



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Audit Committee Update – Wrexham County Borough Council

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# Audit committee update

## About this document

- 1 This document provides the Audit Committee of Wrexham County Borough Council (the Council) with an update on current and planned Wales Audit Office work. It covers financial and performance audit work together with information on the Auditor General's programme of national value-for-money examinations.

## Financial audit update

- 2 **Exhibit 1** provides members of the Audit Committee with a brief overview of the financial audit work reported to the Council since the previous meeting in July 2017. Progress against the planned key outputs and milestones from financial audit outputs and milestones, as set out in the draft outline, are summarised in **Exhibit 1**.

### Exhibit 1: delivering the 2016-17 financial audit work

| Planned output                       | Planned start date | Planned reporting date | Report finalised |
|--------------------------------------|--------------------|------------------------|------------------|
| Annual Audit Plan                    | January 2017       | March 2017             | March 2017       |
| Audit Deliverables document          | February 2017      | March 2017             | March 2017       |
| Audit of Financial Statements report | June 2017          | July 2017              | July 2017        |
| Opinion on the Financial Statements  | June 2017          | July 2017              | 3 August 2017*   |
| Whole of Government Accounts         | July 2017          | September 2017         |                  |
| Annual Audit Report                  | October 2017       | November 2017          |                  |

\* The Opinion on the Financial statements was issued on 3 August due to annual leave commitments in late July 2017.

- 3 Since the last Audit Committee, the Appointed Auditor issued an unqualified opinion on the Council's 2016-17 financial statements on 3 August 2017, nearly two months earlier than the statutory deadline. We intend meeting with the finance team to reflect on the earlier preparation and audit of the financial statements, to build on what worked well and to identify further opportunities for undertaking earlier audit work in 2017-18.
- 4 The Council is participating in the second year of the 'outcomes pilot' on Welsh Government grants for the 2016-17 financial year. The 'outcomes pilot' aims to test the feasibility of a new outcomes approach developed in 2015-16 and takes into account of how both the Welsh Government and the Auditor General wish to improve the value and impact of certification work. The pilot's aim is to move auditors' efforts away from transaction testing and towards consideration of the activities to be delivered by the funding. Fieldwork is underway and we are due to report our finding to Welsh Government in the Autumn 2017 in line with their deadline.

## Performance audit update

- 5 **Exhibit 2** summarises the performance audit work recently completed or underway within the Council – and national reports relevant to local government.

**Exhibit 2: performance audit work currently underway or planned.**

| Topic  | Focus of the work   | Status   | Committee   | Lead officer             | Issues of note for the Audit Committee  |
|--|---|--|---|--------------------------|---|
| <b>Work currently underway</b>               |   |  |   |                          |   |
| <b>Good Governance</b>                       | National Report summarising the findings from the Governance reviews undertaken at all councils during 2017-18.                               | Clearance underway. Publication early autumn 2017          | Audit Committee   | Trevor Coxon / Mark Owen | The local Good Governance report was reported to the Audit Committee during summer 2017. The national report will summarise the findings and identify interesting and notable practice underway across Wales. |
| <b>Scrutiny Review – Fit for the Future?</b> | Explores arrangements to ensure that Scrutiny arrangements take account of recent changes such as the WFG Act and the change from LSB to PSB. | Fieldwork Winter 2017-18<br>Report to be issued March 2018 | Audit Committee<br><br>Customers, Performance, Resources and Governance Scrutiny Committee. | Trevor Coxon             | The same thematic review will take place at all 22 councils. The review includes document analysis, observations of O&S committees workshops and interviews   |

| Topic   | Focus of the work   | Status  | Committee  | Lead officer    | Issues of note for the Audit Committee  |
|---|---|---|--|-----------------|---|
| <b>Service User Perspective review</b>                          | Explores user experience of council services – focusing on housing tenants and particularly their experience of the WHQS programme.<br>The review will include supplementary audit work on the Councils progress against the WHQS programme | Fieldwork December 2017<br>Report to be issued March 2018 | Audit Committee<br>Relevant Scrutiny Committee(s)  | Stephen Bayley  | The same review is taking place across all 22 councils – using a variety of service tracers. All four councils that retained housing stock in N Wales will have the same review focus. This will provide useful regional comparisons.<br><br>A light-touch supplementary review of the Councils progress against the WHQS programme will provide assurance about the likelihood of meeting the 2020 WHQS deadline |
| <b>Wellbeing of Future Generations Act: Baseline Assessment</b> | The Year One Commentary: This will support improvement and inform future audit work under the Act.  | Fieldwork Autumn 2017                                     | Feedback arrangements to be confirmed  | Chief Executive | The assessment includes analysis of council documents and interviews.<br>To gather evidence on how the 44 bodies are beginning to respond to the requirements of the WFG Act and identify examples of notable emerging practice   |
| <b>Proposals for Improvement: Follow Up review</b>              | Follow up of the Councils progress against a range of local and national Proposals for Improvement (PFIs) relevant to the Council.  | Fieldwork autumn / winter 2017                            | Audit Committee.<br><br>Customers, Performance, Resources and Governance Scrutiny Committee. | Chief Executive | The review is likely to include a follow up of the Councils approach to Sickness Absence Management.  |

