

No.

GOVERNANCE AND AUDIT COMMITTEE

Minutes of a Hybrid meeting held on 6th January, 2025 (Reconvened from 16th December, 2024).

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

The recording of the meeting is available [here](#).

Present: G. Chapman (Chair and Lay Member); N. Ireland (Vice-Chair and Lay Member); Councillors P. Drake, E. Goodjohn, M.J. Hooper and J.M. Norman.

ANNOUNCEMENT –

Prior to the commencement of the business of the Committee, the Chair 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.”

APOLOGIES FOR ABSENCE –

These were received from Councillors J. Protheroe and N.J. Wood and M. Evans (Lay Member).

MINUTES –

RESOLVED – T H A T the minutes of the Extraordinary meeting held on 18th November, 2024 be approved as a correct record.

DECLARATIONS OF INTEREST –

The Chair, Gareth Chapman, declared a personal interest in relation to Agenda Item 7 – Corporate Complaints Annual Report. The nature of the interest was that Gareth Chapman had raised a general issue relating to the Council’s complaint’s process.

TREASURY MANAGEMENT MID-YEAR REPORT 2024/25 (REF) –

The reference from Cabinet of 28th November, 2024 as contained within the agenda was presented by the Head of Finance / Section 151 Officer.

The Chair commented that it would be useful if references were accompanied with a short covering report to outline what was expected of the Committee. It was agreed for that to be looked into further.

No.

Councillor M. Hooper queried when the Council would review its arrangements with its treasury management advisors. In reply, the Operational Manager – Accountancy, advised that a tendering process for the Council’s advisor would be undertaken in the summer. The current contract ran for initial 3-year period which had been extended by a further 2 years.

The Chair referred to debt totalling £7.953 million during 2024 / 25 that had been accrued due to high interest rates, with no decision yet made regarding refinancing. Advice from the Council’s treasury management advisor had been for the Council to do a technical breach of its provisions and policy. The Chair queried whether that required approval by Full Council. In response, the Operational Manager stated that a revised Treasury Management Strategy to reflect the 2024/25 position was being produced, which would finalise a number of issues including those in the IFS-16. It was planned for the revised strategy to be considered by Council in March, which would also include credential indicators for Council borrowing.

Councillor E. Goodjohn asked for clarification on what were the specific rules around authorisation of any breach of policy and whether that required the approval from Council.

Subsequently, it was

RESOLVED –

- (1) T H A T the Treasury Management Mid-Year Report 2024/25 be noted.
- (2) T H A T the Head of Finance / Section 151 Officer clarify an issue regarding authorisation to breach Council Policy and whether that required further approval.

Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

AUDIT WALES: FINANCIAL SUSTAINABILITY REVIEW OF THE VALE OF GLAMORGAN COUNCIL JULY 2024 (REF) –

The reference from Corporate Performance and Resources Scrutiny Committee on 20th November, 2024 as contained within the agenda was presented by the Head of Finance / Section 151 Officer.

Councillor Hooper referred to the national picture across Wales and asked what did good look like in regard to the recommendations that had been put to the Council, for example would it relate to multi-year budget settlements or something else. In reply, the Head of Finance stated that the national report had yet to be produced by Audit Wales, but it related to something else other than multi-year budgets and more around the level of detail provided by some Councils and their saving proposals.

No.

Councillor E. Goodjohn commented that improvements could be made to the budgeting process, with a more open and wider debate needed on budgetary pressures outside of a formal Committee setting, and more opportunities for Councillors to discuss and be informed of financial challenges. He added that Councillors required more information as to why budgetary decisions were made and why were some saving proposals rejected and were there any alternative proposals. The role of Councillors was to look at the baseline thought process behind a financial decision and did they make logical sense. To do that Councillors required more information and opportunities to discuss.

Councillor Hooper commented that previously the Committee had discussed an option of zero-based budgeting techniques, with officers advising that the Council did not have the resources. With the possibility of longer-term budget settlements, Councillor Hooper asked whether zero-based budgeting was something that could be considered again. In response, the Head of Finance stated that the key areas were the Council's Medium Term Financial Plan and its reshaping programme, each of those would consider financial savings required by the Council. Zero-based budgeting was extremely resource intensive and thought needed to be given as to how that approach could be developed.

