

To: Members of the Governance and
Audit Committee

Date: 2 March 2023

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Dear Councillor

You are invited to attend a meeting of the **GOVERNANCE AND AUDIT COMMITTEE** to be held at **9.30 am** on **WEDNESDAY, 8 MARCH 2023** in **COUNTY CHAMBER, COUNTY HALL, RUTHIN AND BY VIDEO CONFERENCE**.

Yours sincerely

G. Williams
Monitoring Officer

AGENDA

1 APOLOGIES

2 DECLARATION OF INTERESTS (Pages 3 - 4)

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

3 URGENT MATTERS

Notice of items, which in the opinion of the Chair should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

4 MINUTES (Pages 5 - 18)

To receive the minutes of the Corporate Governance Committee meeting held on 25 January 2023 (copy enclosed).

5 AUDIT WALES REPORT - PUBLIC SECTOR READINESS FOR NET ZERO CARBON BY 2030 (Pages 19 - 62)

To consider a report that summarises the Audit Wales Report of Public Sector Readiness for Net Zero Carbon by 2030 and provides Officers' responses to the five Calls for Action (copy attached).

6 PROGRESS UPDATE ON STATEMENT OF ACCOUNTS 2021/22 (Pages 63 - 68)

To receive an update report on the audit of the draft Statement of Accounts 2021/22 (copy attached).

7 GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME (Pages 69 - 74)

To consider the committee's forward work programme (copy enclosed).

MEMBERSHIP

Councillors

Ellie Chard
Justine Evans
Carol Holliday

Elfed Williams
Mark Young

Lay Member

Nigel Rudd
David Stewart

Paul Whitham

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LOCAL GOVERNMENT ACT 2000

Code of Conduct for Members

DISCLOSURE AND REGISTRATION OF INTERESTS

I, (<i>name</i>)	<input type="text"/>
a *member/co-opted member of <i>(*please delete as appropriate)</i>	Denbighshire County Council
CONFIRM that I have declared a *personal / personal and prejudicial interest not previously declared in accordance with the provisions of Part III of the Council's Code of Conduct for Members, in respect of the following:- <i>(*please delete as appropriate)</i>	
Date of Disclosure:	<input type="text"/>
Committee (<i>please specify</i>):	<input type="text"/>
Agenda Item No.	<input type="text"/>
Subject Matter:	<input type="text"/>
Nature of Interest: <i>(See the note below)*</i>	<input type="text"/>
Signed	<input type="text"/>
Date	<input type="text"/>

*Note: Please provide sufficient detail e.g. 'I am the owner of land adjacent to the application for planning permission made by Mr Jones', or 'My husband / wife is an employee of the company which has made an application for financial assistance'.

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GOVERNANCE AND AUDIT COMMITTEE

Minutes of a meeting of the Governance and Audit Committee held in COUNTY CHAMBER, COUNTY HALL, RUTHIN AND BY VIDEO CONFERENCE on Wednesday, 25 January 2023 at 9.30 am.

PRESENT

Councillors Ellie Chard, Justine Evans, Carol Holliday and Mark Young

Lay Members Paul Whitham, Nigel Rudd and Dave Stewart

Cabinet Members – Councillor Gwyneth Ellis – Lead Member for Finance, Performance and Strategic Assets.

Councillor Julie Matthews – Lead Member for Corporate Strategy, Policy and Equalities.

Observer – Councillor Jeanette Chamberlain-Jones

ALSO PRESENT

Corporate Director: Governance and Business – Monitoring Officer (GW), Head of Finance and Property Services (Section 151 Officer) (SG), Corporate Director for Communities (NS), Chief Internal Auditor (BC), Chief Accountant (RE), Interim Head of Legal, HR & Democratic Services (LJ), Interim Head of Legal, HR & Democratic Services (LD), Lead Business Partner - Organisation Development (AM), Committee Administrator (RTJ) (Zoom Host) and Committee Administrator (SJ).

Audit Wales representatives David Williams and Gwilym Bury was also in attendance.

1 APOLOGIES

Apologies for absence were received from Councillor Elfed Williams

2 DECLARATION OF INTERESTS

None.

3 URGENT MATTERS

There were no urgent items raised.

4 MINUTES

The minutes of the Governance and Audit Committee meeting held on the 23 November 2022 were presented for consideration.

Matters of Accuracy –

Page 13 – Budget Process update – The statement ‘The proposals had included the use of cash reserves in 2024/25.’ Should read 2023/24.

Matters Arising –

Page 12 - Capital Process and The Future of the Strategic Investment Group – The Chair asked for an update if the Capital Process had been presented to Council – The Head of Finance confirmed the Capital Budget was being presented to County Council in February for approval. A report on Revenue Budget was due to be presented to County Council 31 January.

Page 9 – Corporate Risk Register – Independent Lay Member Nigel Rudd asked for an update on any progression on the use of picture diagrams or tables used within the register. The Chief Internal Auditor agreed to seek an update from the Strategic Planning Team. Mr Rudd suggested the use of a SMART reference in relation to the suggestion.

Page 8 – Minutes – Independent Lay Member Paul Whitham made a comment on the WLGA online training along with the reference to training on additional training on the Corporate Risk Register, suggesting it may be beneficial for the committee to have a training plan to identify what training has been requested, what had taken place and training due to take place. The Chair agreed that it may be beneficial for members to monitor training and make suggestions of future training areas. The Chief Internal Auditor suggested an information report on future training sessions could be included on the agenda.

Page 14 - Progress Update on Statement of Accounts 2021/22 - The Chair asked if any update was available on the Statement of Accounts. The Head of Finance confirmed there was an issue on the asset register for the Statement of Accounts. The item that was causing the difficulties was the way the authority had apportioned the spend on council houses, where it had been apportioned it to the asset type as a whole rather than individual assets. The original request had been to review the asset register to 2007/2008. The intention had been to complete that work during January 2023 to allow Audit Wales time to audit the additional work on the asset register. Following that work it was hoped the report would be completed for presentation to the committee in March 2023. Unfortunately, when commencing that work he informed members that there were no working papers to back up those records. It was explained that financial papers were not stored for that length of time.

He confirmed discussions and conversations with Audit Wales to resolve the issue had taken place. He informed the committee, it had been agreed to restate the asset register from 2016/17 to the present day. That date had been chosen as that year was the last date that all council houses were revalued. He stressed the work had started, but it may prove difficult to meet the report deadline for the March committee meeting. Finance officers thanked Audit Wales for the continued support and positive communication.

A full update meeting will be presented at the March committee meeting.

The legislation for publication of the accounts had changed over recent years, it still stated the early close down dates. Members heard if a dispensation was issued explaining why those deadlines are not met the accounts can be published at a later date. The authority had fulfilled the legal requirements needed.

David Williams the Audit Wales representative echoed the thoughts of the Head of Finance. He concurred correspondence had taken place and they were satisfied it would be the best way forward.

Audit Wales looked for assurance of the opening balances to ensure a clear audit opinion can be provided.

The Head of Finance informed the committee that currently it was only Denbighshire County Council that was in the current situation. In the previous few years 2 other local authorities had been in a similar situation. Communication with those councils and officers who have worked on those issued had been very beneficial for both Audit Wales officers and Denbighshire Finance officers.

The Chair offered the support of the committee to all officers, including the agreement for a special meetings or further discussions that may be needed if required.

RESOLVED, *subject to the above that the minutes of the Governance and Audit committee held on 23 November 2022 be received and approved as a correct record.*

5 RECRUITMENT, RETENTION AND WORKFORCE PLANNING

The Lead Member for Corporate Strategy, Policies and Equalities introduced the report (previously circulated). She informed members recruitment and retention had been included on the corporate risk register.

The report had been produced in order to provide the committee with up to date information regarding Recruitment and Retention issues within the council and the progress on Workforce Planning activities.

The Interim Head of Legal, HR & Democratic Services provided members with further information on the report. Alongside the report, 3 appendices had been provided to help support the report and its contents. Pre pandemic the authority had a number of areas which had been hard to recruit in to, these had been some of the lower paid roles and a number of professional roles. During the pandemic those areas had remained the main vacancies that had been difficult to recruit. Statistics had been provided to support the hard work on recruitment.

The main barrier the authority faced had been the level of pay. The authority pay structure compared to agency pay structures was often lower. Members heard that following the pay award agreed in April 2022 a significant increase in pay for lower paid roles would be more in line with similar roles outside the authority. It was hoped the increase in pay would aid the recruitment of these roles.

Agile working was another concern noted by officers. The pandemic saw a number of roles across the job spectrum become more accommodating with working locations. This had impacted the recruitment and retention of staff.

Members heard officers were currently in consultation on a new way of working policy. It allowed employees more choice on where they work, it was hoped it would have a positive impact on the retention of staff along with the recruitment of staff from a wider area.

Following a review, officers highlighted one reason employees moved to other employment had been due to staff development. It was stressed training was provided to all staff and the development of staff to further roles.

Members were guided to the head count statistics, the figure for 2019 looked lower than previous years, that had been due to the 660 Denbighshire Leisure staff not being included. The statistics provided a quick reference for year on year staffing levels.

In summary, members heard officers were aware of areas of concern. Work with services was on going to recruit in to vacant roles. Social care in particular social workers was a key area of concern. This area was of concern across Wales and the UK as a whole.

The Chair thanked the officers for the detailed analysis of the report. He reminded members the reason for the report had been due to a request made from members. He reminded members a report was presented to the committee in October 2022 entitled Care Inspectorate Wales - Inspection of Intake and Intervention Service 2021. The report recognised the input of a high number of vacancies across the service. The committee requested further information on the delivery of other council services impacted by staff recruitment and retention issues. Any concerns raised on the delivery of services may be a governance issue and should be included in the Council Annual Governance Statement. He also reminded members that Internal Audit will be reviewing the effectiveness of the measures put in place later in the year.

During the debate the following points were discussed in more detail:

- Within the headcount table, it was noted the Social care staff were included under the Community Support Service and Education and Children's Service. Members noted it may not be easy to read and identify for the public to identify particular areas of concerns.
- Members raised the issue of more than one authority recruiting for the same roles causing 'poaching' of staff from other areas. Denbighshire officers continued to escalate concerns at local regional and national levels. It was noted the issues discussed in the report were UK wide concerns.
- Further requests had been made through the representative bodies for consideration of a national pay structure in particular equality of pay with the NHS.
- It was stressed that all options were being explored when addressing the concerns in social care, including grow your own, career pathways and trainee pathways. Any learning from those areas explored would be shared across other service areas in the authority.
- Training and development of employees was a focus at meetings with services and work force planning. A number of different forms were reviewed. Members heard one of the five principals set by the Chief Executive was round staff development. It was hoped it would filter down to the people's strategy, which focused on staff development.
- Social care in Wales was delegated to the Welsh Local Authorities, a national pay structure would be a discussion for the Welsh Government.
- Regionally an agreement had been made to not take agency workers from other local authority. The Health Board across North Wales did not use

agency staff, it was often from a different pool of staff and did not cause any issue. An agreement from the Health Board had been to allow the authority use of bank nursing staff if required.

