

**Minutes of the Meeting of GOVERNANCE AND AUDIT COMMITTEE  
held at via video conferencing on Thursday, 9 September 2021**

**PRESENT:** Councillors Elizabeth Evans(Chair) Councillors Gareth Davies, Peter Davies MBE, Keith Evans, and Rowland Rees-Evans

Independent Member: Prof.Ian Roffe JP

**ALSO IN ATTENDANCE:** Councillor Rhodri Evans Gareth Lloyd, and Ray Quant MBE (Cabinet Members) together with Councillor Lloyd Edwards

**OFFICERS IN ATTENDANCE:** Ms Elin Prysor, Corporate Lead Officer-Legal and Governance & Monitoring Officer; Mr Russell Hughes-Pickering – Corporate Lead Officer – Economy & Generation, Mr Arwyn Davies – Corporate Manager – Growth and Enterprise , Ms Nia Jones, Corporate Manager – Democratic Services, Mrs Amanda Roberts, Corporate Manager- Internal Audit, Legal and Governance Services, Miss Sian Howys, Corporate Manager – Porth Cynnal, Mrs Meinir Ebbsworth – Corporate Lead Officer – School Services, Mr Rob Starr, Performance and Research Manager; Ms Hannah Rees- Governance Officer, Mrs Dana Jones, Democratic Services and Standards Officer

Audit Wales – Ms Non Jenkins

(9.30am – 12:50pm)

- 1     **Apologies**  
Councillor Matthew Woolfall Jones, together with Mr Jason Blewitt, Eleanor Ansell and Clare James of Audit Wales, apologised for their inability to attend the meeting.
  
- 2     **Personal Matters**  
The Committee welcomed Councillor Lloyd Edwards back to the Council following a period of illness.  
  
Condolences were expressed to the family of the former Councillor Will Edwards on his passing.
  
- 3     **Disclosure of Personal/ Prejudicial Interest**  
None.
  
- 4     **Corporate Risk Register**  
It was reported that regular reports were provided to the Governance and Audit Committee regarding the Council's Corporate Risk Register to provide on-going information and assurance that risks continue to be managed. This assists the Governance and Audit Committee in their role of providing independent assurance to Council and management of the adequacy of the risk management framework.

Since March 2020 when the Covid-19 pandemic reached Wales, the Council's response to the Covid-19 outbreak has taken priority. Risk R018 sets out the details of the risk and the mitigating actions that are required to reduce the spread of the disease in Ceredigion.

All risks had been reviewed and include updated commentary. Governance and Audit Committee were requested to note the following changes to the Register since the last update:

- R009 Information Management had been expanded to Information Management and Cyber Security Resilience to reflect the increasing importance of cyber security with home-based office staff.
- R018 Covid-19 – the risk score has decreased from 25 to 20 to reflect the latest situation regarding the risks associated with the pandemic following the success of the vaccination programme. The Council continues to engage in response and recovery arrangements with a variety of internal and external groups.

The remaining risks have no changes to risk scores since last reported, but the mitigating actions have been reviewed and the commentary updated.

It was AGREED to note the report subject to the following:-

- (i) the need to address the risk associated with the lack of HGV drivers and its impact on services locally and nationally, the Performance and Research Manager stated that this issue had been highlighted and would be fed in to the next review of the register, it was also noted that the Thriving Communities Overview and Scrutiny Committee were to consider the lack of drivers within the refuse collection service and its impact on the service recently,
- (ii) the need to readdress the high risk associated with food safety inspections, this would be fed back to the relevant officers;
- (iii) the need to consider the risk associated with trees with ash dieback especially with the possible inclement weather during the winter period, this would also be fed back to the relevant officers and could be incorporated in the programme of work to address the ash dieback on footpaths and Council roads;
- (iv) the need to engage with the public in relation to Climate Change and Coastal Erosion/Flooding due to the possible inclement weather over the winter period, this was required to address the worries of residents on these risks, these comments would also be fed back to relevant officers; and
- (v) to note that the risk register was an excellent management tool/matrix which was a testimony of the work between the committee and officers to address areas of risk

## 5 **Audit Wales Work Programme Update**

Reports are regularly provided to the Governance and Audit Committee on current Audit Wales studies and progress being made in response to previously reported proposals or recommendations.

There are two elements to the report:

- 1) to provide details of progress to date on previous reports from Audit Wales, and
- 2) to report on current work with Audit Wales.

