

GOVERNANCE AND AUDIT COMMITTEE

Minutes of a meeting of the Governance and Audit Committee held in Council Chamber, County Hall, Ruthin and by video conference on Wednesday, 6 March 2024 at 9.30 am.

PRESENT

Councillors Ellie Chard, Bobby Feeley, Carol Holliday, Arwel Roberts and Mark Young (Vice-Chair)

Lay Members – David Stewart (Chair), Paul Whitham and Nigel Rudd

Lead Member for Finance, Performance and Strategic Assets, Councillor Gwyneth Ellis

Observer – Councillor Jeanette Chamberlain-Jones

ALSO PRESENT

Corporate Director: Governance and Business – Monitoring Officer (GW), Head of Finance and Audit (Section 151 Officer) (LT), Internal Auditor (BC), Principal Internal Auditor (SD), Strategic Planning and Performance Team Leader (IMcG), Committee Administrator (NH) (Zoom Host) and Committee Administrator (SJ).

Audit Wales representatives Mike Whiteley, Charles Rigby, Duncan Mackenzie and Lora Williams were also in attendance.

1 APOLOGIES

Apologies for absence was received from Councillor Justine Evans.

2 DECLARATION OF INTERESTS

Lay Member Nigel Rudd declared a personal interest as he was a member of the Conwy County Borough Council Governance and Audit Committee.

The Chair, Lay Member David Stewart declared a personal interest as he was a recipient of a Clwyd Pension fund pension noted in agenda item 6 and was a member on the Governance and Audit committee on Wrexham County Borough Council in relation to agenda item 11.

Lay Member Paul Whitham declared a personal interest as he was a recipient of a Clwyd Pension fund pension noted in agenda item 6.

Councillor Arwel Roberts declared a personal interest as he was a recipient of a Clwyd Pension fund pension noted in agenda item 6.

Councillor Ellie Chard declared a personal interest as he was a recipient of a Clwyd Pension fund pension noted in agenda item 6.

Councillor Mark Young declared a personal interest as he was the Chair of Governors of Denbigh High School which was mentioned in agenda item 7.

3 URGENT MATTERS

None.

4 MINUTES

The minutes of the Governance and Audit Committee meeting held on the 31 January 2024 were presented for consideration.

Matters of accuracy –

Page 9 – Minutes – the final paragraph ‘terms of reference for Governance and Audit Committee, Council and Scrutiny Committees in sync’ should read ‘not’ in sync.

Page 17 - Ombudsman Annual Letter 22/23 – the resolution should also include members agreed to receive the report as an appendix to the Annual Complaints report which was due later in the year.

Matters arising –

Page 9 and 10 – Minutes – Mr Nigel Rudd stated he had agreed to provide a note summarising his views at the last meeting and for that note to be circulated to the committee which had been omitted from the minutes. He confirmed he had completed a note and sent to the Chair and officers to pass to Members. The note provided covered a number of items for Members information. The Monitoring Officer confirmed he had been in receipt of the note from Lay Member Nigel Rudd, he apologised he had not circulated the note to Members but would rectify the issue and circulate to Members.

Page 8 – Minutes – Matters arising – The Monitoring Officer informed the committee a meeting would be arranged between the Chief Internal Auditor and Monitoring Officer before the Annual Governance Statement was presented to the Committee. The Chief Internal Auditor confirmed he would revise what information was available on local government codes and diarise a meeting with the Monitoring Officer.

Page 8 – Minutes – Matters arising – The Monitoring Officer confirmed a meeting had taken place between the Senior Leadership Team of the Council and various regulators and the director for Social Services and the Monitoring Officer raised the concerns of the council. The concerns raised by the committee were taken on board, it was taken that due to having a face to face meeting there was no need to send a letter to the regulators.

Page 10 – Minutes – Matters arising – The Chair stressed the importance of being aware of the timing of meetings in relation to the budget process. It needed to include the work of the committee on a wider context. It was a reflection of the committee’s role and ability to add value without unnecessarily duplicating other processes. The Terms and Reference of the Committee should include the role and function of the committee.

