



## **Report of the Section 151 Officer / Wales Audit Office**

**Audit Committee – 11 December 2018**

### **Urgent Report**

### **Annual Audit Letter**

Pursuant to paragraph 100B (4)(b) of the Local Government Act 1972, the Chair of the Audit Committee, considers the following report as an urgent matter for the reasons outlined below.

#### **Reason for Urgency:**

The Wales Audit Office Annual Audit Letter, whilst dated 29 November, was received on the 7 December, past the usual deadline for inclusion and publication as a normal item on this agenda.

The matters raised in the letter could have a material bearing on actions to address the current year budgetary performance, issues affecting the future year budgets proposed for 2019-20 and beyond, and the affordability of the future capital ambition, including the City Deal, which has itself now been subject to an independent review.

Delaying the report to the next Audit Committee cycle in the new year would mean that wider decision takers on the budget and capital programme will not be fully cognizant of the commentary, that the Wales Audit Office have made, in a period of time they are now currently taking those decisions.

The Chair has conferred with the section 151 Officer who concurs the matter contains items of urgency to be considered.

It is considered in the public interest for the letter to be published immediately and considered by all decision takers and all those charged with scrutiny, oversight and audit.

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| <b>Purpose:</b>                    | To allow the Audit Committee to fulfil its role in considering all reports and letters received from the Wales Audit Office, this report attaches the independent Wales Audit Office Annual Audit Letter. |
| <b>Policy Framework:</b>           | None  |
| <b>Consultation:</b>               | Legal, Finance, Access to Services  |
| <b>Recommendation(s):</b>          | It is recommended that Committee review and discuss the Wales Audit Office Annual Audit Letter received on 7 December 2018.   |
| <b>Report Author:</b>              | Ben Smith   |
| <b>Finance Officer:</b>            | Ben Smith   |
| <b>Legal Officer:</b>              | Tracey Meredith   |
| <b>Access to Services Officer:</b> | Rhian Millar  |

## 1. Background

- 1.1 Attached at Appendix 1 is a Wales Audit Office letter addressed to the Chief Executive dated 29 November but received on 7 December 2018.
- 1.2 The Audit Committee note for discussion the commentary around current and future financial sustainability and affordability.

## 2. Financial Implications

There are no further financial implications other than those referred to in the WAO letter.

## 3. Legal Implications

There are no legal implications associated with the report.

## 4. Equality and Engagement Implications

There are no equality and engagement implications associated with the report.

**Background Papers:** None.

**Appendices:** Appendix 1 – Wales Audit Office letter.