

GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 10th April 2024
Report Subject	External Regulation Assurance
Report Author	Chief Executive

EXECUTIVE SUMMARY

The Council receives regular reports from our external regulators. Under its Terms of Reference, the Governance and Audit Committee ensures that effective systems are in place for setting and monitoring actions in response to these reports.

This report covers the national studies and bespoke local work of Audit Wales (AW) and the work of Care Inspectorate Wales (CIW) and Estyn in 2023/24.

This summary report gives assurance that the regulatory reports have been considered and responded to.

The summary report also provides a progress update and RAG status for any reports the Council provided a response to during the previous year.

RECOMMENDATION

1	To be assured by our response to external regulatory reports.
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REPORT DETAILS

1.00	EXPLAINING THE EXTERNAL REGULATORS AND INSPECTIONS SUMMARY REPORT
1.01	The Local Government (Wales) Measure 2011 contains provisions for the work of Governance and Audit committees. Statutory guidance made under Section 85 of the Measure was issued in June 2012. That guidance advised that Governance and Audit Committees should receive and consider reports from external auditors, other regulators and inspectors.

1.02	<p>Since 2014 arrangements have been made for local reports issued by external auditors, regulators and inspectors to be tracked and reported to the Governance and Audit Committee once a year. This is done to assure the Committee that such reports have been considered and responded to.</p> <p>The Council's reporting protocol sets out the following arrangements:</p> <ul style="list-style-type: none"> • Cabinet – makes the executive response to regulatory reports • Overview and Scrutiny – scrutinises the executive response • Governance and Audit Committee – assures the governance arrangements
1.03	<p>Where reports by an external auditor, other regulator or inspector contain specific local recommendations 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.</p>
1.04	<p>Since 22 January 2024, to ensure greater consistency, Audit Wales have adopted the following approach for all reports that make any recommendations to the Council:</p> <ul style="list-style-type: none"> • For local-risked based and thematic reviews (where they gather evidence directly from the Council) will provide the Council with the opportunity to comment on the factual accuracy of draft outputs prior to publication. Once this process is complete and the output is finalised, Audit Wales audit teams will request a response to recommendations through the completion of an Organisational Response Form (ORF). This document should set out the Council's response to any recommendations and supports compliance with the Code of Audit Practice. • For national studies and local government national studies Audit Wales will provide only those audited bodies named in the report an opportunity to comment on factual accuracy of relevant extracts before publishing. Named audited bodies are generally those from whom the audit team have gathered evidence. • Where these types of studies make recommendations to all councils, Audit Wales will issue an ORF to all councils following publication. • For all audit reports that make recommendations to the Council, Audit Wales expect the Council's intended response to each recommendation will be set out using the ORF.
1.05	<p>It is within the Terms of Reference of the Governance and Audit Committee to ensure that effective processes are in place for setting and monitoring proportionate and effective action plans. The Governance and Audit Committee has the responsibility for ensuring that all external regulatory report recommendations issued by external regulators are implemented where accepted.</p>

1.06	<p>Appendix A provides an overview of the reports received from Audit Wales, Care Inspectorate for Wales and Estyn during 2023/24, and the summary findings and responses from the Council. The status of any actions is shown as follows:</p> <ul style="list-style-type: none"> • Green – on track / completed • Amber – on track, within acceptable limits • Red – limited progress 																								
1.07	<p>During 2023/24, Flintshire County Council received eight external regulators reports, seven from Audit Wales and one from Care Inspectorate Wales (CIW). Progress against five of the reports' actions are noted within the table below and further details are provided in Section 1.08. regarding the remaining three reports.</p> <p>Example: Use of Performance Information: Service User Perspective and Outcomes, there was a total of three recommendations from Audit Wales, two of the actions in response to the recommendations are on track (amber) and one is on track / completed (green).</p> <div data-bbox="320 864 1377 1529" style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p style="text-align: center;">External Regulatory Reports and Progress Against Actions - 2023/24</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Report</th> <th>On Track / Completed (Green)</th> <th>On Track, within Acceptable Limits (Yellow)</th> <th>Limited Progress (Red)</th> </tr> </thead> <tbody> <tr> <td>Homeless Services (AW)</td> <td>0</td> <td>3</td> <td>0</td> </tr> <tr> <td>Use of Performance Information: Service User Perspective and Outcomes (AW)</td> <td>1</td> <td>2</td> <td>0</td> </tr> <tr> <td>Assurance and Risk Assessment Review (AW)</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Cracks in the Foundations - Building Safety in Wales (AW)</td> <td>0</td> <td>2</td> <td>1</td> </tr> <tr> <td>Springing Forward (AW)</td> <td>0</td> <td>2</td> <td>0</td> </tr> </tbody> </table> </div> <p>Further information to support progress is detailed within Appendix A of the report.</p>	Report	On Track / Completed (Green)	On Track, within Acceptable Limits (Yellow)	Limited Progress (Red)	Homeless Services (AW)	0	3	0	Use of Performance Information: Service User Perspective and Outcomes (AW)	1	2	0	Assurance and Risk Assessment Review (AW)	0	1	0	Cracks in the Foundations - Building Safety in Wales (AW)	0	2	1	Springing Forward (AW)	0	2	0
Report	On Track / Completed (Green)	On Track, within Acceptable Limits (Yellow)	Limited Progress (Red)																						
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Cracks in the Foundations - Building Safety in Wales (AW)	0	2	1																						
Springing Forward (AW)	0	2	0																						
1.08	<p>Due to the timing of two of the Audit Wales reports action plans have yet to be formally agreed:</p> <ul style="list-style-type: none"> • Unscheduled Care: Flow Out of Hospital – North Wales Region (Draft Report received in February 2024) • Digital Strategy Review (Draft Report received in March 2024) <p>The feedback to the draft report, Digital Strategy Review, has been provided to Audit Wales in March 2024 and a regional response (excluding the health board) has been collated for Unscheduled Care: Flow Out of Hospital report. The final reports for both audits will be published in due</p>																								

	<p>course and a response to any recommendations that arise from these reports, along with an update on progress will be provided via the formal reporting cycle.</p> <p>In regard to the CIW report:</p> <ul style="list-style-type: none"> • Performance Evaluation Report (November 2023) <p>An action plan is currently being prepared and is scheduled to reported at Cabinet and Social and Health Care Scrutiny in June 2024, and Governance and Audit Committee thereafter (date to be confirmed).</p>
1.09	<p>The executive response to the following national study Audit Wales reports are currently being prepared and will be scheduled on the Forward Work Programme for Cabinet, the relevant Overview and Scrutiny Committees and Governance and Audit Committee in due course for the following:</p> <ul style="list-style-type: none"> • Sustainable Development – Making best use of Brownfield Land and Empty Buildings (January 2024) • Time for Change – Poverty in Wales (November 2022)
1.10	<p>Work is currently being undertaken to assurance map across the Council to identify if any other external regulation is undertaken that provides assurance and/or recommendations for improvement. A detailed list will be shared with Governance and Audit Committee in due course to agree which (if any) should be captured within the annual report for information.</p>

2.00	RESOURCE IMPLICATIONS
2.01	None

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	External reports are considered by Chief Officers and senior managers to determine the actions needed. Cabinet and Overview and Scrutiny Committees perform the roles set out above.

4.00	RISK MANAGEMENT
4.01	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.

5.00	APPENDICES
5.01	Appendix A: External Assurance Summary Report

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Contact Officer: Sam Perry, Support Officer, Performance and Risk Management Team Tel: 01352 701476 Email: Sam.perry@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Audit Wales: 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 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>