- Lower paid jobs such as catering and cleaning had previously been an area of concern. This had not affected the service provided. The professional roles were taking longer to recruit to. The broad turnover rate across the whole organisation was at average or just below. Recruitment of staff continued, given the current environment that was more challenging.
- The committee requested officers to inform the committee if they identified any issues of the delivery of services due to staffing.
- The action plan included in the papers, indicated the work that was being conducted through each service. The Lead Member was regularly updated and kept abreast of any concerns. Members heard a report had previously been presented to Performance Scrutiny with the intention to present an update to the committee at a later date. Any service concerns were escalated to the CET to ensure support was provided where possible.
- The Chair supported, Performance Scrutiny receiving and debating the papers and updates. Members heard the papers were due to be presented to the Scrutiny Chairs and Vice Chairs for information with the intention to discuss the method to proceed. All members of the committee were in agreement to endorse the report and papers to be presented to the Performance Scrutiny committee.
- Assurance was provided that HR performed a workforce planning exercise annually with every service. Included was succession planning and areas and roles within those services that would need to be addressed. The People Strategy will be all encompassing around workforce issues and look forwards at how the organisation develops to meet any challenges.
- Collaborative work with partners had taken place and officers were open to looking at further ways of collaborative working. Members heard along with the official collaborative working close working relationships and informal joint working did take place and was beneficial.
- The Monitoring Officer confirmed, officers would revisit the Audit Wales report on Springing Forward to look any extracts that could be presented alongside a report to Performance Scrutiny.

The Chair thanked the officers for the detailed response to members questions and concerns.

It was,

RESOLVED, that

- I. the committee noted the details contained within the report and the interventions that had been put in place in order to support and strengthen recruitment, retention and workforce planning.*
- II. The committee endorsed the report to be presented to Performance Scrutiny when discussed at the next Chairs and Vice Chairs committee meeting.*

6 INTERNAL AUDIT UPDATE

The Lead Member for Finance, Performance and Strategic Assets along with the Chief Internal Auditor (CIA) introduced the report (previously circulated). It was

highlighted to members the dates on the report header should read January 2023. Members were updated on the Internal Audit Team's progress in terms of its service delivery, assurance provision, reviews completed, performance and effectiveness in driving improvement.

He informed the committee that since the last meeting two members of the audit team had moved to different employment. Close working with HR to look at recruit as soon as possible had taken place. The CIA offered his thanks to the staff in HR for the support and guidance that had been given. It had been decided the best process would be to advertise for all 3 positions (Senior Auditor, Principal Auditor and career pathways auditor) at the same time. He informed members the adverts for those jobs had been made public over a number of different platforms including social media, internal websites and local papers. He was pleased to let the committee know a number of applicants had been received for all posts. Interviews for the posts had taken place earlier in the year and the Principal Auditor position had offered to a highly qualified individual. It was hoped he would be in post by February. Unfortunately, the applicants for the Senior Auditor post had not met the job specification. He informed members that two individuals had been appointed on to the career pathway role and would be in post as soon as possible. The two individuals on the career pathway would create some work for the CIA to establish training courses and learning paths for the individuals. Looking forward it would create and develop staff in the audit team.

The report provided information on work carried out by Internal Audit since the last committee meeting. It allowed the committee to monitor Internal Audit's performance and progress as well as providing summaries of Internal Audit reports. Also included was a summary of the changes to the structure of Internal Audit for members reference.

Confirmation that 9 Audits had been completed since the last committee meeting. Details of 8 of the audits were included in the report. The ninth audit had been completed for Denbighshire Leisure Limited, it was an annual report presented to their governance subcommittee.

Of the 8 completed audits all received a high or medium assurance. There had been three follow up reviews completed since the last update and summaries were included for information. All three follow up reports had moved from a medium assurance to high.

Members heard additional information on external audit reports had been provided, the information had been extracted from a report that had been presented to the Chief Executive Team, Senior Leadership Team and to Cabinet briefing. The Chief Executive had requested to be made aware of all audit reports.

Progress had been made on the internal audit plan. Members heard 2 whistleblowing reports and one officer request for some additional work had been received. Over the past two years, there was two special investigations completed, this year three special investigations had been requested. These investigations put pressure on officer time and impacted the progress on scheduled audit work. Members heard the CIA would aid completion of the special investigation financial work.

It had been noted a number of reports and audits that would be completed this year. A further update on the intended work would be provided at the March committee meeting.

The Chair thanked the CIA for the detailed report, he felt the additional information on the external reports was beneficial for members to keep abreast of reports received and provide assurance to the committee that the authority was responding to those reports.

The CIA informed the committee schools had not been added to the Verto system to input data. It was an agree that was being looked at for future development. School data was received and stored on a separate spreadsheet. A request for services to update via Verto had been made. The CIA suggested he send an email to Heads of Service reminding them of the importance of using the Verto system which has been endorsed by the committee.

Members were pleased to note the audit team vacant posts had been filled. They acknowledged the time it would take to train members of the team and offered support. The CIA stated it would be a long training process to educate and train the new staff.

The audit plan was a flexible plan which could be amend if and when necessary. Members heard the CIA had planned to meet with Heads of Services to discuss audits planned and potential areas that could be added or moved over to next year's audit plan.

The Chair noted within the report it had noted a change to the position of the internal audit team within the authority and asked for further detail. The CIA explained internal audit was in consultation to be moved from under the Governance and Business Service to be included under the Finance sector of the authority. Members heard internal audit had previously been under Finance a number of years ago. Links and communication with teams and services would continue if the move did take place.

The Chair suggested an additional column be included in the audit plan of when an audit had previously been conducted. To indicate to members any potential gaps in completion of audits. The CIA confirmed he could include an additional column to illustrate when an audit was last completed.

It was noted the 2 risks that had been identified in the completion of the audit of Ysgol Melyd. Members asked if those findings were typical of other schools and if any analysis of audit findings across schools to identify any areas of concern was completed. The CIA confirmed an analysis of school findings did take place to identify any trends. Discussions with the Head of Education and his team and where appropriate meet with Head teachers to explain any concerns found.

Members were reminded the full detail of each audit completed was provided via email for members information. The report provided a summary of the findings. The review of Contract Management had been reviewed numerous times over recent years, going forward when reviews of services included contract management this would be reviewed as part of that audit. If any concern were

raised a further audit of contract management may be necessary. If no issues were identified it was likely to be scheduled for about 3 years' time.

The Chair thanked the Lead Member and Chief Internal Auditor for the report and detailed responses to members questions.

RESOLVED that, members note the Internal Audit's progress and performance and the committee note a communication via the Chief Internal Auditor will be issued to schools and Services regarding data reporting on the Verto system.

At this juncture the meeting adjourned for a 5 minute comfort break (11.15 a.m.)

The meeting reconvened at 11.20 a.m.

7 BUDGET PROCESS UPDATE

The Lead Member for Finance Performance and Strategic Assets, introduced the Budget Process Update (previously circulated). The report provided members with details of the process that had been followed to set the budget and provided details of the timeline. The budget was a standing item at Cabinet and had been discussed. The Lead Member praised the transparency of the Finance team, including Lead Members and held a number of meetings with numerous teams and individuals. In her opinion she stated she was confident that members had received an opportunity to be part of the budget process.

The Head of Finance explained the summary report had included an appendix which provided a detailed update to all members following the draft settlement. The information had been what had been in the Cabinet and Council report.

Members heard the Autumn statement from the UK Government maintained the final two years of the three-year agreement for funding that was announced last year. They also announced additional funding for social care, education and the NHS.

The Welsh Government announced its budget on the 13th December, with the draft settlement being announced on the 14th December 2022. Members were guided through the brief summary of the settlement (appendix 1). The better settlement produced an additional £8.2m funding than what was expected. This enabled the authority to fund the budget gap of £4.8m and not use any cash reserves for the 2023/24 financial year. Officers had been made aware of an increase in energy costs, a pressure budget of £2.6m had included to cover the additional costs.

He stressed demand driven statutory services would always be met.

It was stressed to the committee the 8.2% increase was still below inflation observed. The pressures identified above amount to £25.116m. A draft settlement of around 14.5% would have been required in order to fund all these pressures. The net +8.2% settlement generated £14.231m additional revenue leaving a funding gap of £10.885m. The Head of Finance guided members through the proposals to bridge the gap details of which were included in the appendix. One of the positive proposals highlighted was the impact of the triennial actuarial review of the Clwyd

Pension Fund. Which resulted in the Council finding itself in a position of a small surplus instead of a significant deficit that required repaying. This results in a saving of £3.828m.

He informed members of the proposed timetable of Budget process as detailed:

- 17th January – Full Council Briefing
- 24th January – Cabinet Budget Report
- 31st January – Council Budget Report
- 28th February – Council – Full Council Tax Report / Approval
- Early March – Final Settlement

The Early Settlement previously used to be October for the draft settlement and December for the Final settlement. Welsh Government have agreed the time difference between the draft and final settlement would be kept to a minimum.

Members heard it was hoped a report would be made available for Cabinet in April 2023 on the revised medium term strategy followed by a Council Briefing dependant on the determination of Cabinet in April.

The Chair opened the meeting for members comments and questions. The Lead Member and officers expanded on the following areas:

- Confirmation the Council Briefing held on 17th January had been supportive of the paper and proposals. In principal Cabinet members were in support of the Council Tax level and the proposals in the paper. Cabinet had formally recommended the proposals to County Council.
- Details of the consultation with SLT, Cabinet Briefing, Group Leaders and Council Briefing meetings was included in the report. It was noted the School Budget Forum had been included in the proposals through-out the year. Trade Unions had been consulted through Local Joint Consultative Committee. Consultation had been difficult due to the uncertainty of the settlements. Members heard a press release would be issued providing details of the proposals. He informed the committee he had worked with the communications team to put together a communications plan to be presented to CET and Cabinet.
- It was stressed the difficulties reported on the findings of Betsi Cadwalader Health Board did not have an impact on the authority's finances.
- Officers aimed to avoid any large increases in Council Tax. He stated some Welsh authorities have had to propose a large increase in Council Tax due to previous years' having a low tax increase. Denbighshire were slightly above what Welsh Government assumed we collect in Council Tax and with the proposed increase would remain slightly above the assumptions.
- It was stressed to members it was not possible fund the gap in the authority's finances just by increasing Council Tax. Officers felt the proposed 3.8% increase was the correct level of increase.
- It was stressed the papers had been discussed at a number of groups, political parties, committees and officer meetings. It had not been agreed by Council and could still be amended.
- It was noted by members that the challenges faced by the authority and officers would continue in to future financial years.
- It was stressed previous years had seen higher increases to Council Tax, there was no cap on the level of increase set. The financial year 2025/6 was

when the UK Government funding dropped and that would cause potential difficult decisions being required.

- Members thanked the officers for the detailed report. Thanks were given to all officers for the in-depth work and coherent information.
- Strategic pressures faced by services were presented to the budget board with details and projections of the challenges to the budget board. It was difficult to assume service costs for future years.
- It was confirmed the budget mitigation reserve was still in place to support any overspends. A report was presented to Cabinet every month detailed any actions needed.
- The Head of Finance was pleased it was proposed to bring Internal Audit under the Finance service.
- It was stressed it was difficult to predict the pressures on pay. It was based on a 4% pay increase. It was confirmed the pay settlement would have to be agreed and paid. The 4% was an estimate figure.
- Members heard work in the Education and Children's Services to review and look at ways to provide services, including joint working with partners and neighbouring authorities.

