

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to</b>	Governance and Audit Committee
<b>Date</b>	8 May 2025
<b>Subject</b>	<b>FOR INFORMATION ONLY:</b> Annual Audit Summary 2024
<b>Head of Service</b>	Carys Edwards Head of Profession HR and Transformation Corporate Transformation
<b>Report Author</b>	Gwyndaf Parry Performance and Improvement Manager Corporate Transformation
<b>Reason for Reporting</b> The Governance and Audit Committee's Terms of Reference require it to oversee the external audit arrangements (3.4.8.11.3) and oversee the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies (3.4.8.11.4). The Committee is also required to receive and consider reports from any other regulators or inspectors, which will be a useful source of assurance (3.4.8.13.1).	

## 1.0 INTRODUCTION

- 1.1 This report sets out the position in relation to the delivery of Audit Wales' work programme in relation to the fulfilment of the following duties; Audit the accounts, Value for money, The sustainable development principle.
- 1.2 An audit of the Isle of Anglesey County Council's Accounts 2023-24 was carried out.
- 1.3 Review assurance and risk assessment by reviewing arrangements that the Council has put in place to ensure value for money in the use of its resources.
- 1.4 Unscheduled care – Audit Wales reviewed how partners work together to improve patient flow out of hospitals in the region.
- 1.5 Financial sustainability - the Council's financial sustainability was reviewed including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.
- 1.6 The report provides a list of Audit Wales' national reports published in 2024 along with work in progress planned for 24-25.

## 2.0 RECOMMENDATION

- 2.1 That the Governance and Audit Committee:

- Considers the report and notes the assurance it provides.

# Isle of Anglesey County Council

## Annual Audit Summary 2024

Date Published: April 2025

This is our audit summary for Isle of Anglesey County Council. It shows the work completed since the last Annual Audit Summary, which was issued in April 2024. Our audit summary forms part of the Auditor General for Wales' duties.



More information about these duties can be found on our [website](#).

## About the Council

### Some of the services the Council provides



#### Key facts

The Council is made up of 35 councillors who represent the following political parties:

- Plaid Cymru 20
- Anglesey Independents 8
- The Independent group 4
- Welsh Labour 3

The Council spent £184 million on providing services<sup>1</sup> during 2023-24<sup>2</sup>.

<sup>1</sup> We define spending on services as the cost of services charged to the general fund from the Expenditure Funding Analysis, less any Housing Revenue Account cost of services, plus precepts, levies and debt interest.

<sup>2</sup> Source: 2023-24 Statement of Accounts

## Key facts

As at 31 March 2024, the Council had £38 million of useable financial reserves<sup>3</sup>. This is equivalent to 21% of the Council's annual spending on services<sup>4</sup>.

Isle of Anglesey County has 2% of the most-deprived 10% of areas in Wales, this is the fourth lowest of the 22 unitary councils in Wales<sup>5</sup>.

Isle of Anglesey County's population is projected to decrease by 0.2% between 2024 and 2043 from 69,800 to 69,600, including a predicted 8% decrease in the number of children, a 7% decrease in the number of the working-age population and a 17% increase in the number of people aged 65 and over<sup>6</sup>.

## The Auditor General's duties

### We completed work during 2023-24 to meet the following duties

- **Audit of Accounts**

Each year, the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.

- **Value for money**

The Auditor General examines whether the Council has put in place arrangements to get value for money for the resources it uses, and he has to be satisfied that it has done this.

- **Sustainable development principle**

Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

<sup>3</sup> We define useable financial reserves as reserves usable for revenue costs, where the purpose is not protected by law. This is the total of the general fund, earmarked reserves and schools' balances. It excludes Housing Revenue Account reserves, capital receipts and capital grants unapplied.

<sup>4</sup> Source: 2023-24 Statement of Accounts

<sup>5</sup> An area in this context is defined as a 'Lower Super Output Area'. Source: Stats Wales

<sup>6</sup> Source: [Stats Wales, Population Projections](#)

## What we found

### Audit of Isle of Anglesey County Council's 2023-24 Accounts

Each year, we audit the Council's financial statements.



