

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

GOVERNANCE & AUDIT COMMITTEE

12th JANUARY 2023

JOINT REPORT OF CHIEF FINANCE OFFICER – H JONES HEAD OF PEOPLE 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 3rd June 2021, the previous Audit Director for Audit Wales, Derwyn Owen, 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 15th September 2021, a proposed process to provide the above assurance to the Committee was presented and noted.

The first report providing an update to this Committee was presented on 26th November 2021.

This report presents a summary of reports issued by external review bodies since November 2021 and an updated Register of Regulators Reports.

Update - November 2021 – December 2022

During the above period, 13 national reports of interest to the Council, 2 local reports and 1 local letter have been received.

National Reports:

1. **Care Home Commissioning for Older People (Dec 21)** – This short report was prepared by Audit Wales drawing out from their work in North Wales some issues of wider national significance and to make recommendations for the Welsh Government to consider.

The aim of the report was to highlight challenges that should be considered as part of planned policy reform and to secure meaningful change and better outcomes for people across Wales.

The report contains two recommendations for Welsh Government.

2. **Local Government Financial Sustainability Tool (Feb 22)** - This data tool compares financial data for each council, national park and fire and rescue authority in Wales from 2015-16 onwards.

This data is being published following national and local work Audit Wales carried out during 2020-21.

The aim of the tool is to help to tell some of the story of local government finances and be useful to anyone who wants to understand a bit more about the position of individual bodies and the local government sector as a whole.

There were no recommendations contained within this report.

3. **Direct Payments for Adult Social Care (April 22)** - This report looks at how local authorities provide Direct Payment services to adults, examining their impact and value for money. The overall conclusion in the report is that Direct Payments support people's independence and are highly valued by service users and carers, but inconsistencies in the way they are promoted and managed by

local authorities mean services are not always equitable and it is difficult to assess overall value for money.

The report contains four recommendations for Welsh Government and five recommendations for local government.

The recommendations have been considered by the service and an action plan will be reported to Social Services, Housing and Community Safety Cabinet Board on 26th January 2023. The Internal Audit Service has also undertaken a review of the Direct Payments Service during the year.

4. **New Curriculum for Wales (May 22)** - This report looks at the Welsh Government's management of the planning and implementation of the new curriculum.

The report contains six recommendations for Welsh Government.

5. **Public Sector Readiness for Net Zero Carbon by 2030 (July 22)** - This report targets senior leaders and those with scrutiny roles in public bodies, with the aim of inspiring them to increase the pace of their work on achieving the 2030 collective ambition. Included in the report are questions for organisations to reflect on.

The report also contains the following five calls for action for organisations to tackle the common barriers to decarbonisation in the public sector.

- Strengthen leadership and demonstrate collective responsibility through effective collaboration
- Clarify strategic direction and increase pace of implementation
- Get to grips with the finances required
- Know skills gaps and increase capacity
- Improve data quality and monitoring to support decision making.

There were no recommendations contained within this report.

In response to the Audit Wales report the Council's DARE Strategy provides a sound overarching framework for the work ahead and a 'Gap Analysis' has been commissioned with the objective to scope out a route map to net zero carbon by 2030, providing a clear delivery pathway supported by a corporate governance structure for programmes and projects along with the resources that will be needed to facilitate the work.

The intention is to produce an all-embracing 'Net Zero Carbon Action Plan' (with likely phased targets and periodic milestones) which will sit alongside a refreshed DARE Strategy – ongoing monitoring of progress made towards the Council achieving net zero status will be a critical function going forward.

6. **The Welsh Community Care Information System (July 22)** – This report (for the Public Accounts and Public Administration Committee) sets out the progress made against the two recommendations for Welsh Government contained in an earlier report published in October 2020 on the implementation of the system.

There were no recommendations contained within this report.

7. **Public Sector Readiness for Net Zero Carbon by 2030: Evidence Report (Aug 22)** – This reports supplements the above report by providing more detailed findings and data from the call for evidence and the wider work of Audit Wales.

There were no recommendations contained within this report.

8. **Equality Impact Assessments: More than a Tick Box Exercise (Sept 2022)** – This report focusses on the overall approach to public bodies undertaking of EIAs, primarily on understanding public bodies' approaches, with a view to finding good or interesting practice and identifying any common areas for improvement. The report also looks at the way in which public bodies are conducting specific parts of the processes and offer insight about the overall approach to assessing the impacts of policies and practices and the underpinning mind-set and culture.

