

Minutes of the Meeting of GOVERNANCE AND AUDIT COMMITTEE
held Hybrid - Neuadd Cyngor Ceredigion, Penmorfa, Aberaeron / remotely via video
conference on Tuesday, 17 January 2023

PRESENT: Mr Alan Davies (Chair) Councillors Elizabeth Evans, Wyn Evans and Gareth Lloyd together with Mr Andrew Blackmore and Mrs Caroline Whitby

Also in attendance: Councillors Bryan Davies, Wyn Thomas and Matthew Vaux (Cabinet Members)

Officers in attendance: Ms Elin Prysor, Corporate Lead Officer-Legal and Governance & Monitoring Officer; Mr Alun Williams- Corporate Lead Officer – Policy & Performance, Mrs Alex Jenkins, Corporate Manager, Internal Audit, Mr Harry Dimmack, Governance Officer; Mrs Dana Jones, Democratic Services and Standards Officer

(9:30am -10:45am)

1 Apologies

Councillor Endaf Edwards apologised for his inability to attend the meeting.

2 Disclosures of Personal / Prejudicial interest

None.

3 Personal Matters

The Chair welcomed to the meeting the new independent person/lay member, Mr Andrew Blackmore to his first meeting.

4 To confirm the Minutes of the Governance and Audit Committee held on 29 September 2022 and to consider any matters arising from those Minutes

It was AGREED to confirm as a true record the Minutes of the Meeting of the Committee held 29 September 2022 subject to amending
(i) Minute 16, (iii) Corporate Risk Register should read “that further consideration should be given by the Healthier Communities Overview and Scrutiny Committee to the workload of Food Safety team due to the number of outstanding inspections”; and
(ii) that the roman numeral should be 16 (iv) and not 16(vi)

5 Governance and Audit Committee Lay Member & Deputy Chair Arrangements

Consideration was given to the Governance and Audit Committee Lay Member and Deputy Chair Arrangements.

It was AGREED:-

(i) to note that on 15/12/22 Council appointed Mr Andrew Blackmore as a new independent/lay member of the Governance and Audit Committee; and

(ii) to appoint Mr Andrew Blackmore, Deputy Chair with immediate effect from 17 January 2023 for the remainder of a two-year period from May 2022 (up to May 2024).

Mr Andrew Blackmore introduced himself to the Committee accordingly.

6 Governance and Audit Committee Meeting Actions Log

Consideration was given to the Governance and Audit Committee Meeting Actions Log.

It was AGREED:

- (i) to note the content and the update as presented;
- (ii) That the Actions Log would also be amended to include an extra column for “in progress” to provide further information on the progress of incomplete actions; and
- (iii) that in response to Item 2: Corporate Risk Register (VI), the Ash Dieback Report presented to the Thriving Communities Overview and Scrutiny Committee on 19/10/2022 would be distributed to members.

7 Regulator & Inspectorate Reports & Updates

Consideration was given to the Regulatory & Inspectorate Reports and Updates Item. The report sets out Regulator and Inspectorate Reports and updates and had three parts:

- a) Audit Wales quarterly update to Governance and Audit Committee-not updated since September 2022;
- b) Any local risk work issued/published since the last Governance and Audit Committee meeting
- c) Audit Wales National Reports

Elin Prysor noted the following:

- (i) The Care Inspectorate Wales Inspection report on Targeted Care and Enablement was satisfactory-no non-compliance.
- (ii) The IPCO Inspection report was received and has been responded to-no further action required.
- (iii) Audit Wales national reports:
 - Time for Change – Poverty in Wales: MRF to follow
 - A Picture of Flood Risk Management: presented to Leadership Group, and will be shared with Scrutiny Committee
- iii)Equality Impact. Missed Opportunity-Social enterprises and national Fraud to be presented to Leadership Group if not already
- (iv) That the process of handling Audit Wales reports and providing responses would be updated.

Audit Wales Officers, Non Jenkins and Jeff Brown were also present and provided a summary of reports from Audit Wales:
Q3 update to follow

It was AGREED

(i) to note the current position; and
(ii) to note that the Leadership Group would consider all national reports in future in order that a decision is made (and recorded) as to whether any action is required and appropriate actions considered.

It was also noted that it was important that all Lay Members be invited to all budget workshops in the future to gain greater knowledge of the Council Budget preparation

8 Internal Audit Progress Report 1/7/22 – 30/9/22

Consideration was given to the report of the Corporate Manager-Internal Audit on The Internal Audit Progress Report Quarter 2. 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 Service

9 Internal Audit Charter 2023/2024

Consideration was given to the Internal Audit Charter 2023/24. It was reported that the Public Sector Internal Audit Standards (PSIAS) attribute standard 1000 requires that all internal audit (IA) activities maintain an 'internal audit charter'. The charter was a formal document that defines the internal audit activity's purpose, authority and responsibility, and establishes internal audits' position within the organisation.

