

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, 12 June 2024 at 9.30 am.

PRESENT

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

Councillors Ellie Chard, James Elson, Carol Holliday, Arwel Roberts and Mark Young (Vice-Chair).

ALSO PRESENT

Gary Williams – Corporate Director: Governance and Business / Monitoring Officer; Liz Thomas (Head of Finance and Audit (Section 151 Officer); Bob Chowdhury – Chief Internal Auditor; Helen Vaughan-Evans – Head of Corporate Support Service: Performance, Digital and Assets; Iolo McGregor – Strategic Planning and Performance Team Leader; Emma Horan, Strategic Planning and Performance Officer; Kath Jones, Senior Committee Administrator; and Sharon Walker, Committee Administrator.

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

Charles Rigby – Audit Wales representative

Alex Jenkins, Chief Internal Auditor, Ceredigion County Council in attendance for Agenda Item 10

1 APOLOGIES

Apologies for absence were received from Councillor Bobby Feeley

2 APPOINTMENT OF CHAIR

Nominations were sought for a Member to serve as the Committee's Chair for the ensuing year. Lay Member, Nigel Rudd nominated Lay Member Dave Stewart, seconded by Councillor Carol Holliday. No other nominations were received and it was therefore :

RESOLVED that Lay Member Dave Stewart be appointed as the Governance and Audit Committee's Chair for the ensuing year.

3 APPOINTMENT OF VICE CHAIR

Nominations were sought for a Member to serve as the Committee's Vice-Chair for the ensuing year. Councillor Ellie Chard nominated Councillor Mark Young, seconded by Councillor Arwel Roberts. No other nominations were received and it was therefore :

RESOLVED that Councillor Mark Young be appointed as the Governance and Audit Committee's Vice-Chair for the ensuing year.

At this juncture, the Chair welcomed Councillor James Elson to the Committee for his first Governance and Audit Committee meeting.

Good Luck was offered to Iolo McGregor, Strategic Planning and Performance Team Leader, as this was his last day working for Denbighshire County Council. The Committee offered their thanks for all his work whilst in post.

4 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.

Lay Member, Paul Whitham, declared a personal interest as he was a recipient of a Clwyd Pension fund pension.

The Chair, Lay Member, David Stewart, declared a personal interest as he was a recipient of a Clwyd Pension fund pension.

Councillor Ellie Chard declared a personal interest as she was an LEA Governor at Ysgol Tir Morfa, Rhyl, and was also a recipient of a Clwyd Pension fund pension.

Councillor Arwel Roberts declared a personal interest as he was a Governor at Ysgol Y Castell, Rhuddlan.

Councillor Carol Holliday declared a personal interest as she was a Governor at Ysgol Penmorfa, Prestatyn

5 URGENT MATTERS

None.

6 MINUTES

The minutes of the Governance and Audit Committee meeting held on 24 April 2024 were presented for consideration.

Matters of accuracy –

Page 7 – Councillor Arwel Roberts was in attendance at the meeting

The Chair, Dave Stewart's name was incorrect in the attendees of the minutes.

Page 8 – Matters Arising – Local Government Code should be Local Governance Code.

Page 8 – Arlingclose – should read confirmation in writing would be sent immediately.

Page 11 – Second bullet point – should read failure of their Governance and Audit Committees

Page 14 – under Appendix 4, should read – Member Allowances – could members agree to not take the increase

Matters Arising –

Page 8 – Arlingclose – Head of Finance, Liz Thomas has responded in writing to the Chair informing him she had been in contact with Arlingclose informing them of alternative contact points in the Council should they have any concerns regarding who was the S151 officer.

Page 10 – Terms of Reference had been agreed at the last GAC meeting and was approved at Annual Council on 14 May.

The Chair of GAC was not a member of Council or Cabinet and therefore, championing issues and debates at the electoral/political level was something the Committee might wish to consider further. The role of the Vice-Chair of GAC to be discussed further in relation to how advocacy was pursued.

Nigel Rudd raised the point of not having Cabinet members on GAC and suggested this needed to be addressed.

Reference to Section 114 – part of the role of GAC to act as a shield of protection around the decision making of the council to avoid ending up in the situation where a Section 114 was needed to be served. Required to be more open and transparent about the implications. Agreement that the wording talked about the appropriate financial management and measures in place but should not be averse to referencing Section 114 where it was felt it was helpful to do so.

