

Meeting of:	Governance and Audit Committee
Date of Meeting:	Monday, 05 February 2024
Relevant Scrutiny Committee:	All Scrutiny Committees
Report Title:	Q3 Update: Audit Wales Work Programme Timetable 2023/24 - Vale of Glamorgan Council
Purpose of Report:	To present to Members the Q3 update of Audit Wales's work programme timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2023/24
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 Q3 progress on Audit Wales's work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2023/24.</p> <p>Governance & Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme as at Q3 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 2023/24 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 Q3 progress on Audit Wales's work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2023/24. Key highlights in relation to the Audit Work Programme are as follows.
- 2.2 In relation to financial audit on the Council's 2022/23 statement of accounts, an unqualified audit opinion was provided on 7/12/23 following Council approval on 4/12/23. All audit fieldwork has been completed in relation to the Shared Regulatory Service and the Vale, Valleys and Cardiff Adoption Collaborative financial statements with certification anticipated following joint committee approval in late January. The independent examination of the Council's 2022/23 Welsh Church Act Fund Accounts is on track to be concluded by the end of January. Work is also progressing on certification of several of the Council's 2022-23 grant claims.
- 2.3 As part of Performance Audit work, the use of performance information (with a focus on service user feedback and outcomes) review is currently going through the clearance process. Audit Wales will not undertake detailed work on Capital programme management as part of its Assurance and Risk Assessment work at all councils as indicated in the 2022/23 work programme. Instead they will explore options for undertaking a detailed piece of work in either the 2023/24 audit programme or in future years. Work in relation to monitoring of the Council's financial position remains ongoing.

- 2.4 The thematic review of Unscheduled Care is complete, and reporting of the findings is anticipated from February 2024. Final report on the Council's Digital review has been issued in December 2023.
- 2.5 Work has recently commenced on the Council's Assurance and Risk Assessment project to identify areas where further audit work may be required in future years. Additionally, scoping work has commenced on the planned thematic reviews of financial sustainability, commissioning and contract management scheduled for completion in summer 2024. A final report has been issued (23rd November 2023) on the Council's Planning Service's governance arrangements.
- 2.6 Publication is due in early 2024 on a number of local government national studies including, Planning for sustainable development-brownfield regeneration, Governance of special purpose authorities – National Parks, and Corporate Joint Committees. Fieldwork is underway in relation to the review of Governance arrangements in Fire and Rescue authorities and scoping has commenced on the review of homelessness.
- 2.7 In relation to other regulatory work, planning has commenced between Estyn and Health Inspectorate Wales to undertake a small sample of joint Community Learning & Disability Team (CLDT) inspections in 2024. The review undertaken of the stroke pathway has recently been published.
- 2.8 As part of the Care Inspectorate Wales's (CIW) work programme for 2023-2025, a number of national reviews are awaiting publication including the national reviews of Care Planning for Children and Young People subject to the Public Law Outline pre-proceedings, Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2022-23 and Joint Inspection of Child Protection Arrangements (JICPA). The Child Protection Rapid review has been published and the performance reviews of local authorities remain ongoing.
- 2.9 Governance & Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme as at Q3 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

[Audit Wales VoG Outline Audit Plan](#)

[Q3 Update - Audit Wales Work Programme and Timetable](#)

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

Quarterly Update: 31 December 2023

Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in March 2023.	Spring 2024	Planning

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	Ongoing. All audit fieldwork is complete and we expect to certify the accounts, following Joint Committee approval, in late January 2024.
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	Ongoing
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	Two of the returns have been submitted (NDR and Teachers Pension). Our work on the remaining two is ongoing.