The Chair commented on the importance for the Council's Corporate Plan to reflect the priorities that the Council could actually afford. The Council also faced challenges as a result of new legislation which did not always come with additional funding, and so would usually place pressure on existing resources. It was noted that most grants were allocated on a hypothecated basis which if withdrawn due to lack of funding, could raise public expectations. The Council needed to make bold decisions on what services it could afford and for there to be dialogue with the public on Council plans and budgets.

There being no further comments or queries, the Committee

RESOLVED –

(1) T H A T the Council actions contained in Appendix B to the report be endorsed.

(2) T H A T the report be referred to Cabinet for its oversight and endorsement, with Cabinet also advised of the views of the Governance and Audit Committee in relation to the following:

- Improvements could be made to the budgeting process, with a more open and wider debate needed on budgetary pressures outside of a formal Committee setting, with more opportunities for Councillors to discuss and be informed of financial challenges.
- Councillors required more information as to why budgetary decisions were made and why were some saving proposals rejected and were there any alternative proposals.
- The role of Councillors was to look at the baseline thought process behind a financial decision and did they make logical sense. To do that Councillors required more information and opportunities to discuss.

No.

- For the Council to explore further the opportunity to consider the use of zero base budgets;
- The importance for the Council's Corporate Plan to reflect what priorities the Council could actually afford;
- Challenges as a result of new legislation which did not always come with additional funding, which usually placed pressure on existing resources. Most occasions grant money was allocated on a hypothecated basis which could be withdrawn and so could raise public expectations.
- The Council needed to make bold decisions on what services it could afford and for there to be dialogue with the public on Council plans and budgets.

Reasons for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

ANNUAL WHISTLEBLOWING REPORT (MO/HLDS) –

The Council adopted the Whistleblowing Policy (the Policy) in 2014. Following a review in 2019, the revised Policy was endorsed by the Audit Committee on 3rd February, 2020.

In June 2022, the Council launched the “Speak Out” Hub on Staffnet, providing a single point of access for staff to obtain information about the Policy. The Hub included an online form for quick and easy reporting of issues, supported by a confidential Speak Out Line telephone service, ensuring a safe and confidential way for staff to report concerns covered by the Policy.

In October 2023, a comprehensive promotional campaign was conducted to raise staff awareness of the Policy and the available reporting options. Staff awareness, understanding, and willingness to report issues were critical to the success of the Policy.

The increase in reported whistleblowing incidents demonstrated the effectiveness of the communications and promotional efforts in raising awareness of the Policy and the legal protections afforded to whistleblowers, thereby encouraging staff to report issues. There was no discernible pattern, but recent trends indicated an increase in staff behaviours involving bullying, victimisation, and discriminatory actions. Notably, some of these patterns stemmed from multiple repeated reports concerning the same individual.

Further awareness-raising would be integrated into the Annual Staff Survey, conducted early next year, followed by a mid-year review. Progress in these cases would be tracked, with results reported to the Governance and Audit Committee before the summer recess of 2025/26.

No.

Since 2022/23, there had been an increasing trend in reporting. Prior to this period, there was no discernible pattern, with a low number of instances, peaking at seven in 2018/19.

The average number of whistleblowing reports per month had significantly increased from the 2021/22 financial year to the 2023/24 financial year, rising to an average of 1.6 reports per month compared to 0.1. For the 2024/25 financial year up to 31st October, 2024, the average stood at 0.9 reports per month.

This upward trend in reporting could be attributed to greater promotion of the Policy and easier reporting via the Speak Out Hub on Staffnet and the Speak Out telephone line. A total of 41 reports had been received since its launch in 2022 up to October 2024.

Of the 64 incidents reported since 2015/16, 13 (20%) were currently under investigation. Nine of these reports were received since 1st April, 2024, three were reported during 2022/23, with the oldest dating back to March 2023. Eight (12%) reports were considered to fall outside the Policy and were addressed under other Council Policies such as the Grievance Policy.

Of the 42 investigations concluded, 31 (74%) were not upheld. Only three (7%) of allegations were fully upheld, and eight (19%) were partially upheld. No allegations were upheld in 2023/24, with only one partially upheld. For 2024/25 to date, no allegations had been upheld or partially upheld.

Of the 11 whistleblowing reports received during the 2024/25 financial year to date, three were related to Environment and Housing, two to Learning and Skills, one to Corporate Resources, four to Social Services, and one to Place.