## 1) Progress Update

- Local reports received:
- National reports received:
  - *Poverty in Wales*
  - *Building social resilience and self-resilience in citizens and communities*
  - *Social enterprises*
- Certificates Received: none
- Management Response Forms Update:
  - Excel Spreadsheet of MRF Responses
  - *'Raising our Game' Tackling Fraud in Wales (30/7/2020)* (updated response) June 2021
  - *Well-being of Future Generations: An examination of the design and implementation of the Council's Integrated Services Model* (updated response August 2021)
- Council Protocol Update

## 2) Current Work

- Audit Wales Letter to Governance and Audit Committee Chair – Audit Wales Reports and Recommendations (Audit Wales Work Programme and Timetable – Ceredigion County Council
- Springing Forward Project Brief (2022-2022)

It was AGREED to note the reports presented subject :-

- (i) to further discussion with the Chair, Vice-Chair and Officers following the meeting on the content and size of the agenda of Committee meetings; and
- (ii) to consider the suggestion that possibly annually a meeting would be arranged to only consider Governance issues, this was in order to address the change in the responsibilities as reflected in the name of the Committee – Audit Committee to Governance and Audit Committee.

## 6 **Care Inspectorate Wales ('CIW') Assurance Check 2021**

A letter from Care Inspectorate Wales ('CIW') was received by the Corporate Lead Officer – Porth Cynnal/Statutory Director of Social Services on 2nd July 2021. A detailed report on the content of the letter was provided

It was AGREED to note the content of the letter received and to congratulate the service on an excellent report.

## 7 **Estyn Letter – Summer Term 2021**

It was reported that In November 2020, Estyn held a virtual meeting with the Schools and Culture Department's officers, to evaluate our work in supporting schools during the Covid pandemic. Estyn subsequently outlined its findings in a letter, which was presented to this committee, Cabinet and the Learning Communities Overview and Scrutiny Committee. Estyn also compiled a national report, which contained specific recommendations.

In May 2021, Estyn held a second meeting with every Local Authority and focussed on our work in response to the national report's recommendations. Estyn sent a letter to the Chief Executive on 16 July 2021, outlining our work in those areas.

It was AGREED to note the report for information. Members wished to congratulate the service on the excellent report.

#### **8 Internal Audit Progress Report 1/4/21 – 30/6/21**

Consideration was given to the report of the Corporate Manager-Internal Audit on the Internal Audit Progress Report Quarter 1 (1/4/2021-30/6/2021). The report had been presented to ensure that the Committee was satisfied that the Internal Audit Section was undertaking sufficient and appropriate work in order to provide a realistic assurance at year-end, whilst adding value and assisting the Council in achieving its objectives.

It was AGREED to note the work undertaken and current position of the Internal Audit Section.

Members wished to congratulate the service on their work contained in the report.

#### **9 Internal Audit Report – Estates**

Consideration was given to the report of the Corporate Manager – Internal Audit on the Internal Audit Report – Estates. Following a discussion regarding the breakdown in communication between Audit Wales (AW) and the Council's Estates Service at the June Governance & Audit Committee (GAC), it was agreed:

12 (ii) that the internal audit service seeks an explanation regarding the communication problem that arose within the estates service, that led to the delays in providing information to Audit Wales.

The Corporate Manager Internal Audit (CMIA) reported that she had arranged a meeting with the Corporate Manager Growth & Enterprise (CMGE) on 29/7/21 to discuss this issue.

At the meeting, CMGE confirmed that during the preparations for the specified accounts, the requisite work was completed as necessary; however, the Estates service's own internal checks took longer than expected. This, coupled with other work pressures, had caused a delay in communication with AW. In hindsight, CMGE acknowledges AW should have been informed of this at the time and takes full responsibility for this oversight.

To ensure there was satisfactory communication going forward, the CLO - Economy & Regeneration (CLOER) and CMGE meet fortnightly with the Audit Manager and

Audit Lead from AW's local Financial Audit team. CLOER agreed that this arrangement has worked well to date. No major issues have arisen since, and a draft report re the current valuations had already been shared with the AW Officers for feedback.

This joint forum would continue to meet either fortnightly or monthly – dependant on AW, to ensure any issues arising will be dealt with immediately, and to avoid the occurrence of any further communication delays.

To conclude, the AW Audit Manager corroborated the above arrangements by email on 30/7/21 and confirmed that communication at this stage is improved.

The Audit Wales representative at the meeting also read out a statement prepared by the AW Audit Manager confirming that he was satisfied with the current position.

Members were pleased to receive assurance that the situation regarding communication has now improved, and it was AGREED to note the current position.

10 **Report on addressing asset valuation issues arising from the 2019/20 Audit Wales Report and subsequent Audit Wales input**

Following a report and discussion at the Governance and Audit Committee of 3rd June 2021 on performance relating to the valuation of Council assets, this is an update on the steps taken since to ensure that short term and long term sustainable improvements were achieved for the valuations system going forward.

Steps taken since June

As poor communications was identified as a key issue, regular (fortnightly) meetings had taken place between the Corporate Lead Officer, Corporate Manager and officers at Audit Wales as preparations were made for the review of the 2020/21 valuations in September.

