

Meeting of:	Governance and Audit Committee
Date of Meeting:	Monday, 24 October 2022
Relevant Scrutiny Committee:	All Scrutiny Committees
Report Title:	Q2 Update: Audit Wales Work Programme Timetable 2022/23 - Vale of Glamorgan Council
Purpose of Report:	To present to Members the Q2 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"> • 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 Vale of Glamorgan Annual Audit Plan 2022: <ul style="list-style-type: none"> - Audit of Financial Statements - Value for money - Continuous Improvement - Sustainable Development principle • Appendix A outlines Q2 progress on Audit Wales' work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2022/23. • Governance and Audit Committee Members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme as at Q2 and upon consideration, to refer the report to Cabinet for their oversight. 	

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 Q2 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 and Audit Committee Members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme as at Q2 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 September 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
<p>Audit of the Council's 2021-22 statement of accounts</p>	<p>Statutory audit of accounts</p>	<p>July – October 2022</p>	<p>The majority of the audit fieldwork is complete, however we are unable to conclude our audit work until a matter concerning infrastructure assets is resolved. This matter relates to all LG bodies across Wales and is not unique to the Council. We currently expect this issue, and therefore our audit, to be concluded during November.</p>

Description	Scope	Timetable	Status
<p>Audit of grant claims and return</p>	<p>Audit of annual grant claims</p>	<p>October – December (subject to finalisation of the housing benefit subsidy audit deadline from the DWP)</p>	<p>Our grants certification work will commence in October 2022 as planned. This work is however likely to extend beyond December 2022, particularly in regard to our HB certification work.</p>

Performance Audit work

2021-22 Performance audit work	Scope	Timetable	Status
Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations	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
Improvement reporting audit	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
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.</p> <p>At the Council the project is likely to focus on:</p> <ul style="list-style-type: none"> • Financial position • Self-assessment arrangements • Recovery planning • Implications of the Local Government and Elections (Wales) Act • Carbon reduction plans 	April 2021 – March 2022	Report finalised

2021-22 Performance audit work	Scope	Timetable	Status
Springing Forward – Examining the building blocks for a sustainable future	<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>	<p>Autumn 2021 onwards.</p>	<p>Both workforce planning and assets reports finalised</p>

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. The project is likely to focus in particular on:</p> <ul style="list-style-type: none"> • Financial position • Capital programme management • Use of performance information – with a focus on service user feedback and outcomes • A consideration of other core arrangements and services 	April 2022 – March 2023	Ongoing

2022-23 Performance audit work	Scope	Timetable	Status
Thematic Review – Unscheduled Care	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.	August 2022 – February 2023	Fieldwork starting shortly
Thematic review – Digital	This project is being scoped with further details of the specific focus of the review to be confirmed.	To be confirmed.	Scoping
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	Preparing for fieldwork

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan Council
Poverty	Understanding how local authorities ensure they deliver their services to minimise or reduce poverty	Autumn 2021 – Autumn 2022	Clearance – publication October 2022.	Yes – interview with nominated officer at the Council.
Social Enterprises	Review of how local authorities are supporting and utilising social enterprises to deliver services	Autumn 2021 – Autumn 2022	Clearance – publication November 2022.	Yes – interview with nominated officer at the Council.
Building Social Resilience and Self reliance	Review of how local authorities can build greater resilience in communities	Autumn 2021 – Autumn 2022	Report drafting.	Yes – interview with nominated officer at the Council.
Building safety	Review of how well local authorities are delivering their responsibilities for building safety	September 2022 – August 2023	Project initiation.	Yes – interview with nominated officer at the Council and survey.

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan Council
Planning for sustainable development – Brownfield regeneration	Review of how local authorities are promoting and enabling better use of vacant non-domestic dwellings and brownfield sites	October 2022 – September 2023	Project development.	Yes – interview with nominated officer at the Council and survey.
Corporate Joint Committees	Assessing CJsCs' progress in developing their arrangements to meet their statutory obligations and the Welsh Government's aim of strengthening regional collaboration.	September 2022 – January 2023	Setting up fieldwork.	Yes – We are exploring the Council's perspective via our routine liaison meetings. Fieldwork includes interviews with the chief executive, director of finance and chair of each of the four CJsCs.

