

Meeting of:	<b>Governance and Audit Committee</b>
Date of Meeting:	<b>Tuesday, 27 September 2022</b>
Relevant Scrutiny Committee:	All Scrutiny Committees
Report Title:	Q1 Update: Audit Wales Work Programme Timetable 2022/23 - Vale of Glamorgan Council
Purpose of Report:	To present to Members the Q1 update of Audit Wales' work programme timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2022/23
Report Owner:	Tom Bowring, Director of Corporate Resources
Responsible Officer:	Tom Bowring, Director of Corporate Resources
Elected Member and Officer Consultation:	No specific ward member consultation has been undertaken. The Annual Regulatory Audit Plan and progress updates apply to the whole authority.
Policy Framework:	This is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• Audit Wales (AW), as the nominated auditor for the Vale of Glamorgan Council, is required to undertake work in relation to the following which is detailed in the <a href="#">Vale of Glamorgan Annual Audit Plan 2022</a>: <ul style="list-style-type: none"> <li>- Audit of Financial Statements</li> <li>- Value for money</li> <li>- Continuous Improvement</li> <li>- Sustainable Development principle</li> </ul> </li> <li>• <a href="#">Appendix A</a> outlines Q1 progress on Audit Wales' work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2022/23.</li> <li>• Governance &amp; Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme as at Q1 and upon consideration, to refer the report to Cabinet for their oversight.</li> </ul>	

## Recommendations

1. That members review and note the content of this report.
2. That, subject to recommendation one, the report be referred to Cabinet for their oversight.

## Reasons for Recommendations

1. To facilitate monitoring of the audit function.
2. To enable Cabinet's oversight of the audit programme.

## 1. Background

- 1.1 As the external auditor, the objective of AW is to carry out an audit which discharges the statutory duties of Auditor General, which include:
  - Audit of Financial Statements
  - Value for money
  - Continuous Improvement
  - Sustainable Development principle.
- 1.2 The [Vale of Glamorgan Annual Audit Plan 2022/23](#) details the work planned by Audit Wales to meet the duties outlined above. The outputs of the Audit Plan are reported regularly to the Council to inform its self-assessment and areas for improvement.

## 2. Key Issues for Consideration

- 2.1 [Appendix A](#) outlines Q1 progress on Audit Wales' work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2022/23.
- 2.2 Key highlights include:
- 2.3 In relation to financial audit work, the audit of the Council's 2021-22 statement of accounts is underway with work on the audit of grant claims and returns to follow upon conclusion of the statement of accounts.
- 2.4 In relation to performance audit work, reviews of the Council's asset management and workforce planning arrangements as part of the Springing Forward review have been concluded and reports recently finalised, these will be reported to members in due course. Additionally, planned thematic reviews of Unscheduled Care, Digital and a project looking at the application of the sustainable development principle across the Council's services are currently being scoped.
- 2.5 Local government national studies on poverty, social enterprises, building social resilience and self-reliance are currently at the drawing conclusions stage and the findings will be published in due course. Relevant nominated officers within the Council have been interviewed to inform these studies.
- 2.6 In relation to other regulatory work, Estyn's reviews of the Inspection Guidance for Local Government Education Services and Curriculum Reform are underway

with both due to be concluded in September. The Care Inspectorate Wales (CIW) programme of assurance checks, improvement checks and performance evaluation inspections are in progress as is other planned work including developing its approach to inspection and review of local authorities and joint inspection of child protection arrangements, production of the Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2021-22 and the national review of Care Planning for children and young people subject to the Public Law Outline pre-proceedings.