The Monitoring Officer confirmed 170 meetings were arranged annually, the Council's calendar of meetings would hopefully be presented to County Council in May 2024 for ratification for the following 18 months of timetabling. The comments of the committee would be taken into consideration when the schedule was produced.

Page 12 – Treasury Management – the Head of Finance confirmed the training slides following the Arlingclose training session had been circulated for Members. She also stated an additional session had been arranged for those that could not make the last session.

Work was still undergoing in relation to the commitment to sharing the timescales borrowing from the UK Infrastructure bank. It was hoped it would be available in the new financial year.

It was confirmed a copy of the Capital report and Capital strategy had been circulated to all Members. In her opinion the scrutiny of those Capital Prudential Indicators should sit within the Capital programme.

Page 14 – Treasury Management – The Head of Finance confirmed she had contacted Arlingclose informing them of the committees raising of the risk of communication between the authority and Arlingclose to ensure they are aware of who to contact if the Head of Finance was not available or the not the appropriate person to contact.

She confirmed a meeting had been scheduled between herself and Arlingclose and she would address the issues raised by the committee at that meeting. Including if they had an opinion on the projected Capital programme.

RESOLVED, *subject to the above that the minutes of the Governance and Audit committee held on 31 January 2024 be received and approved as a correct record.*

5 STATEMENT OF ACCOUNTS CLOSEDOWN

The Chair welcomed the Audit Wales representative Mike Whiteley to the meeting to present a verbal update on the progress made on the Audit Wales work in relation to the Statement of Accounts.

The Audit Wales representative reminded Members at the last meeting the progress regarding the audited Statement of Accounts was set out to Members. A slot on the April's Governance and Audit Committees forward work programme to present the final report was agreed.

He was pleased to report the audit work was progressing well. He confirmed he was successful in securing additional resources from other clusters within Audit Wales to support with the audit work. Assuming there was no issues with the remaining work, Audit Wales were still on track to have it completed by the end of March and ready to be presented at April Committee meeting.

He highlighted there was a risk he wanted to make Members aware of. National issues had arisen from some national audits completed across Wales, that could impact on all authorities. Work with the Head of Finance and the Finance team was taking place to establish if those issues were present at Denbighshire. It was still early days, but subject to the outcome, some additional work would need to be

undertaken by the council and then audited. It was not sure at this stage to say if the issue was applicable to Denbighshire or not. The Audit Wales representative confirmed he would keep Members informed via the Chair.

Members asked in relation to the other authorities in Wales were Denbighshire was in relation in completing the audit of the statement of accounts. In response the Audit Wales representative said to his knowledge there was at least 5 or 6 audits for local authorities still ongoing.

He confirmed he would find the most up to date figures and circulate to Members following the meeting.

In response to Members concerns on the impact it would have to Denbighshire County Council, Members heard it would have no direct impact on the bottom line on the usable reserves of the authority. The impact would be seen on the unusable reserves those things not directly available to support the delivery of services. In addition, the Head of Finance, the resource implication around the delay and additional work required that would have the biggest impact on the team.

RESOLVED that the Governance and Audit Committee note the verbal update.

6 BUDGET PROCESS UPDATE

The Chair introduced the verbal update from the Head of Finance, he reminded Members it was a follow up report from the last meeting. He reminded Members it had been agreed to receive a verbal update at this meeting with a further report to be presented at the April Committee meeting.

Members heard that Denbighshire County Council were not the only authority facing financial challenges. Members and officers were all faced with unprecedented circumstance.

The Head of Finance thanked the Chair for the introduction. She informed the committee County Council met on the 30th January 2024 to approve the budget £24.6m of pressures and that budget was balanced by a combination of £10.4m in savings which equated to 42%, the Revenue Support Grant of £6.7m at the draft settlement which equated to 27% and the council tax yield which was £7.5m for council services of 8.23% and 1.11% for the fire equating to a combined total of 9.34%.

