

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **GOVERNANCE & AUDIT COMMITTEE**

**26<sup>th</sup> NOVEMBER 2021**

### **JOINT REPORT OF CHIEF FINANCE OFFICER – H JONES HEAD OF HUMAN AND ORGANISATIONAL DEVELOPMENT – S REES**

#### **Matter for Information**

**Wards Affected** – All wards

#### **Register of Regulators Reports & Recommendations.**

#### **Purpose of the Report**

To provide the Governance & Audit Committee with an updated Register of Regulators Reports and Recommendations.

#### **Background**

On 3<sup>rd</sup> June 2021, Derwyn Owen, Audit Director, Audit Wales wrote to Chairs of Governance & Audit Committee setting out Audit Wales expectation that all councils' Governance & Audit Committee formally consider reports of external review bodies – principally; Audit Wales, Estyn and the Care Inspectorate Wales (CIW).

In addition to considering the reports, the Audit Director also set out the expectation for committees to assure themselves that there are arrangements in place to monitor and evaluate progress against any recommendations contained in them.

At the meeting of Governance and Audit Committee on 15<sup>th</sup> September 2021, a proposed process to provide the above assurance to the Committee was presented and noted.

To enable the Committee to formally consider reports of external review bodies, this report presents a summary of reports issued by external review bodies since April 2021 and an updated Register of Regulators

Reports. The Register will be updated and reported on a 6 monthly basis to provide assurance to the Committee that accepted recommendations are being addressed appropriately by the Council.

### **Update - April 2021 – October 2021**

During the above period, 7 national reports and 2 local reports have been received.

#### National Reports:

1. At Your Discretion - Local Government Discretionary Services (April 21) – This study found financial pressures led to councils reducing spend and cutting services, but the pandemic has highlighted the importance and relevance of local government in serving and protecting people and communities. There were no recommendations in this report.
2. A Picture of Public Services (Sept 21) - This report is part of a series of Picture of Public Services 2021 outputs. It summarises some key trends in public finances and sets out Audit Wales independent perspective on some of the key issues for future service delivery. Underpinning this report is a series of sector-specific summaries setting out some key facts and analysis (listed below 3-5).
3. A Picture of Local Government (Sept 21) - This report summarises key information about local government in Wales including the strategic operating context and funding. It explores capacity in the sector, performance, and key issues or challenges in Audit Wales view.
4. A Picture of Schools (Oct 21) - This report summarises key information about schools in Wales including the strategic operating context and funding. It explores capacity in the sector, performance, and Audit Wales view on the key issues or challenges. It does not consider childcare or post-compulsory education other than school sixth forms. It sets out what Audit Wales consider to be some of the key issues for the sector, recognising that other review bodies and commentators will have their own perspective on the key issues.
5. A Picture of Social Care (Oct 21) - This report summarises key information about social care in Wales including the strategic

operating context, funding, performance and capacity. The report sets out what Audit Wales consider to be some of the key issues for the sector, recognising that other review bodies and commentators will have their own perspective on the key issues.

No recommendations were contained in the above reports (2-5).

6. Financial Sustainability of Local Government – COVID Impact, Recovery and Future Challenges (Sept 21)

During 2020-21 Audit Wales looked at the financial sustainability of each of the 22 councils in Wales, including:

- The financial impact of the pandemic;
- Financial strategies;
- Reserves position;
- Performance against budget; and
- Savings delivery and liquidity (the extent to which current assets are able to cover debt).

This report highlights some key themes and findings from the work, some commentary on funding pressures, and some reflections on how councils' future financial sustainability could be strengthened. The report set out some key steps setting out what councils can do to improve financial sustainability. There were no recommendations in this report.

7. Care Inspectorate (CiW) – Chief Inspectors Annual Report 2020-21. This report reflects on the 2020-21 year and the work that was undertaken by the Inspectorate. There were no recommendations in this report.

## **Local Reports**

8. NPT Annual Audit Summary 2020 (April 21) – This is Audit Wales audit summary for the Council and provides a single summary of the findings of performance and financial audit work undertaken by Audit Wales as well as planned future audit work (this summary included the work completed since September 2019 up to the date of its publication). The summary was presented to Council on 26<sup>th</sup> May 2021 by Colin Davies (Audit Wales). There were no recommendations in this report.

9. Financial Sustainability Assessment (Sept 21) – Audit Wales undertook this assessment (during January 2021 to March 2021). The assessment found the Council is well placed to maintain its financial sustainability and plans to strengthen some aspects of its financial management. There were no recommendations in this report.

### **Financial Impact**

There are no financial impacts in respect of this item.

### **Integrated Impact Assessment**

There is no requirement for an integrated impact assessment in respect of this item.

### **Valleys Communities Impacts**

There are no impacts in respect of this item.

### **Workforce impacts**

There are no workforce impacts in respect of this item.

### **Legal Impacts**

There are no legal impacts in respect of this item.

### **Risk Management**

There are no risk management issues in respect of this item.

### **Consultation**

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

### **Recommendation**

It is recommended that:

- The Governance & Audit Committee note the reports issued by the Council's external review bodies since April 2021 and the updated Register of Regulators Reports and Recommendations.

## **Appendix**

- Addendum 1 – Register of Regulators Reports & Recommendations.

## **Background Papers**

None

## **Officer Contact**

For further information on this report item, please contact:

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