The Chair thanked the Lead Member and the Head of Finance for the responses to members questions and comments.

RESOLVED, that Members note the latest budget proposals and position for 2023/24 and 2024/25.

8 TREASURY MANAGEMENT

The Lead Member for Finance Performance and Strategic Assets, introduced the Annual Treasury Management Strategy Statement (TMSS) 2023/24 Report (Appendix 1 - previously circulated) which showed how the Council would manage its investments and its borrowing for the coming year and sets out the Policies within which the Treasury Management function operate.

The Treasury Management Update Report (appendix 2) provided details of the Council's Treasury Management activities during 2022/23.

The Head of Finance thanked the Lead Member for the introduction. He concurred the paper was presented to the committee for information.

The Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management (the "CIPFA TM Code") requires the Council to approve the TMSS and Prudential Indicators annually.

The Governance and Audit Committee was required to review this report before it is approved by Council on 28 February 2023.

Members were reminded of the three priorities considered when investing funds:

- keep money safe (security);
- make sure that the money comes back when it is needed (liquidity);
- make sure a decent rate of return is achieved (yield).

Members were guided to the graph diagrams of the investment and borrowing balances which illustrated the changing levels over the previous three years. The Treasury Investment Strategy provided members with a great deal of information on the guidance and rules the authority followed with any investments.

Members were guided through the list of approved borrowing sources. Long term borrowing was sourced from PWLB any short term borrowing is sourced via a broker to secure the best interest rate.

Members heard the Minimum Revenue Provision was an annual statement produced. It was noted no change had been made to the policy from the previous year.

Members were guided through the Liability benchmark, detailed within the report. The Head of Finance stressed the importance of the monitoring of this with Arlingclose. He highlighted a large increase was shown in the table. The reason for that increase was due to the flooding defence work taking place in the North of the Authority. He explained the cost for the work was having to be borrowed but Welsh Government were providing 85% funding to cover the costs.

Appendix 2 provided the in-year update for members. Members heard two loans had been secured £10m in August 2022 and £10m in September 2022 from the Public Works Loan Board (PWLB) in advance of further interest rate rises. Members heard the authority was required to submit annually a detailed 3 year capital expenditure plan to the PWLB with confirmation of the purpose of the capital expenditure. Officers had to confirm that we were not planning to purchase 'investment assets primarily for yield' in the current or next two financial years.

It was noted work continued on the development a medium term strategy for capital. This would help identify projects that we are planning to develop and invest in over a 5 to 10 year period, but had not yet gone through the approval process.

The Chair thanked the Lead Member and Head of Finance for the detailed summary of the report. He stressed to members how essential this area of finance was in the financial management of every Local Authority in the UK.

In response to the Chair's question the Head of Finance agreed Treasury Management was an important element for the Governance and Audit committee to receive reports regularly and be kept abreast of the finances of the authority. He stressed the rules of which the team followed were published annually along with the authority's performance measured against those rules. It was stressed to members that officers were in regular contact with Arlingclose with any questions or issues for support and guidance.

Members heard an internal audit on Treasury Management was conducted to review the processes in place.

The Chief Internal Auditor added, going forward it was hoped that internal audit would conduct a light touch review of all the financial systems in place this year with a full review of each area next year.

The council was predominantly a borrowing council, it only invested when the council had too much cash to hold to limit risk. Any investments the authority did have were on a short term basis.

The Head of Finance confirmed the spike in the debt maturity profile in 2056 was due to the HRA buy out that the authority completed. It had been a requirement that any authorities with HRA had to reschedule the debt, a loan had been taken out to cover the costs.

A loan would be taken out to cover the cost of the flood defence scheme. Borrowing specifically for that scheme would be needed, members heard that consultation with Arlingclose would be sought when the funds were required.

RESOLVED, that the Committee note the Treasury Management Strategy Statement for 2023/24, the Prudential Indicators 2023/24 to 2024/25 and 2025/26. The Committee note the Treasury Management Update Report and confirm it has read, understood and taken account of the Well-being Impact Assessment as part of its consideration.

9 GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME

The Governance and Audit Committee's Forward Work Programme (FWP) was presented for consideration (previously circulated).

The Chair informed the committee a meeting between the Chair, Vice-Chair, Monitoring Officer and Chief Internal Auditor had taken place. The meeting had been arranged to discuss the committee's work programme.

It was pleasing to see the dates listed had been extended until the end of the year. It was decided to review the reports that are presented to the committee to ensure adequate time is given to agenda items. The committee had responsibility to receive a number of reports such as Statement of Accounts, Treasury Management and Internal Audit reports.

The Chair informed the committee the Governance and Audit Annual report was in his opinion a key report, which demonstrated how the committee accounted for those charged with governance. The annual report was method to report back to County Council the work of the committee.

The report for 2020/21 and 2021/2022 would be rolled into one report for the committee's resolution. It was a constitutional requirement for the committee to complete an annual review.

Members heard the Chair had raised the new Chartered Institute of Public Finance and Accountancy (CIPFA) guidance which was available for all UK Local Authorities with particular reference to Audit committees. It stressed the importance of Governance and Audit committee's completing an annual report.

The Chair suggested to the officers that the next annual report was presented to Council as had been presented previously, but when completing the report next year officers followed the CIPFA guidance.

The Chair encouraged members to contact him directly with any suggestions or amendments to the work programme.

Members thanked the Chair and Vice-Chair for raising the work programme as an area of consideration.

***RESOLVED** that, the Governance and Audit Committee's forward work programme be noted.*

10 INFORMATION REPORT - PUBLIC SECTOR READINESS FOR NET ZERO CARBON BY 2030

The Chair informed the committee the Audit Wales report on Public Sector Readiness for Net Zero Carbon by 2030 (previously circulated) was for information.

In his opinion the report was very important. The report made reference to the impact on Corporate Governance of the Council. The Chair suggested the report be deferred to the next committee meeting and be presented as an item for debate. Members were in agreement for the item to be included as an agenda report for discussion.

Lay Member Paul Whitham, made reference to paragraph 20 it was addressed to those charged with governance and scrutiny. He asked if the report was due to be shared with any Scrutiny committee. The Chair confirmed that all Councillors were charged with Governance, with the Governance and Audit Committee have the delegated role to review the Governance of the authority.

Audit Wales representative Gwilym Bury directed members to paragraph 10 of the report. The report did not include specific recommendations but more areas for consideration by public bodies. These considerations could be discussed by either Scrutiny or Governance and Audit committee.

The Climate Change Project Manager reaffirmed the reason for the information report was to ascertain where best to present the report and officers comments.

In conclusion members agreed for an agenda report on the Audit Wales paper along with the officer response be included on the agenda for the next Governance and Audit committee.

***RESOLVED** that the Governance and Audit committee note the information report. Members also resolved to include the papers and officer response on the next committee meeting.*

The meeting concluded at 13:20 p.m.

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Report to	Governance and Audit Committee
Date of meeting	08 March 2023
Lead Member / Officer	Cllr Barry Mellor (Lead Member for Environment and Transport)/ Gary Williams (Corporate Director – Governance and Business & Climate and Ecological Change Programme Senior Responsible Owner)
Report author	Helen Vaughan-Evans (Climate Change Programme Manager)
Title	Audit Wales Report – Public Sector Readiness for Net Zero Carbon by 2030

1. What is the report about?

1.1. This report summarises the Audit Wales (AW) Report of Public Sector Readiness for Net Zero Carbon by 2030 (appendix 1) and provides Officers' responses to the five Calls for Action (appendix 2).

2. What is the reason for making this report?

2.1. To ensure Elected Members are kept informed of and able to scrutinise observations and actions following an external audit relevant to Denbighshire County Council.

3. What are the Recommendations?

3.1 That Members consider the report, the associated five calls to action, the identified need for organisations to be bold and innovative and the statement that the Auditor General will not criticise organisations for taking well-managed risks to address this unprecedented challenge.

3.2 That Members consider officers' responses to the five calls to action, providing feedback as appropriate.

3.3 That Members advice on how they wish these findings to be disseminated wider.

4. Report details

4.1. In November 2021, AW issued a call for evidence to 48 public bodies in Wales, including Denbighshire County Council, asking questions about their baseline position in achieving the 2030 collective ambition for the public sector of becoming Net Carbon Zero. Most public bodies responded, including Denbighshire County Council, in the period December 2021 to January 2022.

4.2. Whilst AW did not undertake a detailed review at each of the public bodies for the purposes of this report, AW did undertake an in depth review of Denbighshire County Council in December 2020 to June 2021 on this topic, specifically its ability to deliver on its environmental ambitions. The final report was issued in October 2021 and reached the conclusion that the Council is making excellent progress in embedding its environmental ambitions. This committee reflected on that audit and the management response on the recommendations at their meeting held 26 January 2022. Meeting papers include minutes can be found here.

4.3. Although AW do not make specific recommendations in their Report of Public Sector Readiness for Net Zero Carbon by 2030 given the high-level nature of their review, the report does offer five Calls for Actions for organisations to consider as follows:

1. Strengthen your leadership and demonstrate your collective responsibility through effective collaboration
2. Clarify your strategic direction and increase your pace of implementation
3. Get to grips with the finances you need
4. Know your skills gaps and increase your capacity
5. Improve data quality and monitoring to support your decision making

4.4. AW encourage Denbighshire County Council to consider the messages in this report, and through their internal governance structures, set out publicly how they intend to respond to the calls for action. Appendix 2 provides the five Calls for Action and officers' initial response including what is proposed to be done in response.

5. How does the decision contribute to the Corporate Priorities?

5.1 Achieving the 2030 collective ambition for the public sector of becoming Net Carbon Zero will make a direct contribution to delivering upon part of the Council's Climate

Change and Ecological Emergency declaration which committed the Council to become Net Carbon Zero by 2030 along with improving biodiversity in Denbighshire. It will also make a direct contribution to delivering upon part of the subsequently adopted Climate and Ecological Change Strategy 2021-2030, by supporting the reduction in carbon emissions and increase in carbon sequestration so that the Council can achieve its 2030 goals of Net Carbon Zero and 35% reduction in supply chain emissions.

5.2 Delivering on the Council's Environmental Ambitions will support the Council in making its contribution to the Welsh Government policy for the public sector to be carbon neutral by 2030 and for Wales to meet its legally binding target of reducing emissions to Net Zero by 2050.

6. What will it cost and how will it affect other services?

6.1. There are no costs arising directly from this report.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1 A Well-being Impact Assessment is not required for this report.

8. What consultations have been carried out with Scrutiny and others?

8.1 At this time, report findings have been shared with the Chief Auditor and the Climate and Ecological Change Programme Senior Responsible Owner, prior to taking the report to Governance and Audit committee for consideration and advice on disseminating wider.