County Council met again on the 27th February 2024 and passed the formal Council Tax resolution. Which the committee had a duty to resolve. It also received and approved the authorities Capital Programme and the Treasury Management Strategy. That concluded all of the budgetary work formally for the 2024/25 budget round.

The £10.4m savings was split into major projects (change to delivery of service) and non-strategic savings. She reminded Members a £3m savings target had been allocated to all Heads of Service to achieve. Work had been undertaken to achieve that saving.

Members workshops were taking place over the coming weeks to provide an update to Members on all areas of savings. It was felt this was necessary as a proportion of that saving would be seen from the voluntary exit scheme. Members

heard the voluntary exit scheme had now run its course which involved employees submitting an application to leave the organisation followed by Heads of Service completing a business case for each individual which assessed the impact on the team/service and provided a view if that post could be released. All of those business cases were considered by the Corporate Executive Team, there had been circa 140 applications which a decision had to be determined. That had concluded and Heads of Service with the support from HR staff were in the process of communicating with staff the decision that was reached. It was hoped the process would conclude in the coming weeks. It had been a rigorous process and a learning process for the authority.

Work on a tracker of how the savings would be tracked had begun. Heads of Service were in the process of completing that and would feed through in the upcoming workshops. The Head of Finance confirmed she would include in the report due in April.

Informally the Senior Leadership Team had been feeding back to Cabinet on the £3m savings target and progressing well. All service areas were confident they would meet each target. The issue may be achieving the target by the 1st April 2024.

The final settlement from Welsh Government had been received on 27th February 2024. There was a slight movement in the figures due to the transfers in for grants. It was stressed that it had no impact on the level of funding, the extra funding was grants expected by the authority. It included the consequential, this was funding that Welsh Government had received due to increased spending on social care in England. That funding was estimated at £25m across Wales. £10m had been inputted into maintaining the social care force grant. With the remaining funds transferred into the revenue support grants. That equated to £484k for Denbighshire County Council.

Looking forward to 2025/26, Members heard a medium term financial strategy and medium term financial plan would be presented to Cabinet in April 2024. It would form part of the report that would be presented to Governance and Audit committee in April as part of the budget update. It would include the points raised previously by Mr Nigel Rudd.

An all Member workshop was due to take place in May which would focus on transformation further details would be provided.

The Chair thanked the Head of Finance for the verbal update.

During the discussion the following areas were discussed in more detail:

- Savings and impact assessments would form part of the workshops. Members would hear the collective impact on services. There was a commitment to work and strengthen the wellbeing assessments. Some of the major savings projects were further developed than others so monitoring was ongoing.
- Monitoring of risks included the development of the savings tracker, it would also include the monitoring of income. Income would also be tracked through the budget monitoring reports that were presented to Cabinet.

- Every Capital Projects had its own risk register. Each project had to undertake a number of stages of business cases prior to being constructed and it took a long time to get to the build stage.
- Previous political decisions on previous years had taken place before the Head of Finance was in post. She reminded Members when the 2023/4 budget was set there was a need to make significant savings. The monthly savings report stated there was a need to source £8m in setting the budget. Inflation was running very high during that time. In her opinion for 2023/24 the budget setting was lower but not out of kilter. For the 2024/25 year a number of neighbouring authorities had increased Council Tax by around the 9% mark. Across the two years combined and compared to the level of inflation it did compare over the same period. Demand on services also had an impact on services.
- The settlement received from Welsh Government was based on a formula which was based on need and rurality. The need was reflecting the deprivation of the county.
- It was stressed that there was a political in pact in the decision making process. Although officers were aware of the predictions for future years there was always the potential these would change and it was important to balance cuts and tax rates.
- There was a wide range of data and material that was shared with Welsh Government that fed into the settlement formula. The vast majority of data was not provided by Denbighshire County Council. The majority of the data supplied was out of control of officers and provided from other areas.
- Members commended the Lead Member and Head of Finance for the dedication and hard work that had been put into producing a report and balancing budgets. It was acknowledged that the current Head of Finance had not been in post last year and it was difficult to have a debate on those previous decisions that had been made.
- In respect of concerns and issues raised by Governance and Audit Committee, are heard by the Lead Member, Head of Finance and Monitoring Officer and are passed through. The committee held the power to make a formal recommendation in respect of anything to do with the process to be considered by County Council or Cabinet.
- A calendar of meetings was proposed and presented to Council annually. Officers would take into account all the issues and concerns of the committee when the next cycle of meetings was proposed. Alterations can be made if required. Whilst special meetings were a capacity and resource concern they could be accommodated.
- Members noted a request of City, Town and Community Councils to relieve Denbighshire County Council of some of the financial burdens. City, Town and Community Councils could not set precepts due to not knowing the cuts that may be placed upon them. It was stressed the importance of speed of decisions and dates to inform further decisions.
- Audit Wales representatives stated the financial sustainability work was currently in the final stages of being scoped. Audit Wales officers were meeting with Welsh society of Treasures to work together to shape the hierarchy and scope of the work. The overall question set was 'does the