There were three recommendations for Welsh Government and one recommendation for local government contained within this

report. The report is being considered as part of the work to further improve the Council's approach to the undertaking of Integrated Impact Assessments.

9. **National Fraud Initiative 2020-2021 (Oct 2022)** – This report looks at the outcomes and results of National Fraud Initiatives, recorded since the last report in October 2020. The report also details the processes followed to identify potential fraud and future developments around data-matching and the review of data sets for 2022/2023.

There were three recommendations contained within this report for local government. The report is being considered by officers and an update on the response to the report will be provided at the next meeting of the Governance & Audit Committee.

10. **“Time for Change” – Poverty in Wales (Oct 2022)** – This report looks at the challenge of poverty in Wales and how government is responding. The overall conclusion by Audit Wales is that the scale of the challenge and weaknesses in current work make it difficult for Welsh and local government to deliver the systemic change required to tackle and alleviate poverty.

The report contains 2 recommendations for Welsh Government and 6 recommendations for local government.

The report is being considered by officers and an update on the response to the report will be provided at the next meeting of the Governance & Audit Committee.

11. **Poverty in Wales Data Tool (Nov 2022)** - The data tool supports the “Time for Change” report and has been designed alongside the recommendations contained within the report, to support decision making across local government to improve how work is targeted. The tool brings together a range of data which will help councils and their partners improve delivery of services to people in poverty.

There were no recommendations in this report.

12. **A Picture of Flood Risk Management (Dec 2022)** – This report provides information on the extent of damage caused as a result climate change and the risks presented to the country. This Picture

of Flood Risk Management report explains how flood risk management works in Wales, including expenditure trends. Flood risk management is a complex area, the report is not intended to be comprehensive. It focuses on the management of flood risk rather than the emergency response when floods do happen. Audit Wales have set out what they consider to be some of the key issues, recognising that other commentators and review bodies will have their own perspective.

The report is part of ongoing programme of work looking at how public bodies are responding to the challenges of climate change.

There were no recommendations in this report.

13. **A Missed Opportunity' – Social Enterprises (Dec 2022)** – This report looks at how local authorities are working to grow and make the most of Social Enterprises ensuring social value and social capital stay in communities and help people who are struggling. This is also the second report of three reviews on the challenge of alleviating and tackling poverty in Wales. Appendix 1 of the report sets out the approach undertaken by Audit Wales and methods and includes more information on poverty themed work. The overall conclusion is that local authorities are not effectively working with Social Enterprises to maximise their impact, make better use of resources and improve services for people and communities.

There were three recommendations contained within this report for local government. The report is currently being considered by officers and an update on the response to the report will be provided at the next meeting of the Governance & Audit Committee.

Local Reports

1. **NPT Annual Audit Summary 2021 (March 22)** – 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 the last Annual Audit Summary was issued in April 21). The summary was presented to Council on 16th March 2022 by Non Jenkins

(Engagement Lead) and Gillian Gillet (Financial Audit Manager) from Audit Wales.

There were no recommendations in this report.

- 2. Audit of Neath Port Talbot's Assessment of 20-21 Performance (Dec 21)** – This report sets out the Auditor General's audit and assessment work in relation to whether the Council discharged its statutory duties to publish an assessment of performance for the financial year 2020/2021. The report concluded the Council discharged its duties under sections 15(2), (3), (8) and (9) of the Local Government (Wales) Measure 2009 and acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

There were no recommendations in this report.

Local Letter

- 1. Assurance and Risk Assessment Progress – Carbon Reduction (Oct 22)** – This letter provides a progress update on the Council's arrangements for carbon reduction.

The letter has been considered by officers and a report setting out a response to the letter will be tabled at Environment Regeneration and Streetscene Services Cabinet Board, 20th January 2023. An update on the response to the letter will be provided at the next meeting of the Governance & Audit Committee.

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 November 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:

Mr Huw Jones, Chief Finance Officer

E-mail: h.jones@npt.gov.uk

Mrs Sheenagh Rees, Head of People & Organisational Development

E-mail: s.rees5@npt.gov.uk

Mrs Caryn Furlow-Harris, Strategic Manager – Policy & Executive Support

E-mail: c.furlow@npt.gov.uk

Mrs Louise McAndrew, Corporate Strategic Planning & Governance
Officer – Policy & Executive Support
E-mail: c.furlow@npt.gov.uk