| Topic   | Focus of the work   | Status  | Committee                                       | Lead officer    | Issues of note for the Audit Committee   |
|---|---|---|---|-----------------|--|
| <b>Annual Improvement Report 2018</b>   | Summary of local performance audit work undertaken at the Council during 2017.  | Draft AIR March 2018. Report to be published Spring 2018.                         | Executive Committee Audit Committee             | Chief Executive | A similar report summarising key local audit findings will be issued to all councils.  |
| <b>Aligning the levers of change</b>  | Exploring the Councils approach to supporting change and transformation, focusing on the Council's Digital Strategy as a tracer.                    | Workshop scheduled for November 2017  | Feedback arrangements to be confirmed           | Chief Executive | Similar approaches are in progress at all councils during 2017.<br><br>A national report in 2017-18 will summarise key findings from reviews at all 22 councils.   |
| <b>WAO Local Government National Studies</b>  |   |   |   |                 |  |
| <b>Strategic commissioning of learning disability services by local authorities</b> | The study assesses how local authorities deliver strategic commissioning, focusing on learning disability schemes as a tracer in local authorities. | Report clearance underway<br>Indicative publication date Autumn / winter 2017-18. | Relevant Scrutiny Committee and Audit Committee | Clare Field     | Wrexham CBC is one of the field sites, with interviews completed during February 2017.<br><br>Currently, councils spend some £334 million on learning disability services in Wales, including commissioning.                                       |
| <b>Improving well-being through housing adaptations</b>                             | The study focuses on how adaptations are used to prevent poor outcomes such as unnecessary spending, trips and falls, hospital admissions/delayed   | Report clearance underway<br>Indicative publication date Autumn / winter 2017-18. | Relevant Scrutiny Committee and Audit Committee | To be confirmed | The study includes all local authorities and the major Housing Associations in Wales, and complements work undertaken by the WAO health team on discharge planning. The study will review system issues such as timescales, application processes, |

| Topic   | Focus of the work  | Status  | Committee                                       | Lead officer    | Issues of note for the Audit Committee                           |
|---|--|---|---|-----------------|--|
|   | discharges and child poverty.  |   |   |                 | accessibility of guidance and support, and eligibility criteria. |
| <b>2016-17 Study: How local government manages demand – Homelessness services</b>     | The study focuses on a specific tracer area of homelessness in local authorities using the recent prevention duties placed on local authorities to judge how demand for services is managed. | Report clearance underway<br>Indicative publication date Autumn / winter 2017-18. | Relevant Scrutiny Committee and Audit Committee | To be confirmed |  |
| <b>2017-18 Study: Intermediate Care Fund</b>  | Scoping underway, prior to finalising Project Brief.   | Scoping and calls for evidence  | Relevant Scrutiny Committee and Audit Committee | To be confirmed |  |
| <b>2017-18 Study: Using data effectively</b>  | To identify how well authorities are currently performing in collecting data, analysing data and using data to support decision making and the use of resources.                             | Project Brief issued June 2017: Fieldwork underway                                | Relevant Scrutiny Committee and Audit Committee | To be confirmed |  |
| <b>2017-18 Study: How well do public bodies provide services to rural communities</b> | Assessing how effective public organisations in Wales are in working together to assess needs, identify priorities, deliver and maintain the provision of key operational                    | Project Brief issued June 2017: Fieldwork underway.                               | Relevant Scrutiny Committee and Audit Committee | To be confirmed |  |

| Topic   | Focus of the work   | Status | Committee | Lead officer | Issues of note for the Audit Committee |
|---|---|--------|-----------|--------------|--|
|   | services to meet the needs of people in rural communities |        |           |              |  |
| <b>2018-19 Study Proposals:</b><br><br><b>Implementing Social Services and Well Being Act</b><br><br><b>Tackling domestic violence</b><br><br><b>Are planning services delivering value for money</b> | Consultation on proposed studies for 2018-19 underway     |        |           |              |  |

## Update on national value-for-money studies work and reports

- 7 **Exhibit 3** provides Audit Committee members with information on our national value for-money studies that have relevance to local authority organisations. Any recommendations arising from our national studies (or related reports by the National Assembly's Public Accounts Committee) that are relevant to local authorities will be reported as appropriate to the Audit Committee.

### Exhibit 3: update on local authority-related national value-for-money studies

| Local government-related national studies  |
|--|
| <b>Recent publications</b>   |
| 21st century schools and education programme:  |
| Supporting People programme  |
| <b>Planned future publications</b>   |
| Public procurement landscape review  |
| Early intervention and public behaviour change:  |
| Waste management (waste prevention):   |
| Access to public services with the support of specialist interpretation and translation: |
| Preparations for the implementation of fiscal devolution in Wales (follow-on report):    |

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