council have proper arrangements to support financial sustainability?'. Historic performance and vision forward and savings would be reviewed. It was a priority of Audit Wales going forward with a hope to begin the work April/ May to be completed around June 2024.

- Members stressed the importance of an early indication if there was any concerns the budget would not be balanced at the earliest point. The Chair stated he was happy to receive any updates outside of the meeting schedule and happy to include as urgent items on agendas if outside the reporting timescale. Members also asked to be kept informed of any savings proposals that may be inaccurate or not going to be achieved.
- Also any events or changes that may cause a concern for the governance arrangements of the authority would need to be presented to the committee at an early stage. The Head of Finance agreed with the comments of the Committee and ensured any updates or changes would be communicated with Members.
- Internal Audit would be monitoring the tracing process and raise any concerns regarding budget concerns with the Corporate Executive Team and relevant committees.
- Reduced staff numbers would have an impact. Members stressed the importance of acknowledging that responses may take longer. It was stressed the importance to be open and transparent with both the public and Members when a response or action was required.
- Members would be kept aware of any developments of collaborative working specifically in relation to the governance of the council and budget impacts.

The Chair thanked Members and officers for the detailed discussion.

RESOLVED that members note the verbal update ahead of a formal report to be presented to Governance and Audit Committee in April 2024.

At this juncture (11.00 a.m.) there was a 10 minute comfort break.

The meeting reconvened at 11.10 am.

7 INTERNAL AUDIT UPDATE

The Chief Internal Auditor (CIA) along with the Principal Internal Auditor introduced the report (previously circulated). 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.

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.

Confirmation that 12 Audits had been completed since the last committee report in November 2023. The CIA emphasised how hard his team had worked to complete

those audits, he stressed together with the demands of the 7 special investigations the officers were working tirelessly to complete the planned work alongside the additional audit. 11 out of the audits had received a high assurance rating and 1 medium. Details of each of the audits completed were included in the agenda report paperwork. He reminded Members they do receive each completed audit prior to the update report being presented to the committee and was happy to receive any questions via email when those report were circulated.

The CIA guided Members through the table of Wales Audit Office reports specific to Denbighshire County Council that were due to be undertaken in 2023/24. Members heard he produced a report for the Corporate Executive Team, Senior Leadership Team and Cabinet on all Wales Audit reports.

Members were guided through the details of the Estyn Visits and the other external audits completed on the authorities' work and practices

The CIA provided an update on the makeup of the department and was pleased with the progress the team were making in learning and developing skills. Details of the programme of work and proposed audits was provided. Some of the initial programmed audits have had to be deferred due to the time auditors inputted into the seven special investigations. It was hoped 50% of the initial plan would be completed by the end of the financial year.

Members were guided to the performance measures section of the report. He stressed the team's performance measures had improved over the last 3-4 months. He was pleased to report all but one performance area was exceeding target. The measure on 'Percentage of audit agreed actions that have been implemented by schools' had increased since last reported to the committee. It was stressed one member of the team had worked extremely hard to improve this performance area and was in regular contact with the schools in the authority.