CSC's Internal Audit Charter was originally approved in March 2013 in conjunction with the introduction of the PSIAS. It had been regularly reviewed by the CMIA, and updated when required. All updated versions had been approved by the Governance and Audit Committee.

The 2023/24 IA Charter had been reviewed and updated by the CMIA. The Charter has been re-structured and updated as per recommendations from the IA service's External Quality Assessment to include:

- The Charter now includes an introduction to explain the purpose of an Audit Charter;
- Internal Audit's main objectives and how they are accomplished;
- The Governance & Audit Committee's responsibilities to Internal Audit;
- The Chief Finance Officer's responsibilities to Internal Audit; and
- The IA Service's resourcing and current staffing structure.

It was AGREED to APPROVE the report as presented.

It was also noted that it was important that all Lay Members be invited to all budget workshops in the future to gain greater knowledge of the Council Budget preparation.

10 Governance Framework Document 2022-23, the Local Code of Corporate Governance 2023-24 and Annual Governance Statement 2022-23 progress update

It was reported that a workshop was held on 28 November 2022 for relevant Officers and committee Members to consider progress on the actions set out in the 2021-2022 Governance Framework Document. During this workshop, the Governance Framework Document was reviewed to consider any updated evidence which may be included in the document and to reflect on previously identified actions.

The Governance Framework Document 2022-23 had been produced as a result of the aforementioned workshop and contributions from the various responsible Officers set out in the document.

The Governance Framework Document 2022-23 would form the basis for the Annual Governance Statement 2022-23, which would be presented to this committee in draft form at its 9th March 2023 meeting.

The final review scoring completed during the workshop was included in the report for Members. In summary a total of 94 behaviours were reviewed. As a result of discussions following the workshop, it was proposed that one score be improved from 5/6 to 7/8 (B3.1) as a result of the implementation of an identified action. This action was achieved by the implementation of the Engagement and Participation Policy. Therefore, 90 total behaviours were now scored at 9/10 and 4 were scored at 7/8.

The Local Code of Corporate Governance 2022-23 had been reviewed and amended to create the Draft Local Code of Corporate Governance 2023-24. The Code had been updated to provide a greater level of clarity on the Council's implementation of the seven principles of good governance, as set out in the CIPFA/SOLACE Delivering Good Governance in Local Government Framework (2016 Edition), into its own Local Code of Corporate Governance. The table setting out the Code and the actions taken to meet the requirements had also been amended to make it easier to read.

Whereas in previous years the Code had been presented as a copy of the Governance Framework Document, the 2023-24 Code takes a more 'forward-looking' approach to the Governance Framework by placing a greater focus on current practices rather than previously implemented actions.

Following questions from the floor, it was AGREED to

- (i) note the Governance Framework Document;
- (ii) approve the score increase from 5/6 to 7/8 for behaviour B3.1 in the Governance Framework Document as a result of the implementation of the Engagement and Participation Policy;

- (iii) recommend that Council endorses the Local Code of Corporate Governance 2023-24; and
- (vi) that the Framework and Code documents would be reviewed regularly going forward, and presented to Committee.

11 Half Year Report of Compliments and Complaints (2022/2023)

Introduction

It was reported that this report provided information relating to the numbers of compliments and complaints that were received by the Council during the period 1st April 2022 to 30th September 2022. The report itself which included specific information on the number of compliments received, the different complaints stages, performance and outcomes relating to these. There is also a section regarding the contact received by the Public Services Ombudsman for Wales ("the Ombudsman") during the reporting period.

Summary of activity for the first half of 22/23

- 95 Compliments were received
- 66 Complaints were received: Stage 1 = 40 Stage 2 = 26
- 16 'Contacts' received via the Public Services Ombudsman for Wales
- 206 Enquiries were processed by the Complaints & FOI Service
- The number of complaints received during this reporting period (66) was similar to the number received in both the first and second half of 2021/22 (62 and 71 respectively).
- The number of enquiries managed by the Complaints and FOI Service had increased slightly in the first half of 2022/23 compared with both the first and second halves of 2021/22, with an increase of 6% compared to the first half of 2021/22, and an increase of 18% when comparing to the second half of 2021/22.
- Stage 1 complaints rose by 8 (an increase of 25%) compared with the first half of 2021/22. However, there was a fall in the number of complaints investigated at Stage 2 (a decrease of 4, or 13%).
- The number of complaints referred to the Ombudsman has decreased compared to the number referred within both the first and second halves of 2021/22. 9 complaints were closed after initial consideration (56%), with 1 case deemed as 'Premature' (6%). The remaining 6 cases were resolved by way of 'Early Resolution' (38%).
- A smaller proportion of complaints were upheld during the first half of 2022/23, 41% compared with 49% of all complaints received in 2021/22. 33% of complaints received during this reporting period were not upheld, which was a similar proportion compared with 2021/22 where 31% of complaints were not upheld. There had, however, been an increase in the number of complaints that had either been discontinued or withdrawn, with 20% being

