

Meeting of:	Governance and Audit Committee
Date of Meeting:	Thursday, 18 July 2024
Relevant Scrutiny Committee:	All Scrutiny Committees
Report Title:	Q1 Update: Audit Wales Work Programme 2024 - Vale of Glamorgan Council
Purpose of Report:	To present to Members the Q1 update of Audit Wales's work programme as aligned to the Vale of Glamorgan Annual Audit Plan 2024
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> <p>Appendix A outlines Q1 progress on Audit Wales's work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2024.</p> <p>Governance and Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme at Q1 and upon consideration, to refer the report to Cabinet for their oversight.</p>	

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 Audit Wales 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 2024 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's work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2024.
- 2.2 Key highlights in relation to the Audit Work Programme are as follows.
- 2.3 The Council's Annual Audit Summary was issued in May 2024.
- 2.4 In relation to financial audit work, audit of the 2022/23 statement of accounts has been completed and an unqualified audit opinion provided on 7/12/23. Work has commenced on the draft accounts for 2023/24.
- 2.5 All audit certification of grant claims and returns for 2022/23 has been completed apart from the Housing Benefits subsidy claim which is ongoing. Work on the Joint Committee Accounts hosted by the Council are complete and unqualified opinions provided. The independent examination of the Council's 2022/23 Welsh Church Act Fund accounts were completed in January 2024.
- 2.6 In relation to 2022/23 performance audit work, there is ongoing monitoring of the Council's financial position, and the use of performance information final report was issued in February 2024. The thematic review of digital has been issued to the Council (December 2023) and the thematic review of unscheduled

care will be reported from July 2024 onwards. In relation to 2023/24 performance audit work, Assurance and Audit Risk Assessment has been completed. The final report has been issued on the review of the Planning Service's governance arrangements and work is underway on thematic reviews of financial sustainability and commissioning.

- 2.7** Work has not yet commenced on the Assurance and Risk Assessment as part of the 2024/25 performance audit work and the thematic review of staffing resources/pressures in local government has been deferred until 2025/26. A review to assess the extent to which the Council has acted in accordance with the sustainable development principle in setting its Well-being Objectives as part of development of the corporate plan is ongoing.
- 2.8** A number of local government national studies are planned for 2024/45 including homelessness, capital planning in local government and financial constraints / discretionary local government services and work is due to commence on scoping these.
- 2.9** In relation to other regulatory work, Estyn have carried out field work in nearly all local authorities on the Implementation of the Additional Learning Needs and Education Tribunal [Wales] Act 2018 in non-maintained settings, primary and secondary schools and all age schools. This review follows on from the year 1 review of the implementation of the ALNET Act in schools, which was published in September 2023. Field work was also undertaken focusing on 'the impact of poverty in educational attainment, support, provision and transition for early education' in nearly all local authorities.
- 2.10** Care Inspectorate Wales is progressing its 2023-25 planned work programme and has published its thematic review of Community Learning Disability Team (CLDT) at Rhondda Cynon Taf as part of an annual programme. A national report is due in September 2024 as part of the programme of Joint Inspection Child Protection Arrangements. Performance reviews of Local Authorities remain ongoing with reports published for Flintshire, Monmouthshire and Pembrokeshire Councils.
- 2.11** Governance and Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme 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.
- 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

[Audit Wales VoG Outline Audit Plan](#)

Draft VOG Audit Plan 2024 - awaiting final version

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

Quarterly Update: 30 June 2024

Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in March 2023.	June 2024	Issued final 15 th May 2024

Financial Audit work

Description	Scope	Timetable	Status
Audit of the Council's 2022-23 statement of accounts	We are required to issue a certificate and report on your financial statements which includes an opinion on their 'truth and fairness'. and an assessment as to whether the Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant guidance and is consistent with your financial statements and my knowledge of the Authority.	30 November 2023	Complete. An unqualified audit opinion was provided on 7/12/23 following Council approval on 4/12/23.