The Chair thanked the Chief Internal Officer for the detailed introduction.

During the discussion –

- The Chair thought it would be beneficial to share any comments the audit team circulated from Members comments and questions outside the meeting to all Members of the committee.
- It was also agreed the information included on the external audits and reports was beneficial for Members and it was agreed to proceed to include in update reports.
- It was disappointing to note the PLASC returns had been destroyed. Members heard training had been provided to ensure it did not happen again. It was pleasing for Members to note they were now being kept digitally and hard copies.
- Denbighshire Leisure Limited currently had a Service Level Agreement with Denbighshire County Council this was due to cease this year. Going forward they have employed their own internal auditors. There was still the Member agreement in place and it allowed the authority to perform any audits it wished. Going forward DLL would form part of the annual audit plan.

- Regular meetings with the Head of Education to discuss audits completed in schools and findings from each audit continued. It was difficult for officers to comment if the current restraints and financial implications would have an impact of schools.
- Seven special investigations in one year was unheard of. The CIA stated he had never experienced that number of special investigations in one year. Going forward he hoped the number would decrease but could not say for definite, he did note the number had increased over the last two years. He stressed he would be placing some contingency in the audit plan for the next year.
- The audit plan for the next year would be different to previous years. It would still form part of the Internal Audit Strategy due to be presented to committee in June 2024 but it would still include all the statutory elements required to produce an audit opinion.
- The Chief Internal Auditor regularly attended Corporate Executive Team meetings to present reports and findings. The Executive team were keen to discuss any impacts on performance, impacts of governance around savings targets and how effective the authority was in delivery of those savings and would be a key focus for the internal audit team going forward.
- Members thanked the audit team for the hard work and support provided to Denbigh High School over recent months.
- The proposed work on blue badges involved looking at the process review to ensure the fraud risk was minimised. The proposed audit was a follow up audit to ensure all risks remained as low as possible. When completing the follow up audit, officers would look at the arrangements in place to support individual during the application stage.
- Members asked in the next update if the audits that had been replaced be indicated on the next update for reference. The Chief Internal Auditor confirmed he could include some of the areas which had been displaced in the next update report.
- The Chair was pleased to note the upcoming audit due to commence on Programme and Project Management. The Chair noted the planned audit work of risk management, procurement– pretender stage and asset management and would provide members with assurance when discussing the Annual Governance Statement.
- Members suggested that alongside the training session proposed on Internal Audit assurance ratings, information on scoping process involved to determine Internal audit.
- It was suggested to include the following items as areas of training – follow – up session on the committee’s self-assessment, function of audit, procurement rules and regulations and risk management.
- There was functionality within outlook to notify the sender if the email had been received and read. When an audit was completed the initial draft report was first circulated to officers involved in the audit/ service once that report had been approved it was moved to a final version and circulated to a receipt list that was regularly.
- The UK resettlement report the lead authority was the Home Office, a different reporting line that Welsh Government. Issues and concerns were raised through different regional working groups that both the Chief Internal

Auditor and Principal Auditor attend. We do ask questions of the lead authority in which a response was required.

- Members highlighted as part of the transformation agenda it may be worth looking at ways on introducing artificial intelligence. Officers welcomed the suggestion proposed by Members.
- Further information would be presented to the committee in relation to the special investigations. Once investigations had been completed they would be presented to the committee in the form of a confidential report. Full compliance of each service internal audit had been involved with had been observed. Full details would be provided to the committee in due course.
- Members congratulated the team on the finding of £48k as part of the NFI exercise. Members suggested it may be a positive story that could share with the wider community to promote the good work the team had done.

RESOLVED that, Members note the Internal Audit's progress and performance.

8 PARTNERSHIP UPDATE FOR DENBIGHSHIRE COUNTY COUNCIL

The Chief Internal Auditor introduced the report on Partnership update for Denbighshire County Council (previously circulated).

