

No.

## **GOVERNANCE AND AUDIT COMMITTEE**

Minutes of a remote meeting held on 20<sup>th</sup> July, 2021.

The Committee agenda is available [here](#).

The recording of the meeting is available here.

Present: Councillor G.D.D. Carroll (Chairman); Councillor L.O. Rowlands (Vice-Chairman); Councillors Mrs. P. Drake, Dr. I.J. Johnson, K.F. McCaffer, Mrs. J.M. Norman and M.R. Wilson.

Also present: Ms. R. Freitag and I. Phillips (Audit Wales).

### 252 ANNOUNCEMENT –

Prior to the commencement of the business of the Committee, the Chairman read the following statement: “May I remind everyone present that the meeting will be live streamed as well as recorded via the internet and this recording archived for future viewing.”

### 253 APOLOGY FOR ABSENCE –

This was received from Mr. P. Lewis (Lay Member).

### 254 MINUTES –

RESOLVED – T H A T the minutes of the meeting held on 24<sup>th</sup> May, 2021 be approved as a correct record.

### 255 DECLARATIONS OF INTEREST –

No declarations were received.

### 256 ANNUAL CORPORATE SAFEGUARDING REPORT: 2020/21 (REF) –

The reference from Cabinet of 7<sup>th</sup> June, 2021, was presented to Committee.

Committee, having considered the report, subsequently

RESOLVED – T H A T the work that had been undertaken to improve corporate arrangements for safeguarding and protecting children and adults be noted.

No.

Reason for decision

Having regard to the contents of the report and reference from Cabinet.

257 CORONAVIRUS UPDATE (REF) –

The reference from Cabinet of 5<sup>th</sup> July, 2021, was presented to Committee.

It was agreed that this item to be considered in conjunction with the Corporate Risk Register Quarter 4 update.

Committee subsequently

RESOLVED – T H A T the report be considered in conjunction with Agenda Item 6 – Corporate Risk Register Quarter 4 Update.

Reason for decision

To consider the Coronavirus Update in conjunction with the Corporate Risk Register Quarter 4 Update.

258 CORPORATE RISK REGISTER QUARTER 4 UPDATE (MD) –

The Head of Policy and Business Transformation presented the report which updated the Committee on the Quarter 4 position of Corporate Risks for the period April 2020 – March 2021 as contained within the Corporate Risk Register and outlined in the Corporate Risk Summary Report and the emerging issues.

It was reported that overall, good progress had been made during Quarter 4 in relation to the actions associated with the Risk Management Plans across all aspects of the Register. In total there were 136 mitigating actions currently being monitored via the Register, the majority of which were also aligned to a Corporate Plan activity. During Quarter 4, the Council had been able to assign a Red, Amber or Green (RAG) status to 135 of these mitigating actions. Where it had not be possible to note a RAG status for an action, this was noted as N/A (not applicable) against the action and an explanation provided in the relevant Risk Management Plan. Shown in Section 5.

During Quarter 4, a total of 64% actions (87) were completed and 36% (48) actions were allocated a red status for slippage. For several actions, COVID was quoted as a contributory reason for any slippage. A full breakdown of these individual exceptions along with a rationale was provided in Section 6.

It was requested that any comments from the Committee be referred to Cabinet for their consideration and endorsement at the meeting when Cabinet would consider a report on the Corporate Risk Register for Quarter 4.

No.

In addition, Cabinet had referred the Coronavirus Update report to the Committee as further contextual information when considering the Corporate Risk Register as the report provided a high-level overview of the current position regarding Coronavirus and the Council's current arrangements to respond and recover from the pandemic and well as an update on the latest position for Council services and the regional arrangements for managing the public sector response to the pandemic, and specific aspects of this, including mass vaccinations and the Test, Trace, Protect service.

Councillor Dr. I.J. Johnson queried the impact on the Council's waste recycling strategy as result of planning permission being granted for the new waste transfer facility. Councillor Dr. Johnson also queried the risk status given to Deprivation of Liberty Safeguards (DoLS), commenting whether this was something that would always be given a high risk status. In reply to the impact of the new waste transfer station, the Head of Policy and Business Transformation advised that he would look into this and relay information back. The impact would also be reflected in the Quarter 1 position update.

