

## **GOVERNANCE & AUDIT COMMITTEE: 25 January 2022**

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### **RECOMMENDATION TRACKER -**

### **REPORTS OF EXTERNAL REVIEW BODIES**

### **REPORT OF HEAD OF PERFORMANCE AND PARTNERSHIPS**

#### **AGENDA ITEM: 10.1**

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#### **Reason for this Report**

1. This report provides an overview of the management and delivery of recommendations received from Audit Wales, Estyn, Care Inspectorate Wales and Her Majesty's Inspectorate for Prisons.
2. The purpose of the Governance and Audit Committee in accordance with its terms of reference is to provide independent assurance to the members of Cardiff Council, and its wider citizens and stakeholders, on the risk management framework, the internal control environment, and the performance assessment of the Council. Its terms of reference requires the Governance and Audit Committee to:
  - Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
  - Consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
  - Consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
  - Consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.
  - Comment on the scope and depth of external audit work, and to ensure it gives value for money.

#### **Background**

3. The Governance and Audit Committee receives regular updates on the work of the Council's external auditors and information in respect of the reports underway and completed as part of Committee meetings.
4. In January 2021, an external audit recommendation tracker was introduced to provide a biannual overview of the progress made in delivering agreed Audit Wales recommendations, for the information and assurance of the Committee. Further to this, and as part of Audit Relationship Management meetings with Directors, senior management are asked to advise if there are any concerns with the delivery of

improvement actions identified through the reports of external review bodies. The Chair of the Governance and Audit Committee will be notified if any concerns are raised.

- This approach responds to the expectation of the Audit Director of Audit Wales that the Governance and Audit Committees consider relevant reports and recommendations from external review bodies, and to receive assurances on the arrangements for their oversight and delivery. The approach for recording the recommendations of external regulatory bodies positions the Council well to respond to the requirements of the Audit Director of Audit Wales

## Issues

- In considering the item in January 2021, the Committee was advised of the intentions to expand the information provided in future reports to include progress against Audit Wales national reports (where appropriate) and recommendations made by other external regulatory bodies, including Estyn, Care Inspectorate for Wales and Her Majesty's Inspectorate for Prisons. This has been done, and the Audit Tracker now reflects the position in relation to all the aforementioned external regulatory bodies.
- It was also agreed that the Audit Tracker would include details of 'accountability / reporting to' arrangements, for each External Audit. This approach will be adopted ahead of the Governance and Audit Committee's next consideration of the tracker, on 8 July 2022.

## Overview

- Since the Committee last reviewed the tracker, two regulatory reports have been received by the Council, including the [Financial Sustainability Assessment](#) conducted by Audit Wales and a [Risk based inspection of Cardiff Council social services](#) conducted by Care Inspectorate Wales (CIW).
- Table 1 below shows the progress made in closing recommendations since the tracker approach was adopted in January 2021. Table 2 shows the balance of RAG ratings in relation to responding to recommendations over the same period. Both demonstrate that progress has been made responding to recommendations received from external regulators since the introduction of the tracker approach.

Table 1: Total recommendations open/closed January 2021 - January 2022

| Date         | Total Recommendations | Total Open | Total Closed | % Open |
|--------------|-----------------------|------------|--------------|--------|
| January 2022 | 64                    | 27         | 37           | 42%    |
| July 2021    | 61                    | 29         | 32           | 47%    |
| January 2021 | 61                    | 46         | 15           | 76%    |

Table 2: Overview of RAG status for recommendations January 2021 – January 2022

| Date         | Total Recommendations | Green | Amber | Red |
|--------------|-----------------------|-------|-------|-----|
| January 2022 | 64                    | 54    | 10    | 0   |
| January 2021 | 61                    | 38    | 22    | 1   |

\*Excludes recommendations from Care Inspectorate Wales Risk report.

10. An overview of the progress against the External Regulators' Programme of work is included as Appendix 1, with full details of the recommendations and the Council's response is included as Appendix 2.

### **Legal Implications**

11. There are no direct legal implications arising from the report.

### **Financial Implications**

12. The financial implications (if any) arising from this report have been contained within the body of the report.

### **RECOMMENDATIONS**

13. That the Committee considers and notes the contents of the report.

**Gareth Newell**  
**Head of Performance and Partnerships**

The following Appendices are attached:

Appendix 1 - Summary: Progress against External Regulatory Body Programme January 2022  
Appendix 2 - Detailed: Progress against External Regulatory Body Programme January 2022