

<b>Report to</b>	Governance & Audit Committee
<b>Date of meeting</b>	24th July 2024
<b>Lead Officer</b>	Bob Chowdhury – Chief Internal Auditor
<b>Report author</b>	Bob Chowdhury, Chief Internal Auditor
<b>Title</b>	Draft Governance and Audit Committee Annual Report for 2023-2024'

## **1. What is the report about?**

1.1. This report is about the draft annual report of the Governance and Audit Committee to the Council.

## **2. What is the reason for making this report?**

2.1. For the Committee to consider and comment on the draft report and appendices attached as Appendix 1 so that a final version can be submitted to council in November 2024.

## **3. What are the Recommendations?**

3.1 That the Committee approves the draft report and appendices attached as Appendix 1 subject to any suggested amendments agreed by the Committee.

## **4. Report details**

4.1 The Council is statutorily required, under the provisions of the Local Government Wales Measure 2011, as amended, to have a Governance and Audit Committee. The Committee is the Council's designated committee for this purpose. The statutory role of the Committee is to:

- Review and scrutinise the authority's financial affairs,

- Make reports and recommendations in relation to the authority's financial affairs,
- Review and assess the risk management, internal control and corporate governance arrangements of the authority,
- Make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements,
- Oversee the authority internal and external audit arrangements,
- Review the financial statements prepared by the authority.

4.2 The Committee is also responsible for keeping the Council's Constitution under review.

4.3 The Local Government Elections (Wales) Act 2021 requires that a third of the Committee's members must be lay members. There are therefore six elected members and three lay members on the Committee. The Act also requires that the Chair of the Committee be a lay member. The current Chair is Mr David Stewart.

4.4 Each meeting of the Committee is attended by the Corporate Director – Governance and Business, the Head of Finance and Audit and the Chief Internal Auditor or their representatives. In addition, each meeting is attended by officers from Audit Wales.

4.5 This report covers the 2023-24 financial year.

4.6 More details of the Committee's role and an outline of its business in 2023-24 is contained in Section 5 of this report, along with the Committee's key observations as a result of its work.

4.7 The appendix also sets out how the Committee has met its terms of reference and the outcomes of its evaluation of its practices and effectiveness against the 'Position Statement: Audit Committees in Local Authorities and Police' which was published by the Chartered Institute of Public Finance and Accountancy (CIPFA) in 2022.

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

5.1. The Committee performs an important role in respect of the Corporate Plan theme of a well-run high performing Council.

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

6.1. There are no additional costs associated with this report. Actions to ensure compliance with relevant legislation and Council policies are carried out within existing budgets.

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

7.1. Not applicable - there is no conclusion required for this report.

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

8.1. There have been no consultations with Scrutiny or others for the purposes of this report.

## **9. Chief Finance Officer Statement**

9.1. The Governance and Audit Committee plays a key role in helping to ensure Denbighshire is a well-run Council as summarised in section 3 and detailed in the report. This report has no direct financial impact.

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

10.1. The risk of not having an effective Governance and Audit Committee is that there may be a lack of oversight of the Council's corporate governance which is a key component of good performance. Weak corporate governance can contribute to failure in service delivery.

## **11. Power to make the decision**

11.1. The Council's Constitution requires an annual report to be produced by the Committee.