As stated in the report the Chief Internal Auditor, the audit team had been delayed in starting the work on the partnership arrangements in the council. Work in this area had commenced the end of last year. The team had used a previous report produced in 2016 as a starting point. It was confirmed the team had met with all Heads of Service and discussed the arrangements around partnership working. Management Teams in each service had begun to look into the partnership arrangements and were providing information to the Internal Audit team. The aim of the work was to look at both formal and informal partnerships and also the different arrangements in place across North Wales. It was hoped the work would be completed by the end of the Summer for an update report to be presented to the Committee in September. Members heard the Corporate Executive Team had also requested sight of the report to monitor and review how the council moves forward including looking at the possibility of more collaborative working and how that would be managed in the future.

The Chair thanked the Chief Internal Auditor for the report and introduction. He stated the reason the committee had requested the work to demonstrate to the Members the partnership arrangements within the authority. Members had previously requested a mapping exercise and was pleased to hear that was the intended to be completed. A key element of the requested work was the governance arrangements lie and who is responsible for monitoring different elements.

The Chief Internal Auditor felt the authority and services were aware of the partnerships it held, it currently was not corporally held anywhere. A cross council approach to the partnerships was vital.

Members heard the Internal Audit team would be involved with the Levelling Up Funding Projects. Wrexham County Borough Council was the lead authority for the delivery of phase 1. The team were awaiting direction from Wrexham County

Borough Council with a direction of the work that would be required by Denbighshire County Council's Internal Audit team. It was felt the requirement would be to audit the projects between April – June to ensure the monies had been spent and spent appropriately and the projects delivered. The work would form part of the audit plan.

Lay member Nigel Rudd felt it would have been useful for the committee to have received a draft template report, completed to the best of officer's ability with the information already obtained and would clearly show any gaps. Allowing Members the opportunity to become aware of those gaps to give those attention. In his opinion the report was a task and finish piece of work, that was capable of being delivered in a shorter period of time.

He also raised that within Denbighshire County Council, there was a Partnerships Scrutiny Committee which would suggest the authority was aware of the existing partnerships. He informed Members he reviewed the terms of reference of the Partnerships Scrutiny Committee and the workload which did address some areas of partnerships but also in his opinion numerous areas which were not related to partnerships held by the authority. He felt there was an implication in the work the committee requested by the committee that required the terms or reference for other committees be reviewed. He stressed the importance of sight of the initial draft mapping to begin that process.

Councillor Bobby Feeley echoed the concerns of the Partnerships Scrutiny Committee.

The Monitoring Officer informed the committee legal completed some work on partnership arrangements ensuring legal were involved when required to be.

He stated the CJC was a regional body that had been established, it was a sovereign body that was independent from the councils. It carried all the trappings of the local authorities so it was required to have its own scrutiny arrangements. Gwynedd Council was the leading authority; they were consulting the other authorities on the way forward as a joint committee. It would also be required to have its own Governance and Audit Committee. There was a report being presented to Democratic Services Committee on 22 March 2024 which set out some of the regional arrangements and how regional Scrutiny was done.

He agreed that the authority did not have a mapping sheet that tabled who was responsible for partnerships and governance. He stressed the Corporate Executive Team were interested to understand how the working with partners and what worked well and efficiently along what could be improved or altered to work better.

It was stressed to the committee the Internal Audit team had been extremely busy and involved in a number of special investigations alongside the planned audit work. He confirmed he would work alongside the Chief Internal Auditor and officers to support the team in gaining responses to Internal Audit in a timely manner. He acknowledged the importance of this work being completed.

The structure of the Corporate Plan had been changed under the requirements of legislation.

Members heard there was three scrutiny committees within the authority. Partnerships had to cancel a recent meeting due to lack of business. Members were not solely responsible for the agenda; officers could also request agenda

items for scrutiny discussion. It had been encouraged previously to make scrutiny Member driven, and items presented to Scrutiny were areas of Member concerns.

Lay Member Paul Whitham stressed how dynamic the piece of work was. It was a piece of work that would always be live and change from time to time. It was also stressed the importance to be pragmatic on what defined a partnership.