Description	Scope	Timetable	Status
Audit of the 2022-23 Joint Committee accounts hosted by the Council	<p>We are required to audit the financial statements of the two Joint Committee bodies hosted by the Council:</p> <ul style="list-style-type: none"> • the Shared Regulatory Service; and • the Vale, Valleys and Cardiff Adoption Collaborative. 	30 November 2023	Complete and unqualified opinions provided.
The independent examination of the Council's 2022-23 Welsh Church Act Fund accounts	<p>Our Independent Examination involves the performance of a limited set of procedures, as set out in Charity Commission directions, requiring less detailed work than under a full audit.</p>	31 January 2024	Complete.
Certification of several of the Council's 2022-23 grant claims and returns	<p>We are required to review and certify four of the Council's annual returns and subsidy claims:</p> <ul style="list-style-type: none"> • Non-domestic rates return; • Teachers pension return; • Social Care Workforce Development grant; and Housing Benefits subsidy 	Various	All the returns have been certified apart from the HB subsidy return upon which our work is ongoing.
Audit of the Council's 2023-24 statement of accounts	<p>We are required to issue a certificate and report on your financial statements which includes an opinion on their 'truth and fairness'. and an assessment as to whether the Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant guidance and is consistent with your financial statements and my knowledge of the Authority.</p>	30 November 2024	The draft accounts were received prior to the 30 June deadline. Our audit of these accounts has commenced and there are no issues to report to GAC at this early stage of the audit.

Performance Audit work

2022-23 Performance Audit work	Scope	Timetable	Status
Assurance and Risk Assessment	<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> <ul style="list-style-type: none"> • Financial position • Use of performance information – with a focus on service user feedback and outcomes 	<p>Ongoing monitoring of financial position</p> <p>February – September 2023</p>	<p>Complete</p> <p>Ongoing</p> <p>Final report issued 23rd February 2024</p>
Thematic Review – Unscheduled Care	<p>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.</p>	<p>August 2022 – October 2023</p>	<p>Reporting from July 2024 onward.</p>

2022-23 Performance Audit work	Scope	Timetable	Status
Thematic review – Digital	A review of councils’ strategic approach to digital, and the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of councils’ resources.	January – September.	Final report issued to Council 1st December 2023
Bespoke local project	A project to consider whether the Council has effective arrangements for ensuring that service areas are applying the sustainable development principle	October 2022 – February 2023	Final report issued to Council March 2023.

2023-24 Performance Audit work	Scope	Timetable	Status
Assurance and Risk Assessment	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.	Ongoing	Complete
Thematic review – commissioning	A review focusing on how councils' arrangements for commissioning, apply value for money considerations and the sustainable development principle.	March – December 2024	Underway
Thematic review – Financial Sustainability	A review of councils' financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.	March – July 2024	Underway
Review of the Planning Service's Governance arrangements	A review of the planning service's governance arrangements to include the planning policy team; the extent the planning service is supporting the Council in the delivery of its overall objectives and the extent it is delivering its own service objectives, and how the planning service reviews and monitors its governance arrangements. We are not reviewing the performance of the planning service.	July 2023 – November 2023	Final report issued 23 rd November 2023

2024-25 Performance Audit work	Scope	Timetable	Status
Assurance and Risk Assessment	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.	On-going	Not yet started
Thematic review - Staffing resources / pressures in local government	A review of the arrangements that councils have in place to secure appropriate and cost-effective staff resources to support services.		Deferred to 2025-26
Local project work – topics to be confirmed	Potential areas of work may be a review of the Council's complaints arrangements and a review of the Council's arrangements for working with schools to help address schools' balances.	Timescales for the projects will be discussed with the Council and detailed within the specific project briefs produced for the audit.	Not yet started
Local project work - Setting of Well-being objectives	A review to assess the extent to which the Council has acted in accordance with the sustainable development principle when setting its well-being objectives as part of its development of its new corporate plan.	April 2024-March 2025	Ongoing

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan County Council
Governance of Fire and Rescue Authorities	Review of systems and effectiveness of governance	September 2023 – August 2024	Fieldwork complete. Publication due August 2024	No. FRA members were given opportunity to share views via a survey
Homelessness	Examining how services are working together to progress the response to homelessness.	tbc	Scoping	Tbc
Capital Planning in Local Government	Examining whether capital investment in the asset base in local government is able to keep pace with demand	tbc	Not started	Tbc

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan County Council
Financial constraints / discretionary local government services	Examining the potential impacts and councils' decision making processes in the context of the sustainable development principle.	tbc	Not started	tbc

Estyn

Our link inspectors are continuing to work with Torfaen as part of our follow-up process for an authority causing significant concern.

