

Meeting of:	Governance and Audit Committee
Date of Meeting:	Monday, 23 June 2025
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Report Title:	Q4 Audit Wales Work Programme Update 2024/5 - Vale of Glamorgan Council
Purpose of Report:	To present to Members the Q4 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.
Executive Summary: <ul style="list-style-type: none"> • Appendix A outlines Q4 progress on Audit Wales's work programme and timetable as aligned to the Vale of Glamorgan Annual Audit Plan 2024. • Governance and Audit Committee members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme at Q4 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 (1), 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 Annual Audit Summary outlines the audit work completed by the Auditor General in the Vale of Glamorgan Council since the last Audit Summary, issued in May 2024.

2. Key Issues for Consideration

- 2.1 **Appendix A** outlines Q4 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 report for 2024-5 has been issued and will be considered by Governance and Audit Committee on 23rd June 2025.
- 2.4 In relation to financial audit work, the Council's statement of accounts 2023/24 has been completed with an unqualified audit opinion provided. Planning work has commenced for the audit of the 2024/25 Accounts consulting with the Council's Section 151 Officer and audit work will start once the signed Statement of Accounts is received, which is anticipated on 31st October 2025.
- 2.5 All audit certification of grant claims and returns for 2023/24 have been completed apart from work on the Housing Benefits and Flood and Coastal returns which remain ongoing. In relation to audit work on the Joint Committee Accounts hosted by the Council, the Adoption accounts have been certified and the Shared Regulatory Services audit which commenced in November 2024 due to be completed shortly. Work is yet to commence on the 2024/25 Joint Committee accounts.

- 2.6** The independent examination of the Council's 2023/24 Welsh Church Act Fund accounts was completed at the end of January 2025 and work on the 2024/25 accounts will commence late 2025 with a scheduled completion date of 31st January 2026.
- 2.7** In relation to 2023/24 performance audit work, final reports have been issued on the thematic reviews of Commissioning, Financial Sustainability, and Planning Service's Governance arrangements and Setting Well-being Objectives. Assurance & Risk Assessment work for 2024/25 remains ongoing following a workshop with the Strategic Leadership Team on 4th February 2025. The local review of the Council's complaints arrangements is ongoing.
- 2.8** A number of local government national studies are planned for 2024/45, and fieldwork is underway on the reviews of Temporary Accommodation, and Capital Planning in Local Government. The review of Children's Services is currently being scoped.
- 2.9** In relation to other regulatory work, Estyn have been undertaking a programme of inspections of Local Government Education Services and enhanced link inspector visits to a number of local authorities (Denbighshire and Powys) and have contributed to the CIW joint inspection of child protection arrangements in Pembrokeshire and their follow up work on a rapid review of safeguarding.
- 2.10** As part of its 2025-26 planned work programme, Care Inspectorate Wales is progressing an annual programme of joint work focusing on Community Learning Disability Teams (CLDT) and Community Mental Health Teams (CMHT). A Joint Inspectorate review (with Estyn) of Child Protection Arrangements has been undertaken with a report due to be published. The Deprivation of Liberty Safeguards Annual Monitoring Report for Health & Social Care and the thematic reviews of Mental health support for young people and the Chief Inspector's Annual Report 2023-24 have been published. All quarter 3 planned inspections have been completed and reports published in relation to Anglesey Adult Services, Neath Port Talbot Adult Services, Carmarthenshire Council Children's services and Caerphilly Council Adult Services.
- 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 Q4 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 Vale 2030, the Council's Corporate Plan and its Well-being Objectives.
- 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

Vale of Glamorgan Audit Plan 2024

Audit Wales Work Programme and Timetable – Vale of Glamorgan Council

Quarterly Update: 31 March 2025

Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in May 2024	June 2025	Presenting to Governance and Audit Committee 23/06/25

Financial Audit work

Description	Scope	Timetable	Status
Audit of the Council's 2023-24 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 2024	Complete – unqualified audit opinion provided.

Description	Scope	Timetable	Status
Audit of the Council's 2024-25 statement of accounts	As stated above.	To be determined.	We recently commenced our audit planning. The timetable will be determined once we have liaised with the Section 151 Officer to establish when they intend to provide us with their signed SoA and all supporting papers. This year's anticipated date is 31 October 2025.
Certification of the Council's grant claims and returns	<p>2022-23 Claims & Returns 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 <p>2023-24 Claims & Returns We are required to review and certify five annual returns and subsidy claims:</p> <ul style="list-style-type: none"> • Non-domestic rates return; • Teachers' pension return; • Social Care Workforce Development grant; • A flood and coastal grant; and Housing Benefits subsidy 	Various	<p>2022-23 All the returns have been certified.</p> <p>2023-24 All certification work complete apart from the flood & coastal and the housing benefit returns where our work is ongoing.</p>

Description	Scope	Timetable	Status
Audit of the 2023-24 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. 	31 December 2024	The Adoption accounts have been certified. The SRS audit commenced in November 2024 and we expect to certify in March 2025.
Audit of the 2024-25 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. 	To be determined.	Yet to commence.
The independent examination of the Council's 2023-24 Welsh Church Act Fund accounts.	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.	31 January 2025	Complete.
The independent examination of the Council's 2024-25 Welsh Church Act Fund accounts.	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.	31 January 2026	Likely to commence in late 2025.