When compared to records held since 2015/16, all Directorates showed an upward trend in reporting allegations, although overall numbers remained low. Most reports since 2015/16 related to Environment and Housing, generating 25 allegations, followed by Social Services with 20 allegations.

Councillor J. Norman queried whether there were any particular trends in terms Council departments. In reply, the Monitoring Officer/Head of Legal and Democratic Services advised that in general there had been an increase in the number of whistleblowing reports, with many of them referred on to be dealt with under the relevant Human Resources policy. Information suggested that the concerns that had been raised within the policy related to bullying, harassment and victimisation, and there was also a trend where several whistleblowing concerns reported in relation to same individuals. Further and more detailed information would be provided in the next future update report.

N. Ireland (Vice-Chair and Lay Member) stated that it would be useful if the report could contain more outcome focussed information plus the changes made by the Council as a result of the allegations. He added that it would also be useful to understand who were reporting incidents and what happened to them and the alleged perpetrators i.e. were they still employed by the Council. In addition, it would also be useful if information could be provided in a graph or in a table.

No.

Councillor M. Hooper raised a concern regarding awareness within the Council, and stated it was important that the Council continued to raise the policy with staff. Councillor Hooper noted the point about Trade Union members being supported and he asked about non-Trade Union members and whether Trade Union representatives would be able support those too. Finally, Councillor Hooper asked how the figures for the Vale of Glamorgan compared to other local authorities. In reply, the Monitoring Officer/Head of Legal and Democratic Services advised that there hadn't been opportunity to provide benchmarking data with other authorities for the report, but it was something that would be included in future reports. In terms of raising awareness, the Monitoring Officer/Head of Legal and Democratic Services advised that her predecessor had undertaken a significant campaign in that area, and there was an intention to continue raising awareness through avenues such as the staff survey. With regard to support from Trade Unions, discussions with officers over the past few months had indicated that individuals who had reported anonymously had received support from their Trade Unions, but there would be further consideration around how all individuals received support should they not be members of a Trade Union. This will be considered through a workshop event to look at process and procedures.

In terms of the structure of the report, the Chair added that the relevance of some of the information should be considered, for example, did data in paragraphs 2.4 to 2.7 add any value and whether information back to 2015/16 was really relevant. In addition, information contained in paragraphs 2.12, 2.13 and 2.14 was difficult to understand with 64 incidents reported in 2015 under 2.12, with 2.13 outlining that there were 42 investigations concluded up to 31st October. The report could be clearer in terms of the timeliness for those investigations still ongoing. The Chair also stated it would be useful to have a breakdown of what was learnt if an allegation was upheld, as well as a breakdown by each Directorate particularly in relation to themes and whether individuals were still in post. In terms of raising awareness, the Chair added that it be useful to see the response rates for the Staff Survey.

With regards to timeliness, Councillor Hooper queried whether a person that had a concern via the Whistleblowing policy, which did not get resolved in the timeframe, was able to raise the matter through the Grievance policy. In response, the Monitoring Officer/Head of Legal and Democratic Services advised that she was unaware of any cases where the whistleblower had become disgruntled about the time it had taken to respond to a report. It was recognised that some of the reports had taken a considerable amount of time to respond to as there were challenges in identifying an investigating officer. Therefore, in some instances the Council had to rely on external investigators. That was an area of focus, and progress would be reported back to the Governance and Audit Committee.

Subsequently, it was

RESOLVED –

(1) T H A T the contents of the report be noted.

No.

(2) T H A T the Governance and Audit Committee continues to receive a mid-year review in relation to policy and limitation and incidents.

(3) T H A T the Monitoring Officer / Head of Legal and Democratic Services take on board comments made by the Governance and Audit Committee regarding the contents and format of future reports.

Reasons for decisions

(1-3) Having regard to the contents of the report and discussions at the meeting.

CORPORATE COMPLAINTS ANNUAL REPORT 2023/24 (CX) –

The Council adopted the Welsh Government's Model Corporate Concerns and Complaints Policy in July 2013. Complainants who remained unsatisfied after Stages 1 and 2 of the Policy were able to refer their complaint to the Public Service Ombudsman for Wales (PSOW).