The Monitoring Officer agreed to respond outside the meeting on this point put forward by Nigel Rudd.

Page 10 – Performance Self Assessment – confirmed if Council did not accept recommendations a report would be brought back to GAC. If Council accepted recommendations then the final version would be provided to GAC for information.

Page 10 – new Terms of Reference would cover agenda items, for completeness Paul Whitham requested it also include to see if there were any apparent misdirection with other Committees ie: was there anything GAC had carried out over the previous 3 years which it should not have done.

The Internal Audit Team were carrying out a piece of work which would look at the last 4 years of GAC Forward Work Programmes and the Forward Work Programme would then be populated.

Page 11 and 12 – Nigel Rudd raised the point regarding the Medium Term Financial strategy an update had been received from Liz Thomas and it would be useful for the information to be circulated to all members of the GAC.

RESOLVED that, subject to the above, the minutes of the Governance and Audit Committee held on 12 June 2024, be received and approved as a correct record.

At this juncture, there was a change of order of items on the Agenda.

7 INTERNAL AUDIT EXTERNAL AUDIT ASSESSMENT 15 APRIL 2024

The Chief Internal Auditor, Bob Chowdhury, introduced the Internal Audit External Audit Assessment 15 April 2024 report.

The Lead Member for Finance, Performance and Strategic Assets, Councillor Gwyneth Ellis and the Corporate Manager, Internal Audit, Ceredigion County Council, Alex Jenkins, were in attendance for the item.

The external assessment could be completed either by a full external assessment, or an internal self-assessment which was validated by an external assessment reviewer. As a member of the Welsh Chief Auditor Group (WCAG) it was agreed to adopt the self-assessment approach with another member of the WCAG undertaking the independent validation. On completing the self-assessment, the information was shared with the Corporate Manager, Internal Audit at Ceredigion County Council who had completed the external assessment and provided a report.

The Corporate Manager, Internal Audit, Ceredigion County Council gave a summary of the assessment (previously circulated).

The Chair thanked Alex Jenkins, Bob Chowdhury and the Internal Audit team together with Councillor Gwyneth Ellis for all their hard work.

Within the report it stated that Internal Audit generally conforms with the requirements and generally conforms reflects the highest level of performance following an external assessment.

The assessment was set for standards for all Local Authorities within the United Kingdom which derived from international internal audit standards ultimately set by the Global Institute of Internal Audit.

During discussions, the following points were raised and discussed –

- Within the report, it was noted effective partnership working with other auditors and other local authorities.
- Capacity issues were raised not only within Denbighshire County Council (DCC) but across other areas. Where did DCC sit when benchmarking its performance against others in Wales. Secondly whether consistent challenges faced those Authorities regarding the ability to recruit and retain staff in key roles in this area. Part of the report reflected those challenges which DCC Internal Audit had faced. The Chief Internal Auditor, Bob Chowdhury, responded that when a benchmarking exercise had been carried out approximately 18 months previously, the 22 local authorities had been looked at together with the make-up of the teams. It was confirmed that across Wales it had been very difficult to recruit internal audit staff.

There was a shortage of staff available within Wales and DCC sat midway of all areas. DCC Internal Audit comprised of a team of 6 members. Salary payment was midway of all 22 local authorities. Qualification wise, DCC were lower than a lot of the Welsh local authorities due to 3 career path auditors being recruited during the last 18 months. The Principal Auditor was on a career pathway.

Alex Jenkins supported the statement given by Bob Chowdhury and explained that Ceredigion was similar to DCC. It was a common question around staffing. In Ceredigion they were staffed to full complement but it was the qualifications, as they currently had 2 people studying for the certified internal audit qualification.

Regarding the recruitment of staff, since the pandemic, staff were continuing to work from home and, therefore, were able to, for example, live in North Wales but work for one of the London Councils because staff were only required to attend in the office for 1 or 2 days per week and that had affected recruitment.

The way forward for DCC had been to recruit at the lower level and over the course of 4-5 years they could become fully qualified internal auditors.

Within the North Wales Audit Group and the All Wales Group common themes were discussed and working papers were shared which did speed up the work carried out in North Wales.

