

Reference:

Date issued: April 2021

Blaenau Gwent County Borough Council – Annual Audit Summary – feedback on draft

Exhibit 1: Council comments on draft Annual Audit Summary and Audit Wales’ response

Report text	Council Comments - e-mail from Gemma Wasley 7 April 2021	Audit Wales response
<p><u>p.1 – key facts section</u></p> <p>The Council is made up of 42 councillors who represent the following political parties:</p> <ul style="list-style-type: none"> • Independent 28 • Labour 13 • Save Us Now 1 	<p>Can you also amend the breakdown of the members on the first page:</p> <p>Independent – 24</p> <p>Labour - 13</p> <p>Minority Independent – 4 (these weren’t included)</p> <p>Save Us Now – 1</p>	<p>Corrected per Council comments</p>

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<p><u>p.1 – key facts section</u></p> <p>As at 31 March 2020 the Council had £14.7m of usable financial reserves. This is equivalent to 9% of the Council's annual spend on services, joint 4th lowest percentage of the 22 unitary councils in Wales.</p>	<p>The comments in relation to BG don't indicate the improvement journey – for example, it talks about our reserves being 4th lowest but does not recognise that this is an improved position - the level of usable reserves have increased by 40% since 2017/18 when the Council was the lowest in Wales.</p>	<p>No change</p> <p>This section provides a snapshot of some current key facts and is not designed to set those facts in the context of previous years. This is consistent with the Annual Audit Summaries issued to all councils. However, we have passed on your comments to the central team who oversee the template reports so they can consider your comments about providing context to the key facts when updating the template for next year.</p> <p>The Council's improving reserves position is referenced in our Financial Sustainability and Supporting Financial Resilience reports, which the Summary provides links to.</p>
<p><u>p.3 – 2nd bullet point</u></p> <p>Whilst our audit opinion was unqualified, we have included an Emphasis of Matter paragraph as per ISA706 within our Auditor's Report.</p>	<p>Emphasis of Matter paragraph was included in all LA audit opinion not only BG.</p>	<p>Amended as follows:</p> <p>Whilst our audit opinion was unqualified, we have included an Emphasis of Matter paragraph (as with all councils in Wales) as per ISA706 within our Auditor's Report.</p>

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<p><u>p.3 – 6th bullet point</u> The Auditor General has not yet issued the certificate confirming that the audit of accounts for 2019-20 has been completed due to ongoing work in relation to concerns raised in correspondence in respect of Silent Valley Waste Services Ltd.</p>	<p>Silent Valley – clarification that its AW's work ongoing not BG and that work is coming to conclusion.</p>	<p>Amended as follows to provide clarification: The Auditor General has not yet issued the certificate confirming that the audit of accounts for 2019-20 has been completed due to our ongoing work in relation to concerns raised in correspondence in respect of Silent Valley Waste Services Ltd.</p>
<p><u>p.4 – National Fraud Initiative</u></p>	<p>NFI – should this be under National Studies?</p>	<p>No change For consistency with the Annual Audit Summaries already issued to other councils, we have kept this in the local work section. However, we have passed on your comments to the central team who oversee the template reports so they can take on board your comments when updating the template for next year.</p>

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<p><u>p.6 – Local Government Studies section</u></p>	<p>It is not clear that the conclusions from the national reports are not specifically BG related. Can this be made clearer, what is BG specific and what is not. Better delineation, perhaps head it up National Local Government Studies and highlight that findings are not specific to any one LA?</p>	<p>No change</p> <p>Although the national reports aren't tailored to Blaenau Gwent as local reports are, we would still expect the Council to carefully consider the national report findings, and whether or not it needed to take action on specific recommendations, regardless of whether the Council was included in specific fieldwork.</p> <p>In presenting the Annual Audit Summary to Audit Committee, we'd be happy to clarify the difference between the local and national reports referenced in the Summary.</p> <p>I've also passed your comments on to the team who oversee the template reports so they can consider the need to make this clearer when updating the template.</p>