9. Chief Finance Officer Statement

9.1 Not required.

10. What risks are there and is there anything we can do to reduce them?

10.1. There are no additional risks arising from this report.

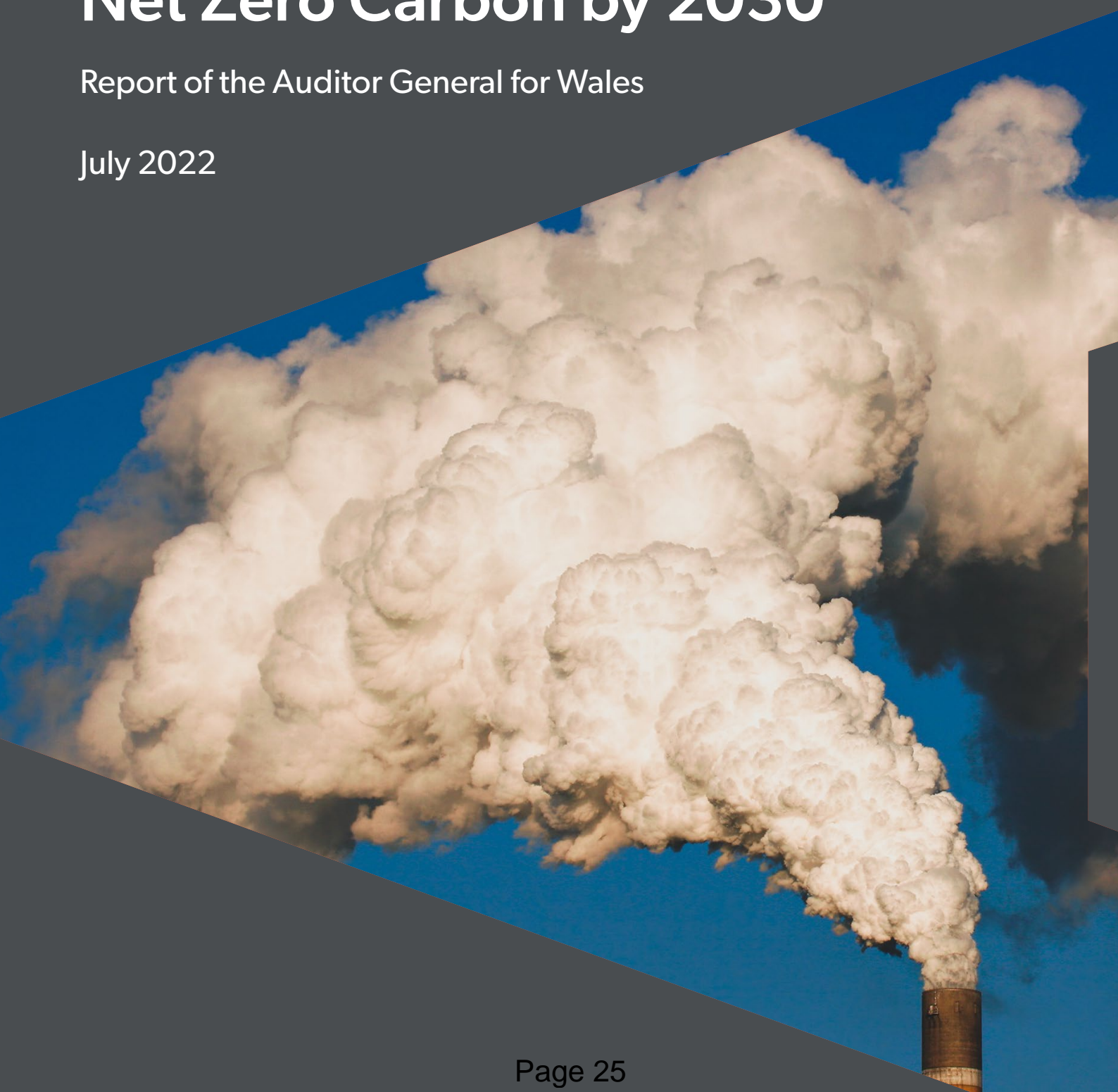
11. Power to make the decision

11.1 No decision is required.

Public Sector Readiness for Net Zero Carbon by 2030

Report of the Auditor General for Wales

July 2022



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Detailed report

Background

- 1 Climate change is one of the world's defining challenges and it requires immediate action from everyone. A landmark [report](#) by the United Nations in August 2021 said that human activity is changing our climate in unprecedented ways and that drastic reductions in carbon emissions are necessary.
- 2 The latest climate projections for Wales show an increased chance of milder, wetter winters and hotter, drier summers, rising sea levels and an increase in the frequency and intensity of extreme weather events. The implications are clearly stark.
- 3 A crucial way to mitigate the impacts of climate change is to reduce carbon emissions. In March 2021, following advice from the Climate Change Committee¹ in December 2020, the Welsh Government set new [targets](#) for a 63% carbon reduction by 2030, an 89% reduction by 2040, and a 100% reduction by 2050². In addition, the Welsh Government set out a more challenging collective ambition for the Welsh public sector³ to achieve net zero carbon by 2030 (the 2030 collective ambition).
- 4 In June 2021, the Welsh Government published its [Programme for Government 2021-2026](#) which puts tackling the climate and nature emergencies at the heart of the new government. The Programme for Government also makes a series of commitments to embed a response to climate change in everything the Welsh Government does.

1 The Climate Change Committee (CCC) is an independent, statutory body established under the Climate Change Act 2008. Its role is to advise the UK governments on emissions targets and to report on progress made in reducing greenhouse gas emissions and preparing for and adapting to the impacts of climate change.

2 Net zero does not mean eliminating greenhouse gas emissions but balancing the greenhouse gas emissions with the amount of gases being removed from the atmosphere.

3 The Welsh Government's definition of the 'public sector' in this case covers 65 bodies as set out in Appendix 2 of the [Welsh Government, Public sector net zero data: baseline and recommendations, June 2022](#).

- 5 The Welsh Government has also published Net zero carbon status by 2030: A route map for decarbonisation across the Welsh public sector (the public sector route map) to support the Welsh public sector in achieving the 2030 collective ambition. Alongside the public sector route map, the Welsh Government published the net zero reporting guide and associated spreadsheet to allow the public sector to capture and report emissions on a consistent basis.
- 6 The Auditor General has committed to carrying out a long-term programme of work on climate change. Our first piece of work is a baseline review that asks: '**How is the public sector preparing to achieve the Welsh Government's collective ambition for a net zero public sector by 2030?**'. To inform the baseline review, 48 public bodies, including the Welsh Government, completed a call for evidence. **Appendix 1** explains our audit approach and methods.
- 7 We are publishing two reports to share our findings:
 - **this key findings report:** this report targets senior leaders and those with scrutiny roles in public bodies, with the aim of inspiring them to increase the pace of their work on achieving the 2030 collective ambition. We have included questions at the end of each section of this report for organisations to reflect on. While these questions are not exhaustive, they provide important pointers for organisations to consider.
 - **evidence report – to follow:** a report that will provide more detailed findings and data from the call for evidence and our wider work.

Overall conclusion

- 8 There is clear uncertainty about whether the public sector will meet its 2030 collective ambition. Our work identifies significant, common barriers to progress that public bodies must collectively address to meet the ambition of a net zero public sector by 2030. And while public bodies are demonstrating commitment to carbon reduction, they must now significantly ramp up their activities, increase collaboration and place decarbonisation at the heart of their day-to-day operations and decisions. Organisations need to be bold and innovative and share experiences of their successes and failures. The Auditor General will not criticise organisations for taking well-managed risks to address this unprecedented challenge.
- 9 We have set out five calls for action for organisations to tackle the common barriers to decarbonisation in the public sector. These are:



1 Strengthen your leadership and demonstrate your collective responsibility through effective collaboration



2 Clarify your strategic direction and increase your pace of implementation



3 Get to grips with the finances you need



4 Know your skills gaps and increase your capacity



5 Improve data quality and monitoring to support your decision making

- 10 We are not making specific recommendations given the high-level nature of our review. However, we encourage public bodies to consider the messages in this report, and through their internal governance structures, set out publicly how they intend to respond to the calls for action.

Calls for action



Strengthen your leadership and demonstrate your collective responsibility through effective collaboration

- 11 The Welsh Government showed leadership when it declared a climate emergency in 2019. Many of the other public bodies have followed suit, for example, 18 out of 22 Welsh councils have now declared a climate emergency.
- 12 The Welsh Government also demonstrated leadership when it set the 2030 collective ambition and in May 2021 when it established a new Ministerial portfolio for climate change. A related change to the Welsh Government's organisational structure came into effect from 1 April 2022.
- 13 We have found considerable activity by public bodies, supporting the move towards decarbonisation. So, public bodies are clearly taking this agenda seriously.
- 14 Despite this, they must do more because there is considerable uncertainty (and clear doubt from some organisations) about whether the 2030 collective ambition will be met. In the NHS, we found uncertainty that even a 34% reduction in emissions would be achieved across that sector⁴. Bodies told us about significant barriers to progress in decarbonising, such as difficulties in translating strategy into action, uncertainty about finances, a lack of skills and capacity, and issues with decarbonisation data. These matters are discussed throughout this report.
- 15 Now is the time for bold leadership. Public bodies must reduce carbon emissions from their estates, from their services, and from the goods and services they procure. On top of that, they must adopt a wider leadership role in championing the decarbonisation agenda in all sectors within the communities they serve to work towards a 'just transition'⁵.
- 16 Public bodies will need to demonstrate stronger collective leadership because collaboration between organisations will be critical to achieving the 2030 collective ambition. Some respondents told us that a wholesale change of thinking is required, with a more co-ordinated and joined-up approach across the public sector.

4 The NHS Wales Decarbonisation Strategic Delivery Plan sets out 46 initiatives that are estimated to reduce carbon emissions by 34% by 2030.

5 A 'just transition' means taking action on climate change and greening the economy in a way that is as fair and inclusive as possible to everyone concerned. Policy 1 in [Net Zero Wales Carbon Budget 2 \(2021-2025\)](#) sets out the Welsh Government's views on a just transition.

- 17 Several cross-organisational panels and programme boards already exist to collaborate on climate issues including decarbonisation. And while public bodies expressed largely positive views about the way they are collaborating, there was also recognition that these efforts need to be ramped up. There is a collective responsibility on the public sector to make existing structures work. Public bodies also need to consider what additional collaboration is needed within sectors and across the public sector.
- 18 Senior leaders must do more to demonstrate they fully grasp the urgency and scale of the challenge and clearly identify this as a top priority for their organisation if they are to achieve their ambitions. Decarbonisation (and wider climate risks) must be at the core of day-to-day business decisions and operations. This agenda must be integrated into all services and operations, so that decarbonisation is delivered alongside other outcomes.
- 19 The frameworks provided by the Well-being of Future Generations (Wales) Act 2015 (including public services boards and the setting of well-being objectives) can be used to help organisations decarbonise. Application of the sustainable development principle in key areas such as procurement, workforce planning and finance will also help delivery of the decarbonisation agenda.
- 20 Those charged with governance and scrutiny roles in individual organisations need to support the direction of travel while at the same time challenging whether enough is being done.

Questions that senior leaders and those who scrutinise them may want to ask

- Are we treating the climate crisis and the need to decarbonise as a real ‘emergency’?
- Can we demonstrate that decarbonisation is at the core of day-to-day business decisions and operations?
- Is the urgency and scale of the challenge well communicated by senior leaders and understood throughout our organisation?
- Do we have specific and effective scrutiny and governance arrangements for managing the journey to net zero?
- Do we understand the main barriers to progress and how well are we collaborating to overcome them?

