



COUNCIL – 4TH OCTOBER 2022

SUBJECT: AUDIT WALES ENQUIRIES RETURN 2021/22

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To present Council with responses to Audit Wales in relation to enquiries around our management processes relating to the prevention and detection of fraud, and compliance with laws and regulations in respect of disclosures in the 2021/22 Financial Statements.

2. SUMMARY

- 2.1 As part of their audit planning and to comply with International Auditing Standards, Audit Wales needs to gain an understanding of how the Council gains assurance over management processes and arrangements in relation to the detection and prevention of fraud and compliance with relevant laws and regulations in the preparation of the Financial Statements .
- 2.2 The Council's response to the questions raised by Audit Wales in respect of the 2021/22 financial year is appended to this report.

3. RECOMMENDATIONS

- 3.1 Council is asked to endorse the response appended to this report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Council considers and endorses the responses to Audit Wales.

5. THE REPORT

- 5.1 As part of the external audit of the Authority's Draft Financial Statements for the year ended 31st March 2022, Audit Wales, in compliance with the International Auditing Standards, is required to refresh its understanding of how the Council gains assurance over management processes and arrangements.
- 5.2 The assurances are around an understanding of our management processes to prevent and detect fraud and to ensure compliance with relevant laws and regulations in the preparation of the Council's Financial Statements.
- 5.3 The questions asked by Audit Wales in the attached document are standard for all Local Authorities and are not specific to Caerphilly CBC. The responses are presented to Council for endorsement prior to the audited 2021/22 Financial Statements being presented to the

Governance & Audit Committee on the 26th October 2022 and then Full Council on the 24th November 2022.

Conclusion

5.4 The report provides Members with details of the responses given to Audit Wales.

6. ASSUMPTIONS

6.1 No assumptions have been made in respect of this report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 This report is a statement of existing management processes and arrangements, so an Integrated Impact Assessment is not required.

8. FINANCIAL IMPLICATIONS

8.1 There are no direct financial implications arising from this report.

9. PERSONNEL IMPLICATIONS

9.1 There are no personnel implications.

10. CONSULTATIONS

10.1 Any comments received from consultees have been included within the report.

11. STATUTORY POWER

11.1 Local Government Act 2000

Author: Stephen Harris, Head of Financial Services & S151 Officer
Tel: 01443 863066 Email: harrisr@caerphilly.gov.uk

Consultees: Christina HARRY, Chief Executive
(Email: harrhc@caerphilly.gov.uk)
Richard Edmunds, Corporate Director for Education & Corporate Services
(Email: edmunre@caerphilly.gov.uk)
Robert Tranter, Head of Legal Services & Monitoring Officer
(Email: trantrj@caerphilly.gov.uk)
Cllr Eluned Stenner, Cabinet Member for Finance & Performance
(Email: marsdp@caerphilly.gov.uk)

Appendices:

Appendix 1 Audit Wales Enquiries Return 2021/22