

Report of Chief Executive

Subject: Annual Audit Summary 2023

The Auditor General for Wales' Annual Audit summary shows the work completed since the last Annual Audit Summary, which was issued in February 2023. The audit summary forms part of the Auditor General for Wales' duties. The document is attached for Members' information.

Recommendation

Members are asked to NOTE the Annual Audit Summary 2023.

Background Documents

None

(For further information, please contact Tegryn Jones)

Pembrokeshire Coast National Park Authority

Annual Audit Summary 2023

This is our audit summary for Pembrokeshire Coast National Park Authority. It shows the work completed since the last Annual Audit Summary, which was issued in February 2023. 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 National Park Authority

Some of the services the Authority provides



The role of the Authority

The Authority's purposes and duty form the basis of all the work undertaken by the Authority and are the starting point for the plans and strategies it develops. These are set out in the Environment Act 1995 and are as follows:

Statutory Purposes – to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park; and to promote opportunities for public enjoyment and understanding of the special qualities of the National Park.

Statutory Duty – to foster the economic and social well-being of communities living within the National Park.

Key facts

The Authority is made up of 18 members who represent the following:

- Welsh Government Appointees – 6
- Pembrokeshire County Council – 12

The Authority spent £10.03 million on providing services during 2022-23, compared to £9.20 million for 2021-22.

Key facts

For 2022-23, the Authority generated £4.3 million of service-related income, representing 47.2% of its total general funding. For 2021-22, the equivalent amounts were £3.7 million and 41.5% respectively.

As at 31 March 2023, the Authority had £6.8 million of usable financial reserves compared with £6.5 million at 31 March 2022. This is equivalent to 67.8% of the Authority's total annual spending on services, a decrease from 71.6% as at 31 March 2022.

Taking account of service-related income, as at 31 March 2023 the usable reserves of £6.8 million represent 117.6% of the Authority's net cost of services, down from 120.0% as at 31 March 2022.

The Auditor General's duties

We completed work during 2022-23 to meet the following duties

- **Audit of Accounts**
Each year the Auditor General audits the Authority's financial statements to make sure that public money is being properly accounted for.
- **Value for money**
The Auditor General examines whether the Authority 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.

What we found

Audit of Pembrokeshire Coast National Park Authority's 2022-23 Accounts

Each year we audit the Authority's financial statements.

For 2022-23:

- the draft statements were presented for audit on 19 July 2023. This was before the deadline of 31 July 2023 set by the Welsh Government.
- the quality of the draft statements presented for audit was reasonable – we did identify a larger than usual level of errors than in previous years.

- the Auditor General gave an unqualified true and fair opinion on the Authority's financial statements on 17 November 2023, before the deadline agreed with the Welsh Government of 30 November 2023. The audit was delivered later than in previous years mainly due to the impact of new auditing standard requirements. These were covered in our audit plan considered by the Audit Committee on 17 May 2023 and 12 July 2023.
- the Authority'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 Authority and with our knowledge of the Authority.
- a number of changes were made to the Authority's financial statements arising from our audit work, which were reported to the Audit Committee in our Audit of Financial Statements Report in November 2023.
- the Auditor General has issued the certificate confirming that the audit of accounts for 2022-23 has been completed.

Local and national performance audit projects

- Audit Wales undertook a performance review of income diversification across the Welsh National Park Authorities. The [local report](#) and [national report](#) for Pembrokeshire Coast are on our website. Overall, we found that the Authority is strengthening its capacity to pursue new income streams but has not agreed principles to determine their level of ambition.
- A national review of the effectiveness of the governance of National Park Authorities is still underway.

Planned work for 2023-24

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

Our planned work for 2023-24 includes:

- promoting equality and diversity of access. The Project brief was issued October 2023 and the evidence gathering stage has begun.

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 & 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.