It was confirmed that Audit Wales ran an apprenticeship and graduate trainee scheme to respond to the risk as it was challenging due to working from home and the ability to work for larger Authorities whilst continuing to live in a different area. Audit Wales has approximately 50 people on those schemes at any one time and as part of the scheme there was an opportunity to second people to go and work in other public sector bodies. It was unusual for staff to be seconded to Councils due to the Auditor Generals independence but includes working for example, DVLA. Audit Wales also try to support the public sector within the limitations of the Auditor Generals independence. We agree there is a challenge recruiting into the audit sector.

- It was questioned how many staff work in Internal Audit and how did the training carried out together with the work which was required to be done.

Within the internal audit team of DCC there were 6 members of staff. The team were made up of the Chief Internal Auditor, Principal Auditor, 3 career pathways and an Auditor. The training plan for team were Principal Auditor due to complete ILM4 which was a management qualification which should be completed by the end of this year. Once that was complete she would complete her Institute of Internal Auditor certified qualification which she has part completed. One senior Auditor who had been with DCC almost 2 years. She was to start the Institute of Internal Auditor examinations. 2 of the career pathways had just completed the first level of the Association of Accounting Technicians examinations.

Alex Jenkins confirmed the team in Ceredigion comprised of herself (Corporate Manager of Internal Audit), Audit Manager, Senior Auditor and 2 Auditors.

- The Chair asked about Standard 1210 Proficiency and Due Professional Care. It was stated within the report that the Council showed significant support for the internal audit function achieving its required qualifications for proficiency as soon as possible.

The Chief Internal Auditor confirmed the Council were supporting the Internal Audit team. In January 2023 when recruitment was taking place DCC informed the team to put out 2 adverts one for senior auditor and one for a career pathway post. HR were supportive throughout the process. Unfortunately, no applications for the Senior Auditor were received but a number of applications were received for the career pathways post. HR have assisted with training plans which were now in place. The budget was also in place for when different levels of training was to be paid for.

Partial conforming was stated for this part of the assessment as the Chief Internal Auditor was a fully qualified CIPFA Accountant then the remainder of the team do not have the qualifications but the Principal Auditor is part qualified in IIA certified, and one member of staff AAT qualified. The remaining 2 members of staff have not worked in finance previously but they are doing the Association of Accounting Technicians qualification and that was the reason for partial conforming.

- Risk Management - it was stated that it was not clear how the prioritisation of the remainder of the audit work aligns to the organisation goals and corporate risks. How was this going to be worked on in the future. It would be useful for the Committee to know how Internal Audit plan their work.

When the Risk Management review was commenced in March some of the comments made by Alex Jenkins had been taken on board and the risk process had been looked at. It covered a lot of the issues which had been raised in the assessment. Risk Management had fallen behind as in January 2023 there had only been the Chief Internal Auditor, Principal Auditor and an Auditor of a team of 6 so the plan had not been completed that year and Risk Management had dropped behind. When Alex had carried out the assessment, Risk Management had been on the plan but at the very end so she did not see what work was being carried out. The work is now completed and the report will be finalised within the next week.

- Managing the risk of fraud. Low incidents of fraud. In a future report it was requested that Internal Audit state how the work would be carried out to link in to the mitigation of the corporate risk.

For the past 12 months an online learning platform had been looked at for corruption, fraud, and bribery. 2 or 3 options had been looked at and last week a meeting had taken place with the whole of North Wales and received

a presentation from a company. The presentation was good, it covered all the areas of fraud risk and corruption which was needed. The Chief Internal Auditor confirmed Ynys Mon and 2 other local authorities, together with DCC, had shown an interest and were looking at bringing that platform to Denbighshire. There was a cost of the online learning package. All staff, members and lay members would be able to go on to the e-learning platform and would then understand about fraud and corruption. The next step would be to look at the policies and procedures and update them in line with the training provided. Within the next 12-18 months all staff should have completed the e-learning session and that would go towards improving DCC's awareness.

- An update report would be submitted to Governance and Audit Committee probably in six months' time. The Internal Audit Quarterly report would be submitted in September/October and information would be included with an update and share the actions again to members. The Action Plan would be shared to all members following the current meeting.