Similarly, with regards to DoLS, an update would be sought from the service area and circulated. The Monitoring Officer/Head of Legal and Democratic Services added that investment had been made into legal resources to support the DoLS assessment process.

Councillor M.R. Wilson referred to difficulties and issues around staff recruitment and attracting those with the right skills. He queried the Council's measures to address this and whether it should be given a higher risk status. Councillor Wilson also queried whether there was dialogue with other local authorities around the use of new technology and agile working as well as succession planning. In response, the Head of Policy and Business Transformation advised that the Workforce Needs risk reflected Councillor Wilson's concerns, as some work was required. A further update would be provided for Quarter 1. In relation to this query, the Head of Human Resources and Organisational Development stated that the Council was considering work force planning, particularly for those service areas where there were known issues such as Social Services. With regards to dialogue with other local authorities, the Head of Human Resources and Organisational Development stated that there were monthly meetings with Human Resources managers where best practice would be shared and discussed. Where possible Councils would work together in areas with recruitment difficulties or where Councils could pool skills. It was also important for the Council to improve the skills knowledge of its own staff. For example, and within the area of Social Services, the Council's Learning and Development Team were currently working with Social Care Wales to align the Council's strategy to the wider strategy across Wales around succession planning, which included a new apprenticeship scheme. It was also important to recognise that in some areas, such as business support, the Council was seeing an increase in the number of people submitting applications, so a piece of work was underway to look at the reasons behind that. Findings of this would be reported back.

Councillor M.R. Wilson also commented on the last point regarding an increase in applications for vacancies, stating that this maybe because the Council now had a higher profile and people more aware of what the Council did. He added that it would also be beneficial to see information regarding the supply of labour and

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whether the Council was meeting its obligations to Black, Asian and Ethnic Minority communities as well as recruiting sufficient Welsh speakers.

In terms of agile working, the Head of Human Resources and Organisational Development advised that the Council was currently reviewing its policy, including consultation with Trade Unions, to support new and different working arrangements including the use of Council accommodation and working environments. The Head of Human Resources and Organisational Development also referred to findings of the Staff Wellbeing Surveys, which showed that most staff that could work from home wished to continue with a hybrid working arrangement, with a balance of working from home and in the office. Data from the survey was currently being reviewed to identify the best way to support that.

The Operational Manager Engineering, in conjunction with the Engineering Manager – Environment, provided an update around Flood Risk Management and the major flooding event which occurred on 23<sup>rd</sup> December 2020.

It was noted that the Council had a duty to undertake a Section 19 report to ascertain the causes for a major flooding event and to outline the Council's response. The report had been split into two. The first related to the area of Sully and was due to be published in a few weeks. The second related to Dinas Powys and would be published by the end of August.

The Operational Manager went on to advise that the causes of major flood incidents tended to be very complex with many reasons which were not all linked to climate change. For example, the flooding in Dinas Powys could mainly be attributed to it being located on a flood plain. A few months before the flooding incident, Natural Resources Wales (NRW) had suggested a flood alleviation scheme for Dinas Powys. However, the consultation had received significant local opposition, so the proposed scheme had been shelved. In terms of the Council's response, drains had been cleared and regular update meetings held with NRW, Welsh Water and elected representatives. These were in addition to the Council's legal duty to complete a Section 19 report.

Councillor Dr. I.J. Johnson referred to the length of time it would take for flood alleviation projects to be completed, and he queried whether the risk status was high enough given the level of risk. Councillor Dr. Johnson also suggested that regular updates on flooding and coastal erosion should be reported to the Environment and Regeneration Scrutiny Committee. In reply, the Head of Policy and Business Transformation stated that the status of the risk would be reviewed, and this would take into account the issue of coastal erosion. Discussion of an update to the Scrutiny Committee would also take place.

Councillor Mrs. J.M. Norman queried how much consideration was given to new housing developments and the impact on the sewage network. This needed to be looked at in more detail before any new development was agreed. In reply, the Engineering Manager – Environment stated that in terms of foul water there were planning and Welsh Government guidance and regulations, such as Technical Advice Note 15, that had to be met before any new development was agreed.

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The Committee also discussed local flooding issues which had affected parts of Penarth and Llandough. These although flooding incidents, were not significant enough to require the Council to complete Section 19 reports. This, however, did not mean that the Council had not investigated causes or looked at measures to reduce the risk of flooding.