RESOLVED that the Governance and Audit Committee receive and note the contents report with an accurate partnership list be presented to the committee at the September 2024 Committee meeting.

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, along with the Vice-Chair he had met with officers in February to discuss the FWP. To review and rationalising the work programme.

It was stressed the importance of balancing the work load over meetings. The importance of having some flexibility when it related to certain areas such as the Statement of Accounts.

The Chair informed Members the Annual report on the constitution had been deferred from January 2024 and was now scheduled for the April 2024 meeting. The Monitoring Officer stated there was a need for the committee to receive an annual report. If a full report of the constitution was not available for the April meeting, a report on the terms of reference of the Governance and Audit Committee would be presented for discussion.

The next Committee meeting was scheduled for 24th April 2024. The Statement of Accounts was due to be presented to Committee at that meeting and the Chair stressed that item may have to be given time due to the nature of the discussion.

An information report on the Corporate Risk Register had been previously agreed by the Committee and was absent on the June proposed agenda.

The Chair confirmed the Annual Complaints report would be a report presented for discussion and not only for information.

The Committee meeting scheduled for September 2024 was very light with just 2 information reports currently scheduled.

Under the future agenda items, the Chair stated the report on 'Updates of Commissioning of older peoples care home placements' had passed and he was no longer required.

There was still a requirement to include a future report on the Housing Revenue Account for future discussion.

In relation to the JICPA Assessment Update the Monitoring Officer stated Members had asked for any developments or updates be communicated to the Committee. He stated he would confirm with officers for any update.

The future report on the Committee's Terms of Reference, Nigel Rudd confirmed he had asked for the 2011 measures to be made available to Members, which was the legislation that drove the formation of Governance and Audit, including the Terms of Reference.

A copy of the Local Government Wales Measure 2011 was shared with Members of the committee and on Zoom.

In his opinion Mr Nigel Rudd, Members needed to ensure the Governance and Audit Committee had a duty to comply with the legislation was actively complying. So when asked could evidence the work of the committee.

He guided Members through the paper and directed Members to the section 81(1) (a) and (b). The word 'scrutinise' was still included in the legislation and needed to be reflected in the work of the Governance and Audit committee.

In his opinion he felt it was important within the Committee to provide a 'shield of protection' around the decisions that the Council, in relation to setting a balanced budget make.

He felt it was vital that the committee received and debated the finance side of the authority as part of a systematic cycle at the right time of the year.

He suggested officers along with the Chair and Vice Chair revisited the FWP to address and view the appropriate time to include the authorities' financial reports.

Mr Rudd guided Members through the remainder of the Section 81 (1) grouping together in his opinion the types of committee reports that had to be presented to the committee at the appropriate times.

He highlighted the comment in the paper were it stated it was for the Governance and Audit Committee to determine how to exercise its functions. He stressed it was the duty of the Members of the committee to determine its discussions. It was important the committee demonstrated it had debated all reports under the section throughout the year.

He felt the legislation was an important document to reflect the duty of the committee and should marry up with the terms and reference of the committee.

The Chair thanked the Lay Member for his comments and observations. He agreed that he too was unhappy with the current terms of reference for the committee. He informed Members he had drafted an initial draft of proposed changes to the Committee's Terms of Reference which would be shared with Members when the item was tabled for discussion. He had included the requirements into his draft. In his opinion he felt the CIPFA code of practice, was not as detailed and helpful in guiding what was included in the Terms of Reference.

Governance and Audit Committee had a wide responsibility for the financial affairs of the authority.

The role of the committee had to be clear to ensure all members were clear on roles and responsibilities of the committee.

Members raised concern that the proposed requirements would impact the FWP more than the current heavy workload. A concern that it would put too much weight on certain meetings was aired. The timings of reports was vital to ensure all aspects proposed were met at the most appropriate time.

The Monitoring Officer confirmed the Section 81 of the shared legislation was what was expected to be received by the Governance and Audit Committee, over the previous 12 months the committee had received reports under each of the elements of section 81. He agreed grouping certain aspects together to demonstrate and evidence the work of the committee was a good suggestion.