Recording and management of Complaints and Compliments transferred from Oracle CRM to the Granicus GovService platform in August 2022. These excluded Social Services complaints which were investigated under the Social Services Complaints Procedure (Wales) Regulations 2014 and the Representations Procedure (Wales) Regulations 2014 and were reported separately.

The Local Government & Elections (Wales) Act (2021) 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 Council to keep its performance under review.

The purpose of the policy was to ensure that complainants experience 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 in relation to how quickly the Council completed complaints investigations (responsiveness);
- Identify potential for improving service by analysing what had been learned from complaints.

Analysis of complaints information for 2023/24 showed a significant increase in the number of complaints received to 881 (495) in line with the long-term trend of increasing complaints. This was the highest number of annual complaints recorded since 2013, and above the 10-year annual average of 439.

No.

Responsiveness, in terms of adherence to deadlines, had been a key focus for improvement and interventions including enhancing systems and providing complaints investigation training to colleagues had been employed. As a result, the trend of reducing performance in the area had been stabilised with a performance of 59% of complaints resolved within deadlines being achieved for 2023/2024 and 2022/23 and 60.9% in 2021/22.

The PSOW received 77 complaints relating to the Council during the period. This represented a significant increase compared to 49 in 2022/23 and was the highest number of complaints in a single year.

No complaints were taken into investigation; however, 15 complaints were resolved through Early Resolution and 27 (15) were considered to be Premature. 12 (4) were out of jurisdiction and 17 (19) were other cases closed after initial consideration. The full PSOW Annual Letter (2023/24) was provided in Appendix B to the report.

The Annual Report detailed complaint performance for Directorates for 2023/24 and included performance trends since 2014/15.

User research undertaken with residents who made complaints during 2023/24 indicated that responsiveness and communication were key areas affecting complainant satisfaction.

In April 2022 the Council implemented the Unacceptable Actions by Citizens and Social Media Policies. The Policy on Unacceptable Actions by Citizens had been applied to one citizen since its adoption.

As of the date of this report 12 accounts had been blocked on 'X' and 14 on Facebook under the Social Media Policy. No accounts were blocked between April and October 2024.

Councillor E. Goodjohn referred to 'basic brilliant' and queried training available to staff. In reply, the Operational Manager - Customer Relations advised that training had been provided by an officer from Public Services Ombudsman for Wales in terms of identifying what was and what wasn't a complaint, good practice in terms of response, timeliness and the use of language and jargons. In addition, a workshop had been run with Council staff who complete investigations to look at some of the data in terms of responsiveness and some of the feedback that had been received from some of the user research as a way of Informing colleagues about what was important to residents. It was recognised that there was work being undertaken by the Council in terms of how it responded to complaints.

Councillor M. Hooper referred to the Council's financial planning process and stated that customer services had a key role in assisting with assessing the impact of decisions, especially as services became limited the number of complaints would likely increase. Councillor Hooper queried whether there had been any complaints relating to Council staff driving Council vehicles and not adhering to the new 20mph speed limits. He also referred to the timeliness of resolving complaints and asked whether there were any issues causing delays. With regard to breaches of 20mph speed limits, the Operational Manager advised that the was unaware of any Stage

No.

One complaints, but he would check and report back. In terms of timeliness, the Operational Manager stated that there had been a lot of improvement in that area. There has been an issue with the system and the number of staff who were notified that a complaint existed. That had meant that there had been some improvements to the software which also resulted in notifying officers when the 10-day limit was approaching.

The Chair commented that in relation to the complaint's communications sent to those that had raised the complaint, a sample survey of the letters should be undertaken for a quality assurance purpose to ensure that information provided was consistent and complainants were advised that they could escalate to Stage 2 and the Public Services Ombudsman for Wales if they remained unsatisfied.

In addition and with regard to future reports, it would be useful consider the amount of trend data to be included and to limit historical data to that which was required to understand the context of performance. In relation to Page 9 of the Public Services Ombudsman for Wales Report under Appendix E, it showed that during 2023/24, 50 recommendations were made in relation to the Vale of Glamorgan Council. It would be useful to know, for future reports, what the recommendations related to and how they were addressed.

Councillor E. Goodjohn stated that performance rates highlighted, including the number of referrals from the Public Services Ombudsman for Wales in relation to the Vale of Glamorgan, were concerning and it was important for the Council to consider complaints opportunities to learn and improve services.