With regard to the cleaning regime for drains and gullies, the Operational Manager stated that the Council wanted to target those areas which had experienced flooding issues. A new Asset Management System had been procured which would allow more detailed data to be captured that would assist the Council to better recognise what the causes and issues were. The Council would then be able to better assess its drain cleaning priorities.

Having considered the Risk Register report and the reference regarding Coronavirus, the Committee subsequently

RESOLVED –

- (1) T H A T the content of the Coronavirus Update report be noted.
- (2) T H A T the Quarter 4 position of corporate risks for the period April 2020-March 2021 as outlined in Annex A be noted.
- (3) T H A T the comments of the Governance and Audit Committee be referred to Cabinet for their consideration and endorsement at the meeting when Cabinet will consider a report on the Corporate Risk Register.

#### Reasons for decisions

- (1) Having regard to the contents of the Coronavirus Update report and the related content contained within the Quarter 4 Risk Register Update.
- (2) Having regard to the Quarter 4 Risk Register position and actions.
- (3) To ensure Cabinet receives the comments of the Governance and Audit Committee when considering the Quarter 4 position.

#### 259 DRAFT ANNUAL GOVERNANCE STATEMENT 2020/21 (MD) –

The Council, as part of its arrangements for corporate governance, was required to undertake an annual review of internal control and governance and the resulting Annual Governance Statement (AGS) had to be included within the Statement of Accounts.

The AGS therefore provided an assessment of the Council's corporate governance arrangements and an appraisal of the controls in place to manage the Council's key risks and identified where improvements needed to be made.

No.

The AGS concluded that, from the review, assessment and ongoing monitoring work undertaken, reasonable assurance could be given that the governance arrangements for the Vale of Glamorgan Council continued to be regarded as fit for purpose in accordance with the governance framework.

The AGS would be reviewed as part of the external audit on the Statement of Accounts and should reflect any governance issues right up to the date that the Auditor General for Wales signed off the Statement of Accounts for 2020/2021. The impact of the COVID 19 pandemic had been considered and was included within the AGS.

Councillor M.R. Wilson commented on the impact on governance arrangements as a result of new legislation and particularly the establishment of regional Corporate Joint Committees (CJCs) and regional working arrangements. He added that this could have a significant impact on financial accountability especially in relation to Vale of Glamorgan money being spent across a regional footprint. In response, the Monitoring Officer/Head of Legal and Democratic Services advised that assurance could be provided around the new legislation (Local Government and Elections Act (Wales)) as a report on the preparatory work undertaken by the Council had been considered by Cabinet and the Corporate Performance and Resources Scrutiny Committee. An action plan on this work had also been developed and shared, and senior officers would meet on a fortnightly basis to ensure that they were aware of the provisions within the Act. Consultation regarding CJCs would be considered at the next meeting of the group. The Section 151 Officer agreed that reference to this would be added to the AGS.

Subsequently, it was

RESOLVED – T H A T the Annual Governance Statement for 2020/2021 be recommended for adoption by the Leader and Managing Director.

#### Reason for decision

Following consideration of the Draft Annual Governance Statement 2020/21.

#### 260 CORPORATE COMPLAINTS ANNUAL REPORT 2020/21 (MD) –

The Operational Manager for Customer Relations presented the Corporate Complaints Annual report for 2020/21.

The Council had adopted the Welsh Government's Model Corporate Concerns and Complaints Policy in July 2013. There was a two-stage process. Complaints at Stage 1 should be responded to within 10 working days. Stage 2 complaints should be responded to within 20 working days. Complainants were able to contact the Public Service Ombudsman for Wales (PSOW), if still unsatisfied.

In May 2021 the PSOW confirmed that the Council's policy conformed with its model policy.

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All Corporate Complaints and Compliments were recorded on Oracle CRM and fed into the Complaints and Compliments Dashboards. These excluded Social Services complaints which were resolved via a different procedure and were reported separately.