- 2.7** Governance & Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme as at Q1 and upon consideration, to refer the report to Cabinet for their oversight.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** Performance Management is an intrinsic part of corporate governance and integrated business planning which underpins the delivery of the Council's Corporate Plan and its Well-being Outcomes. Our Corporate Plan has been structured around the Well-being of Future Generations (Wales) Act 2015, through the development of four Well-being Outcomes and eight Well-being Objectives. By aligning our Well-being Outcomes in the Corporate Plan with the Well-being Goals of the Act, this will enable us to better evidence our contribution to the Goals.
- 3.2** External Regulation is an important vehicle for driving continuous improvement across our services. Progressing the improvement areas identified by our regulators not only enables us to demonstrate our commitment to continuous service improvement, but also contributes to further strengthening our impact on the national well-being goals through the achievement of our well-being objectives.
- 3.3** Associated action plans in response to regulatory review findings are developed with the five ways of working in mind. The focus is on developing innovative ways of working that better integrate services, whilst enabling us to work more collaboratively with our partners and citizens to involve them in improving service delivery. Our improvement actions will also focus on preventative actions that will enable us to sustain and future proof our services into the longer term.

### **4. Climate Change and Nature Implications**

- 4.1** There are no implications directly arising from this report, although failure to respond to our regulatory recommendations could have a negative impact on any future external regulatory assessments and could result in a special inspection by the Auditor General for Wales if deemed that the Council is not meeting the performance requirements.
- 4.2** The climate change and nature implications in respect of our regulatory recommendations will be considered as part of the development of our response (action plan) and will identify mitigating actions required to minimise any adverse consequences.

## **5. Resources and Legal Considerations**

### **Financial**

- 5.1** There is an annual audit fee aligned with the Vale of Glamorgan Annual Audit Work Programme. Any proposed changes to this will be discussed with the Section 151 Officer prior to implementation.

### **Employment**

- 5.2** There are no direct workforce related implications associated with this report.

### **Legal (Including Equalities)**

- 5.3** The statutory duties of the Auditor General are contained within the Local Government & Elections (Wales) Act 2021, the Well-being of Future Generations (Wales) Act 2015, the Public Audit (Wales) Act 2004, the Local Government Act 1999 and the Code of Audit Practice.

## **6. Background Papers**

None

## Audit Wales Work Programme and Timetable – Vale of Glamorgan Council

**Quarterly Update: 30 June 2022**

### Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in January 2022.	December 2022	N/A

### Financial Audit work

Description	Scope	Timetable	Status
<b>Audit of the Council's 2021-22 statement of accounts</b>	Statutory audit of accounts	July – October	Commenced /Ongoing
<b>Audit of grant claims and return</b>	Audit of annual grant claims	October – December (subject to finalisation of the housing benefit subsidy audit deadline from the DWP)	Work to commence in the autumn following the conclusion of the main accounts audit.

## Performance Audit work

2021-22 Performance audit work	Scope	Timetable	Status
<b>Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations</b>	We will seek to integrate the delivery of our WFG examinations of steps to deliver well-being objectives with our other audit work. We will discuss this with the council as we scope and deliver the audit projects listed in this plan.	N/A	N/A
<b>Improvement reporting audit</b>	Audit of discharge of duty to publish an assessment of performance.	October/November 2021	Certificate issued November 2021

2021-22 Performance audit work	Scope	Timetable	Status
<b>Assurance and Risk Assessment</b>	<p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources. At the Council the project is likely to focus on:</p> <ul style="list-style-type: none"> <li>• Financial position</li> <li>• Self-assessment arrangements</li> <li>• Recovery planning</li> <li>• Implications of the Local Government and Elections (Wales) Act</li> <li>• Carbon reduction plans</li> </ul>	April 2021 – March 2022	Financial position and carbon reduction plans working are ongoing, the rest is complete.
<b>Springing Forward – Examining the building blocks for a sustainable future</b>	<p>As the world moves forward, learning from the global pandemic, this review looks at how effectively councils are strengthening their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities.</p>	Autumn 2021 onwards	Assets report finalised.

2021-22 Performance audit work	Scope	Timetable	Status
<b>Workforce planning</b>	A project looking at whether the Council has robust and effective workforce planning arrangements	Summer 2021 onwards	Verbal feedback provided to the Council. Draft report is in clearance.