We inspected two local government education services during the summer term, which were Ceredigion and Caerphilly. The reports will be published in late August and early September respectively.

During the summer term piloted our enhanced link visits in Pembrokeshire and Neath Port Talbot. The visits were carried out by three link inspectors visiting the local authorities for two days focusing on two specific aspects of the local authority's work. In Pembrokeshire we looked at the asymmetric timetabling arrangements in 24 of their schools and their approaches to improving attendance. In Neath Port Talbot, the focus was on their support for curriculum development and attendance. We carried out field work in nearly all local authorities on the Implementation of the Additional Learning Needs and Education Tribunal [Wales] Act 2018 in non-maintained settings, primary and secondary schools and all age schools. This review follows on from the year 1 review of the implementation of the ALNET Act in schools, which was published in September 2023. We also carried out field work focusing on 'the impact of poverty in educational attainment, support, provision and transition for early education' in nearly all local authorities.

Care Inspectorate Wales (CIW)

CIW planned work 2023-25	Scope	Timetable	Status
Thematic reviews Community Learning Disability Team (CLDT)	Working jointly with HIW we completed an assurance check inspection in Rhondda Cynon Taff focusing on Community Learning Disability Teams (CLDT). RCT CLDT Joint inspection	2024-25	Published April 2024
	A second single agency assurance check inspection in Blaenau Gwent	March 2024	Published May 2024

CIW planned work 2023-25	Scope	Timetable	Status
	We will continue an annual programme of joint work focusing on CLDT and Community Mental Health Team (CMHT)		
Joint Inspection Child Protection Arrangements (JICPA)	<p>We will complete a further two multi-agency joint inspections in total.</p> <p>The findings from Bridgend County Borough Council - Joint Inspectorate Review of Child Protection Arrangements (JICPA): Bridgend 2023 Care Inspectorate Wales</p> <p>Our findings from the Cardiff County Council Cardiff Joint Inspection Report</p> <p>The findings from Denbighshire County Council Joint Inspectorate Review of Child Protection Arrangements (JICPA): Denbighshire 2023 Care Inspectorate Wales</p> <p>The findings from Powys County Council - Joint Inspectorate Review of Child Protection Arrangements (JICPA): Powys 2023 Care Inspectorate Wales</p>	<p>April 2023 – April 2024</p> <p>June 2024</p> <p>7 May 2024</p> <p>Feb 2024</p> <p>October 2023</p>	<p>Delivery national report due to be published September 2024</p> <p>Published</p> <p>Published</p> <p>Published</p> <p>Published</p>

CIW planned work 2023-25	Scope	Timetable	Status
Performance review of Local Authorities	<u>We continue to inspect Local Authorities in line with our updated Code of Practice for our local authority inspection activity Care Inspectorate Wales</u>	Ongoing	Ongoing
	<u>How we inspect local authority services and CAFCASS Cymru</u>		
	<u>We are currently reviewing our Code of Practice and will be publishing shortly.</u>		Review
	Inspection of Flintshire County Council children and adult services in February 2024 - <u>Inspection report for Flintshire County Council's adults and children's services published Care Inspectorate Wales</u>	22 Feb 2024	Published
	<u>We published Monmouthshire County Council children's services Inspection report PEI Care Inspectorate Wales</u>	2 May 2024	Published
	<u>We published Pembrokeshire - Improvement check inspection Improvement-check Pembrokeshire-county-council-adult services</u>	13 June 2024	Published
We undertook a PEI in Swansea adult service in May 2024	11 July 2024	Publication due	
Her Majesty's Inspectorate of Probation – Youth Offending Inspection	We supported the delivery of HMIP's Youth Offending Services Inspection in Denbighshire and Conwy. <u>A joint inspection of youth justice services in Conwy & Denbighshire (justiceinspectors.gov.uk)</u>	8 May 2024	Published

Audit Wales national reports and other outputs published since June 2023

Report title	Publication date and link to report
A465 Section 2 – update	June 2024
Community Pharmacy data matching pilot	May 2024
Governance of National Park Authorities	April 2024
Supporting Ukrainians in Wales	March 2024
From firefighting to future-proofing – the challenge for Welsh public services	February 2024
Betsi Cadwaladr University Health Board – board effectiveness follow up	February 2024
Local Government Financial Sustainability Data tool update uses data from the draft 2022-23 accounts	January 2024
Planning for sustainable development – Brownfield regeneration	January 2024
Corporate Joint Committees – commentary on their progress	November 2023
Governance arrangements relating to an employment dispute at Amgueddfa Cymru – National Museum Wales	November 2023
Failures in financial management and governance and losses incurred – Harlech Community Council	November 2023