Subsequently, the Committee

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 Governance and Audit Committee be referred to Cabinet for its consideration. The comments being:
 - For the Council's financial planning process, customer services had a key role in assisting with assessing the impact of decisions, especially as services became limited the number of complaints would likely increase;
 - In relation to the complaint's communications sent to those that had raised the complaint, a sample survey of the letters to be undertaken for a quality assurance purpose to ensure that information provided is consistent and complainants are advised that they can escalate to Stage 2 and the Public Services Ombudsman for Wales if they remain unhappy;

No.

- With regard to future reports, consider the amount of trend data to include and limit historical data to that which is needed to understand the context of performance;
- Page 9 of the Public Services Ombudsman for Wales Report under Appendix E showed that during 2023/24, 50 recommendations were made in relation to the Vale of Glamorgan Council. It would be useful to know for future reports what the recommendations related to and how they were addressed;
- Performance rates highlighted including the number of referrals from the Public Services Ombudsman for Wales in relation to the Vale of Glamorgan were concerning and it was important for the Council to consider complaints opportunities to learn and improve services.

Reasons for decisions

(1-3) Having regard to the contents of the report and discussions at the meeting.

Q2 UPDATE: AUDIT WALES WORK PROGRAMME 2024 – VALE OF GLAMORGAN COUNCIL (DCR) –

The report presented to Members the Q2 update of Audit Wales' work programme as aligned to the Vale of Glamorgan Annual Audit Plan 2024.

Governance and Audit Committee Members are requested to review and note the progress made on the Vale of Glamorgan Audit Work Programme at Q2 and upon consideration, to refer the report to Cabinet for their oversight.

It was confirmed that there was an error on page of Appendix A, and the scope of assurance work titled – Local Project Work – review of complaints. It was noted that the inclusion of school balances was a mistake.

Audit Wales advised that work relating to financial constraints and discretionary local government services had now changed and would be refocussed on to children's services. The rationale for that was based on assessment work carried out by Audit Wales and its internal assessment and a change in priorities.

There being no further comments or queries, the Committee

RESOLVED –

- (1) T H A T the contents of the report be noted.
- (2) T H A T the report be referred to Cabinet for its oversight.

Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

PROPOSAL TO AMEND THE MINIMUM REVENUE PROVISION 2024/25 POLICY (DCR) –

Minimum Revenue Provision (MRP) was the method that Local Authorities used to charge their revenue accounts over time with the cost of their capital expenditure that was originally funded by debt. Before 2007/08, the method of calculating MRP was specified in legislation, from 2007/08 onwards Local Authorities had been free to set their own policy on calculating MRP.

For supported capital expenditure the Council operated the "Asset Life" Method when calculating MRP. MRP was determined by charging the expenditure over the expected useful life of the average asset lives (40 years) of the (Non HRA) Council Assets in equal instalments, starting in the year after the asset became operational.

Following some recent benchmarking across other Welsh Local Authorities, the Council had identified a number of Authorities which used an asset life of 50 years rather than 40 years, and others that used a split approach in terms of the asset life method (detailed later in the report) whilst still maintaining prudent provision.

Taking into account the guidance that the Council must adhere to, the team had carried out a piece of work looking at the average asset lives funded from supported borrowing for the previous ten financial years, where those assets had been funded through supported borrowing and due in part to significant contributions towards Sustainable Communities for Learning Schemes in recent years which typically had an asset life of 65 years. Following this analysis the average asset life over this period was 52.1 years.

Therefore, the Council proposed to apply the Asset Life method to calculate MRP on outstanding supported borrowing incurred up to 31st March, 2025 using a straight-line calculation over 50 years. The Council would apply the Asset Life Method to calculate MRP on supported borrowing incurred on or after 1st April, 2025 using a straight-line calculation over an appropriate number of years (using the average asset life as at February in the current financial year), dependent on the period of time that the capital expenditure was likely to generate benefits which was equivalent to the asset's life.

MRP was intrinsically linked to the concept of the Capital Financing Requirement (CFR) in the Prudential Code. The CFR represented the total of all the Council's past capital expenditure, less the total capital financing applied other than debt. Debt was only a temporary form of finance as loans had to be repaid. The CFR therefore represented the Council's underlying need to borrow for capital purposes, and the amount that had yet to be permanently financed. MRP was the main method of permanently financing that expenditure.