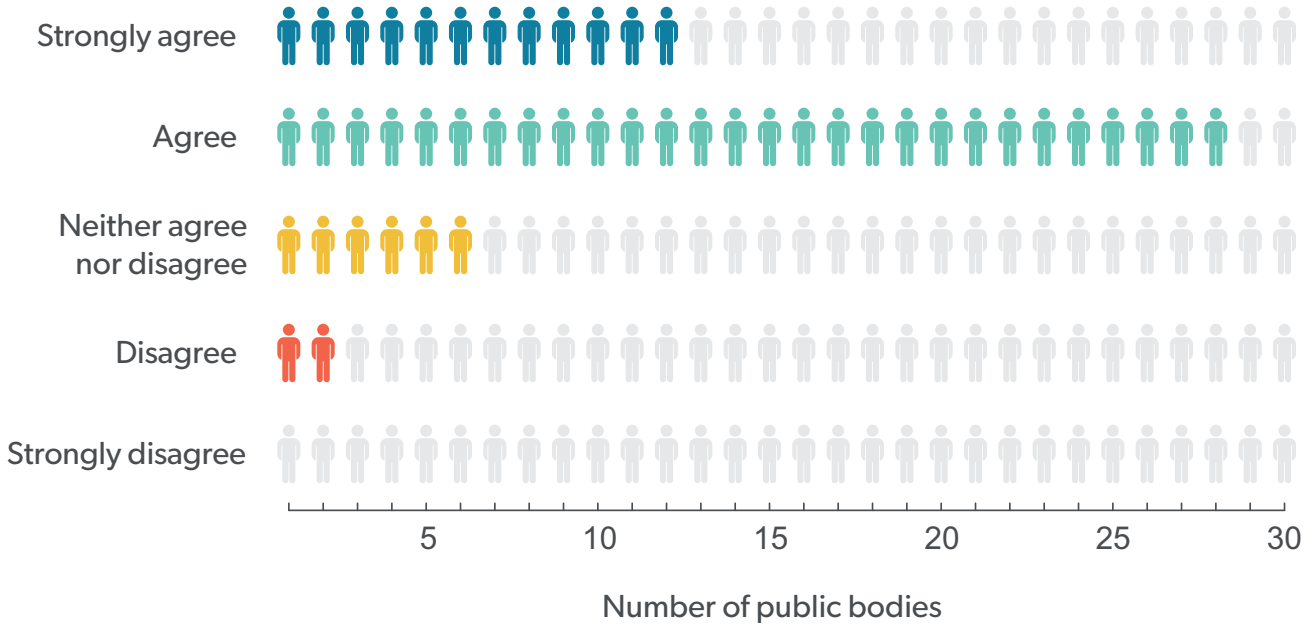




Clarify your strategic direction and increase your pace of implementation

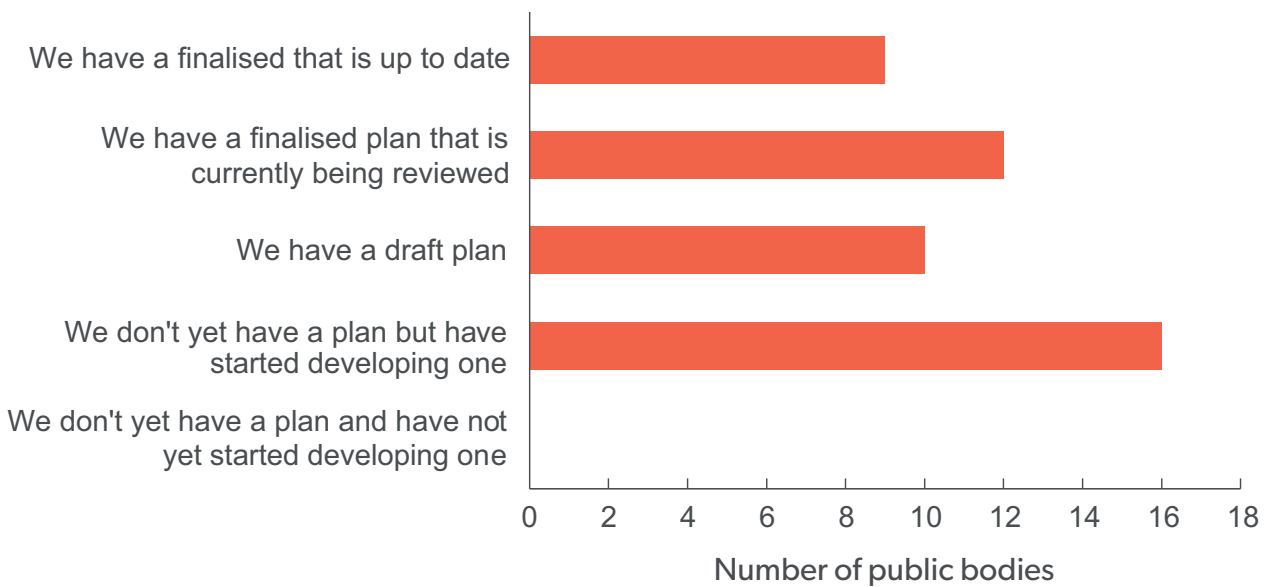
- 21 To deliver the 2030 collective ambition, it is essential that Wales has clear, joined-up, integrated strategies across the public sector. The action plans resulting from those strategies will also have to be implemented at pace.
- 22 In response to our call for evidence, public bodies were generally positive about the strategic direction set out by the Welsh Government and that it had been communicated well through the [public sector route map \(Appendix 3\)](#). In response to our question about the extent to which they were using the public sector route map, most public bodies said they were using it, to varying degrees, and only five said they were not.
- 23 Despite generally positive views about the national strategic direction, public bodies want more help to translate the strategy into action. Several organisations told us that while the public sector route map provides a high-level template, they need more clarity, support and guidance on how to decarbonise.
- 24 The Welsh Government told us that it deliberately designed the public sector route map to be a high-level framework to assist public bodies in developing local solutions based on individual circumstances, rather than a one-size-fits-all approach. The Welsh Government is providing other forms of central assistance on decarbonisation, including support through the [Welsh Government Energy Service](#), grant funding for various programmes and funding of the Welsh Local Government Association [transition and recovery support programme](#).
- 25 Some sector-specific guidance is available to support public bodies to translate the vision into action. For the NHS, the Carbon Trust and the NHS Wales Shared Services Partnership have set out more detailed actions in the [NHS Decarbonisation Strategic Delivery Plan](#). In local government, the Welsh Local Government Association is developing more tailored support and guidance for councils.
- 26 Overall, our work has shown that public bodies are at very different stages in setting out their action plans for decarbonisation. While **Exhibit 1** shows most public bodies feel they have set a clear strategic direction, **Exhibit 2** shows that just over a third of organisations did not have a decarbonisation plan at the time of our call for evidence. All organisations had at least started to develop their plan, and under Welsh Government policy they have until April 2023 to develop one.

Exhibit 1: public bodies’ responses to the statement, ‘Our organisation has set a clear strategic direction to support the achievement of the 2030 carbon reduction targets’



Source: Audit Wales call for evidence

Exhibit 2: status of public bodies’ action plans



Note: One public body did not respond to this question.

Source: Audit Wales call for evidence

- 27 The public sector route map sets out milestones for 2021-22, during which the Welsh Government expects the public sector to be 'moving up a gear'. The Welsh Government considers there has been good progress and the public sector is picking up the pace. However, the Welsh Government recognises there is still significant work to be done and to date, the public sector has not fully achieved the 'moving up a gear' milestones.

Questions that senior leaders and those who scrutinise them may want to ask

- Have we set out a clear strategic approach and action plan for decarbonisation? If not, why not?
- Have we given due consideration to recommendations from the Future Generations Commissioner on decarbonisation, including those within the Future Generations Report 2020⁶?
- Are we involving our staff, stakeholders and citizens in the development and delivery of our strategic approach?
- Have we collaborated with others to develop our overall approach?
- How will our approach to decarbonisation help us deliver against other strategic objectives (including well-being objectives) as well as meeting the 2030 collective ambition?
- Do our other corporate strategies, policies and operations reflect the strategic approach we have set out for decarbonisation?
- Does our action plan set out clear milestones that align with the 2030 collective ambition and is it being implemented at sufficient pace?



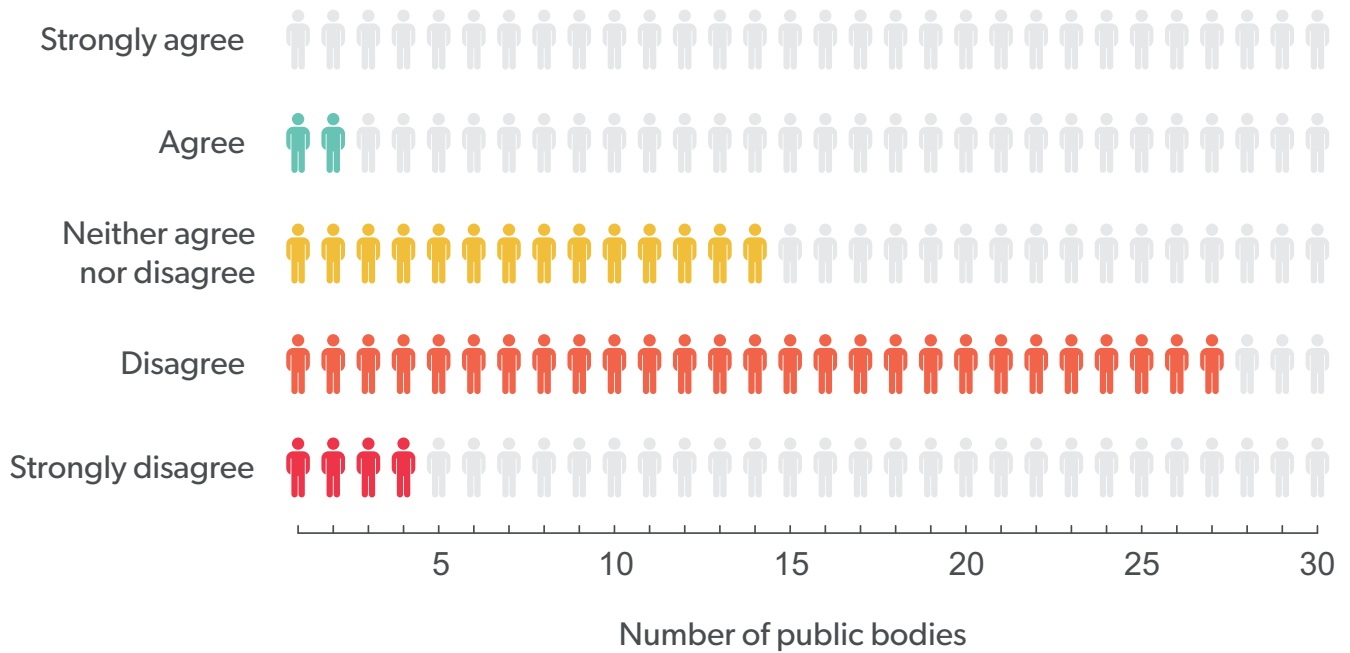
6 The Future Generations Commissioner for Wales, Future Generations Report 2020, May 2020.