Members heard all the listed elements of section 81 were included in the current terms of reference. He confirmed he was happy to discuss the suggestion to update and amend the terms of reference with the Chair.

Historic work had been undertaken to review any items the authorities Standards Committee could receive to relieve the Governance and Audit Committee's heavy work load. It was agreed at the time there was no appetite to pass over any reports to the Standards Committee.

He thanked the Lay Member and Chair for valued comments and suggestions to improve the contents of the Terms of Reference.

The Monitoring Officer confirmed there was the ability to call special or extraordinary meetings when needed. He stressed they should only be used when absolutely needed as it does impact on resources.

The Monitoring Officer confirmed he would circulate the statutory guidance on the work of Governance and Audit which he would circulate to Members.

The standing item included on the FWP regarding issues referred to committee from Scrutiny appeared on the FWP for numerous committees as Scrutiny had the ability to make formal recommendations to other parts of the Council. It was not very often that any issues were referred back to Governance and Audit Committee at Scrutiny meetings.

Councillor Bobby Feeley informed Members that in other committees there was a pre-meeting prior to the meeting to discuss areas to raise at the meeting and suggest areas for questioning. The Chair suggested that Members raise questions to him via email prior to the meeting to allow the flow of the meeting and officers time to prepare any information for responses to Members concerns.

RESOLVED that,

- *Having regard to the section 11 measures on the Act as discussed above a review of the FWP be conducted between officers and the Chair and Vice Chair;*
- *subject to the above amendments the Governance and Audit Committee's forward work programme be noted.*

FOR INFORMATION

10 AUDIT WALES REPORT - USE OF PERFORMANCE INFORMATION

The Chair thanked the Audit Wales representatives for the reports.

The Monitoring Officer stated the Audit Wales report- Use of Performance Information was a National report that had been carried out. In addition, the Strategic Planning and Performance Team Leader confirmed the organisational response had been included with the papers.

The Audit Wales representative Lora Williams confirmed the report formed part of a National report but the papers included in the agenda were specific to Denbighshire. She informed the committee a National summary would be shared detailing good practices to support authorities to fulfil the recommendations noted in the individual authority reports.

Members were guided to the response from Denbighshire County Council which was included at agenda pages 78-80.

RESOLVED that the Governance and Audit Committee note the contents of the Audit Wales report – Use of Performance Information.

11 AUDIT WALES REPORT - SUSTAINABLE DEVELOPMENT? – MAKING BEST USE OF BROWNFIELD LAND AND EMPTY BUILDINGS

The Chair informed Members he would take agenda items 11, 12 and 13 Audit Wales information reports together.

The Strategic Planning and Performance Team Leader informed Members, officers were currently drafting the organisational responses for the reports on Sustainable development? – making best use of brownfield land and empty buildings and the report on Digital Strategy Review.

In relation to Agenda item 11 - Sustainable development? – making best use of brownfield land and empty buildings, Councillor Mark Young asked if all the departments and services were involved in the discussions around working towards the recommendations. In response the Strategic Planning and Performance Team Leader confirmed the management response had been reviewed by Emlyn Jones, Head of Planning, Public Protection & Countryside Services along with relevant officers.

The recommendations included in the Audit Wales reports had been agreed, with official organisational responses were being drafted by Head of Corporate Support Service - Performance, Digital & Assets.

The responses once completed would be provided to the Committee once completed.

RESOLVED that Members of the Governance and Audit Committee note the information report.

12 AUDIT WALES REPORT - DIGITAL STRATEGY REVIEW

Agenda item 12 was discussed on block under agenda item 11.

***RESOLVED** that Members of the Governance and Audit Committee note the information report.*

13 AUDIT WALES REPORT - SETTING OF WELL-BEING OBJECTIVES

Agenda item 13 was discussed on block under agenda item 11.

***RESOLVED** that Members of the Governance and Audit Committee note the information report.*

The meeting concluded at 13.20 p.m.