

## CEREDIGION COUNTY COUNCIL

<b>Report to:</b>	<b>Governance and Audit Committee</b>
<b>Date of meeting:</b>	<b>3 June 2021</b>
<b>Title:</b>	<b>Internal Audit Report – Governance Framework Review 2020/21</b>
<b>Purpose of the report:</b>	<b>To advise Members of the audit findings</b>
<b>Cabinet Portfolio and Cabinet Member:</b>	<b>Cllr. Ray Quant, Deputy Leader of the Council and Cabinet Member for Legal &amp; Governance, People and Organisation, and Democratic Services</b>

A review has recently been undertaken of the Framework supporting the Annual Governance Statement (AGS) for 2020/21.

The Governance Framework, AGS and Local Code of Corporate Governance were presented to the Committee in February 2021. Members of the Committee were also involved in its review.

AW provides an audit opinion on the AGS based on its consistency with their knowledge and compliance with legislation.

The internal audit review consists of an assessment of the procedures in place to compile the governance framework, the scoring methodology used, and consideration of the 'evidence' noted in the framework.

This review therefore complements AW's work on the AGS, and provides assurance that the procedure is robust, focussed and effective.

<b>Recommendation(s):</b>	To note the review of the Governance Framework
<b>Reasons for decision:</b>	Information only
<b>Appendices:</b>	Internal Audit Report – Governance Framework Review 2020/21
<b>Head of Service:</b>	Elin Prysor CLO-Legal and Governance / Monitoring Officer
<b>Reporting Officer:</b>	Amanda Roberts Corporate Manager – Internal Audit
<b>Date:</b>	3 June 2021

Mae'r adroddiad yma ar gael yn Gymraeg.  
This report is available in Welsh.

**GWASANAETHAU  
CYFREITHIOL A  
LLYWODRAETHU**

**LEGAL & GOVERNANCE  
SERVICES**

**GWASANAETH ARCHWILIO MEWNOL  
INTERNAL AUDIT SERVICE**



**Cyngor Sir  
CEREDIGION  
County Council**



**ADRODDIAD ARCHWILIO – AUDIT REPORT**

**Governance Framework Review 2020/21**

Report Prepared by: Amanda Roberts,  
Corporate Manager – Internal Audit

Date of Issue: 28 April 2021

# INTERNAL AUDIT REPORT

## Governance Framework Review 2020/21

### EXECUTIVE SUMMARY

A review has recently been undertaken of the framework supporting the Annual Governance Statement (AGS) 2020/21.

The review was undertaken to complement Audit Wales (AW) officers' work, whose opinion provides assurance that the AGS is consistent with their knowledge and compliant with legislation.

Although the pandemic affected working practices and governance during 2020/21, I'm pleased to report that the systems and procedures audited were found to be satisfactory, enabling the Internal Audit Section to provide high assurance that there is a sound system of scrutiny and robustness in place.

I would like to take this opportunity to thank Hannah Rees, Governance Officer (GO) for her ready assistance and co-operation during the course of the audit.

### OBJECTIVE

The main objective of the assessment is to review the procedure and self-assessment arrangements of the governance framework, the scoring methodology used and the evidence available, in order to provide an opinion to the Corporate Lead Officer – Legal and Governance of Internal Audit's evaluation of scrutiny and robustness present in the process.

### AUDIT APPROACH

The assessment was designed to evaluate the attainment of specific standards. These are mainly the standards set out in CIPFA's Better Governance document. In doing so, Internal Audit has:

- Examined the standards and framework,
- Held discussions with key personnel, and
- Reviewed the procedures employed by the service to produce the framework, to include attending the workshops.

### SUMMARY OF FINDINGS

The Governance Officer is responsible for co-ordinating and drafting the AGS and supporting framework. The current framework arrangement was adopted in 2016/17 and in accordance with AW (then WAO) recommendation, Member / officer workshops have been held to scrutinise, review and update the framework annually.

The items substantiating good governance against each principle have been listed / described as evidence in the framework.

During the workshops Members and officers had an opportunity to assess those items, and to score them accordingly, using the system as noted in the AGS:

- 1/2 Unacceptable - Immediate action required
- 3/4 Below satisfactory - Urgent action required (within 3-6 months)
- 5/6 Satisfactory - Action required (before end of year 9-12 months)
- 7/8 Acceptable - Minor adjustments may be required
- 9/10 Good - Overall governance considered to be good and meets best practice; No further action required

In addition, where possible improvements have been identified, appropriate action has been included in the following year's action plan.

During the audit review, the framework evidence and scores were assessed, and an additional statement / opinion provided to substantiate their effectiveness.

## CONCLUSION

From the review, it is concluded that there is a sound system of scrutiny and robustness in the systems and procedures preparing and scoring the framework – this is further demonstrated from the assessment of the evidence provided as assurance against each element in the framework.



MAR/AGS  
28 April 2021

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Corporate Manager - Internal Audit

### Report Distribution

Elin Pryor, Corporate Lead Officer – Legal & Governance / Monitoring Officer  
Hannah Rees, Governance Officer  
GAC/AW