RESOLVED that the Governance and Audit Committee considered the actions contained within the Internal Audit External Quality Assessment and monitor progress made to complete the actions and fully conform.

8 COUNCIL PERFORMANCE SELF-ASSESSMENT 2023-24

The Lead Member for Finance, Performance and Strategic Assets, Councillor Gwyneth Ellis, introduced the report (previously circulated).

Regular monitoring of performance had been monitored and quarterly reports were taken to Scrutiny and Cabinet meetings.

The Executive summary together with the covering report provided an evaluative statement of progress.

Feedback was sought on the content of the draft reports attached at Appendix I and II prior to the report being submitted to Council in July for approval.

For clarification - the report had been submitted to GAC as good practice and enabled GAC to recommend any changes to the report prior to Council in July 2024. If any of the recommendations from GAC were not incorporated then the reasoning why would need to be included within the final Performance Self-Assessment report.

The Panel Pier Assessment which happens once every political terms, was the report that GAC would receive which included the response from Cabinet. GAC's role in the Self-Assessment was to review the report and make any recommendations upon it where necessary. GAC had the same powers with the Panel Pier Assessment report.

Nigel Rudd asked officers if the methodology of reporting like this a requirement of the legislation or was it a practiced approach which had been adopted by

performance staff across various authorities. How much scope was there as to how these type of matters were reported? There had been an issue of repetition throughout parts of the report. As a public body the report needs to be available in a way that members and members of the public can easily understand the information provided.

Officers responded that it had been an evolving report and had been developing the reports over many years as a team. An effort was made to reduce the narrative within the report but at the same time a balanced picture needed to be presented so were responding to expectations from the regulators both internal and external, The Well-being Future Generations Office looks at the report, the Equality Human Rights Commission also looks at the report. Because of the legislation, the report needed to satisfy at least three Acts.

The Chair requested that the comments regarding the report be taken back as a comment from GAC.

Officers clarified that additional improvement activity which had been added which was to keep Corporate Plan commitments and performance expectations under continual review. In February, the Corporate Plan was revised to try and address this issue which it had to a certain extent. What the Corporate Plan attempts to do is huge in scope, so it is challenging.

The Monitoring Officer informed GAC that there was a large amount of work which went into the report and officers worked very hard on it. The feedback will be taken on board.

Appendix 1 –

Page 29 of the Agenda Pack – Equality and Diversity –Had the training taken place and had it been included in the Annual Governance Statement which was to be presented at the next meeting?

Members were surveyed to seek their views on mandatory and non-mandatory training and the results were presented at Democratic Services Committee and as part of that it was recommended to make Equality and other training mandatory. The paper would then be presented to Council containing those recommendations.

It was confirmed that members of the Strategic Equalities and Diversity Group had all received training from the WLGA in April. The report eluded to all members and lay members receiving the mandatory training.

Page 31 – How Well Are We Doing. Clarification was sought as to the Well Run High Performing Council Board, and what status it had, and who were the members.

Officers clarified that the Well Run High Performing Council Board had been established when looking at the governance arrangements in place for the Corporate Plan. The Corporate Plan theme being around a well run high

performing Council was to embed values and principles as an organisation. It was recognised that there was not a body looking at that so the Board was established in October 2023 chaired by Councillor Gwyneth Ellis. The Chief Executive, Graham Boase, was the officer lead and Heads of Service. It is a key programme Board for delivery of the Corporate Plan and meets every 3 months.

The Well Run High Performing Council Board reports to CET and Cabinet. The Board takes on a slightly different approach to other Boards in that it was offered up to all staff who might be interested in sitting on the Board. There were people with no managerial responsibility or people with middle management responsibility who are on the Board on an equal footing.

Page 31 – Recruitment and Retention. It was queried if there were issues with recruitment and retention of staff in the governance functions of the council for example, legal, HR, finance, internal audit, procurement, business improvement, planning and performance, ICT, and asset management.

It was explained that the report covered the financial year 2023/24 so whilst decisions might have been made on voluntary exits, the staff would not have left the employ of the council until this financial year (2024/25). This would be assessed more fully in the first 6 months reporting.

