

AUDIT COMMITTEE

Date of Meeting	Wednesday 27 March 2019
Report Subject	External Regulation Assurance
Report Author	Chief Executive

EXECUTIVE SUMMARY

The Council receives reports from various external regulators and inspectors in the normal course of events. It is part of the Terms of Reference of the Audit Committee to ensure that effective processes are in place for setting and monitoring actions arising from these reports.

This report covers both the areas of work provided by the Wales Audit Office (WAO) as part of their National Study Programme as well as a few local studies, specific to the Council.

No studies were undertaken by either the Care Inspectorate Wales or Estyn during the period of this report.

This summary report provides assurance to the Audit Committee that the reports have been considered and action taken in response to the recommendations received.

RECOMMENDATIONS

1	To note how reports by external auditors, other regulators and inspectors have been dealt with during 2017/18.
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REPORT DETAILS

1.00	EXPLAINING THE EXTERNAL REGULATORS AND INSPECTIONS REPORT
1.01	<p>The Local Government (Wales) Measure contains various provisions relating to the work of audit committees. Statutory guidance made under Section 85 of the Measure was issued in June 2012. That guidance advised that audit committees should receive and consider reports from external auditors, other regulators and inspectors.</p>
1.02	<p>Since 2014 arrangements have been made that all local reports issued by external auditors, regulators and inspectors are tracked and reported to the Audit Committee once a year. This is to assure the Committee that such reports have been considered appropriately by the relevant officers and where appropriate, Scrutiny Committees.</p> <p>The Council's reporting protocol covers the arrangements in place for:</p> <ul style="list-style-type: none">i) Cabinet - the Executive responseii) Overview and Scrutiny - scrutiny of the responseiii) Audit Committee - assurance of the arrangements. <p>The protocol is attached at Appendix 2.</p>
1.03	<p>Where reports by an external auditor, other regulator or inspector contains recommendations specifically for the Council, it is important that they receive proper consideration by both officers and members and are responded to.</p> <p>The responses will, on occasion, require an action plan to implement changes and appropriate procedures need to be in place to oversee their implementation.</p> <p>It should be noted that there is no requirement to report or respond to recommendations within the WAO national study reports; however the Council undertakes this as a matter of good practice as part of our protocol.</p>
1.04	<p>It is part of the Terms of Reference of the Audit Committee to ensure that effective processes are in place for setting and monitoring against proportionate and effective action plans. Whilst the Audit Committee has the responsibility for ensuring all audit report recommendations issued by external auditors are implemented, for other regulatory reports the Committee's Terms of Reference make clear it is sufficient that it is satisfied that there are effective processes in place. These processes may, for example, include the work of Overview and Scrutiny Committees and are reflected within the Council's reporting protocol.</p>

1.05	<p>Appendix 1 shows the reports received from the Wales Audit Office during 2017/18, the summary findings and responses from the Council, including the current status of any actions, marked as follows:</p> <ul style="list-style-type: none"> • Green - on track / completed • Amber - on track, but within acceptable limits • Red - limited progress.
1.06	No studies were undertaken by either the Care Inspectorate Wales or Estyn during the period of this report.

2.00	RESOURCE IMPLICATIONS
2.01	There are no direct resource implications related to this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	External reports are considered by Chief Officers and senior managers to determine the actions needed. Where appropriate, Cabinet and Overview and Scrutiny committees review the findings of reports and the Council's responses.

4.00	RISK MANAGEMENT
4.01	<p>The work of the external regulators, and the actions in response to their reports provide assurance to the Council that adequate and effective controls are in place to mitigate risks.</p> <p>The Council's protocol in relation to reporting of external assurance reports is attached at Appendix 2.</p>

5.00	APPENDICES
5.01	<p>Appendix 1: External Audit Report Summary</p> <p>Appendix 2: External Assurance reports protocol</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Wales Audit Office Annual Improvement Report 2017/18</p> <p>Contact Officer: Karen Armstrong, Corporate Business and Communications Executive Officer</p> <p>Telephone: 01352 702740</p> <p>E-mail: Karen.armstrong@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Wales Audit Office: works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p>Care Inspectorate for Wales (CIW): The powers and functions of CIW are enabled through legislation. CIW has the powers to review Local Authority social services at a local and national level, to inform the public whether services are up to standard, to promote improvement of services and to help safeguard the interests of vulnerable people who use services and their carers. They provide professional advice to Welsh Ministers and policy makers.</p> <p>Estyn: Estyn is the education and training inspectorate for Wales. Estyn is responsible for inspecting primary and secondary schools and nursery schools maintained by, or receiving funding from, local authorities.</p>