

MEETING: **AUDIT COMMITTEE**

DATE: **3 December 2013**

TITLE: **External Audit Reports**

PURPOSE / RECOMMENDATION: **To submit the reporting arrangements for consideration by the Audit Committee**

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CABINET MEMBER: **Councillor Dyfed Edwards**

1. INTRODUCTION

1.1 One of the primary duties of the Audit Committee as outlined in the Local Government (Wales) Measure 2011, is to **review and assess the authority's risk management, internal control and corporate governance arrangements**. The Statutory Guidelines published pursuant to the Measure states that the Committee needs to,

- *“report on the adequacy of the authority's risk management and internal control arrangements, and comment on their effectiveness, as well as following up on risks identified by auditors and requiring reports as to action taken in response”*; and
- *“the authority will need to ensure there is no unnecessary duplication between the audit committee and any overview and scrutiny committee in considering such reports”*.

1.2 The following are examples of external audit reports:

- ESTYN, CyMAL, National Archives Reports
- Reports from the Care and Social Services Inspectorate Wales (CSSIW)
- Annual Reports of the Wales Audit Office (WAO)
- Occasional Reports from the Audit Office or from other audit bodies

1.3 In the past, a complete register of external audit reports has been presented to the Audit Committee every six months to facilitate the work of the Committee and to enable it to comply with the requirement to keep an overview on the implementation of recommendations in the reports and to provide the Cabinet with a summary.

1.4 In order to strengthen the Audit Committee's ability to focus on what is important, we propose concentrating on the main reports, namely:

- ESTYN Reports
- CSSIW Reports
- WAO Annual Reports

The complete register will continue to be available to members by contacting me.

- 1.5 It is also suggested that a discussion takes place at the next meeting of the Scrutiny Chairs Forum on scrutiny arrangements and the 'holding to account' of the above reports. There is a need to strengthen governance arrangements and scrutiny of these main reports avoiding any duplication or vagueness in this area. Any recommendations on robust and purposeful arrangements can be reported back to the next Audit Committee.

2. RECOMMENDATION

- 2.1 The Audit Committee is asked to
- i) Approve the new reporting procedure and concentrate on the main reports noted above.
 - ii) Approve the proposal to discuss the best way of scrutinising and holding to account of the main reports at the next meeting of the Scrutiny Chairs Forum on 13th December.