discontinued/withdrawn during the first half of 2022/23 compared with 8% of all cases from 2021/22.

It was AGREED to endorse the contents of the Half Year Report of Compliments and Complaints (2022/2023). The Committee also requested further detail on the complaints received and its impact on residents. In response, the Corporate Lead Officer, Policy and Performance, reported that this information could be collated but was concerned that there was currently not sufficient resource in the service to collate this information.

It was also agreed that the Corporate and Social Services complaints policies and procedures are to be distributed to members of the Governance and Audit Committee.

12 Ceredigion County Council Final Self-Assessment Report 2021/22 Background

Part 6 of the Local Government and Elections (Wales) Act 2021 introduced a new Self-Assessment based performance regime for Principal Councils.

The new performance regime was intended to build and support a culture in which councils continuously seek to improve and do better in everything they do, regardless of how well they were performing already. It was the expectation of the Act that councils would always be striving to achieve more and seek to ensure best outcomes for local people and communities.

There were 5 specific duties for Councils introduced by the Act:

- Duty to keep performance under review
- Duty to consult on performance
- Duty to report on performance
- Duty to arrange a Panel Performance Assessment
- Duty to respond to a Panel Performance Assessment

Under its duty to report on performance, the Council was required to publish a Self-Assessment Report once in respect of every financial year setting out the conclusions as to the extent to which the Council met the performance requirements during that financial year, and any actions it will take, or has already taken, to increase the extent to which it would meet the performance requirements. The emphasis of the Report was on understanding how the Council was operating now, the likely demands it would in the future, and how it could build sustainability.

The Governance and Audit Committee considered the Draft Self-Assessment Report at its meeting on 27 September 2022. No formal recommendations to change the conclusions or the actions that the Council intends to take were made, however, minor formatting amendments were requested and a number of points raised on how to improve the next round of reporting. The Self-Assessment Report had been updated with these

amendments. The Report was approved by Cabinet on 6 December 2022 and by Council on 15 December 2022.

Governance and Audit Committee were one of the four statutory recipients of the Final Self-Assessment Report. The Report would also be submitted to Ministers, Estyn and the Auditor General for Wales, as well as being published on the Council's website.

It was AGREED to

- (i) receive the Self-Assessment Report 2021/22 including the Annual Review of Performance and Well-being Objective; and
- (ii) continue to scrutinise the report in order to improve performance in the future.

13 Ceredigion County Council Corporate Strategy 2022-2027 including Corporate Well-being Objectives

The purpose of the Corporate Strategy was to illustrate how the Council would seek to enhance the social, economic, environmental and cultural well-being of the citizens and communities of Ceredigion and also maximise its contribution to the seven National Well-being Goals in accordance with the Well-being of Future Generations (Wales) Act 2015.

The Corporate Well-being Objectives were:

- Boosting the Economy, Supporting Businesses and Enabling Employment
- Creating Caring and Healthy Communities
- Providing the Best Start in Life and Enabling Learning at All Ages
- Creating Sustainable, Green and Well-connected Communities

They had been identified through extensive analysis of evidence and engagement with residents, including the ambitions of the new political administration, the Ceredigion Assessment of Local Well-being and the public consultation on the draft strategy during September/October 2022.

The objectives had also been identified through the lens of the Wellbeing of Future Generations (Wales) Act 2015. This involved identifying how we could maximise our contribution to the national well-being goals and also ensure that we used the sustainable development principle to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

The Corporate Strategy would be delivered over the next five years and progress would be reviewed annually in the Council's Self-Assessment Report published in November each year.

It was AGREED to receive the new Corporate Strategy 2022-2027 including the new Corporate Well-being Objectives.

The Corporate Strategy would be publicised on all Council's media pages and website following the meeting.

14

Forward Work Programme

It was AGREED to note the content of the Forward Work Programme as presented subject to noting that the Internal Audit National Fraud Initiative Self-Appraisal item had been removed from the original agenda of the 17 January 2023.

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

Chairman:_____

Date:_____