

## **GOVERNANCE & AUDIT COMMITTEE: 11 July 2023**

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### **AUDIT WALES ANNUAL AUDIT SUMMARY 2022**

### **REPORT OF THE CORPORATE DIRECTOR RESOURCES AND CORPORATE DIRECTOR PEOPLE & COMMUNITIES AGENDA ITEM: 10.1**

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

1. In accordance with its role, to enable the Governance and Audit Committee to:
  - Consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
  - Consider specific reports as agreed with the external auditors.
  - Comment on the scope and depth of external audit work and to ensure it gives value for money.

#### **Issues**

2. The Annual Audit Summary 2022 (**Appendix 1**) summarises all audit work undertaken since the last Annual Audit Summary in January 2022. During 2021-22 Audit Wales completed work to meet the following duties:
  - **Continuous improvement:** During 2021-22, the Auditor General had to assess whether the Council had met its performance reporting requirements in relation to 2021-22.
  - **Audit of Accounts:** Each year the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.
  - **Value for money:** The Auditor General examines whether the Council has put in place arrangements to get value for money for the resources it uses, and he has to be satisfied that it has done this.
  - **Sustainable development principle:** Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.
3. In addition to work undertaken by Audit Wales the report makes reference to recent work by Care Inspectorate Wales, Estyn and Her Majesty's Inspectorate of Probation.

4. The judgements of External Regulatory Bodies represent an important component of the Council's Planning and Delivery Framework and form a part of the evidence base used in the Council's self-assessment process and Annual Wellbeing Report.
5. The Annual Audit Summary also considers the key challenges and opportunities facing the Council. These could have an effect on the Council's ability to meet its legal obligations in relation to the sustainable development principle and the use of its resources, and informs the Audit Wales work programme for 2022-23.
6. As part of the Council's Planning and Delivery Framework a workshop between Senior Auditors and Cardiff Council's Senior Management Team is convened annually to provide the Senior Management's perspectives on the key audit risks. This also serves as an opportunity to inform Audit Wales' forward planning based on the Council's own self-assessment of progress and areas of challenge.
7. All recommendations by external regulatory bodies received by the Council are recorded in the Council's Audit Tracker to ensure that the Council has appropriate arrangements in place to respond and that progress can be monitored. The Audit Tracker is formally considered by the Governance and Audit Committee on a bi-annual basis.

### **Legal Implications**

8. There are no direct legal implications arising from the recommendations of this report.

### **Financial Implications**

9. There are no direct Financial Implications arising from this report.

### **RECOMMENDATIONS**

10. That the Committee:

- Note and consider the content of the Audit Wales's Annual Audit Summary for Cardiff Council 2022 (Appendix 1) and make any appropriate comments.

### **Gareth Newell**

#### **Head of Performance and Partnerships**

The following appendix is attached:

Appendix 1 - Audit Wales's Annual Audit Summary for Cardiff Council 2022