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 • Capital programme management • Use of performance information – with a focus on service user feedback and outcomes 	<p>Ongoing monitoring of financial position</p> <p>September – December 2023</p> <p>February – September 2023</p>	<p>Ongoing</p> <p>AW will not undertake detailed work at all councils as part of our 2022-23 work programme. We are currently exploring our options for undertaking a detailed piece of work on this topic either in 2023-24 or future years.</p> <p>Clearance</p>

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 – October 2023	Reporting from February 2024 onward.
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 1 st 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	underway
Thematic review – commissioning and contract management	A review focusing on how councils' arrangements for commissioning, and contract management apply value for money considerations and the sustainable development principle.	January – July 2024	Scoping
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 – June 2024	Scoping
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

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan County 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	Report drafting – publication due January 2024	Yes – interview with nominated officer at seven councils and survey.
Governance of special purpose authorities – National Parks	Review of systems and effectiveness of governance	November 2022 – September 2023	Report drafting – publication due February 2024.	No
Governance in Fire and Rescue Authorities	Review of systems and effectiveness of governance	September 2023 – August 2024	Fieldwork underway	No
Homelessness	Examining how services are working together to progress the response to homelessness.	tbc	Scoping	tbc

Estyn

Our link inspectors are continuing to work with Torfaen as part of our follow-up process for an authority causing significant concern. Wrexham local authority was removed from the causing significant concern category following a monitoring visit in July. We inspected Gwynedd in the week beginning 26 June and Carmarthenshire in the week beginning 10 July. Both reports have been published on our website. We will be inspecting Conwy local government education service on the week beginning 6 November.

Field work being carried out across local authorities during the autumn term includes a focus on attendance, school improvement and the work of the local authority to mitigate the impact of poverty on learners' attainment.

Care Inspectorate Wales (CIW)

CIW planned work 2023-25	Scope	Timetable	Status
<p>Thematic reviews</p> <p>Community Learning Disability Team (CLDT)</p>	<p>Working with HIW we will complete a small sample of joint CLDT inspections in 2024. We will use this approach to evaluate and consider our approach to joint inspection.</p>	<p>2024-25</p>	<p>Planning</p>
<p>Stroke pathway</p>	<p>Working in collaboration with HIW a <u>National Review of Patient Flow: a journey through the stroke pathway (hiw.org.uk)</u> has recently been published.</p>	<p>Complete</p>	<p>Published</p>

CIW planned work 2023-25	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 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. 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>Awaiting publication</p>	<p>Publication January 2024</p>
<p>Child Protection Rapid Review</p>	<p>The review looked at to what extent the current structures and processes in Wales ensure children's names are appropriately placed on, and removed from, the child protection register (CPR) when sufficient evidence indicates it is safe to do.</p> <p><u>Rapid review of child protection arrangements, Care Inspectorate Wales</u></p> <p><u>Rapid review of child protection arrangements - interim findings, Care Inspectorate Wales</u></p>	<p>Published</p>	<p>Published</p>
<p>Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2022-23</p>	<p>The <u>2020-21 report</u> was published on 7 February 2021</p> <p>The 2021-2022 report is underway</p>	<p>Published</p> <p>To be confirmed</p>	<p>Published</p> <p>Preparing</p>

CIW planned work 2023-25	Scope	Timetable	Status
Joint Inspection Child Protection Arrangements (JICPA)	<p>We will complete a further two multi-agency joint inspections in total.</p> <p>The findings following Denbighshire County Council have been published - Joint Inspectorate Review of Child Protection Arrangements (JICPA): Denbighshire 2023 Care Inspectorate Wales</p> <p>The findings following Bridgend County Borough Council have been published - Joint Inspectorate Review of Child Protection Arrangements (JICPA): Bridgend 2023 Care Inspectorate Wales</p> <p>The findings from Powys County Council are underway</p> <p>We will publish a national report in late spring 2024.</p>	<p>April 2023 – April 2024</p>	<p>Delivery</p>
Performance review of Local Authorities	<p>We continue to inspect Local Authorities in line with our updated Code of Practice for our local authority inspection activity Care Inspectorate Wales</p> <p>How we inspect local authority services and CAFCASS Cymru</p>	<p>Ongoing</p>	<p>Ongoing</p>