Every Head of Service was mindful of the issue with recruitment and retention of staff. Good governance was in place for vacancy control forms, business case and impact and same across budget saving suggestions. There was a Well-being Impact Assessment which was being looked at from the perspective of staff currently and would continue to be assessed. It was a risk in the Corporate Risk Register.

It was confirmed that Emma Horan was working with HR to look at the impact of the budget savings, budget proposals etc., and the voluntary exit scheme. CET were also mindful of the impact on particular areas.

Legal and Procurement were not currently carrying vacancies, they were fully staffed. Services were taking more innovative ways forward.

Page 34 – A Greener Denbighshire. In the previous report the status had been “good” (yellow), this report status of acceptable was taking into account some of the challenges. The theme was not just focussed on achieving net zero, it was a much wider theme so that overall status took into account many other projects.

Page 35 – Corporate Planning. No mention in this section of project and programme management or of counter-fraud. Counter-fraud had been mentioned in the Self-Assessment report last year.

Project Management would usually be included in the Performance Management section of the report. The lack of comment would be because there was nothing to say. It had been commented upon extensively within the report regarding programme changes particularly around the governance of the Corporate Plan so there are references to how the Boards have changed.

There is also a specific measure under the Well Run Council theme regarding the Project Management which does monitor quality of information received.

Counter-fraud. The Monitoring Officer confirmed the organisation was very aware of the risk of fraud which is why it was on the Corporate Risk Register. There is a Counter-fraud strategy and ensure checks were carried out during the recruitment process. Controls are in place, but never complacent.

Page 36 – Financial Planning and Performance Management. There had been a change in the way information had been presented in particular Budget with staff engagement. The council had made a significant shift in how it addressed the financial challenges going forward. Positive comments needed to be strengthened in this area to reflect the work carried out by the Councillor Gwyneth Ellis, SLT and particularly Liz Thomas.

Officers responded that it would be difficult to comment without evidence. There was to be a report by Audit Wales on the council's sustainability and that could be the opportunity to improve the positive comments as suggested.

Appendix 2 –

Page 71 - The percentage of schools in the county using the Public Health Wales All School approach to Mental Health and Well-being Tool. It is benchmarked locally but want to know why all schools are not using this tool?

It was a relatively new tool for schools and was an improving trend. It was confirmed that if further clarification was required, Education Services could be consulted.

Page 109 – Statement of Accounts. The statement of accounts were to be put before GAC in September 2024 and not in the spring of 2024 as statement in the report.

Page 109 – Stakeholder Survey. It was clarified that the Stakeholder Survey was carried out annually and this year ran from September 2023 to February 2024. It was open to the public, shared with businesses, trade unions, partners, and town and community councils. It was governed by the list of required stakeholders under the Local Government and Elections Wales Act which determined who the Survey could be shared with.

Appendix 3 –

Page 123 – Regeneration of Town Plans. This was service specific and not one officers could give a response to and would find out the information and inform members following the meeting but to let GAC know that it was governed by grants and Welsh Government funded. This had probably been the cause for any delays.

Page 122/123 – Planning, Public Protection and Countryside Services collaboration and partnership work. Nigel Rudd had raised during the budget process about raising planning fees in Wales given that the planning fees had increased in England. This was an opportunity under partnership and collaboration work that there are collaborative efforts being made across Wales in order to generate revenue. It was hoped that exercise would be adopted as a matter of course when looking at collaboration.

Officers confirmed that that particular action from the Service Challenge would be borne out of a particular conversation, specifically about specifically ecological work. Other collaborative efforts were being looked into but the particular action in the report related to a particular challenge which came out of the Performance Challenge. The suggestion made could be put forward to the Head of Service as expect he would be looking at fees and charges across the board. Emlyn Jones, Head of Service was to be requested to respond to Nigel Rudd outside the meeting.

Appendix 4 –

How was the appointment of the Panel members undertaken and confirmed. Iolo McGregor confirmed he would be meeting with the co-ordinator of WLGA imminently to look at the initial Panel makeup and that would then be put forward to Cabinet as they had the responsibility under the constitution to appoint the Panel. Officers had fed in to the WLGA their preference that panellists do have a firm grasp and understanding of local government in Wales.

Nigel Rudd requested clarification of the role of GAC in considering the report, still not convinced having heard your exchange that officers have a definitive role on that and I would welcome a formal view on that from the Monitoring Officer outside the meeting so we do understand the role of GAC clearly in connection with the way they receive this report within the council.