2022-23 Performance audit work	Scope	Timetable	Status
<b>Assurance and Risk Assessment</b>	<p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.</p> <p>The project is likely to focus in particular on:</p> <ul style="list-style-type: none"> <li>• Financial position</li> <li>• Capital programme management</li> <li>• Use of performance information – with a focus on service user feedback and outcomes</li> <li>• A consideration of other core arrangements and services</li> </ul>	April 2022 – March 2023	Ongoing

2022-23 Performance audit work	Scope	Timetable	Status
<b>Thematic Review – Unscheduled Care</b>	A cross-sector review focusing on the flow of patients out of hospital. This review will consider how the Council is working with its partners to address the risks associated with the provision of social care to support hospital discharge, as well as prevent hospital admission. The work will also consider what steps are being taken to provide medium to longer-term solutions.	July – December 2022	Scoping
<b>Thematic review – Digital</b>	This project will be scoped over the summer with further details of the specific focus of the review to be confirmed.	To be confirmed.	Scoping
<b>Bespoke local project</b>	To be confirmed but likely to relate to the application of the sustainable development principle in service areas	To be confirmed	Scoping

## Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan Council
<b>Poverty</b>	Understanding how local authorities ensure they deliver their services to minimise or reduce poverty.	Autumn 2021 – Autumn 2022	Drawing Conclusions	Yes – interview with nominated officer at the Council
<b>Social Enterprises</b>	Review of how local authorities are supporting and utilising social enterprises to deliver services	Autumn 2021 – Autumn 2022	Drawing conclusions	Yes – interview with nominated officer at the Council
<b>Building Social Resilience and Self reliance</b>	Review of how local authorities can build greater resilience in communities	Autumn 2021 – Autumn 2022	Drawing conclusions	Yes – interview with nominated officer at the Council

## Estyn

Estyn planned work 2022-23	Scope	Timetable	Status
<p><b>Local Government Education Services Inspections</b></p>	<p>Estyn inspected Anglesey and Swansea local government education services during the summer term. The reports will be published in August and early September. The <a href="#">Torfaen</a> report was published on 18 May. Estyn will be reviewing the inspection guidance to reflect a greater emphasis on socio-economic disadvantage and inequity and to make minor tweaks in response to feedback from inspections in 2021-22.</p>	<p>Inspection guidance review – July. Published on website 1 September.</p>	<p>N/A</p>
<p><b>Curriculum Reform thematic review</b></p>	<p>The Welsh Government have also asked Estyn to review the school improvement services in south-west Wales.</p>	<p>Evidence collecting in June/July – published in September.</p>	<p>N/A</p>

## Care Inspectorate Wales (CIW)

CIW planned work 2022-23	Scope	Timetable	Status
<b>Programme 2022-23</b>	CIW will continue to run its pilot cyclic programme of assurance checks, improvement checks and performance evaluation inspections.	April 2022 – March 2023	In progress
<b>Development</b>	<p>CIW will continue to develop its approach to inspection and review of local authorities.</p> <p>CIW will consult further regarding its approach.</p>	September 2022 – December 2022	In progress
<b>Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2021-22</b>	Following the publication of the 2020-21 report, planning is underway for the next report publication date to be confirmed.	Publication to be confirmed	Data collecting
<b>Annual meeting with Statutory Directors of Social Services</b>	CIW will meet with all Directors of Social Services	December 2022 and January 2023	Planning

CIW planned work 2022-23	Scope	Timetable	Status
<p><b>National review of Care Planning for children and young people subject to the Public Law Outline pre-proceedings</b></p>	<p>Purpose of the review</p> <p>To provide external scrutiny, assurance and to promote improvement regarding the quality of practice in relation to the care planning for children and young people subject to the public law outline pre-proceedings.</p> <p>To consider the extent to which practice has progressed since the publication of both the CIW 'National Review of care planning for children and young people subject to public law outline pre proceedings' and the publication of the PLO working group report 2021 including best practice guidance.</p>	<p>September 2022</p>	<p>Planning</p>
<p><b>Joint Inspection Child Protection Arrangements</b></p>	<p>Cross-inspectorate approach. Area to be determined. We will complete a further four multi agency joint inspections.</p> <p>We will publish a national report in late 2023.</p>	<p>Autumn 2022-Spring 2023</p>	<p>Planning</p>
<p><b>Cafcass Assurance Check</b></p>	<p>CIW will continue to develop its approach to inspection and review of Cafcass Cymru. We will evaluate our approach and will consult on our revised approach in late 2022.</p> <p>Assurance check completed. Drafting letter. Due to be published August 2022</p>	<p>September – December 2022</p> <p>August 2022</p>	<p>Review</p> <p>Drafting</p>

