

GOVERNANCE AND AUDIT COMMITTEE

(Via Microsoft Teams)

Members Present:

26 November 2021

Chairperson: Councillor J.D.Morgan

Councillors: H.C.Clarke, O.S.Davies, S.E.Freeguard,
J.Miller, R.W.Wood and A.N.Woolcock

Officers In Attendance: H.Jones, K.Jones, D.Mulligan, A.O'Donnell, and
A. Thomas

Representing Audit Wales: G.Gillett, J.Morgan

1. **WELCOME AND ROLL CALL**

The Chair welcomed everyone to the meeting.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

3. **MINUTES OF PREVIOUS MEETING**

It was agreed that the minutes of the 15th September 2021, be approved as a true and accurate record.

4. **EXTERNAL REVIEW - ACTION PLAN UPDATE**

The Chief Executive, Karen Jones, provided an update on the external review. Three points were highlighted from the report provided.

On page 15, The Chief Executive noted that the work to bring greater clarity to decision making procedures relating to capital works had not been completed within the anticipated date. However, the Chief

Executive confirmed that work has now been completed and will go before Cabinet on 15th December.

The second element outlined on page 17 concerned the spoil tip. There has been quite a lot of progress around options to deal with spoil tip. A public meeting has taken place and it was agreed there would be further public engagement before bringing options reports in front of members. The next report should be before members before the end of the year.

The final element on page 19, related to training. An external trainer was engaged and officers training has been completed. Cabinet Members have also completed the training. After consultation with group leaders, training with the remainder of the members is due to be scheduled as part of the member induction process after the elections in 2022.

Members noted that all other actions in the report had been completed.

Internal Audit would continue to test the decision making procedures as part of their ongoing internal review work.

Resolved: To approve the two recommendations contained within the report.

5. **INTERNAL AUDIT CHARTER UPDATE**

Huw Jones, Chief Finance Officer, went through the report. Public Sector Internal Audit Standards require a local authority to have a head of internal audit. Following the retirement of the Head of Finance, this role now needs to be re-designated. There are no operational changes as a result of this re-designation.

Resolved: To approve recommendation contained with the report.

6. **INTERNAL AUDIT PROGRESS REPORT**

Anne-Marie O'Donnell went through the report. This report is presented quarterly. There are some changes brought about by staffing issues and effects of COVID-19.

It was confirmed that there are current staff vacancies which will remain whilst a review of staff structure is being undertaken. This financial year work has been curtailed due to a higher than normal level of sickness within the team and also due to the restrictions as a result of COVID-19. Some audits have been deleted completely and others rolled over into the new financial year. The new plan is detailed within the report.

It is inevitable the decision to amend this year's plan will have a knock on effect in 22/23. Officers are content that the audits being rolled forward need to be undertaken. They are high risk areas and link directly into the Council's corporate priorities. In the New Year there will be meetings with the various SMT's across the Council. Until these meetings have taken place it is difficult to quantify the effect of the changes. Similar to the rest of the authority, the effect caused by the pandemic will be ongoing for several years.

Resolved: To approve the recommendation contained within the report.

7. REGISTER OF REGULATORS REPORTS & RECOMMENDATIONS

Caryn Furlow-Harris went through the report. The report provided the committee with their first update on reports received by external regulators. This provides the committee with a process to monitor any external recommendations contained within the reports.

The reports received since April 2021 were listed together with a brief synopsis of each report and confirming no recommendations were contained with the reports.

There have also been two reports published in September. Firstly a national report published by Audit Wales on Regeneration of Town Centres. It contained recommendations for Welsh Government and also two recommendations for local authorities. Officers in the Environment Directorate are now considering the recommendations and a report will be taken to the Regeneration and Sustainable Development Cabinet Board in January which will set out the actions proposed to be taken to address the recommendations.

The second report was received following the Joint Inspection on Child Protection Arrangements. It has a number of findings with a

joint action plan being developed. This will be presented to the Social, Health & Well-Being Cabinet Board in December.

Resolved: To approve recommendation within the report.

8. **AUDIT WALES WORK PROGRAMME AND TIMETABLE**

Members noted the report.

9. **FINANCIAL SUSTAINABILITY OF LOCAL GOVERNMENT**

A couple of points were brought to members' attention. The report builds on the report published in October 2020.

There are a couple of key themes which are prevalent in all Council's. Additional funding was provided to Council's to mitigate the cost of the pandemic. As a result, the financial position of all Council's has improved. All Councils have increased their levels of reserves. The report also found there were some areas of significant over spend by some Council's and that demand pressures continue to increase.

The report sets out four steps that Councils can do to improve financial sustainability, in relation to financial strategy, reserves, performance against budget and savings delivery

Members noted the report.

10. **FINANCIAL SUSTAINABILITY ASSESSMENT**

This local report builds upon work in 2019/2020. The themes identified in the report follows those in the national report and found that the Council is well placed to maintain financial sustainability. Additional welsh funding mitigated immediate impact on financial sustainability.

The report acknowledged that the level of reserves has increased. Also, the Council has a good track record of delivering services within agreed budgets and delivering most of its planned savings.

Members noted the report.

11. **URGENT ITEMS**

There were no urgent items.

12. **ACCESS TO MEETINGS**

RESOLVED: that pursuant to Section 100A(4) and (5) of the Local Government Act 1972, the public be excluded for the following items of business which involved the likely disclosure of exempt information as defined in Paragraphs 12, 13 and 14 of Part 4 of Schedule 12A to the above Act.

13. **SPECIAL INVESTIGATIONS**

Members received an update on the private reports issued since the last committee meeting together with details of all current special investigations.

RESOLVED: That the report be noted.

CHAIRPERSON