The application of an equal instalment method over the average asset life (as set out above) to the Council's Supported Borrowing CFR was the Section 151 Officer's preferred methodology for the Council as it was fully consistent with the statutory duty to make prudent revenue provision for the redemption of debt. Whilst this would lead to a higher CFR profile initially than the existing approach it ensured that the

No.

capital expenditure financed by borrowing was repaid within the expected asset life rather than extending beyond it which was in line with the CIPFA guidance.

Having considered the contents of the report, it was

RESOLVED – T H A T the Governance and Audit Committee recommends that Council approves the proposed amendments to the Minimum Revenue Provision Policy for 2024/25 for supporting borrowing.

Reason for decision

Having regard to the contents of the report and discussions at the meeting and to support the proposed amendments to the Minimum Revenue Provision Policy which would be presented to Council in January 2025.

GOVERNANCE AND AUDIT COMMITTEE DECISION TRACKING 2024/25
UPDATE (DCR) –

A Decision Tracking record had been devised to assist the Committee in tracking the decisions made in the exercise of its functions.

A record of all formal decisions made by the Governance and Audit Committee so far during the 2024/25 Municipal Year was attached at Appendix A to the report.

The Committee was recommended to note the contents of Appendix A and make comments, as appropriate.

It was recommended that the Governance and Audit Committee be kept regularly apprised off all outstanding decisions and / or resolutions.

In addition, at Appendix B to the report were updates from the relevant Directors / Heads of Service for three limited assurance audits – Debtors, Residential Homes – food stock control and Leisure Centres – contract and performance management.

It was agreed for information from 2022/23 be shared with the Committee.

Having considered the report, it was

RESOLVED –

(1) T H A T the contents of the Decision Tracking record contained at Appendix A to the report be noted and for the Governance and Audit Committee to receive regular updates on a quarterly basis.

(2) T H A T the contents of Appendix B to the report – Updates for three limited assurance audits – Debtors, Residential Homes – Food Stock Control and Leisure Centres – Contract and Performance Management, be noted.

No.

Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED PLAN (HRIAS) –

The progress made against the Internal Audit Plan as of 31st October, 2024 was detailed in Appendix A and summarised in Appendix B to the report. It showed that 22 planned audit reviews had been completed which equated to a completion rate of 39%.

Audit opinions, based on the assessment of the strengths and weaknesses of the areas examined through testing of the effectiveness of the internal control environment, had been given to 21 of the 22 completed audits. 19 audits (90%) had been given Substantial or Reasonable Assurance and 2 audits had been given Limited Assurance.

Included within the 2024/25 Plan were 14 audits that were not undertaken or completed in 2023/24. Appendix C to the report showed the status of these audits; 7 were completed, 6 were in progress and 1 was yet to be allocated.

A total of 71 recommendations had been made to date to improve the control environment. The progress being made in implementing the high and medium priority recommendations was regularly monitored by the Audit team and reported to the Committee.

The Head of the Regional Internal Audit Service clarified that progress of the plan up to 31st October, 2024, was 39%, with a target of 50% by the end of December. Should it be likely that progress would be less than 80% by March, then the Committee would be informed of the reasons why.

Subsequently, it was

RESOLVED – T H A T the contents of the report and the progress made against the Internal Audit Risk Based Plan 2024/25 be noted.

Reason for decision

Having regard to the contents of the report and discussions at the meeting.

RECOMMENDATION MONITORING (HRIAS) –

The report provided Members of the Governance and Audit Committee with a position statement on internal audit recommendations that had been made to identify those that had been implemented and those that were overdue.

No.

A position statement in respect of internal audit high and medium priority recommendations made, implemented and overdue as of 31st October, 2024 was detailed in Appendix A to the report.

A recommendation was made to enhance an identified weakness in a control to mitigate the identified risk, so until the recommendation was implemented the risk remained.

To date 4 high and 30 medium priority recommendations had been made following the conclusion of audits from this year's annual plan. All had been agreed.

There was currently 1 overdue recommendation made in an audit completed during 2023-24 which was detailed in Appendix B to the report.

There were also 2 recommendations made in an audit completed in 2022-23 which had future implementation dates. The details of these were in Appendix C to the report.

