

<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>1 JUNE 2023</b>
<b>Report Title:</b>	<b>AUDIT WALES LETTER ON MATTERS ARISING FROM THE 2021-22 AUDIT</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, PERFORMANCE &amp; CHANGE</b>
<b>Responsible Officer:</b>	<b>NIGEL SMITH GROUP MANAGER – CHIEF ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework or procedure rules</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• <b>Audit Wales have submitted their matters arising letter from the audit of the Statement of Accounts 2021-22.</b></li> <li>• <b>The letter identifies that Audit Wales have no concerns about the qualitative aspects of the Council’s accounting practices and financial reporting.</b></li> <li>• <b>It also notes that Audit Wales did not identify any material weaknesses in the Council’s internal controls.</b></li> <li>• <b>Some potential areas for improvement were identified, and responses and actions agreed.</b></li> </ul>

## **1. Purpose of Report**

- 1.1 This report informs the Committee of the matters arising from the audit of the 2021-22 Statement of Accounts. The audited Statement of Accounts were approved by Governance and Audit Committee on 26 January 2023 and, following completion of the audit, a number of recommendations were made by Audit Wales. Their letter is attached at **Appendix A**.

## **2. Background**

- 2.1 Audit Wales undertake the annual audit of the Council’s Statement of Accounts. The Statement of Accounts were given an unqualified opinion by the Auditor General on 27 January 2023, following approval of the Accounts at Governance and Audit Committee on 26 January 2023. The audit letter confirms that Audit Wales had no concerns about the qualitative aspects of the Council’s accounting practices and financial reporting. They did not identify any material weaknesses in the Council’s internal controls, but they did identify some potential areas for improvement which are set out in the attached **Appendix A**.

### **3. Current situation / proposal**

- 3.1 Appendix 1 of the Audit Letter sets out six recommendations following Audit Wales' audit of the Council's Statement of Accounts. Officers have taken on board the recommendations and progress against those recommendations is also noted in the Appendix. Audit Wales will carry out a review of those recommendations during their audit of the 2022-2023 Statement of Accounts.

### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The Act provides the basis for driving a different kind of public service in Wales, with 5 ways of working to guide how public services should work to deliver for people. The well-being objectives are designed to complement each other and are part of an integrated way of working to improve well-being for the people of Bridgend. It is considered that there will be no significant or unacceptable impacts upon the achievement of the well-being goals or objectives as a result of this report.

### **6. Climate Change Implications**

- 6.1 There are no climate change implications as a result of this report.

### **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no Safeguarding or Corporate Parent implications as a result of this report.

### **8. Financial Implications**

- 8.1 There are no specific financial implications arising from this report.

### **9. Recommendation**

- 9.1 It is recommended that the Governance and Audit Committee notes the matters arising letter from Audit Wales, along with the recommendations and responses as attached at **Appendix A**.

### **Background documents**

None