The Local Government and Elections (Wales) Act (2021) included details of the role of the Governance and Audit Committee in relation to corporate complaints. The legislation required the Governance and Audit Committee to review and assess the Authority's ability to handle complaints effectively and to make reports and recommendations in relation to the Authority's ability to handle complaints effectively. These provisions were included in Part 6 of the legislation relating to the Performance and Governance of Principal Councils and Duty of Principal Councils to keep its performance under review

The purpose of the policy was to ensure that complainants experienced a consistent and fair response. Recording and monitoring of complaints allowed the Council to:

- Gain insight into citizens' satisfaction with services provided;
- Understand how satisfied customers were with how the Council investigated complaints;
- Monitor responsiveness to statutory guidance and customer expectations regarding how quickly the Council completed complaints investigations;
- Identified potential for improving service by analysing what had been learned from complaints.

Analysis of complaints information for 2020/21 indicated that the Coronavirus pandemic had had an impact on complaint volumes, with numbers received significantly lower than the long-term trend.

- Complainants were satisfied with how complaints were investigated;
- Responsiveness, in terms of adherence to deadlines, continued to decline;
- Complaint handling was meeting the requirements of statutory bodies;
- An increased focus on learning from complaints was required.

During the year the Public Services Ombudsman for Wales (PSOW) received 38 complaints relating to the Council. An increase of 8 in the previous year but in line with longer-term averages. 4 complaints were resolved through Early Resolution and 10 were considered to be Premature. 9 were out of jurisdiction and 14 were other cases closed after initial consideration. 1 complaint was taken into investigation during 2020/21, this involved Children and Young People Services. The annual report detailed complaint performance for Directorates for 2020/21 and included performance trends since 2014/15.

Following a query from Councillor K.F. McCaffer regarding the percentage of complaints with recorded cause, the Operational Manager clarified that the new recording system provided an opportunity to review the way that information was captured, however, the current system did provide information regarding the service area receiving the complaint.

Having considered the report, it was

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RESOLVED –

- (1) T H A T the contents of the report and Appendix A (Annual Complaints and Compliments Report) be noted.
- (2) T H A T the Governance and Audit Committee continues to receive an annual update in relation to Corporate Complaints and Compliments.
- (3) T H A T the report and the comments of the Committee be referred to Cabinet for their consideration.

Reasons for decisions

(1&2) To ensure effective monitoring of corporate complaints as an indicator of citizen satisfaction with services provided.

(3) In order that Cabinet can be apprised of the report and the comments made by the Governance and Audit Committee and reply to the Public Services Ombudsman for Wales' Annual Letter.

261 UNAUDITED STATEMENT OF ACCOUNTS 2020/21 (S1510) –

The Draft 2020/21 Vale of Glamorgan Statement of Accounts, Shared Regulatory Services Statement of Accounts and Regional Adoption Service Annual Return were now complete.

The audit of the 2020/21 Vale of Glamorgan Council, Shared Regulatory Service and Cardiff, Vale and Valleys Regional Adoption Service Accounts had now commenced.

Due to the impact of the ongoing Covid 19 Pandemic the Council completed the draft accounts by 30<sup>th</sup> June, 2021 rather than 31<sup>st</sup> May, 2021 deadline, and this was advertised on the Council website in accordance with regulations.

The 2020/21 Vale of Glamorgan Statement of Accounts would be subject to external audit and the audited accounts would be presented to Governance and Audit Committee in September 2021 along with the external auditors' ISA260 report prior to being submitted for approval by Council. The final audited accounts had to be signed by the Auditor General before 30<sup>th</sup> November, 2021.

As supplementary information, the Operational Manager Accountancy tabled an advisory note to outline further information and narrative of the key points within the Statement of Accounts for 2020/21.

Councillor M.R. Wilson queried the large increase to the pension liabilities. In response the Operational Manager advised that this was a common issue experienced by other local authorities and the liabilities were considered appropriate. The Council's contribution rates would be reviewed every 3 years.



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Councillor Dr. I.J. Johnson recommended for further explanatory information to be added to Appendix A in relation to the following:

- Note 25 – Other Long Term Liabilities.
- Note 26 – Capital Grants Unapplied Accounts.
- Page 69, Officer remuneration in excess of £60k and the reason of the increase in the rise of the total number of officers between 2019/20 (72) and 2020/21 (95).

With regard to the above, the Operational Manager agreed to add further context and narrative.

Subsequently it was

RESOLVED –

(1) T H A T the comments of the Committee regarding the unaudited Vale of Glamorgan Council Statement of Accounts for 2020/21 be referred to the Head of Finance as Section 151 Officer for subsequent discussion with the Council's external auditors, Audit Wales.