The monitoring of recommendations was undertaken regularly by the Audit team and any undue delays or issues were highlighted to Senior Management and ultimately the Committee.

Councillor E. Goodjohn requested an update on the building services tender follow up review. In reply, the Deputy Head of Regional Internal Audit Service advised that Internal Audit worked with the service around and there had been a workshop hosted by supported by partners. Currently the service was procuring a long term contract that would provide for a number of drawdowns in individual pieces of work.

The Chair, referred to recommendations relating to the officer code of conduct, with the Appendix B timetable providing an agreed completion date of the 30th August, 2024. The Chair asked whether there was any reason for the delay. In response, the Deputy Head of Regional Internal Audit Service stated that the matter had been discussed at the previous meeting of the Strategic Leadership Team, and the issue was in relation to online access of the policies for new starters. The Committee agreed for the Head of Human Resources and Organisational Development and the Operational Manager Lifecycle be requested to attend the next meeting to provide assurance and an update report.

In relation to the PCI-DSS follow up, the Head of Finance advised that it was related to how the Council received cash payments over the phone and the handling of personal data securely. The Head of Audit stated that further information would be provided.

Subsequently, it was

RESOLVED –

(1) T H A T the position statement on internal audit recommendations made, implemented and outstanding as at 31st October, 2024 be noted.

No.

(2) T H A T the Head of Human Resources and Organisational Development and the Operational Manager Lifecycle be requested to attend the next meeting of the Governance and Audit Committee in order to provide an update in relation to the overdue recommendations for the Officer Code of Conduct Audit Review.

Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

COUNTER FRAUD POLICIES (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 policies.

The Council's Counter Fraud Strategy and Framework was integral to that and therefore at Appendix A to the report was the updated Counter Fraud Strategy and Framework.

The Counter Fraud Strategy and Framework outlined the aims and objectives of the Strategy, identified fraud risks and included steps to support the Council's improvement and resilience to fraud, bribery and corruption.

To support this Strategy, the Corporate Fraud Enforcement Policy, Anti-Fraud, Bribery and Corruption Policy, Anti-Money Laundering Policy and the Anti-Tax Evasion Policy had all been reviewed and updated to reflect legislative changes or changes to working practices

These policies drove the commitment to developing a culture of honesty, integrity and opposition to fraud, corruption and bribery.

The Chair queried whether the national fraud initiative survey checklist had been considered when drafting the new policies. The Deputy Head of Regional Internal Audit Service clarified that it would be in the current round of NFI.

It was

RESOLVED – T H A T the Council's updated Counter Fraud Policies including the Council's Counter Fraud Strategy and Framework be agreed and referred to Cabinet for approval.

Reason for decision

Having regard to the contents of the report and discussions at the meeting.

No.

FORWARD WORK PROGRAMME 2024/25 (HRIAS) –

The Governance and Audit Committee had several core functions and responsibilities within its remit.

It received reports and presentations throughout the year to enable it to carry out those core functions and responsibilities effectively and to provide it with confidence in the financial governance of the Authority.

To enable the Committee to provide this assurance and to ensure it covered its range of responsibilities, a Forward Work Programme was presented at each meeting, setting out the reports to be presented at future meetings, for approval or amendment, as necessary.

The updated Forward Work Programme for 2024/25 had been produced and was attached at Appendix A to the report.

Committee was requested to approve the updated Forward Work Programme or request changes for future meetings.

The Head of Audit advised that reports referenced the public sector internal standards, and from 1st April, 2025 new global internal standards would be introduced, so a presentation on those would be provided at the next meeting.

It was noted that representatives from Cardiff Region City Deal had agreed to attend the February meeting to provide an overview of their accounts. The Committee requested if members could be informed of what their presentation would cover prior to the Committee meeting.

The Committee also agreed to an invitation to the Head of Human Resources and Organisational Development and the Operational Manager Lifecycle to provide an update regarding the Code of Conduct for Officers.

Subsequently, it was

RESOLVED –

- (1) T H A T Forward Work Programme be noted.
- (2) T H A T the schedule of items for the next meeting on 17th February, 2025 be endorsed with the inclusion of an update presentation regarding new audit standards and a request to the Head of Human Resources and Organisational Development and the Operational Manager Lifecycle to provide an update regarding the Code of Conduct for Officers.

Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.