Page 133 stated Panel report would be put before GAC in November 2024 and that would be the opportunity for the Committee to review the report made by the Panel, the response made by Cabinet and for GAC to make their recommendations upon it which would go forward to Council in January 2025.

RESOLVED that the Governance and Audit Committee –

- (i) *Considered the reports and agreed actions required to respond to any performance related issues highlighted within the reports.*
- (ii) *Reflect on key messages arising from the Self-Assessment and provided feedback on the draft scape for the Panel Performance Assessment contained in Appendix 4.*

**AT THIS JUNCTURE (11.55 AM) THERE WAS A 10 MINUTE BREAK.
THE MEETING RECONVENED AT 12.05 PM**

9 INTERNAL AUDIT ANNUAL REPORT 2023 - 24

The Chief Internal Auditor, Bob Chowdhury, introduced the report (previously circulated).

The Public Sector Internal Audit Standards (PSIAS) required the chief audit executive to deliver an annual internal audit opinion and a report that the organisation could use to inform its annual governance statement. This Committee's terms of reference required it to consider the annual report of the Chief Internal Auditor.

Page 177 – Agreed Audit Actions - Percentage of audit agreed actions that have been implemented by schools. Disappointed it was only 59%.

Officers confirmed that part of the reason for only 59% was schools were not on VERTO. All services on were on VERTO so Internal Audit could track on a quarterly basis and meet with the performance and strategy team and ask them to give prompts to certain services who had recommendations outstanding. Two approaches had taken place this year, firstly wrote to all schools requesting responses where they were up to and secondly emailed actions completed and actions still outstanding. Hopefully, in the next month, before the summer break, will email all schools with actions outstanding and give them until middle of September to respond.

Members agreed that GAC assist the Chief Internal Auditor by suggesting he included a statement on the email that the item had been discussed at GAC. It was also agreed to copy in the Chair and Vice-Chair on the email to be sent out to all schools.

Page 182 - Only one Town Council visited by Internal Audit. Was there a reason why only one Town Council was visited. Town Councils could be audited by private companies or they could come to local government. It was confirmed Rhuddlan Town Council were the only Town Council who had requested Internal Audit to do their accounts.

Advisory reviews – was it necessary for Internal Audit to carry out these reviews? The Chief Internal Auditor confirmed it was necessary for Internal Audit to carry out the Advisory reviews. The reviews had been agreed with CET and Cabinet. A lot of the reviews were around budget pressures over the next 12 months.

Page 168, paragraph 2.8 – this opinion would go forward to the AGS. The Chair queried whether the statement which stated due to staff issues needed to be included in the AGS. The Chief Internal Auditor responded he could rephrase the statement due to certain constraints.

Page 176 – 15.1 – Internal Audit annual assurance mapping exercise, it was suggested it could be carried out with GAC as a training workshop to understand what goes into the plan and why it goes into the plan. It also linked in to the external audit assessment previously discussed.

The Chief Internal Auditor agreed that the workshop should explain what Internal Audit was about and what it delivered with a 12 month journey of the team.

RESOLVED that the Governance and Audit Committee considered and commented on the Chief Internal Auditor's annual report and overall opinion.

10 INTERNAL AUDIT CHARTER, STRATEGY AND QUALITY ASSURANCE IMPROVEMENT PROGRAMME 2024 - 25

The Chief Internal Auditor introduced the Internal Audit Charter, Strategy & Quality Assurance Improvement Programme 2024/25 (previously circulated).

Local Authorities subject to the Account and Audit (Wales) Regulations had to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal controls. In accordance with the Public Sector Internal Audit Standards (PSIAS), safeguards would continue for a period of time to maintain Internal Auditors' independence and objectivity.

The Chief Internal Auditor would review the Charter each year and present it to the Governance and Audit Committee for final approval.

Nigel Rudd commented that in his opinion it was a waste of the Chief Internal Auditors time and GAC's time to review on an annual basis a charter which hardly changes. He asked if representations could be made in the future for the necessity of this. If a Charter was to run for several years, a report containing the amendments made to it as and when required.