The draft valuations report was shared with Audit Wales officer and small amendments suggested. The report had now been amended and completed.

A meeting took place between Audit Wales officers and officers of the Estates service on September 6th to set out the review process.

Members of staff from the Estates have been on hand during the two weeks following the 6th to respond to any queries raised.

Future improvements

The series of scheduled meetings between the CLO / Corporate Manager and Audit Wales would continue as the 2021/22 valuations work was undertaken, so that any

issues can be identified and addressed immediately.

Recruitment to fill vacancies in the service will take place in the coming 4-6 weeks, which would also support the on-going improvements in the service.

It was AGREED to note the current position.

11 **Governance and Audit Committee Annual Report 2020-21**

At the Governance and Audit Committee meeting of 14th September 2017 it was agreed that the Governance and Audit Committee would publish an Annual Report providing an assessment on the effectiveness of the Governance and Audit Committee and to provide assurance that issues have been addressed and progressed.

The Governance and Audit Committee Annual Report was used to:

- a) Highlight the work carried out by the Governance and Audit Committee during the year;
- b) Show how the Governance and Audit Committee has made a difference;
- c) Set out the forward work programme for the year ahead; and
- d) Provide Self-assessment and assurance.

Consideration was given to the draft Committee's Annual Report 2020/21. It was reported that it would be presented to Council by the 2020/21 Chair of the Governance and Audit Committee, and would also be subsequently published on the Council's website.

Following questions from the floor, it was AGREED to approve the draft Annual Report of the Chair, 2020-21 prior to presentation to Council; subject to including reference that the Committee had been preparing during 2020-21 to address the new responsibilities of the Committee in relation to governance; in addition to a proactive role in improving the services provided by the Council where necessary.

12 **Report on Annual Governance Statement 2021-2022 Progress and Current Year Action Plan**

A detailed background to the Report was provided to Members, to include an update on the 2021-22 Annual Governance Statement Progress and the progress on actions set out in the 2020-21 Annual Governance Statement for 2021-22.

It was confirmed that a review of the Annual Governance Framework 2021/2022 is in progress and a workshop with Governance and Audit Committee Members and

appropriate Officers shall be held in November/December to prepare a draft statement for approval at the January 2022 Governance and Audit Committee Meeting.

It was noted that Councillor Keith Evans would write to the Monitoring Officer with reasons of his request for the Committee/Council to view the declarations of interest of Chief Officers as discussed at the meeting.

It was AGREED to accept the progress report on actions set out in the 2020-2021 AGS Action Plan for 2021/2022.

**13 Governance and Audit Committee Forward Work Programme**

The Forward Work Programme was presented to the Committee. It was confirmed that the Capital Expenditure Report has been removed from the Committee's Forward Work Programme, as agreed by the Chair; and that the Audit Wales Financial Sustainability Report would also be presented at the Committee's January Meeting.

It was AGREED to note the content of the Forward Work Programme as presented.

**14 Minutes of the meeting of the committee held on the 03 June 2021**

It was AGREED to confirm as a true record the Minutes of the Meeting of the Committee held on 03 June 2021.

**Matters arising**

It was reported that the response from the CLO – Customer Service had not been sought from Customer Services regarding the £150,000 spent on smartphones. This information would be obtained and circulated to Members on email by the end of September; and reported back to the next meeting accordingly.

**15 EXCLUSION OF PUBLIC AND PRESS**

**Coroner's Service - Funeral Director Fees -The appendices relating to item 15 are not for publication as they contain exempt information as defined in paragraph 14 of Part 4 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to information) (Variation) (Wales) Order 2007. If, following the application of the Public Interest Test, the Council resolves to consider this item in private, the public will be excluded from the meeting during such consideration, in accordance with Section 100B(2) of the Act.**

**DECISION**

**It was AGREED to exclude the Public and Press**

Members considered the report and appendices provided and it was AGREED that a further report on the information requested would be presented at a future meeting.

16 **Any other matter which the Chairman decides is for the urgent attention of the Committee**

The Chair reported that she and several officers had attended on Monday 6<sup>th</sup> September 2021 the Governance and Audit Committee Chairs' Network meeting arranged by the Wales Chief Auditor Group, which was a very helpful Meeting. She stated that it was positive that many Councils had also indicated they intended to have 9 Members on their Governance and Audit Committees, although some had indicated they had up to 19 Members on their current committees; however, many had reported that they would be reducing their membership from May 2022 due to the new legislation. It was also pleasing to note that Ceredigion was ahead of others in the lay member recruitment process.

**Confirmed at the Meeting of the Governance and Audit Committee held on 25 November 2021**

**Chairman:**\_\_\_\_\_

**Date:**\_\_\_\_\_