(2) T H A T the comments of the Committee regarding the unaudited Joint Committee Shared Regulatory Services Statement of Accounts for 2020/21 and the Shared Regulatory Services Annual Governance Statement be referred to the Head of Finance as Treasurer of the Joint Committee for subsequent discussion with the external auditors, Audit Wales.

(3) T H A T the comments of the Committee regarding the Annual Return for the Vale, Valleys and Cardiff Regional Adoption Service 2020/21 be referred to the Head of Finance as Treasurer of the Joint Committee for subsequent discussion with the external auditors, Audit Wales.

#### Reasons for decisions

(1) To allow for the initial review of the unaudited Vale of Glamorgan Council Statement of Accounts by those charged with governance.

(2) To allow for the initial review of the unaudited Shared Regulatory Services Statement of Accounts and Annual Governance Statement by those charged with governance.

(3) To allow for the initial review of the unaudited Valleys, Vale and Cardiff Regional Adoption Service Annual Return by those charged with governance.

#### 262 WHISTLE BLOWING ANNUAL REPORT (MO / HLDS) –

The Monitoring Officer/Head of Legal and Democratic Services presented the Whistle Blowing Annual report.

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The Council adopted the Whistle Blowing Policy (the Policy) in 2014. The purpose of the Policy was to ensure that employees of the Council were aware of their responsibility to the public and to protect individuals who may need to disclose information concerning any 'malpractice' within the Council, including any confidential information which related to some danger, fraud or other illegal or unethical conduct connected with the workplace, be it of the employee or a fellow employee.

A review of the Policy had commenced in 2019 and a revised Policy endorsed by Audit Committee on 3<sup>rd</sup> February, 2020, subject to a process flow chart being included. Progress on the development of the Policy was delayed due the Corona Virus pandemic. The revised Policy (Appendix B) had been approved by Cabinet, and so promotional and marketing work would be undertaken. Further to this a staff survey would be undertaken in Quarter 4 to assess staff awareness of the Policy, protections and willingness to report incidents.

The number of reported incidents during 2020/21 was 4, which was in line with the 5-year average of 3.67 per annum. The peak reporting figure of 7 in 2018/19 continued to appear to be an exception to the overall trend.

A total of 22 incidents had been reported over past six years, with Learning and Skills Directorate showing the lowest number at three and Environment and Housing Directorate with the highest number of reported incidents at nine (Appendix A to the report).

Currently, there were no publicly available compiled statistics for local authority whistle blowing incidents and therefore it was not possible to ascertain whether the level of reporting for the Council was comparable with similar authorities, however having liaised with Monitoring Officer colleagues the following whistle blowing notification data had been collated:

Carmarthenshire County Council:

2018/19 - 4

2019/20 - 6

2020/21 - 3

Monmouthshire County Council:

2018/19 - 2

2019/20 - 3

2020/21 – 3

Isle of Anglesey County Council:

2018/19 - 1

2019/20 - 1

2020/21 – 1

Rhondda Cynon Taf County Borough Council:

2017/18 - 5

2018/19 - 9

2019/20 – 6

No.

2020/21 – 14

Torfaen County Borough Council:  
Notifications for each year – 0

In addition, and since the report had been produced the Monitoring Officer/Head of Legal and Democratic Services had also received information from the following:

City of Cardiff  
2018/19 – 1  
2019/20 – 7  
2020/21 – 2

Caerphilly County Borough Council  
2018/19 – 4  
2019/20 – 10  
2020/21 – 2

Merthyr Tydfil County Borough Council  
Over the 3 year period, 1 notification received in 2018/19.

The report outlined that during 2020/21, the Council had received 338 corporate complaints from members of the public, 43 under the Social Services Complaints Procedure (Wales) Regulation 2014 and 38 referred from the Public Service Ombudsman for Wales. These complaints were analysed in a separate Annual Corporate Complaints and Compliments Report 2020/21.

All 4 whistle blowing incidents recorded for 2020/21 related to services within the Environment and Housing Directorate. Managing Director and Resources Directorate last recorded an incident in 2019/20, while both Learning and Skills and Social Services Directorates last recorded incidents in 2018/19.

