also draw on the results from data-matching work as part of the National Fraud Initiative.</p>   |
| <p><b>Fuel poverty / energy efficiency</b></p>  | <p>This work will look at progress in tackling fuel poverty. The work will consist how fuel poverty/home energy efficiency programmes integrate with wider anti-poverty work.</p>   |

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<sup>2</sup> There may also be additional outputs throughout 2019-20 arising from other follow-up work on previous audit topics, from examinations undertaken in response to issues of public or parliamentary concern, or from local performance audit work where there are issues or learning of wider relevance.

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| <b>Welsh Government workforce</b>                                    | This study would look at how the Welsh Government is planning its workforce in light of the changing environment in which it operates. We may extend the work to consider wider workforce management issues.  |
| <b>Welsh Government ICT</b>  | This work would look at the basis for the Welsh Government's decision to bring its core IT service in-house from early 2019, including expected costs and benefits and the extent to which the new arrangements are delivering in line with expectations.   |
| <b>Digital resilience</b>  | As described in our consultation, this would look at how public bodies are ensuring that their IT systems are resilient, robust and secure so that, in the event of serious incidents, systems can be recovered quickly and services can keep running. It could also incorporate some more general issues reflective of the proposal in our consultation on <b>ICT asset management</b> .                             |
| <b>Welsh Community Care Information System (WCCIS)</b>               | We touched on plans for the WCCIS in our <a href="#">2018 report</a> on informatics systems in NHS Wales. This study will look at the effectiveness of the national and local implementation arrangements and would consider whether the investment to date has provided value for money. Our consultation identified this as a potential topic for the period 2020-21 or 2021-22, but we plan to bring this forward. |
| <b>Impact of austerity on local authority discretionary services</b> | This study will focus on judging how well local authorities understand, plan for and meet the needs of those people in need of discretionary services. The review will look at the scale of changes in discretionary provision across Welsh local authorities.  |
| <b>Financial sustainability in local government</b>                  | We will be taking forward local audit work across all local authorities on this topic. This work will examine medium and longer term financial strategy, budget management, cost pressures, efficiency and savings plans, and levels and use of reserves. We anticipate reporting the findings from that work in some way at a national level.  |
| <b>Commercialisation in local authorities</b>                        | This study will look at the work of councils to create a strong commercial outlook, how they are developing commercial skills, their policies, vision, monitoring and reporting abilities and broader delivery infrastructure.  |

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| <b>Public Service Boards</b>   | As a refinement to the proposal in our consultation on regional working in local government, this work will focus on issues relating to the performance of Public Service Boards as vehicles for improving the well-being of citizens.                                     |
| <b>Grants management</b>   | Building on the proposal in our consultation, this work will reflect on how the Welsh Government has been <b>managing changes to grant schemes</b> but as part of a wider look at how grant management arrangements have developed since our <a href="#">2011 report</a> . |
| <b>Collaborative arrangements for managing local public health resources</b> | We will be examining whether NHS Wales has worked collectively to address the issues we identified through previous <a href="#">local audit work</a> at Public Health Wales NHS Trust.   |
| <b>NHS waiting times</b>   | We intend to follow up on our <a href="#">2015 report</a> and are likely to incorporate consideration of the topic from our consultation on <b>procedures of limited clinical value</b> . There are also links to our ongoing work on orthopaedic services.                |
| <b>Covering teachers' absence</b>  | We intend to follow up on developments since our <a href="#">2013 report</a> , <u>including in response to the Ministerial Supply Model Taskforce's <a href="#">2017 report</a></u> .  |