



## Report of the Chair

Scrutiny Programme Committee – 12 November 2018

### Wales Audit Office Reports to Scrutiny

<b>Purpose:</b>	This report deals with the reporting of Wales Audit Office (WAO) reports to scrutiny to ensure greater visibility of WAO findings, and ensure that scrutiny councillors are provided with assurance that proposals / recommendations for improvement made by WAO are dealt with.
<b>Content:</b>	This report describes the relationship between scrutiny and the work of the WAO, and shows current and upcoming reports that will need to be included in scrutiny work plans.
<b>Councillors are being asked to:</b>	<ul style="list-style-type: none"><li>• Ensure that Wales Audit Office reports are included in relevant scrutiny work plans.</li></ul>
<b>Lead Councillor:</b>	Councillor Mary Jones, Chair of the Scrutiny Programme Committee
<b>Lead Officer</b>	Tracey Meredith, Chief Legal Officer
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<b>Finance Officer:</b>	Paul Cridland

#### 1. Introduction

- 1.1 The Committee has previously identified<sup>1</sup> the need to develop closer links with regulators and inspectors so that we can provide a more coordinated and effective challenge, for example develop links between respective work plans, improve mutual awareness of each other's work to make use of audit and scrutiny findings.
- 1.2 WAO has previously recommended<sup>2</sup> to Councils and audit, inspection and regulatory bodies to ensure that scrutiny draws effectively on the

<sup>1</sup> Scrutiny Annual Report 2014-15 (July 2015)

<sup>2</sup> Good Scrutiny? Good Question! – WAO National Improvement Study 2014

work of audit, inspection and regulation and that its activities are complementary with the work of external review bodies.

- 1.3 There are already well established links between our scrutiny function and Estyn, in respect of Education Services and School Improvement, and similarly with CIW (Care Inspectorate Wales), in respect of Audit Services and Child & Family Services. Scrutiny Performance Panels are routinely provided with relevant reports from Estyn and CIW, and are discussed as required.
- 1.4 There is an inconsistent picture in respect of reports from WAO, and need for some co-ordination to ensure that their findings are reported appropriately to scrutiny councillors. The Audit Committee also has a clear role and oversight and routinely considers certain audit reports, therefore there is a need to also avoid duplication / gaps in reporting.
- 1.5 Reporting of WAO reports to scrutiny would satisfy expectations around the involvement of scrutiny councillors, and support the developing relationship. Increased knowledge and awareness of audit plans will also help to guide the selection of topics in future scrutiny work programmes.

## **2. Wales Audit Office Reports**

- 2.1 Each year the WAO will present an audit plan to the authority which will indicate the work they intend to carry out over the course of the year. This will include local financial audit work, local performance audit work, and national studies.
- 2.2 Financial audit work and the overall Annual Improvement Report are reported to the Council's Audit Committee. There are also some aspects of WAO work which may not result in a formal report but discussion with Corporate Management Team. Taking this into account there are a number of piece of audit work which will need to be reported to scrutiny.
- 2.3 WAO reports to scrutiny can be allocated either to the Scrutiny Programme Committee, or referred to relevant Scrutiny Performance Panels. Current / expected reports, with suggested route, are shown in the tables below:

<b>Local Work</b>			
<b>WAO Report</b>	<b>Cabinet Portfolio</b>	<b>Status</b>	<b>Report to Scrutiny</b>
Overview & Scrutiny – Fit for the Future	n/a	Report published	Scrutiny Programme Committee (10 Sep)
Welsh Housing Quality Standard	Homes & Energy	Due	Service Improvement

			& Finance Performance Panel
Well-being of Future Generations Act (meeting well-being objectives in relation to Tackling Poverty)	Better Communities (People)	In progress	Scrutiny Programme Committee
Corporate Safeguarding Arrangements	Care, Health & Ageing Well	Not started yet	Scrutiny Programme Committee
Leisure Services	Investment, Regeneration & Tourism	Not started yet	Service Improvement & Finance Performance Panel

<b>National Studies</b>			
<b>WAO Report</b>	<b>Cabinet Portfolio</b>	<b>Status</b>	<b>Report to Scrutiny</b>
Housing Adaptations	Homes & Energy	Report published	Scrutiny Programme Committee
Strategic Commissioning of Accommodation Services for Adults with Learning Disabilities	Care, Health & Ageing Well	Report published	Adult Services
Waste Management	Environment & Infrastructure Management	Due	Service Improvement & Finance Performance Panel
Youth Services	Children Services (Young People)	Due	Scrutiny Programme Committee
Rural Development Programme 2014-2020	Delivery	Due	Development & Regeneration Performance Panel
Services to Rural Communities	Business Transformation & Improvement	Due Nov 2018	Scrutiny Programme Committee
Using Data Effectively	Business Transformation &	Due Jan 2019	Service Improvement & Finance

	Improvement		Performance Panel
First Point of Contact Assessments under the Social Services and Well-being (Wales) Act 2014	Children Services and Care, Health & Ageing Well	In progress	Joint Adult Services and Child & Family Services Performance Panels
Tackling Violence against Women, Domestic (includes fieldwork in Swansea amongst others)	Better Communities (People)	In progress	Adult Services
Planning Services: Improving the Well-being of Wales	Delivery	In progress	Service Improvement & Finance Performance Panel
Integrated Care Fund	Children Services and Care, Health & Ageing Well	In progress	Joint Adult Services and Child & Family Services Performance Panels
Care Experienced Children & Young People	Children Services	Scoping	Child & Family Services

### 3. Reporting Process / Procedure

- 3.1 WAO officers are not expecting to be asked to attend scrutiny meetings but rather will expect scrutiny councillors to engage with relevant Council leads on report implications, appropriate action necessary, and follow up. WAO expect scrutiny to receive assurance from Council leads about their response to WAO reports and provide challenge to ensure improvement. When WAO do follow up with the Council they will expect to see evidence of internal monitoring and challenge and may make observations about that in future improvement assessments.
- 3.2 Consideration of WAO reports each year will increase pressure on scrutiny work plans and workload. Also reporting to scrutiny will typically require relevant Cabinet Members / Officers to attend scrutiny meetings to discuss implications and present action plans along with

statements about progress as required by scrutiny. However, depending on content, not every report will require the same level of involvement (given degree of importance or interest) therefore it should be up to relevant scrutiny lead member(s) to determine best approach in dealing with relevant reports.

- 3.2.1 For example, in specific cases scrutiny may prefer to await the production of Council action plan before scheduling a particular WAO report for a meeting, rather than one meeting to consider WAO report findings and what they mean for the Council, and a later meeting to receive action plan. In certain cases the Committee / Panels may want take an exceptional approach to reports i.e. being provided with information outside of meetings and only scheduling for discussion at a meeting with relevant Cabinet Member / Officer where there are specific issues / concerns about action / progress. Flexible approaches will relieve pressure on workloads and ensure best use of time and resources.
- 3.3 Discussion with lead Cabinet Member / Officer regarding scheduling of specific reports and appropriate manner of consideration will help with forward planning.
- 3.4 At the start of each municipal year the latest audit plan will be reviewed and relevant reports identified and programmed into Committee / Performance Panel work plans.

#### **4. Legal Implications**

- 4.1 There are no specific legal implications raised by this report.

#### **5. Financial Implications**

- 5.1 There are no specific financial implications raised by this report.

#### **Background Papers:**

Wales Audit Office Audit Committee Update – Report to Audit Committee 9  
October 2018

**Appendices:** None