Get to grips with the finances you need

- 28 Public bodies need to plan their finances in such a way that they can deliver their decarbonisation strategies and action plans. This will require long-term planning because decarbonisation will need investment for many years. It will also require immediate expenditure because if the 2030 collective ambition is to be met, urgent action is essential.
- 29 Public bodies recognised that significant investment in decarbonisation will be required, particularly for upfront infrastructure costs. But they were uncertain about where the funding for this investment would come from. The Welsh Government is providing funding to public bodies in various ways, but it has said it cannot fund everything. Public bodies will therefore need to think carefully about how they can use their existing funding in different ways, explore potential additional funding opportunities and consider how they might share costs with partner organisations.
- 30 Overall, public bodies told us that finances are a significant barrier to achieving the 2030 collective ambition. This is because of uncertainty in relation to the long-term additional funding they will have available to them, and about difficulties in getting to grips with the costs of decarbonising. **Exhibit 3** shows that most public bodies have not fully assessed the financial implications of the 2030 collective ambition. In some cases, this is because they have not yet set out a clear set of actions and activities to achieve net zero.

Exhibit 3: public bodies’ responses to the statement, ‘Our organisation has fully assessed the financial implications of meeting the 2030 carbon reduction targets’



Note: One public body did not respond to this question.

Source: Audit Wales call for evidence

Questions that senior leaders and those who scrutinise them may want to ask

- Do we know what we are currently spending on activities to help meet the 2030 collective ambition?
- Do we know how much we would need to spend to help achieve the 2030 collective ambition?
- How are we deciding how much to spend on decarbonisation?
- If we have not yet assessed the financial implications of the 2030 collective ambition, do we understand why we have been unable to?
- What are we doing to collaborate with others, to understand the financial implications, and to share costs?
- Do our budgets and expenditure reflect the need to reduce carbon emissions urgently?
- Are we setting out a good level of detail in our financial statements in relation to decarbonisation spending?
(See [our blog](#) on this matter).





Know your skills gaps and increase your capacity

- 31 Within public bodies it is everyone's responsibility to take action towards the 2030 collective ambition. Delivering that ambition will require public bodies to have staff in place with some specialist expertise. Our work found enthusiasm to deliver, but we also found widespread capacity issues and skills gaps. Skills gaps in relation to decarbonisation are not unique and are symptomatic of a wider challenge across the public sector. For example, in our [Picture of Public Services 2021](#) report, we highlight that staffing numbers have fallen and skills deficits have emerged.
- 32 Public bodies told us their resources are stretched in delivering their core services, and they are lacking specialist skills in carbon reduction and in monitoring carbon emissions. In addition, the complex nature of the field means that bodies are competing for limited expertise and knowledge.
- 33 Public bodies need to understand the staff capacity and skills they have in place through robust workforce planning. Training will play a crucial role in ensuring staff understand their decarbonisation responsibilities and are best equipped to deal with the task at hand. There is also an opportunity to share the knowledge, expertise and capacity that exists within the public sector as well as the private and third sectors.

Questions that senior leaders and those who scrutinise them may want to ask

- Do we know what skills are needed, both now and in the future, to ensure we can deliver against the 2030 collective ambition?
- Do we have a plan in place to deal with any identified skills and capacity gaps through training, recruitment or working with peers and stakeholders to share resources and expertise?





Improve data quality and monitoring to support your decision making

- 34 Public bodies need to understand where their emissions are coming from so they can check if they are making progress. We found that data issues are a major barrier to having a shared understanding of the problem and to taking strategic decisions about the solutions.
- 35 Carbon emissions monitoring and reporting is a complex and rapidly developing area worldwide. The Welsh Government has published a common reporting methodology for public bodies to report their emissions through the [Welsh Public Sector Net Zero Reporting Guide](#) and the net zero reporting spreadsheet. In doing so, the Welsh Government is trying new ways of improving emissions data. Welsh public bodies responded by putting new arrangements in place and by submitting their first set of annual data in October 2021.
- 36 The Welsh Government commissioned independent consultants, to review the first submission of emissions data from public bodies and in June 2022, the Welsh Government published the consultancy report in full. The report⁷ provides the first estimate of the full range of emissions by the public sector in delivering services for the people of Wales. The report states that the figures include significant uncertainty, particularly in relation to supply chain emissions, and that the data has not been thoroughly audited. The figures suggest emissions across Wales for the public sector reduced by 5% between 2019-20 and 2020-21.
- 37 In response to our call for evidence, public bodies recognised the usefulness of having a common reporting methodology. However, some responses pointed to concerns over some calculation methods, particularly regarding supply chain and land use, and called for further clarity of definitions to ensure consistent interpretation and reporting. Some responses also noted that existing systems were not able to capture the required data, and had to be updated, or new systems had to be put into place. This was often time consuming and resource intensive. NHS bodies also raised concerns about duplication with existing reporting arrangements on carbon emissions.

7 [See Footnote 3.](#)

- 38 It is important to get the data right because this information will underpin decision making and monitoring of progress for decades to come. However, we acknowledge this is the first year of the new arrangements to report a complex issue and the Welsh Government is committed to developing the guidance further to address the issues identified in the consultancy report (**paragraph 36**) and to reflect wider feedback. The Welsh Government published revised [reporting guidance](#) in July 2022. We also acknowledge that while there are concerns about supply chain data, the requirement to report this data reinforces the findings from previous studies that show the importance of reducing emissions from procurement and the supply chain⁸.

Questions that senior leaders and those who scrutinise them may want to ask

- Are we playing our part in building a system that will provide consistent, accurate, high-quality data on carbon emissions across the public sector to support transparency and scrutiny?
- Do we know what the existing data is telling us and what further data do we need to support decision making?
- Based on our understanding of our own data, do we have plans in place to take appropriate action?
- How can we improve our understanding of emissions resulting from our supply chain and relevant third parties?



⁸ [Welsh Government, A route map for decarbonisation across the Welsh public sector \(Appendix A\), May 2021.](#)



Appendices

- 1 Audit approach and methods**
- 2 Legislative and policy framework underpinning decarbonisation**
- 3 The public sector route map and reporting guide**

1 Audit approach and methods

In November 2021, we issued a call for evidence to 48 public bodies, asking questions about their baseline position in achieving the 2030 collective ambition. Most public bodies responded in the period December 2021 to January 2022. We sent the call for evidence to the bodies covered by the [Well-being of Future Generations \(Wales\) Act 2015](#) at the time. This included all principal councils, fire and rescue authorities, national park authorities, health boards and NHS trusts, and the larger Welsh Government sponsored bodies.

We also sent the call for evidence to the Welsh Ambulance Services NHS Trust, Digital Health and Care Wales, and Health Education and Improvement Wales to ensure we had a more complete picture across the NHS. We also sent the call for evidence to NHS Wales Shared Services Partnership (NWSSP), which is an independent mutual organisation, owned and directed by NHS Wales, that delivers a range of services for and on behalf of NHS Wales. NWSSP is hosted by and operates under the legal framework of Velindre University NHS Trust, which is itself covered by the Well-being of Future Generations (Wales) Act 2015.

We received responses from all bodies that were sent the call for evidence, although in a small number of instances not all questions were answered. Where questions were not answered by all public bodies, this is set out in a note to each relevant graph.

To inform our work, we held discussions with relevant stakeholders including the Welsh Government, the Office of the Future Generations Commissioner for Wales, representatives of NHS Wales and the Welsh Local Government Association. We also reviewed key documents, including policies and guidance, and other relevant information provided to us by the Welsh Government and other stakeholders.

We did not undertake a detailed review at each of the public bodies. While we have largely relied on what they reported through their call for evidence responses and any supporting documentation, we have also sought to triangulate our findings through discussions with stakeholders and evidence from our wider document and data review. We also shared and discussed our emerging findings at a [public webinar](#) held in May 2022. 109 people from outside Audit Wales attended the webinar, representing a range of public, private and third sector organisations.

As stated earlier in this report, the Auditor General for Wales has committed to a long-term programme of work on climate change. We have already reported on the decarbonisation efforts of [fire and rescue authorities](#), we have begun to review council decarbonisation action plans and we are preparing a report on flood risk management. Following a recent consultation on our future work programme, we are considering our next steps in relation to auditing actions to decarbonise and to adapt to the changes already happening to our climate.

2 Legislative and policy framework underpinning decarbonisation

The graphic below sets out the key legislation, policies and guidance related to decarbonisation and climate change that apply across the Welsh public sector. We refer to sector-specific legislation and policies in the main body of this report where relevant.



April 2016

The Well-being of Future Generations (Wales) Act 2015 came into force and required public bodies covered by the Act to act in accordance with the sustainable development principle. The five ways of working set out in the Act aim to help bodies work together better, avoid repeating past mistakes and tackle long-term challenges.

March 2019

The Welsh Government published the first statutory Low Carbon Delivery Plan, Prosperity for All: A Low Carbon Wales (LCDP1).

November 2019

The Welsh Government published Prosperity for All: A Climate Conscious Wales, its most recent climate adaptation plan.



March 2016

The Environment (Wales) Act 2016 came into force and placed a duty on Welsh Ministers to set targets for reducing greenhouse gas emissions and to set carbon budgets.

July 2017

The Welsh Government set an ambition of achieving a carbon neutral public sector by 2030.

April 2019

The Welsh Government made a Climate Emergency Declaration.



March 2021

Following advice from the Climate Change Committee in December 2020, the Welsh Government set new legal targets for a 63% carbon reduction by 2030, 89% by 2040, and 100% by 2050.

May 2021

The Welsh Government published the [Welsh public sector net zero reporting guide and the net zero carbon reporting spreadsheet](#). **Appendix 3** provides further detail.



June 2021

The Welsh Government published its [Programme for Government 2021-2026](#) which puts tackling the climate and nature emergencies at the heart of the new government and makes a series of commitments to embed climate change in a number of ways.

July 2021

The Welsh Government published [Net zero carbon status by 2030: A route map for decarbonisation across the Welsh public sector](#). **Appendix 3** provides further detail.

October 2021

The Welsh Government published [Net Zero Wales Carbon Budget 2 \(2021 to 2025\)](#). This sets out specific policies for the public sector, including a target for decarbonisation plans to be in place by March 2023, targets relating to buildings, vehicles and procurement, and development of a new health and social care decarbonisation plan.



July 2022

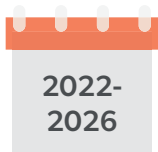
The Welsh Government published updated versions of the [Welsh public sector net zero reporting guide](#) and the net zero carbon reporting spreadsheet.

3 The public sector route map and reporting guide

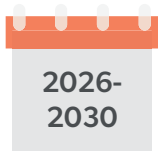
To support the public sector to achieve net zero, the Welsh Government published its [public sector route map](#) in July 2021. The route map sets out four priority areas for action: buildings, mobility and transport, procurement, and land use. It also sets out key milestones for the public sector to achieve, which are:



Moving up a gear: Where understanding the context and what needs to be done is vital, and where action needs to accelerate.



Well on our way: Where there is an expectation that low carbon is becoming the norm and the public sector is definitely on the way to net zero.



Achieving our goal: Where choosing zero carbon has become routine, culturally embedded, and self-regulating.