Of the 22 reported incidents across the authority 16 were not upheld, 5 have been partially upheld and 1 had been upheld (Social Services 2015/16).

A total of 11 incidents related to Illegal Practices (including Fraud and misuse of Council assets and equipment), 6 to failure to Meet Legal Obligations (including mishandling of funds and employment disputes) and 4 to Health and Safety concerns (including management of asbestos). No incidents related to Damage to the Environment or Miscarriage of Justice.

It was noted that the Council recognised the importance of being able to learn from Whistle Blowing investigations to improve the specific situation and where applicable to apply this learning more widely to reduce the risk of similar issues arising. Actions arising from investigations included the revision and strengthening of processes and procedures, improving communication with staff, undertaking of staff training and, in one instance, instigation of disciplinary procedures.

Finally, the Council was replacing the current Oracle Customer Relation Management system with a modern digital platform during 2021/22. The improved

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functionality available on the new platform would be explored for potential to improve how incidents were captured, managed and analysed.

Councillor M.R. Wilson raised a number of observations and stated that one area that needed to be explored was around using the right policy i.e., the Council's Grievance policy or Whistle Blowing policy, and for senior officers to ensure that the correct process was being followed. Councillor Wilson also commented on the importance of protecting staff that raise concerns and whether Whistle Blowing training for managers should be mandatory with a knowledge test at the end to measure how successful the training module had been. In response the Head of Human Resources and Organisational Development stated that if, as part of the Grievance process, it was found for the grievance to be dealt with through the Whistle Blowing policy, then the Human Resources department would work in close collaboration with the Council's legal team to ensure that that decision was fair and sound and the correct procedure was followed. Collaboration on the decision would also be held with Trade Unions. In terms of protecting staff, it was important to ensure that individuals felt protected in order to speak out or raise any issues. That was why the Council had been working with Trade Unions to make staff aware of how they could raise issues. Trade Unions had reviewed the updated Whistle Blowing policy and they felt this was a positive step forward in helping staff come forward, particularly in relation to the anonymous phone line that staff could use. Regarding training, the Head of Human Resources and Organisational Development confirmed that training would be rolled out, initially to call handlers and then to all officers. This training would likely be mandatory, and this would be considered as part of the staff induction programme. The quality of all training provided through the i-Dev system was checked and reviewed, and the system also ensured that the knowledge provided to the individual undertaking the training was tested.

Having the considered the annual report, it was

RESOLVED –

- (1) T H A T the contents of the report be noted.
- (2) T H A T the Governance and Audit Committee continues to receive annual reports in relation to the policy implementation and incidents.

#### Reason for decisions

(1&2) To ensure the effective monitoring of whistleblowing incidents is undertaken.

#### 263 ANNUAL INTERNAL AUDIT REPORT 2020-21 (HRIAS) –

The report provided the Head of Internal Audit's Annual Opinion on the Council's control environment in relation to governance, risk management and internal control. It also informed the Governance and Audit Committee of the work and performance of Internal Audit for the Financial Year 2020-21. This information was provided to comply with the Public Sector Internal Audit Standards.

No.

Appendix A to the report contained the Internal Annual Internal Audit Report 2020-21 which detailed Internal Audit's performance, opinions and recommendations made during the year which assisted in forming the Head of Internal Audit's Annual Opinion on the Council's overall control environment.

From the work undertaken during the financial year 2020/21 and considering other sources of assurance, the Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2020-21 was reasonable assurance.

The actual outturn against the 2020/21 Risk Based Plan was attached at Annex B to the report.

It was reported that whilst there was a steep learning curve both for audit staff and auditees, all had adjusted well to the new ways of working brought about by the pandemic. Audits had taken longer in some instances due to responses to draft reports being delayed where services had been under pressure.

Subsequently it was

RESOLVED – T H A T the Annual Internal Audit Report for the Financial Year 2020-21, including the Head of Internal Audit's Annual Opinion on the Council's control environment in relation to governance, risk management and internal control, be noted.

#### Reason for decision

Having regard to the Annual Internal Audit Report 2020-21.

#### 264 DRAFT ANNUAL INTERNAL AUDIT STRATEGY AND RISK BASED PLAN 2021-22 (HRIAS) –

In line with the Public Sector Internal Audit Standards, the Head of Internal Audit had to establish risk based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals. The Risk Based Audit Plan should cover the Council's overall control environment including risk, governance and internal controls as far as practicable.

