

Report

Audit Committee

Part 1

Date: 25 March 2021

Item No: 7

Subject **Audit Wales Annual Audit Summary 2020**

Purpose To present the Council's Audit Committee a summary of Audit Wales, Care Inspectorate Wales and Estyn work carried out in 2019/20 (to December 2020)

Author Head of People and Business Change

Ward All

Summary As part of the Auditor General for Wales' duties under the current requirements (Local Government Measure 2009) Audit Wales has published its Annual Audit Summary of work completed since the last Annual Improvement Report issued in July 2019.

This report is to inform Newport City Council's Audit Committee a summary of the work undertaken by Audit Wales, Care Inspectorate Wales (Social Services) and Estyn (Education). The audit and regulatory work summarised in this report supports the Auditor General's overall assessment of Newport Council and whether it has put in place arrangements to secure value for money.

Proposal Audit Committee is asked to consider the contents of the report and the work undertaken by the Council's External Auditors (Audit Wales) and the Regulatory bodies Care Inspectorate Wales and Estyn.

Action by Corporate Management Team and Heads of Service

Timetable Immediate

Signed

Background

In accordance with the current Local Government Measure 2009 and as part of the Auditor General's duties, the attached Audit Wales report provides an overview of Audit Wales and the Council's main regulatory bodies: Care Inspectorate Wales (Social Services) and Estyn (Education).

As the report outlines, the Auditor General's duties is to:

- **Audit the Council's financial statements** and to make sure public money is properly accounted for.
- **Value for money** is provided within the resources it uses.
- **Continuous improvement** arrangements are in place to improve the delivery of services and ensure compliance with necessary legislative and regulatory requirements
- The Council ensures **sustainable development** when setting and taking steps to meet its well-being objectives (Well-being of Future Generations Act)

The report acknowledges the impact that Covid-19 has had on Audit Wales and the Regulatory bodies to fully carry out their duties in 2020/21. In response to public bodies facing the significant strain on resources Audit Wales reshaped its work programme and found new ways of working to support meeting its statutory duties.

The report has outlined the local and national (thematic) reviews that Audit Wales and the regulatory bodies have delivered in 2019/20 (to December 2020).

Below is an overview of reports released by the three regulatory bodies and the links to the relevant reports.

Audit Wales - Audit Title and Link to Report	Local / National (Thematic Review)	Overview
Audit of the Council's Financial Statement (September 2020)	Local (Newport) Review	The Auditor General gave an unqualified true and fair opinion on the Council's 2019/20 finances.
Well-being of Future Generations Examination, Preventing and tackling Anti-Social Behaviour (ASB) (January 2020)		This report examined the strong collaborative work of the Council and its partners in tackling ASB but also recognised the long term approach needed to tackle its root causes.
Environmental Health Services (November 2019)		Follow up review of the Council's Environmental Health service and its previous 2014 report "Delivering with less – impact on environmental health services and its citizens".
Financial Sustainability Report (August 2020)		Examination of local authority finances, their position and future development.
The 'Front Door' to Social Care (September 2019)	National / Thematic Review	Thematic review on the effectiveness of Information, Advice and Assistance services across Social Services in Wales.
Review of Public Services Boards (October 2019)		Review of the operation, membership and delivery of Public Services Boards across Wales.
Progress in implementing the Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV) Act (November 2019)		Examination on how public services are implementing the Act and identified victims and survivors of domestic abuse and sexual violence are often let down by inconsistency, complex and fragmented system.
Rough Sleeping in Wales, Everyone's Problem; No One's Responsibility (July 2020)		A review of how well public services and partners are responding to the issue of rough sleeping in response to the Covid-19 crisis.
Better Law Making (September 2020)		A review of how local authorities are responding to the challenge of implementing new legislation and the difficulties faced by Councils and partners in doing so.

Audit Wales - Audit Title and Link to Report	Local / National (Thematic Review)	Overview
Commercialisation in Local Government (October 2020)		A review of how councils have conducted commercial activity in light of the financial pressures faced. Learning from other local authorities how they have implemented approaches and helping elected members and officers assess its impact and responsibilities.

Care Inspectorate Wales (CIW)

- CIW together with Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), Healthcare Inspectorate Wales (HIW), Her Majesty's Inspectorate of Probation (HMIP) and Estyn, carried out a joint inspection between 2 and 6 December 2019 on the multi-agency response to abuse and neglect in Newport.
- This was the first pilot inspection in Wales involving five inspectorates reviewing child protection arrangements.
- Its published letter can be located [here](#) and was very positive in the work that the Council, its partners and had identified areas for improvement which the Council has responded to.
- [CIW Performance Review letter](#) for 2019/20 was published in August 2020. The letter follows the four principles set in the Social Services and Well-being (Wales) Act 2014.
- CIW also undertake regular reviews of services registered in the Newport area. CIW reports can be located [here](#).

Estyn

- Latest Estyn thematic report on local authority and regional consortia support for schools and PRUs to the Covid-19 response can be located [here](#).
- School inspection reports can be located [here](#)

Audit Wales, Estyn and Care Inspectorate Wales will be delivering a workshop to the Council's Cabinet and Senior Officers to discuss their work carried out, Covid learning and outlining their work programme for 2021/22.

Appendix 2 – Audit Wales Annual Audit Summary (English)

Appendix 3 – Audit Wales Annual Audit Summary (Welsh)

Financial Summary

There are no direct costs associated with this report.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Newport Council is not fully implementation recommendations raised by Audit Wales to improve the delivery of services.	M	L	Newport Council considers the recommendations and ensures as necessary action is taken in response to Audit Wales reports and recommendations.	Directors, Heads of Service

*Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Corporate Plan 2017-22
Strategic Recovery Aims
Service Plans 2020/21

Options Available and considered

1. Audit Committee to note the work carried out by Audit Wales and the regulatory bodies.
2. Audit Committee request further information or reject the contents of the risk register

Preferred Option and Why

1. Option 1 is the preferred option to note Audit Wales summary of work carried out and consider the comments from the Council's Audit Committee.

Comments of Chief Financial Officer

Comments of Monitoring Officer

Comments of Head of People and Business Change

Audit Wales, Care Inspectorate Wales and Estyn provide valuable assurance to the Council to ensure it is delivering value for money for residents and businesses in Newport. The work carried out by Audit Wales in the last year has been invaluable to the Council and the reports have provided sufficient assurance and as necessary areas for improvement. This work supports the Council in delivering its Well-being Objectives set in the Corporate Plan and ensures that we are considering sustainable development in work carried out. There are no HR implications to be considered in this report.

Comments of Cabinet Member

The Leader of the Council has been informed of Audit Wales report and acknowledges the work that Audit Wales and the respective regulatory bodies have carried out in the last year. The Council's Cabinet welcomes their reports and recommendations in providing assurance in the delivery of Council services and as necessary to make improvements in service delivery that will support the Council's Corporate Plan and statutory duties.

Local issues

None.

Scrutiny Committees

Not Applicable. Audit Committee have a role in reviewing and assessing the Audit and assurance activities of the Council.

Equalities Impact Assessment

Not applicable.

Children and Families (Wales) Measure

Not applicable.

Wellbeing of Future Generations (Wales) Act 2015

The work of Audit Wales and the Regulatory bodies consider the Well-being Act and the 5 ways of working to ensure the Council is meeting the Sustainable Development principle.

Crime and Disorder Act 1998

Not applicable.

Consultation

This report is considered by the Council's Corporate Management Team.

Background Papers

None

Dated: 3rd March 2021