Report title	Publication date and link to report
Putting out the false alarms: Fire and Rescue Authorities' responses to Unwanted Fire Signals	October 2023
Covering teachers' absence – follow-up (letter to the Public Accounts and Public Administration Committee)	October 2023
NHS workforce – data briefing	September 2023
Income Diversification for National Park Authorities in Wales	September 2023
Approaches to achieving net zero across the UK	September 2023
Springing Forward: Lessons learnt from our work on workforce and assets (in local government)	September 2023
NHS finances data tool – to 31 March 2023	September 2023
Public interest reports – Ammanford Town Council and Llanferres Community Council	September 2023
Cwm Taf Morgannwg University Health Board - Quality Governance Arrangements Joint Review Follow-up	August 2023
'Cracks in the Foundations' – Building Safety in Wales	August 2023
Maximising EU funding – the Structural Funds Programme and the Rural Development Programme	June 2023

Audit Wales national reports and other outputs (work in progress / planned)^{1, 2}

Title	Indicative publication date
Local government digital strategy review – national summary	July 2024
Local government use of performance information, outcomes and service user perspective – national summary	July 2024
NHS finances data tool – to 31 March 2024	July 2024
Affordable housing	August 2024
Active travel (report and data tool)	August / September 2024
Findings from GP registration data matching pilot	September / October 2024
National Fraud Initiative – bi-ennial report	October 2024
Cancer services	October 2024
NHS workforce planning (national messages)	Autumn 2024

¹ 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. Follow up work could also lead to other outputs, as may other local audit work where we consider there is merit in a national summary output of some kind.

² Our [Annual Plan 2024-25](#) also lists work in progress, some of which has since been published, or work planned to start during 2024-25. [Our work programme for 2023-2026](#) – also provides some additional detail about certain topics and will continue to inform our work programme planning for 2025-26.

Title	Indicative publication date
Unscheduled care (national messages – patient flow in hospital and delayed discharge)	Autumn 2024
Financial management and governance in town and community councils	Autumn 2024
Addressing biodiversity decline (pan-public sector and at Natural Resources Wales)	Pan-public sector review – autumn 2024 NRW to be confirmed (scoping)
Welsh Government capital and infrastructure investment	Late autumn 2024
Challenges for the cultural sector	By end of 2024 (local reporting)
New Velindre Cancer Centre	Early 2025
Findings from sustainable development examinations (statutory report under the WFG Act)	By early May 2025
The senior public service	Scoping underway, delivery planned early summer
Rebalancing care and support	To be confirmed (scoping)
Tackling NHS waiting lists (local audit work at health boards)	To be confirmed (local work at each Health Board started in May 2024)
Access to education for children with Additional Learning Needs	To be confirmed (scoping)

Title	Indicative publication date
Further and higher education funding and oversight – Commission for Tertiary Education and Research	To be confirmed (scoping)
Support for business	To be confirmed (starting in 2024-25)
Support for bus and rail services	To be confirmed (starting in 2024-25)
Progress with investment in school and college buildings through the Sustainable Communities for Learning Programme	To be confirmed (starting in 2024-25)
NHS bodies' approaches to digital transformation (local audit work)	To be confirmed (starting in 2024-25)

Good Practice Exchange events and resources

Title	Link to resource
Sgwrs a Paned with Alex Swift: Re-Defining Our Lives: Towards a Social Understanding of Neurodiversity	You can book a place here .
<p>Audit Committees: Effective practices and a positive impact</p> <p>Good governance arrangements are a critical part of how public service organisations function effectively and deliver value for money services for the citizens and communities of Wales. Audit Committees are one of the foundation stones that support good governance. With significant current and future pressures on public sector finances, there is an increasing need for effective practices and a positive impact. Audit Committees play a vital role in this. This event provides an opportunity to share experiences, learn, and network with peers across the public sector in Wales.</p>	<p>9th October 2024, 10:30 – 15:30 Conwy Business Centre</p> <p>You can book a place here.</p> <p>The resources from our event in Cardiff on 22 May are available here.</p>