**To meet the Auditor General's duties we complete specific projects, but we also rely on other audit work, and the work of regulators such as Care Inspectorate Wales and Estyn (the education inspectorate). We take the findings of our audit work into account when assessing whether the Council has put in place arrangements to secure value for money. Our findings and conclusions are summarised below.**

#### For 2023-24:

- the draft statements were presented for audit on 28 June 2024. This was before the deadline of 30 June 2024 set by the Welsh Government.
- the quality of the draft statements presented for audit was generally good.
- the Auditor General gave an unqualified true and fair opinion on the Council's financial statements on 4 December 2024, after the deadline agreed with the Welsh Government of 30 November 2024. Our audit work was completed ahead of the Welsh Government's deadline, the delay in certification was due to the Council's meeting schedule.
- the Council's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance. They were also consistent with the financial statements prepared by the Council and with our knowledge of the Council.
- a number of changes were made to the Council's financial statements arising from our audit work, which were reported to the Audit Committee in our Audit of Financial Statements Report in November 2024.
- in addition to the Auditor General's responsibilities for auditing the Council's financial statements, he also has responsibility for the certification of a number of grant claims and returns. At the time of our previous Annual Audit Summary, the testing on a number of Housing Benefit claims was ongoing; since then the 2021-22 and 2022-23 claims have been certified and the 2023-24 claim testing is ongoing.
- the Auditor General issued the certificate confirming that the audit of accounts for 2023-24 has been completed.

## Assurance and risk assessment review

We reviewed the arrangements the Council has put in place to secure value for money in the use of its resources. We produced the following report from our assurance and risk assessment work:

- Setting of well-being objectives – we looked at the Council's approach to setting its well-being objectives. We found that the Council has applied the sustainable development principle in the process of setting its new well-being objectives, however, there are opportunities to strengthen the use of data and identify the required funding.

## Unscheduled care

We reviewed how partners are collaborating to enhance patient flow out of hospitals in the region. Timely patient discharge has long been a challenge, not just locally but across Wales and beyond. We aimed to uncover how the region is tackling these issues and minimizing the risks associated with delays, which can significantly affect patient experiences and outcomes.

We found that while partners understand and show a commitment to improving patient flow out of hospital, performance remains extremely challenging with adverse effects for patient experience and care. Partners must continue to work individually and collaboratively to set and implement clear guidance, mitigate the challenges posed by reduced capacity and increased complexity of care, and ensure the impact of activities is continually monitored, challenged, and maximised.

We have made 16 recommendations to the Regional Partnership Board, some of which require joint working between the Council and its regional partners to achieve. These were in the areas of training, the monitoring of patients who are awaiting ongoing care upon discharge, improving the sharing of information and strengthening oversight of performance, including the use of the regional integration fund.

## Financial sustainability

During 2024, we reviewed the council's financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term. We found that that the Council has good arrangements to respond to financial challenges in the short to medium term, but has not formalised the planning and oversight of its longer term financial sustainability.

## National reports and products published in 2024

As well as local work at each council, each year, we also carry out studies across the local government sector to make recommendations for improving value for money. We published the following reports in 2024 which may be useful to the Council and can be found on our website.

Report title	Publication date and link to report
Local Government Financial Sustainability	<a href="#">December 2024</a>
Local Government Financial Sustainability Data tool update now includes data from the draft 2023-24 accounts	<a href="#">December 2024</a>
National Fraud Initiative in Wales 2022-23	<a href="#">October 2024</a>
Active travel (report and data tool)	<a href="#">September 2024</a>
Governance of Fire and Rescue Authorities	<a href="#">September 2024</a>
Affordable housing	<a href="#">September 2024</a>
Digital by design? – Lessons from our digital strategy review across councils in Wales	<a href="#">August 2024</a>
Councils' use of performance information: service user perspective and outcomes – A summary of findings from our review at Welsh councils	<a href="#">July 2024</a>
Governance of National Park Authorities	<a href="#">April 2024</a>
Supporting Ukrainians in Wales	<a href="#">March 2024</a>
From firefighting to future-proofing – the challenge for Welsh public services	<a href="#">February 2024</a>
Planning for sustainable development – Brownfield regeneration	<a href="#">January 2024</a>

## **Planned work for 2024-25**

We also looked at the key challenges and opportunities facing the Council. These could have an effect on the Council's ability to meet its legal obligations in relation to the sustainable development principle and the use of its resources.

Our planned work for 2024-25 includes:

- Assurance and risk assessment
- Local project work – Strategic Management of Balances and Reserves
- Local project work – Establishing a Port Health Authority



The Auditor General is independent of government and was appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the Senedd.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, fire and rescue authorities, national parks, and community councils. He also conducts local government value for money studies, assesses compliance with the remaining requirements of the Local Government (Wales) Measure 2009 and may undertake special inspections under the Local Government and Elections (Wales) Act 2021.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Senedd Commission, and National Health Service bodies in Wales.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions, as described above. Audit Wales is not a legal entity.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.