In May 2021, the Welsh Government published the [Welsh Public Sector Net Zero Carbon Reporting Guide](#). The aim of the guide is to develop a universal set of instructions for use by public bodies to assist in meeting the 2030 collective ambition, in particular to:

- **Baseline:** To understand the current situation and quantify organisational emissions and removals for a consistently drawn boundary. And to quantify the likely emission gap to carbon neutral operations by 2030.
- **Identify mitigation potential:** An assessment to identify significant sources of emissions enabling organisations and the public sector to prioritise action needed to move to carbon neutral operations by 2030.
- **Monitor progress:** A need to gather, collate and analyse data to assess whether organisations are on track to achieving their goal of carbon neutrality by 2030.

Alongside the guide, the Welsh Government published the [Net zero carbon reporting spreadsheet](#) for use by public bodies to capture and report their emissions data in a consistent way. The Welsh Government asked public bodies to submit the first data by October 2021 for the 2020-21 financial year. The second submission is required by September 2022 for the 2021-22 financial year.

The guide states that public bodies should report actions to reduce emissions and move to carbon neutral operations by 2030, but the format and narrative of that reporting are not prescribed. The guide does suggest it could be in the form of an annual report on progress against a published action plan or a separate document. It also suggests that management information used in collating an emissions report will provide a good basis for the narrative report. As part of our work, we have not reviewed any narrative reports produced by public bodies, although **paragraphs 34-38** of this report comment on the challenges relating to the carbon emissions data and reporting. Following feedback from public bodies and a review of the first year's data submissions, the Welsh Government published revised reporting guidance in July 2022.



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Management response

Report title: Public Sector Readiness for Net Zero Carbon by 2030 Report of the Auditor General for Wales

Completion date: July 2022

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Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
A1	<p>Strengthen your leadership and demonstrate your collective responsibility through effective collaboration</p> <p><i>Now is the time for bold leadership. Public bodies will need to demonstrate stronger collective leadership because collaboration between organisations will be critical to achieving the 2030 collective ambition.</i></p>	<p>Clear leadership roles and responsibilities internally within DCC as follows:</p> <ul style="list-style-type: none"> - Lead Member covering Climate and Ecological Change Portfolio = Cllr Barry Mellor - Climate Change and Ecological Emergency Strategic Lead = Graham Boase (CEO) - Climate and Ecological Change Programme Senior Responsible Owner = Gary Williams 	<p>Reflect on this recommendation when conducting the scheduled review of the DCC Climate and Ecological Change Strategy during 2023/24, which will review and refresh where appropriate the following:</p> <ul style="list-style-type: none"> • Scope • Goals (content and end dates) 	31.03.24	<p>Gary Williams <i>(Corporate Director - Governance and Business & Climate and Ecological Change Programme Senior Responsible Owner)</i></p>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
		<p>(Corporate Director Business and Governance)</p> <ul style="list-style-type: none"> - Programme Manager = Helen Vaughan-Evans (Climate Change Programme Manager) <p>DCC has demonstrated strong leadership since 2019 emergency declaration as recognised by Audit Wales in their audit of DCC achieving their environmental ambitions in 2021. This is evidenced by the introduction of ground breaking policy e.g. change in the Council's constitution and introduction of Net Zero minimum standards for construction and major refurbishment.</p> <p>DCC officers are collaborating Nationally and Regionally and actively engaging in pilots and studies,</p>	<ul style="list-style-type: none"> • Targets and pathways to achievement • Policies/ Processes • Activity/ Projects 		<p>Helen Vaughan-Evans <i>(Climate Change Programme Manager)</i></p>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
		<p>implementing learning locally and sharing with partners. For example, on social care supply chain emissions, land use mapping, climate risk resilience.</p> <p>CEO works collaboratively with the 5 other Local Authority CEO's in North Wales on a number of big strategic topics, one of which is Climate Change and DCC CEO provides the lead CEO role on Climate Change for the region.</p>			
A2	Clarify your strategic direction and increase your pace of Implementation	DCC has the Climate and Ecological Change Strategy and its delivery is set up as a Programme internally with clear targets for each year leading up to 2030 and actions/projects to achieve those targets each year.	Reflect on this recommendation when conducting the scheduled review of the DCC Climate and Ecological Change	31.03.24	Gary Williams <i>(Corporate Director - Governance and Business & Climate and</i>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
	<p><i>To deliver the 2030 collective ambition, it is essential that Wales has clear, joined-up, integrated strategies across the public sector. The action plans resulting from those strategies will also have to be implemented at pace.</i></p>	<p>There are identified Work Stream Leads and activity/projects are listed in Service Business Plans- the performance of the delivery of which monitored quarterly by the Strategic Planning Team.</p>	<p>Strategy during 2023/24, which will review and refresh where appropriate the following:</p> <ul style="list-style-type: none"> • Scope • Goals (content and end dates) • Targets and pathways to achievement • Policies/ Processes • Activity/ Projects 		<p><i>Ecological Change Programme Senior Responsible Owner</i></p> <p>Helen Vaughan-Evans <i>(Climate Change Programme Manager)</i></p>
A3	<p>Get to grips with the finances you need</p> <p><i>Public bodies need to plan their finances in such a way that they can deliver their decarbonisation</i></p>	<p>Appraisal on financial need is completed annually in detail to feed into the annual budget setting process and high level assumptions checked for rolling 3 years' period to inform revenue pressure entry into</p>	<p>Regular touch bases between the Programme and Section 151 Officer</p>	<p>Ongoing</p> <p>Annually</p>	<p>Steve Gadd <i>(Head of Finance and Property Services)</i></p>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
	<p><i>strategies and action plans. This will require long-term planning because decarbonisation will need investment for many years. It will also require immediate expenditure because if the 2030 collective ambition is to be met, urgent action is essential.</i></p>	<p>the Medium Term Financial Plan for the Council.</p> <p>Adjustments are made to the annual revenue pressure entered into the Medium Term Financial Plan to fund Net Carbon Zero and Ecologically Positive activity if the appraisal identifies that the current level of annual investment isn't generating the level of carbon saving or carbon sequestration that is required in order for the Council to meet its Net Carbon Zero goal. Thus more will need to be done in future years. For example, this was done in 2021/22 for 2022/23 and 2023/24.</p> <p>Programme has identified finance officer support for both Revenue and Capital spend.</p>	<p>Annual review during the budget process each year.</p> <p>Complete a financial mapping exercise as part of the 2023/24 Strategy Review process working with Finance.</p>	31.03.24	<p>Helen Vaughan-Evans <i>(Climate Change Programme Manager)</i></p> <p>John Richards <i>(Senior Finance & Assurance Officer- Capital)</i></p> <p>Lorna Rees <i>(Senior Finance & Assurance Officer- Revenue)</i></p>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
		<p>Financial appraisal for the length of the Programme (up to 2030), although can be done at high level, will have uncertainty within it especially for the later years in 2030 due to a number of unknowns and dependencies.</p> <p>Note: budgets can only be set and approved annually in Local Government.</p>			
A4	<p>Know your skills gaps and increase your capacity</p> <p><i>Within public bodies it is everyone's responsibility to take action towards the 2030 collective</i></p>	<p>Review of staff resource requirements completed annually as part of budget setting process.</p> <p>As at 1st April 2023, 18.27 FTE are being funded across the Council to</p>	Annual review during the budget process each year.	Annually	Helen Vaughan-Evans <i>(Climate Change Programme Manager)</i>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
	<p><i>ambition. Delivering that ambition will require public bodies to have staff in place with some specialist expertise.</i></p> <p><i>Public bodies need to understand the staff capacity and skills they have in place through robust workforce planning. Training will play a crucial role in ensuring staff understand their decarbonisation responsibilities and are best equipped to deal with the task at hand. There is also an opportunity to share the knowledge, expertise and capacity that exists within the public sector as well as the private and third sectors.</i></p>	<p>contribute to achieving the Climate and Ecological Change Strategy and goals within it.</p> <p>Workforce planning will be undertaken as part of the Strategy Review in 2023/24 for the remaining 6 years based on scope/ambition refresh. This will look at data available of the current staff working on the programme, assess the capacity and capability needs now and likely to need in the future through horizon scanning the agenda to ensure we have the right people, in the right roles at the right time to deliver the 2030 goals. This will feed into the financial appraisal that will be undertaken (see A3).</p> <p>DCC has invested in Carbon Literacy training. All but 1 members of Senior</p>	<p>Complete workforce planning for remaining of the Climate and Ecological Change Programme as part of Strategy Review 2023/24.</p>	<p>31.03.24</p>	<p>Helen Vaughan-Evans <i>(Climate Change Programme Manager)</i></p>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
		Leadership Team have completed this training along with over 150 middle managers and key staff. DCC also has an Introduction to Climate Change e-learn open to all staff. As at January 2024 459 members of staff across the Council have completed this e-learn.			
A5	<p>Improve data quality and monitoring to support your decision making</p> <p><i>Public bodies need to understand where their emissions are coming from so they can check if they are making progress.</i></p>	Data quality and completeness has improved since 2019/20 baseline particularly in Land Use Sequestration and Supply Chain Emissions. We should have higher confidence in trend analysis between 2021/22 and 2022/23 on Council performance.	Continually improve data quality and completeness where necessary	Ongoing	Climate Change Team (Helen Vaughan-Evans, Liz Wilcox- Jones, Keith Bennett, Jane Hodgson)

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
	<p><i>It is important to get the data right because this information will underpin decision making and monitoring of progress for decades to come.</i></p>	<p>The carbon emission methodology we use is provided by Welsh Government and enable consistent reporting across the public sector. Whilst on the whole very positive, there are accuracy ranges depending on source of emissions, for example:</p> <ul style="list-style-type: none"> • Buildings (accuracy of measurement +/-2%) • Fleet (accuracy of measurement +/-5%) • Staff commuting (accuracy of measurement +/-25%) • Street lighting (accuracy of measurement +/-2%) • Business travel (accuracy of measurement +/-5%) <p>In addition to limitations on reporting methodology particularly within Land</p>	<p>Continue to input into Welsh Governments</p>	<p>December 2023</p>	<p>Climate Change Team</p>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
		<p>Use Sequestration and Supply Chain emissions. Welsh Government is looking at improvement options for these two areas and will be introducing different or supplementary reporting methods in 2024 for 2023/24 reporting. DCC is contributing its learning and experience into those Welsh Government/WLGA options appraisals as part of pilots.</p> <p>For our largest sources of emissions within our Net Carbon Zero goal (buildings and fleet) we have very high confidence in the accuracy of the data and method for reporting is very established. Projects and activities to intervene in these 2 areas to reduce carbon is evidence based and a forecast is calculated for carbon</p>	<p>Social Care Carbon Reporting pilot.</p> <p>Continue to input into WLGA Land Use Sequestration toolkit work.</p>	March 2023	<i>(Helen Vaughan-Evans, Liz Wilcox- Jones, Keith Bennett, Jane Hodgson)</i>

Ref	Calls to Action	Management response	Further action identified	Completion date	Responsible officer
		benefit for pound spent for projects in these work streams.			