## Audit Wales national reports and other outputs published since January 2022

Report title	Publication date and link to report
Tackling the Planned Care Backlog in Wales – and waiting times data tool	<a href="#">May 2022</a>
The new Curriculum for Wales	<a href="#">May 2022</a>
Unscheduled care – data tool and commentary	<a href="#">April 2022</a>
Direct Payments for Adult Social Care	<a href="#">April 2022</a>
Local Government Financial Sustainability data tool	<a href="#">February 2022</a>
Joint Working Between Emergency Services (including data tool)	<a href="#">January 2022</a>

## Audit Wales national reports and other outputs (work in progress/planned)<sup>1</sup>

Title	Anticipated publication date
NHS finances data tool update	July 2022
Welsh Community Care Information System  (Update for the Public Accounts and Public Administration Committee)	July 2022
COVID response and recovery/Welsh Government grants management – third sector support  (Briefing for the Public Accounts and Public Administration Committee)	July 2022
Climate change – baseline review <sup>2</sup>	July/August 2022
Sustainable Tourism in Wales' National Parks <sup>3</sup>	July 2022
Welsh Government setting of well-being objectives	July 2022

<sup>1</sup> We will continue to keep our plans under constant review, taking account of the evolving external environment, our audit priorities, the context of our own resourcing and the capacity of audited bodies to engage with us. This includes maintaining some flexibility so that we can respond to developments in Welsh Government policy and areas of possible interest for the Public Accounts and Public Administration Committee.

<sup>2</sup> An initial overview report followed by a more detailed evidence paper.

<sup>3</sup> Summary based on local audit work.

Title	Anticipated publication date
Collaborative arrangements for managing local public health resources	July 2022
Welsh Government workforce	August 2022
Orthopaedic services	August/September 2022
Equality impact assessment	August/September 2022
Quality governance in the NHS	September 2022
Flood risk management	September 2022
Cyber resilience	October 2022
Digital inclusion/Broadband infrastructure	October 2022
National Fraud Initiative (summary report)	October 2022
Welsh Government accounts commentary	To be confirmed – plans for this work have been under review
COVID-19 response and recovery – business support	To be confirmed
Affordable housing	To be confirmed

## Good Practice Exchange resources

Title	Link to resource
<p>Direct Payments Provision – A webinar discussing our report on Direct Payments Provision and how they can be a key part in implementing the principles of the Social Service and Well-Being (Wales) Act 2014</p>	<p><a href="#">Direct Payments Provision webinar recording</a></p>
<p>Responding to the Climate Emergency in Wales A webinar discussing emerging findings from our baseline review of public bodies' arrangements to respond to the Welsh Government's carbon reduction targets for 2030.</p>	<p><a href="#">Responding to the Climate Emergency in Wales   Audit Wales</a></p>
<p>Covid Perspectives: A series of recorded conversations learning how organisations have adapted to the extended period of uncertainty following the initial COVID emergency.</p>	<p><a href="#">Good Practice   Audit Wales</a></p>

## Recent Audit Wales Blogs

Title	Publication date
<p><a href="#">Direct Payments in Wales</a></p>	<p>15 June 2022</p>
<p><a href="#">Unscheduled Care in Wales – a system under real pressure</a></p>	<p>21 April 2022</p>
<p><a href="#">Skills Competition Wales</a></p>	<p>18 February 2022</p>

Title	Publication date
<u>Cyber resilience – one year on</u>	9 February 2022
<u>Helping to tell the story through numbers</u> (Local government financial sustainability data tool)	3 February 2022
<u>Call for clearer information on climate change spending</u>	2 February 2022
<u>Actions speak louder than words</u> (Building social resilience and self-reliance in citizens and communities)	14 January 2022