

Committee: **Governance and Audit Committee**

Date of meeting: **14<sup>th</sup> April 2022**

Report Subject: **Response to Audit Wales Enquiry to those charged with Governance and Management**

Portfolio Holder: **Cllr Nigel Daniels**

Report Submitted by: **Rhian Hayden**

Report Written by: **Louise Rosser**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	07/04/2022		14.04.22					

1. **Purpose of the Report**

The purpose of this report is to inform the Governance and Audit Committee of the management response to the Audit Wales enquiries (see Appendix A) and for the Committee to consider its own response to the enquiries as those charged with governance.

2. **Scope and Background**

- 2.1 A letter of enquiry is received on an annual basis from Audit Wales which seeks the Councils documented consideration and understanding of the management and governance arrangements in place for the Authority with regard to the prevention and detection of fraud.
- 2.2 The report informs members of the Management response to Audit Wales and seeks commentary from the Committee in respect of some of the queries raised in the correspondence. A suggested response on behalf of the Governance and Audit Committee has been included for consideration.
- 2.3 The letter of enquiry was presented to CLT on # who confirmed their agreement with the management response provided by the Chief Officer Resources.

3. **Options for Recommendation**

- 3.1 Options for consideration are:

Option 1

The Committee endorse the attached Management Response to the Audit Wales query and consider whether the draft response of the Committee accurately reflects their views.

Option 2

The Committee endorses the attached Management response and propose amendments / additions to the attached response on their behalf for submission to Audit Wales.

Option 3

The Committee choose not to provide a response to Audit Wales.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

- 4.1 This report supports the Authority in achieving its Corporate Plan Priority of an ambitious and innovative council delivering the quality services we know matter to our communities through demonstrating that adequate measures are in place for the prevention and detection of fraud thereby protecting the Authority's assets.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

There are no direct financial implications arising from this report.

5.2 ***Risk including Mitigating Actions***

Options 1 and 2 would satisfy the requirements of the external regulator. Option 3 would result in non-compliance with the requirements of the external regulator and could result in additional work on their part relating to fraud and governance. This could be reflected in the opinions provided by the regulator and could also result in the need for additional coverage from the external regulator in respect of fraud.

5.3 ***Legal***

There are no direct legal implications arising from this report.

5.4 ***Human Resources***

There are no direct staffing implications arising from production of this report.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

The letter and accompanying questionnaire are attached at Appendix A.

The document has been partially completed by the Chief Officer Resources to reflect the current mechanisms in operation within the Authority. The views of the Governance and Audit Committee are sought. To assist in the Committee's consideration some narrative has been included as a potential response for the Committee.

6.2 ***Expected outcome for the public***

Not applicable.

6.3 ***Involvement (consultation, engagement, participation)***  
Not applicable.

6.4 ***Thinking for the Long term (forward planning)***  
Not applicable.

6.5 ***Preventative focus***  
Not applicable.

6.6 ***Collaboration / partnership working***  
Not applicable.

6.7 ***Integration (across service areas)***  
Not applicable.

6.8 ***Decarbonisation and Reducing Carbon Emissions***  
Not applicable.

6.9a ***Socio Economic Duty Impact Assessment***  
Not applicable.

6.9b. ***Equality Impact Assessment***  
Not applicable.

7. **Monitoring Arrangements**

7.1 Instances of fraud or misappropriation will continue to be reported to Management and the Governance and Audit Committee, as part of the Audit Progress Report, throughout the financial year.

**Background Documents /Electronic Links**

- Appendix A – Audit enquiries to those charged with governance and management.