Concern was raised there were the sufficient resources to carry out work required. Were expectations realistic and were they reflected in terms of what was in the Charter.

The Chief Internal Auditor took on board the comments made regarding the Charter. He had to adhere to global standards and PSIAS standards together with standards set by the Institute of Internal Auditors.

Approximately two weeks' work is carried out to produce the plan. Meetings take place with the Heads of Service, CET, SLT and Cabinet. How long each review would take place is stated and time was then allocated for the team and then annual leave, bank holidays are taken out of that time together with a proportion for sickness. This year the figure was 1100 days for the whole team and then it is costed all the different reviews which were taking place in to the days. Technically, if there were no special investigations 100% of the reviews would be carried out but there is a contingency and 50 days had been included for investigations.

This year there were 56 on 31 March and were at 65% coverage at the present time. This year were aiming to complete 75% which was realistic but, cannot foresee what could occur in the next 8-9 months.

Standards were changing and CIPFA had until January 2025 as to whether accept all the changes or a muted form of changes.

As a North Wales and Welsh Chief Internal Auditor Groups, we fed in to the new global standards. They had been agreed and now await the UK CIPFA to decide on what the public sector standards would be.

The Chair recommended that GAC receive the new standards as an information report in spring 2025. The Chief Internal Auditor stated that November would be a good time to present GAC with the standards and then receive the standards adopted by CIPFA in 2025.

Page 222 – Finance and Audit – General Ledger and Bank Reconciliation. The new financial system would be taken into account for this. A review was also to take place of the new financial system (T1). T1 implementation would be reviewed and various details of the T1 system was included within the general ledger, accounts payable, and sundry debtors.

Page 222 – Partnerships. The report brought to GAC would provide a definitive list at the time the report was written on all partnership arrangements. Not just looking at pure partnerships, looking at different agreements in place, alternative delivery models, arrangements which may be in place. GAC would be provided with an array of agreements in place and the information would be shared across the council.

It had been requested that the mapping out of the governance arrangements was a piece of work which needed to be kept up to date. Any ongoing work which came from the Panel Performance Assessment should be able to utilise the information from the mapping of the governance arrangements.

It was confirmed that once complete, the mapping out of the governance arrangements would be taken on by another service which would be best suited to keep the information updated.

RESOLVED that the Governance and Audit Committee approve the Internal Audit Charter (Appendix 1), the Internal Audit Strategy 2023-24 (Appendix 2) and the QAIP (Appendix 3).

11 GOVERNANCE AND AUDIT COMMITTEE FORWARD WORK PROGRAMME

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

Members were informed that a piece of work was being undertaken by Internal Audit which including mapping all the items which had been presented to GAC since 2020 so now had the frequency of when reports were put forward to GAC.

Second piece of work would be once council had agreed the cycle of meetings for all Committees they would map certain areas, for example, when the budget had been approved, it would come to GAC prior to it being presented at full Council. Once the cycle of meetings had been approved, and the Internal Audit work had been completed, a copy of the Forward Work Programme would be provided to the

Chair and Vice-Chair and if requested, to all other members of GAC. This would then be added to the September Forward Work Programme.

Third piece of work would be looking at the Terms of Reference of the GAC.

24 July 2024 –

Annual Governance Statement – this will be signed off over the summer by the Chief Executive and the Leader and would be ready for September.

Corporate Risk Register – this would be an information report but it was needed for consistency with the Annual Governance Statement. This would be useful to be received in advance and the Chief Internal Auditor confirmed he would liaise with Helen Vaughan-Evans, Head of Service.

Conwy and Denbighshire Youth Justice Service / Little Acorns at Christ the Word / Care Inspectorate Wales – Inspection Report on Dolwen, Denbigh – the Corporate Director would be contacted to ascertain whether these would be substantive or information reports.

25 September 2024 –

Audit report of Statement of Accounts 2022/23 and draft Statement of Accounts 2023/24.

Performance Panel Assessment Report to be included

20 November 2024 –

Corporate Risk Review – this should be a substantive report not an information report.

Training – dates to be provided. The Chief Internal Auditor to liaise with Democratic Services and get three dates in the diary for training sessions.

RESOLVED that, subject to the above, the Governance and Audit Forward Work Programme be noted.

THE MEETING CONCLUDED AT 1.00 PM