Audit Wales national reports and other outputs published since December 2022

Report title	Publication date and link to report
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
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
Local Government Financial Sustainability Data tool update (further update planned in January 2024)	September 2023
NHS finances data tool – to 31 March 2023	September 2023

Report title	Publication date and link to report
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
Digital inclusion in Wales (including key questions for public bodies)	March 2023
Orthopaedic Services in Wales – Tackling the Waiting List Backlog	March 2023
Betsi Cadwaladr University Health Board – Review of Board Effectiveness	February 2023
Welsh Government purchase of Gilestone Farm	January 2023
Together we can – Community resilience and self-reliance	January 2023
A Picture of Flood Risk Management	December 2022
'A missed opportunity' – Social Enterprises	December 2022

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

Title	Indicative publication date
Ukrainian refugee services	February 2024
Betsi Cadwaladr University Health Board – review of board effectiveness follow up	February 2024
A465 Section 2 – update	February 2024
NHS quality governance	March 2024
Local government digital strategy review – national summary	March 2024
Local government use of performance information, outcomes and service user perspective – national summary	March 2024
Affordable housing	Spring 2024
Active travel	Spring 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 We have also published to our website a paper – [Our work programme for 2023-2026](#) – that provides additional detail about our national work (including local thematic reviews). In addition to new work that we will be taking forward in 2023-24, the paper includes details about indicative topics for work to start in 2024-24 or 2025-26.

Title	Indicative publication date
Audit Committees. 'What does good look like?'. R&D work to understand the broad audit committee landscape across all sectors in Wales. Outputs to support Good Practice Exchange events and potential future audit work.	R&D work Sept – Dec 2023 Good Practice Event Spring 2024
NHS Workforce planning (national messages)	Late spring 2024
Cancer services	Late summer 2024
The senior public service	To be confirmed (scoping early 2024)
Challenges for the cultural sector	To be confirmed (starting in 2023-24)
Rebalancing care and support	To be confirmed (starting in 2023-24)
Tackling NHS waiting lists (local audit work at health boards)	To be confirmed (starting in 2023-24)
Access to education for children with Additional Learning Needs	To be confirmed (starting in 2023-24)
Addressing biodiversity decline (pan-public sector and at Natural Resources Wales)	R&D work underway September to December 2023. Data gathering with representative groups. Outputs will inform any further audit work. Pan-public sector review – Autumn 2024
Velindre Cancer Centre	To be confirmed (scoping)
Welsh Government capital and infrastructure investment	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)

Good Practice Exchange events and resources

Title	Link to resource
The Good Practice Exchange – Our yearly round up of events and resources	December 2023
<p>Integrity in the Public Sector ‘Trust is built and maintained through competence, reliability, and honesty, as well as the building of genuine and sound relationships between the public sector and the public it serves. That means the public sector must be accountable for the management and delivery of public services and outcomes, for the direction and control of the work it does, the resources it manages, and for its behaviour and ethics.’ This event will look at how public services can promote a culture of integrity.</p>	5 December 2023 10:00 – 12:00 Online
<p>Working in partnership to improve wellbeing This event will bring together the North Wales Insight Partnership, the Public Service Boards and the C4C community to share wellbeing plans across the North Wales region, as well as sharing the innovative work being undertaken by a range of sectors around wellbeing in our communities. The event will provide opportunities to discuss how we can connect all of this work to deliver real change.</p>	24 October 2023 09:30 – 16:30 Cardiff date TBC
<p>Strategy to Action: How digital makes a difference to everyday lives This event will take a practical and honest view at the digital landscape in Wales and will offer practical ideas for public and third sector organisations which will help them achieve the best value for money.</p>	27 September 2023 09:00 – 13:00 – North Wales 5 October 2023 09:00 – 13:00 – Cardiff

Title	Link to resource
<p>Podcast: Auditing Community Resilience In this edition of The Exchange, our Local Government team discuss some of the factors that cause poverty in Wales, as well as the value provided by social enterprises, and the importance of keeping wealth in communities.</p>	<p><u>To listen</u></p>