

**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

**CABINET**

**12<sup>th</sup> SEPTEMBER 2018**

**REPORT OF ASSISTANT CHIEF EXECUTIVE AND CHIEF DIGITAL OFFICER**

**K. JONES**

**Matter for Information**

**Wards Affected: All**

**Wales Audit Office – Annual Improvement Report 2017-2018**

**Purpose of Report**

1. To present the Wales Audit Office's (WAO) Annual Improvement Report (AIR) 2017-18 before presentation to Council (26<sup>th</sup> September 2018) by Mr Colin Davies (Wales Audit Office).
2. To provide Members with an update on progress to address proposals for improvement and recommendations contained within the Wales Audit Office's Annual Improvement Report (AIR) 2016-2017 and the Wales Audit Office's Annual Improvement Report (AIR) 2017-2018.

**Executive Summary**

3. The Annual Improvement Report (AIR) 2017-2018 attached at Appendix 1 discharges the Auditor General's duties under Section 24 of the Local Government (Wales) Measure 2009, by summarising his audit and assessment work undertaken in this Council during 2017-2018.
4. The Report also discharges his duties under Section 19 of the Measure to issue a report certifying that he has carried out an improvement assessment under Section 18 of the Measure and stating whether (as a result of his improvement plan audit under Section 17) he believes that this Council has discharged its improvement planning duties under Section 15.

### **Annual Improvement Assessment – 2017- 2018:**

5. Improvement authorities (local councils) have a general duty to “make arrangements to secure continuous improvement in the exercise of (their) functions” and the annual improvement assessment considers the likelihood that an authority will comply with its duty to make arrangements to secure continuous improvement.
6. Based on the work carried out by the Wales Audit Office and relevant regulators, the Auditor General states in the attached Annual Improvement Report that he believes that this Council is likely to comply with the requirements of the Local Government (Wales) Measure 2009 during 2018-19.

### **Audit and Assessment – 2017- 2018:**

7. The Wales Audit Office Annual Improvement Report (AIR) 2017-2018 summarises the audit work undertaken since the last Report was published in September 2017.
8. Following the undertaking of audit work, the Auditor General is able to:
  - Make proposals for improvement – if proposals are made to the Council, the Auditor General would expect the Council to do something about them and the Auditor General will follow up what happens;
  - Make formal recommendations for improvement – if a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days;
  - Conduct a special inspection, and publish a report and make recommendations; and
  - Recommend to Ministers of the Welsh Government that they intervene in some way
9. During the course of the year (2017-2018) no formal recommendations were made, however the Auditor General did make a number of proposals for improvement and recommendations, deriving from local and national work undertaken by the Wales Audit Office and inspection work undertaken by Estyn. These are contained within the attached Annual Improvement

Report (AIR) 2017-2018 at Appendix 1. These proposals for improvement and recommendations are a key input into the Council's corporate governance arrangements and where necessary are incorporated into the Council's Annual Governance Statement - Improvement Action Plan.

10. The Auditor General will monitor progress against those proposals for improvement and relevant recommendations made in national reports published.

### **Progress on Proposals for Improvement – Annual Improvement Report (2016-2017)**

11. An update on the proposals for improvement contained within last year's Annual Improvement Report (2016 – 2017) is attached at Appendix 2. All but one of those proposals for improvement have been achieved and work is underway to ensure achievement of the remaining proposal before the end of the current financial year.

### **Proposals for Improvement and Recommendations – Annual Improvement Report (2017-2018)**

12. Following the audit and assessment work undertaken by the Wales Audit Office a number of different types of reports are produced. Some of the reports are termed "local reports" as they relate to audit work undertaken in specific Council's and are funded from local fees. Other reports are termed "national reports" as they relate to a programme of national studies and local government studies which are funded from the Welsh Consolidated Fund.
13. Appendix 3 contains a summary of the proposals for improvement and recommendations contained within the Annual Improvement (AIR) 2017-2018 which have been published in both "local" and "national" reports published during 2017-2018.
14. Pages 1-3 contain the proposals for improvement made by the Wales Audit Office following the local work undertaken in this Council during 2017-2018.

15. The remaining pages within Appendix 3 contain a summary of the recommendations contained within the National Reports published by the Wales Audit Office following the programme of national studies and local government studies undertaken during 2017-2018 and an update is provided on the work that has been undertaken or is in the process of being undertaken in relation to those recommendations.

### **Financial Impact**

16. The programme of audit and improvement assessment work undertaken by the Wales Audit Office during 2017-2018 has been delivered within the budget allocated for audit and inspection work.

### **Equality Impact Assessment**

17. An Equality Impact Assessment is not required for this report. However assessments will be undertaken, where appropriate, when addressing recommendations contained within the Annual Improvement Report 2017-2018.

### **Workforce Impacts**

18. There are no workforce impacts from the process of audit and improvement assessment work of significance.

### **Legal Impacts**

19. The Local Government (Wales) Measure 2009 requires the Auditor General to undertake an annual improvement assessment and to publish an annual improvement report for each improvement authority in Wales.

### **Risk Management**

20. The findings of the Wales Audit Office are a key input into the Council's corporate governance arrangements and the areas identified for improvement work inform the Annual Governance Statement and the associated improvement action plan.

## **Consultation**

21. There is no requirement under the Constitution for external consultation on this item.

## **Recommended**

1. For Cabinet to acknowledge the Wales Audit Office Annual Improvement Report (AIR) 2017-2018.
2. For Cabinet to note the work that has been undertaken or is in the process of being undertaken in relation to the proposals for improvement and recommendations contained within the 2016-2017 and 2017-2018 Wales Audit Office Annual Improvement Reports.

## **Appendix**

Appendix 1 - Wales Audit Office Annual Improvement Report (2017-2018)

Appendix 2 - Progress on Proposals for Improvement – Wales Audit Office Annual Improvement Report (AIR) (2016-2017)

Appendix 3 - Progress on Proposals for Improvement /Recommendations - Wales Audit Office Annual Improvement Report (AIR) (2017-18)

## **List of Background Papers**

Neath Port Talbot County Borough Council Annual Report (2017-2018)  
Part One (April - September)

Neath Port Talbot County Borough Council Corporate Plan (2017-2022)

## **Wards Affected**

All

## **Contact Officer:**

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