Performance Audit work

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 2024 – March 2025	<u>Final Report</u> issued 02/05/25
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	Final report issued 11th September 2024 <u>National Summary</u> published December 2024

2023-24 Performance Audit work	Scope	Timetable	Status
Review of the Planning Service's Governance arrangements	<p>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.</p>	<p>July 2023 – November 2023</p>	<p><u>Final report</u> issued 23rd November 2023</p>

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	Underway. Workshop with Senior Leadership - 4th February 2025
Local project work – review of complaints	A review of the Council’s complaints arrangements.	April/May 2025	Underway
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	Final report issued 29/05/25

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Vale of Glamorgan Council
Temporary Accommodation	Examining the costs, demand and how services are working together to progress the response to temporary accommodation.	Report publication planned for summer 2025	Fieldwork underway Surveys have been issued to Heads of Housing and Section 151 Officers at each principal council.	Interviews at the following councils: <ul style="list-style-type: none"> • Conwy • Pembrokeshire • Cardiff • Newport • Wrexham
Capital Planning in Local Government	Examining whether capital investment in the asset base in local government is able to keep pace with demand.	Fieldwork January to April and report in Summer 2025	Fieldwork underway.	Interviews at the following councils: <ul style="list-style-type: none"> • Anglesey • Neath Port Talbot • Powys • Rhondda Cynon Taf • Swansea • Torfaen
Childrens' Services (Replacing Financial constraints/ discretionary local government services)	Scoping underway with a likely focus on the costs and demand for services, and how councils and their partners are working to improve the value for money of services.	To be confirmed	Scoping	To be confirmed

Estyn

During the autumn term, we inspected Newport LGES. We also carried out an inspection of the local authority's youth work. We identified strong practice in the provision in Newport, especially in areas relating to supporting school finances, many aspects of school improvement and ALN as well as their work in developing Welsh-medium education. We highlighted the impact of strong leadership at the director level and her impact on the quality and delivery of the key functions relating to her role.

We carried out a monitoring visit of Torfaen LGES as part of our follow-up process for an authority causing significant concern. The visit evaluated their progress against the recommendations from the core inspection. We found that Torfaen LGES had made sufficient process in addressing key elements of the recommendations and was removed from follow-up. The key factor in securing the improvement has been the increase in leadership capacity at Chief Executive and Director level which has had a substantial impact on securing important progress in relation to expectations, processes and delivery.

We carried out an enhanced link inspector visit to Denbighshire in October, which focused on specific aspects of attendance and additional learning needs.

During the spring term, we carried out an inspection of Powys LGES and youth work. We judged that Powys LGES requires significant improvement and will therefore require monitoring by Estyn. The Youth Service at Powys is generally strong.

We undertook an enhanced link inspector visit to Bridgend which focused on their Welsh in Education Strategic Plan (WESP) and their work on improving attendance. We also contributed to CIW's joint inspection of child protection arrangements in Pembrokeshire and their follow-up work on a Rapid Review of safeguarding.

Care Inspectorate Wales (CIW)

	Scope	Timetable	Status
CIW planned work 2025-26 Thematic reviews – Regional Adoption Collaborative (RAC) Inspections	CIW will complete five inspections covering all of Wales. Inspections will be conducted across the five regional adoption collaboratives: we will draw on the themes nationally into a national report.	April 2025 – December 2025	Inspections pending
Community Learning Disability Team (CLDT) Community Mental Health Inspections	In 2025-26, we will continue an annual programme of joint work focusing on CLDT and Community Mental Health Team (CMHT)	July 2025 – February 2026	Inspections pending

	Scope	Timetable	Status
Joint Inspectorate Review of Child Protection Arrangements	Joint Inspectorate Review of Child Protection Arrangements: Pembrokeshire	March 2025	Inspection delivery
Deprivation of Liberty Safeguards (Dols)	<u>National review of the use of Deprivation of Liberty Safeguards (DoLS) in Wales 2023-24 Care Inspectorate Wales</u> Annual Monitoring Report for Health and Social Care 2023-24	February 2025	Published
Annual Report	<u>Chief Inspector's Annual Report 2023-2024</u>	November 2024	Published
Mental health support for children and young people	<u>Joint Review: How are healthcare, education, and children's services supporting the mental health needs of children and young people in Wales?</u>	November 2024	Published
Quarter 4 Inspections	Improvement Check: Denbighshire County Council children's services	February 2025	Not yet published
	Performance Evaluation Inspection: Newport City Council adult services	February 2025	Not yet published
	Cardiff Community Mental Health Team (CMHT)	March 2025	Inspection pending

