

AUDIT COMMITTEE

Date of Meeting	Wednesday, 24 th March 2021
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 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 and Estyn in 2019/20.

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

RECOMMENDATIONS

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 REPORT
1.01	<p>The Local Government (Wales) Measure contains provisions for 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 for local reports issued by external auditors, regulators and inspectors to be tracked and reported to the 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 arrangements for a tri-partite system as follows:</p> <ul style="list-style-type: none">• Cabinet – makes the Executive response to regulatory reports• Overview and Scrutiny – scrutinises the executive response• Audit Committee – assures the governance arrangements <p>The protocol is attached at Appendix 2.</p>
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> <p>It should be noted that there is no requirement to report or respond to recommendations within the AW national study reports, however the Council does respond as good practice under our protocol.</p>
1.04	<p>It is within the Terms of Reference of the Audit Committee to ensure that effective processes are in place for setting and monitoring proportionate and effective action plans. The Audit Committee has the responsibility for ensuring that all audit report recommendations issued by external auditors are implemented where accepted.</p>
1.05	<p>Appendix 1 provides an overview of the reports received from the Audit Wales, Care Inspectorate for Wales and Estyn during 2019/20, 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, but within acceptable limits• Red – limited progress.

1.06	<p>The Executive response to the following two reports is to be scheduled within the Forward Work Programme for Cabinet and relevant Scrutiny Committees:</p> <ul style="list-style-type: none"> • Well-being of Future Generations Examination 2019-20: Protect and Enhance the Natural Environment (March 2020) • Digital Flintshire Review (May 2020)
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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	<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	None

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Jay Davies, Strategic Performance Advisor Telephone: 01352 702744 E-mail: jay.davies@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<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>