Blaenau Gwent County Borough Council – Annual Audit Summary 2025

Date issued: August 2026

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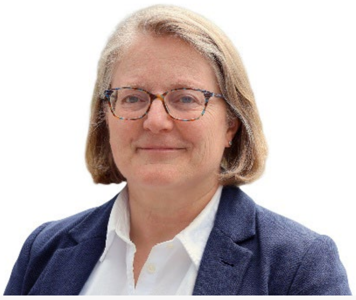
We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Introduction



Catherine Mealing-Jones

Auditor General for Wales

I am pleased to share my Annual Audit Summary for Blaenau Gwent County Borough Council (the Council). It summarises the main findings from my 2025 audit work undertaken to fulfil my responsibilities under the Public Audit (Wales) Act 2004 and the Well-Being of Future Generations (Wales) Act 2015.

I provided an opinion on whether the accounts were properly prepared and gave a true and fair view, in all material aspects.

My audit team has also assessed whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and has acted in line with the sustainable development principle. In doing so, my audit team has reviewed the Council's counter fraud arrangements and assessed the Council's progress in addressing my previous recommendations on its corporate safeguarding arrangements. As set out in my audit plan, these reviews have been carried out in line with the International Organisation of Supreme Audit Institutions (INTOSAI) standards.

The detailed audit findings for each of my reviews are set out in the respective reports which my audit team have presented throughout the year. The performance audit reports are available on the Audit Wales website and further links are available in the summary.

The Annual Audit Summary should be shared with the Governance and Audit Committee. I will then make the summary available to the public on the Audit Wales website.

I would like to extend my gratitude to the Council's officers for their help and cooperation throughout my audit.

Your audit at a glance

I have reported previously the statutory deadline for submission of accounts for audit was not met. I received the draft financial statement on 8 February 2026.

I issued an unqualified opinion on the accounts on 2 July 2026, 8 months after the statutory deadline of 31 October 2025.
There was one uncorrected misstatement above our reporting level.
We reported two significant issues in relation to procurement rules not being adhered to, and the quality and timeliness of the accounts.

My performance audit work found that the Council needs to strengthen its counter fraud and corporate safeguarding arrangements.

My audit team made a recommendation for the Council to ensure it follows its own procurement procedures in the future.

My audit team has substantially completed the audit work as set out in my Audit Plan dated December 2025.

Audit of accounts findings

Preparing annual accounts is an essential part of demonstrating the stewardship of public money. The accounts show the organisation's financial performance and set out its net assets/reserves, total comprehensive income and expenditure, and cash flows. My annual audit of those accounts provides an opinion on whether the accounts were properly prepared and gave a true and fair view, in all material aspects.

My responsibilities in auditing the accounts are described in my Statement of Responsibilities publications, which are available on the Audit Wales website.

The draft accounts were presented for audit on 8 February 2026. This was 8 months after the deadline of 31 October 2025 set by the Welsh Government. The quality of the draft accounts presented for audit was generally satisfactory with noted improvements to the quality of both the draft accounts and supporting documentation.

My audit opinion

I must report issues arising from my work to those charged with governance for consideration before I issue my audit opinion on the accounts. I reported these issues within my Audit of Accounts Report to the Governance and Audit Committee on 22 June 2026.

Accuracy of preparation

A number of changes were made to the draft accounts arising from my audit work, which have been reported to the Governance and Audit Committee.

There was one uncorrected misstatement, relating to five fixed assets where the Useful Economic Life was incorrect, and resulted in these assets being over depreciated by £1.25 million.

There were two significant issues to report:

- Quality and timeliness of the Accounts and supporting information
- Failure to follow Procurement rules

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 and with my knowledge of the Council.

I concluded that the Council's accounts were properly prepared and materially accurate and issued an unqualified audit opinion on them.

Audit completion

I issued the certificate confirming that the audit of accounts for 2024-25 was completed on 2 July 2026.

Whole of Government Accounts

I also undertook a review of the Whole of Government Accounts return. I concluded that the counterparty consolidation information was consistent with the Council's financial position on 31 March 2025 and the return was prepared in accordance with the Treasury's instructions.

Other accounts work still underway

In addition to my responsibilities for auditing the Council's accounts, I also have responsibility for the certification of a number of grant claims and returns.

The work has not identified any significant issues.

Performance audit findings

Review of Counter Fraud Arrangements

My team looked at the Council's arrangements for preventing and detecting fraud. This included checking the progress it had made in implementing my recommendations in my national report in 2020.

I found that there were fundamental weaknesses in the Council's counter-fraud arrangements. The Council does not undertake a comprehensive fraud risk assessment, has no dedicated counter-fraud resources, and lacks an overarching counter-fraud strategy. It also has no central record of fraud losses, and limited Governance and Audit Committee scrutiny reduces its ability to assess whether arrangements are effective and to promote a strong anti-fraud culture.

I made two recommendations focused on strengthening the Council's counter-fraud culture, risk management, training and oversight arrangements.

Follow-up of Corporate Safeguarding Arrangements

My team did a follow-up review to assess the Council's progress in addressing the outstanding recommendations from my previous reports on corporate safeguarding.

I found that the Council had not made sufficient progress to fully address the outstanding recommendations. While there had been some recent activity to strengthen arrangements, progress had been too slow with limited opportunities for members to scrutinise and challenge the timeliness of progress.

I made no new recommendations but stressed that the Council must take sustained action to fully address the outstanding recommendations.

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use three lines of assurance to show how we achieve this. We have set up an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our Audit Quality Report 2024.

Our People

- Selection of right team
- Use of specialists
- Supervisions and review

Arrangements for achieving audit quality Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

Further information

Audit Wales has a range of other information to support the scrutiny of Welsh public bodies and to continue to improve the services provided to the people of Wales.

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Our publications which cover our audit work at public bodies.

Information on our upcoming work and forward work programme for performance audit.

Data tools to help you better understand public spending trends.

Details of our Good Practice work and events including the sharing of emerging practice and insights from our audit work.

Our newsletter which provides you with regular updates on our public service audit work, good practice, and events.

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