	Scope	Timetable	Status
	Local Authority Improvement Check: Monmouthshire County Council	March 2025	Inspection pending
Performance review of Local Authorities and Cafcass Cymru	<p><u>How we inspect local authority services and CAFCASS Cymru</u></p> <p>We continue to inspect Local Authorities in line with our updated Code of Practice for our local authority inspection activity Care Inspectorate Wales <u>We have revised our Code of Practice</u></p>	November 2024	Published
Quarter 3 Inspections	<p><u>Local authority improvement check: Isle of Anglesey County Council adult services</u></p> <p><u>Newtown Community Mental Health Team</u></p> <p><u>Local authority assurance check: Neath Port Talbot adult services</u></p> <p><u>Performance Evaluation Inspection (PEI): Carmarthenshire County Council's children's services</u></p> <p><u>Local authority assurance check letter: Caerphilly adult services Care Inspectorate Wales</u></p>	<p>August 2024</p> <p>October 2024</p> <p>November 2024</p> <p>December 2024</p> <p>November 2024</p>	<p>Published</p> <p>Published</p> <p>Published</p> <p>Published</p> <p>Published</p>

	Scope	Timetable	Status
	Local authority improvement check letter: Cyngor Gwynedd adult services Care Inspectorate Wales	October 2024	Published

Audit Wales national reports and other outputs published in the last year

Report title	Publication date and link to report
Findings from sustainable development examinations (statutory report under the Well-being of Future Generations Act)	April 2025
Financial Management and Governance – Lessons from Audit for Community and Town Councils in Wales	March 2025
The Biodiversity and Resilience of Ecosystems Duty	March 2025
Addressing workforce challenges in NHS Wales	February 2025
Cancer services in Wales	January 2025
Local Government Financial Sustainability	December 2024
Local Government Financial Sustainability Data tool update now includes data from the draft 2023-24 accounts	December 2024
National Fraud Initiative in Wales 2022-23	October 2024
Active travel (report and data tool)	September 2024
Governance of Fire and Rescue Authorities	September 2024
Affordable housing	September 2024
NHS finances – and data tool update to 31 March 2024	August 2024

Report title	Publication date and link to report
Digital by design? – Lessons from our digital strategy review across councils in Wales	<u>August 2024</u>
Councils use of performance information: service user perspective and outcomes – A summary of findings from our review at Welsh councils	<u>July 2024</u>
The Welsh Government's support for TVR Automotive Ltd	<u>July 2024</u>
A465 Section 2 – update	<u>June 2024</u>
Community Pharmacy data matching pilot	<u>May 2024</u>
Governance of National Park Authorities	<u>April 2024</u>

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

Title	Indicative publication date
Welsh Government capital and infrastructure investment	May 2025
Designating Sites of Special Scientific Interest – Natural Resources Wales	Spring 2025 (aim to complete during Spring but may not be published on website until later)
Challenges for the cultural sector (financial sustainability focus)	Spring 2025 (local audit work at Welsh Government arm's length bodies largely complete but reports will be published on website)
Findings from GP registration data matching pilot	Spring 2025
Further and higher education funding and oversight – Commission for Tertiary Education and Research	Spring 2025 (for initial phase of work on setting of well-being objectives – further work to follow)
Urgent and emergency care (national messages)	Spring 2025

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 investigative audit work and local audit work, where we consider there is merit in a national summary output of some kind.

² Our [Annual Plan 2025-26](#) also provides an updated list of work in progress and lists plans for new work to start during 2025-26 which will be added to this paper in due course. Where national/thematic work has progressed through the planning stage, a brief summary about its focus and planned timetable is also now available on our [website work programme pages](#).

Title	Indicative publication date
New Velindre Cancer Centre	Summer 2025
The senior public service	To be confirmed (scoping)
Rebalancing care and support	Autumn 2025
Tackling NHS waiting lists (local audit work at health boards)	Autumn 2025 (local work to be completed by June 2025)
Access to education for children with Additional Learning Needs	To be confirmed (scoping)
Support for business	To be confirmed (scoping)
Support for bus and rail services	To be confirmed (scoping)
Progress with investment in school and college buildings through the Sustainable Communities for Learning Programme	To be confirmed (scoping)
NHS bodies' approaches to digital transformation (local audit work)	To be confirmed (local audit work rolling out from April 2025)
NHS bodies' cost savings arrangements	Spring 2025 (local audit reporting complete)

Good Practice Exchange events and resources

Title	Link to resource
Event resources: From firefighting to future-proofing: The cost of failure in financial management and governance	<u>The cost of failure in financial management and governance</u>
<p>We are in the process of finalising dates for our forthcoming events which will include the following themes:</p> <ul style="list-style-type: none"> • Tackling fraud and error • The complex public service landscape • The workforce of the future • Upping the bandwidth on digital transformation • Zeroing in on the sustainable development principle • Putting value for money to the test 	<p>We will share booking details shortly.</p>
Podcast: Listen to our new podcast episode on avoiding failure in financial management and governance	<u>Podcast: The Cost of Failure in Governance</u>