Estyn

Estyn planned work 2022-23	Scope	Timetable	Status
Local Government Education Services Inspections	<p>Estyn inspected Anglesey and Swansea local government education services during the summer term. The reports were published in August and early September. Estyn carried out a post-inspection improvement conference in Torfaen in September and will be monitoring Pembrokeshire local authority in early October. Estyn has updated 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 September 1.</p>	<p>N/A</p>
Curriculum reform thematic review	<p>The Welsh Government has also asked Estyn to review the school improvement services in south-west Wales.</p>	<p>Evidence collecting in June/July – findings presented to the Welsh Government in September.</p>	<p>N/A</p>

Care Inspectorate Wales (CIW)

CIW planned work 2022-23	Scope	Timetable	Status
Programme 2022-23	We continue to test and evaluate our revised approach – including assurance checks, improvement checks, and performance evaluation inspections (PEIs). This will result in a revised operating framework for inspection and a revised code of practice.	April 2022-March 2023	In progress
Joint work	<p>We continue to work with partners, sharing information and intelligence including completing joint reviews.</p> <p>We currently are working in collaboration with HIW for a national review of the stroke pathway and CMHT inspections.</p>	Current	In progress
Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2021-22	Following the publication of the 2020-21 report, planning is underway for the next report's publication date to be confirmed.	Publication to be confirmed.	Drafting/data collecting.
Annual meeting with Statutory Directors of Social Services	CIW will meet with all Directors of Social Services.	December 2022 and January 2023	Planning

CIW planned work 2022-23	Scope	Timetable	Status
<p>National review of care planning for children and young people subject to the Public Law Outline pre-proceedings</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/surveying</p>
<p>Joint inspection child protection arrangements</p>	<p>Cross-inspectorate approach. Areas 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>

CIW planned work 2022-23	Scope	Timetable	Status
Cafcass assurance check	<p>CIW will continue to develop its approach to inspection and review of Cafcass Cymru. We have published its first assurance check letter.</p> <p>We will evaluate our approach and will consult on our revised approach in late 2022. This will result in a revised operating framework for inspection and the code of practice.</p>	September – December 2022	Planning

Audit Wales national reports and other outputs published since January 2022

Report title	Publication date and link to report
Equality Impact Assessments: More than a Tick Box Exercise?	September 2022
Welsh Government – setting of well-being objectives	September 2022
Welsh Government workforce planning and management	September 2022
NHS Wales Finances Data Tool – up to March 2022	August 2022
Public Sector Readiness for Net Zero Carbon by 2030: Evidence Report	August 2022

Report title	Publication date and link to report
Public Sector Readiness for Net Zero Carbon by 2030	July 2022
Sustainable Tourism in Wales' National Parks	July 2022
Third Sector COVID-19 Response Fund – Memorandum for the Public Accounts and Public Administration Committee	July 2022
The Welsh Community Care Information System – update	July 2022
Tackling the Planned Care Backlog in Wales – and waiting times data tool	May 2022
The new Curriculum for Wales	May 2022
Unscheduled care – data tool and commentary	April 2022
Direct Payments for Adult Social Care	April 2022
Local Government Financial Sustainability data tool	February 2022
Joint Working Between Emergency Services (including data tool)	January 2022

Audit Wales national reports and other outputs (work in progress/planned)¹

Title	Anticipated publication date
Welsh Government accounts commentary 2020-21 ²	September/October 2022
Collaborative arrangements for managing local public health resources	October 2022
National Fraud Initiative (summary report)	October 2022
Cyber resilience follow-up (learning from cyber-attacks)	October 2022
Flood risk management	November 2022
Orthopaedic services	November 2022
Quality governance in the NHS	November 2022
Digital inclusion	November/December 2022

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. 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. On 22 September, we published an article to our website providing an [update on the development of the Auditor General's work programme](#) following our consultation in spring 2022. We will be bringing some additional new work into our programme during the rest of 2022-23.

² To include commentary on issues raised in the Auditor General's report on the accounts concerning a payment made to the former Permanent Secretary and COVID-19 business support.

Title	Anticipated publication date
Affordable housing	To be confirmed

Good Practice Exchange events and resources

Title	Link to resource
<p>Tackling poverty in Wales: responding to the challenge – this shared learning event will bring people together from across public services to share ideas, learning and knowledge on how organisations can respond to the challenges caused by poverty. We will share examples of approaches being taken by organisations within Wales and across the UK.</p>	<p>Tackling Poverty: Cardiff event</p> <p>Tackling Poverty: Conwy event</p>
<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>Direct Payments Provision webinar recording</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>Responding to the Climate Emergency in Wales webinar recording</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>Covid Perspectives: Engagement and Communications</p>

Recent Audit Wales blogs

Title	Publication date
<u>Cost of living and putting away the bayonet</u>	21 September 2022
<u>Heat is on to tackle Climate Change</u>	18 August 2022
<u>Direct Payments in Wales</u>	15 June 2022
<u>Unscheduled Care in Wales – a system under real pressure</u>	21 April 2022
<u>Skills Competition Wales</u>	18 February 2022
<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