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Report to	Governance and Audit Committee
Date of meeting	8 th March 2023
Lead Member / Officer	Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets
Report author	Steve Gadd, Head of Finance and Property
Title	Progress Update on Statement of Accounts 2021/22

1. What is the report about?

To provide an update on the audit of the draft Statement of Accounts 2021/22.

2. What is the reason for making this report?

The Corporate Governance Committee has delegated responsibility to approve the audited accounts which it was hoped would have been presented to the meeting on 8th March 2023. This has not proved possible and this report explains the main reason behind that.

3. What are the Recommendations?

3.1 To note the position as presented in this report and update the Forward Work Programme accordingly.

4. Report details

4.1 Background

The Council has a statutory duty to produce a statement of accounts that complies with approved accounting standards. The audited accounts have to be formally approved by elected members on behalf of the Council. This role has been delegated to the Corporate Governance Committee. The draft accounts were signed by the Head of Finance on the

27th June and were made available for audit as required and were also open to public inspection from 15th July to 11th August.

As happened for the last few years, the Welsh Government issued guidance that due to the ongoing impact of Covid the statutory deadlines for the completion of the draft and audited accounts would be extended as set out in the table below. DCC took the early decision to issue a notice to say that we would not be aiming for the statutory early deadline but would achieve the revised deadlines. This decision was taken in consultation with Audit Wales and informed by their assessment of their ability to complete the required audit work.

4.2 Summary of position as at November 2022

An update was provided at the November Meeting regarding an issue that impacted all Welsh local authorities. This involved the requirement of the CIPFA LASAAC Code of Practice for Local Authority Accounting in the United Kingdom (the Code) that infrastructure assets be measured using the historical cost measurement basis and carried at depreciated historical cost. In particular, there were concerns around the practical difficulties in applying component accounting for the recognition and de-recognition of replaced components of infrastructure assets as most local authorities have been unable to comply with the requirement to assess the net book value of the replaced component and will have treated the amount of the replaced component as zero. This issue was resolved in early December when the Welsh Government passed a statutory override in respect of this issue, whilst a permanent solution is developed within the Code which will improve financial reporting in this area. It had been hoped after this that we would be able to finalise the accounts for either the January or March meetings.

4.3 Reason for continuing delays to finalising the audit

Whereas the issue above impacted all Welsh LAs, unfortunately two more specific issues were raised in the meantime concerning DCC's council house asset values which has not yet been resolved. The council dwelling asset register splits the Council's housing stock over c1600 lines, with each line representing between 2 and 50 properties. Each line has its own revaluation reserve.

Issue 1: Where expenditure incurred does not appertain to a specific line, the Council's practice has been to apply non-enhancing additions and impairments to council dwellings as a whole and not split them over individual lines. The Council has not had the

information available to be able to accurately allocate these additions to individual lines. Audit Wales have in previous years raised questions about this but have accepted the Council's approach.

Issue 2: The Code requires that impairments and revaluation losses recognised in the Housing Revenue Account (HRA) are reversed by revaluation gains before any surplus revaluation gain is recognised in the revaluation reserve. The Council has not done this and instead has recognised revaluation gains in full in the revaluation reserve.

Although fully accepting Issue 2 (which has been implemented now for all other applicable asset classes) the Council had tried to argue that resolving the historic elements of Issue 1 in the only way practical (apportioning these costs across all the assets) would not be any more accurate than the way they had been accounted for. While we accepted that we would work with the service in the future to ensure more detailed management information was available to allow for the accurate allocation of these costs. However, this was something that Audit Wales (AW) could not accept as the Council could not provide assurance that the difference in the calculations would not result in a material misstatement – although disappointing we accept and understand AW's position on this.

AW had originally asked the Council to correct the asset registers back to 2007/8 by allocating the additions / impairments across the lines of the asset register and by using revaluation gains to reverse any impairments / revaluation losses previously recognised in the HRA. The Council agreed to try and undertake this exercise at the beginning of January – and it was anticipated that this would take around 3 to 4 weeks. However, following initial work attempting to revise the asset registers from 2007/8 to 2010/11 by apportioning additions / impairments on the basis of GBV, it has become evident that a prior period adjustment to the accounts on this issue was impracticable. Although time required to undertake the work is an issue, the main problem encountered is due to the time that has elapsed since the compilation of the asset registers (going back to 2007-08), meaning the working papers required to inform entries within each year's asset register, and the rationality behind many of the entries, are not available to us.

These, and other more technical issues, were raised with AW. In particular we argued that the Code recognises that there will be circumstances where effecting a prior period adjustment is not practical. However AW still maintained that they could not approve the accounts without evidence that these figures were not materially misstated. After a number of discussions an approach was agreed in principle which resulted in a proposal to

undertake the work from the time of the last revaluation in 2016/17. This work commenced at the beginning of February.

It has since become clear that the work cannot be completed in order to allow AW the time to undertake the necessary audit work in readiness for the March G&AC meeting. In addition, we now need to begin to address the backlog in preparations for with the closedown process for 2022/23 Statement of Accounts. This means that the outstanding work on the 21/22 accounts will not now be complete until after the production of the 22/23 draft accounts. The 2021/22 Statement of Accounts will remain open until the summer and it is likely we will not be in a position to bring an audited final set of accounts for that year until September 2023.

It has also been made clear by AW that they will be aiming to complete the work on the 22/23 accounts by November/December 2023. We will therefore aim to bring the Draft Accounts to the September meeting so that we can undertake additional quality assurance prior to passing the accounts for audit.

5. How does the decision contribute to the Corporate Priorities?

The publication of the Statement of Accounts underpins the financial stewardship and governance of the Council and therefore supports all council services and priorities.

6. What will it cost and how will it affect other services?

There are no additional direct cost implications as a result of this report. However the service is staffed to the level required for a September approval of accounts, future delays may therefore incur additional costs in order to reduce the impact on the other work required as highlighted in Section 4.

7. What are the main conclusions of the Well-being Impact Assessment?

It is the professional judgement of the Section 151 Officer that a Well-being Impact Assessment is not required for this report.

8. What consultations have been carried out with Scrutiny and others?

The council's procedures and processes underpinning the production of the accounts are regularly reviewed by Audit Wales. Professional opinions are drawn from numerous other disciplines beyond finance, such as legal, property valuation, human resources and pensions.

9. Chief Finance Officer Statement

The Statement of Accounts is a key element of the Council's governance framework. It is important that elected members are assured that the accounts have been produced in compliance with the relevant standards and that the process underpinning the production of the accounts is robust. Although it is disappointing that the timetable has slipped again this year, we continue to work closely with our Audit Wales colleagues to ensure a satisfactory outcome.

10. What risks are there and is there anything we can do to reduce them?

Without undertaking the additional work on the asset register it is likely that the Statement of Accounts would be the subject of an audit qualification by limitation until the issues could be resolved satisfactorily.

11. Power to make the decision

Local Authorities are required under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs. The appointed auditor is required by the Public Audit (Wales) Act 2004 to examine and certify the accounts of the Council and must be satisfied that the accounts have been completed in compliance with the Accounts and Audit (Wales) Regulations 2018.

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Meeting		Item (description / title)	Purpose of report	Decision required (yes/no)	Author – contact officer
26 April 2023					
	1	Issues Referred by Scrutiny Committees (if any)	To receive and issues raised at Scrutiny		Rhian Evans – Scrutiny Co-ordinator
	2	Recent External Regulatory Reports Received (if any)	To consider any reports received		Nicola Kneale – Interim Head of Service Business Improvement & Modernisation - Strategic Planning Team Manager
	3	Internal Audit Update	To update committee on Internal Audit's latest progress		Internal Auditor
	4	Forward Work Programme			Democratic Services
		Reports			
	5	Draft Annual Governance and Audit Committee Report (This report will cover the previous years)	To present to Full Council- the annual report from Governance and Audit		Gary Williams – Monitoring Officer
	6	Capital Projects -Contingency Report			Head of Finance – Steve Gadd
14 June 2023					
	1	Issues Referred by Scrutiny Committees (if any)	To receive and issues raised at Scrutiny		Rhian Evans – Scrutiny Co-ordinator
	2	Recent External Regulatory Reports Received (if any)	To consider any reports received		Nicola Kneale – Interim Head of Service Business Improvement & Modernisation

Meeting		Item (description / title)	Purpose of report	Decision required (yes/no)	Author – contact officer
					- Strategic Planning Team Manager
	3	Forward Work Programme			Democratic Services
		Reports			
	4	Annual Whistleblowing Report			Gary Williams – Monitoring Officer
	5	Council Performance Self-Assessment			Emma Horan/ Nicola Kneale
26 July 2023					
	1	Issues Referred by Scrutiny Committees (if any)	To receive and issues raised at Scrutiny		Rhian Evans – Scrutiny Co-ordinator
	2	Recent External Regulatory Reports Received (if any)	To consider any reports received		Nicola Kneale – Interim Head of Service Business Improvement & Modernisation - Strategic Planning Team Manager
	3	Internal Audit Update	To update committee on Internal Audit's latest progress		Internal Auditor
	4	Forward Work Programme			Democratic Services
		Reports			
	5	Treasury Management update and review			Head of Finance – Steve Gadd
20 Sept 2023					

Meeting	Item (description / title)		Purpose of report	Decision required (yes/no)	Author – contact officer
	1	Issues Referred by Scrutiny Committees (if any)	To receive and issues raised at Scrutiny		Rhian Evans – Scrutiny Co-ordinator
	2	Recent External Regulatory Reports Received (if any)	To consider any reports received		Nicola Kneale – Interim Head of Service Business Improvement & Modernisation - Strategic Planning Team Manager
	3	Forward Work Programme			Democratic Services
		Reports			
	5	Annual Corporate Health and Safety report	To consider the Health & Safety management within DCC during 2021-2022.		Corporate Health and Safety Manager – Gerry Lappington
	6	Fire Safety Report	To receive the annual report on the Fire Safety programme and performance.		Fire Safety Manager – Dawn Jones
	7	Approval of the Statement of Accounts 2021/22	To receive the audited accounts	Yes	Head of Finance – Steve Gadd
	8	Audit of Accounts Report 2021-22			Head of Finance – Steve Gadd
22 Nov 2023					
	1	Issues Referred by Scrutiny Committees (if any)	To receive and issues raised at Scrutiny		Rhian Evans – Scrutiny Co-ordinator
	2	Recent External Regulatory Reports Received (if any)	To consider any reports received		Nicola Kneale – Interim Head of Service Business Improvement & Modernisation

Meeting	Item (description / title)		Purpose of report	Decision required (yes/no)	Author – contact officer
					- Strategic Planning Team Manager
	3	Internal Audit Update	To update committee on Internal Audit's latest progress		Internal Auditor
	4	Forward Work Programme			Democratic Services
		Reports			
	5	Budget Process Update			Head of Finance – Steve Gadd
	6	Corporate Risk Register: September 2023 Review	Review the risks facing the council and our risk appetite statement.		Iolo McGregor/Heidi Barton-Price

FUTURE ITEMS			
	1	Updates of Commissioning of older peoples care home placements.	Nicola Stubbins – To present to committee when an update is available.

NB The exact date of publication of occasional reports by for example Wales Audit Office or Annual Reports by the Ombudsman are not presently known. They will be assigned a meeting date as soon as practicable.

Date Updated : 27/1/2023 SJ