Consideration of the Regional Internal Audit Service's Audit Strategy and Annual Risk Based Plan was one of the Governance and Audit Committee's key responsibilities.

The proposed Internal Audit Strategy for 2021-22 was attached at Appendix A to the report and the Annual Risk Based Plan for 2021/22 was attached at Appendix B to the report.

The Strategy demonstrated how the Internal Audit Service would be delivered and developed in accordance with the Council's Terms of Reference. The Strategy would be reviewed and updated annually in consultation with stakeholders, namely

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the Governance and Audit Committee, Senior Leadership Team, External Auditors and Senior Management.

The Plan provided the Committee with an overview of the work to be undertaken which would offer sufficient coverage to be able to provide an opinion at the end of 2021-22 whilst having regard to the continuing impact caused by the pandemic and changes that had been made to the way the Council was operating

Having considered the report, it was

RESOLVED – T H A T the draft Internal Audit Strategy (Appendix A to the report) and draft Annual Risk Based Audit Plan for 2021-22 (Appendix B to the report), be approved.

#### Reason for decision

To keep the Governance and Audit Committee informed and to approve the proposed draft Internal Audit Strategy and Annual Risk-Based Audit Plan for 2021/22 in compliance with the Public Sector Internal Audit Standards (PSIAS) and the Committee's Terms of Reference.

#### 265 ANNUAL CORPORATE FRAUD REPORT 2020-21 (HRIAS) –

One of the core functions of an effective Governance and Audit Committee was to consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements.

The Annual Fraud Report at Appendix A to the report summarised how the Council managed the risk of fraud during 2020-21 with the aim of prevention, detection, and subsequent investigation and reporting of fraud.

The Fraud Strategy and Framework 2018/19 – 2020/21 underpinned the Council's commitment to prevent all forms of fraud, bribery and corruption, whether it be attempted externally or from within. The Framework included reactive and proactive work, the proactive work being presented in an action plan. The action plan had been updated and the current position was shown within the report.

The Council participates in the National Fraud Initiative (NFI). This was a biennial exercise co-ordinated in Wales by the Wales Audit Office. The results of the data matching exercise undertaken in 2018 were detailed within the Annual Report. A total of 152 frauds or errors were identified equating to £95,617 of recoverable funds. Progress made to date with the 2020 match, as well as the results of the single person discount matching exercise, were also included.

Reactive fraud work could be as a result of a concern raised via a Whistleblowing referral or by an Officer who had identified irregularities or had concerns. A summary of the reactive fraud work undertaken during 2020/21 was included within the Annual Report.

No.

The Authority took part in a national study which was to review the effectiveness of counter fraud arrangements in the Welsh public sector. The resulting report was published in July 2020 and recommendations were being fully considered to ensure that the work undertaken in relation to counter fraud continually improved.

Subsequently, it was

RESOLVED – T H A T the measures in place and the work being undertaken to prevent and detect fraud and error be noted.

Reason for decision

Having regard to the Annual Corporate Fraud Report 2020-21.

266 UPDATED FORWARD WORK PROGRAMME (HRIAS) –

In order to assist the Governance and Audit Committee in ensuring that due consideration had been given by the Committee to all aspects of their core functions, the Forward Work Programme appended to the report at Appendix A, had been produced and was aligned to the Committee's Terms of Reference.

The Forward Work Programme would be updated to reflect changes required to the Committee's Terms of Reference under the new Local Government and Elections (Wales) Act 2021.

In addition, the Local Government and Elections Act (Wales) 2021 required the Auditor General to produce a timetable for each financial year for each principal Council covering both his functions and those of 'relevant regulators' (CIW and Estyn). A quarterly work programme update would therefore be provided by Audit Wales and the first one was appended to this report.

The Committee was asked to note the Forward Work Programme and indicate whether any additional information was required.

It was

RESOLVED –

- (1) T H A T the updated Forward Work Programme be noted.
- (2) T H A T the schedule of items for the next meeting, 23<sup>rd</sup> September, 2021, be endorsed.

Reason for decisions

(1&2) To ensure the Governance and Audit Committee is aware and informed of progress on the updated Work Programme.