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Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr
Bridgend County Borough Council



Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont, CF31 4WB / Civic Offices, Angel Street, Bridgend, CF31 4WB

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Annwyl Cyngorydd,

PWYLLGOR LLYWODRAETHU AC ARCHWILIO

Cynhelir Cyfarfod Pwyllgor Llywodraethu ac Archwilio O Bell Trwy Timau Microsoft ar **Dydd Mawrth, 15 Mawrth 2022 am 14:00.**

AGENDA

1. Ymddiheuriadau am absenoldeb
Derbyn ymddiheuriadau am absenoldeb gan Aelodau.
2. Datganiadau o fuddiant
Derbyn datganiadau o ddiddordeb personol a rhagfarnol (os o gwbl) gan Aelodau / Swyddogion yn unol â darpariaethau'r Cod Ymddygiad Aelodau a fabwysiadwyd gan y Cyngor o 1 Medi 2008.
3. Cymeradwyaeth Cofnodion 3 - 10
I dderbyn am gymeradwyaeth y Cofnodion cyfarfod y 28/01/2022
4. Cofnod Gweithredu'r Pwyllgor Archwilio a Llywodraethu 11 - 14
5. Diweddariad o'r Adolygiad o'r Broses Pryderon A Chwynion 15 - 18
6. Cynllun Arbed Caerau 19 - 40
7. Rhaglen Gwaith Cychwynnol 2022-23 41 - 46
8. Materion Brys
I ystyried unrhyw eitemau o fusnes y, oherwydd amgylchiadau arbennig y cadeirydd o'r farn y dylid eu hystyried yn y cyfarfod fel mater o frys yn unol â Rhan 4 (pharagraff 4) o'r Rheolau Trefn y Cyngor yn y Cyfansoddiad.

Yn ddiffuant

K Watson

Prif Swyddog, Gwasanaethau Cyfreithiol a Rheoleiddio, AD a Pholisi Corfforaethol

Dosbarthiad:

Cynghorwyr

CA Green
JE Lewis
MJ Kearn
B Sedgebeer

Cynghorwyr

RM Granville
LM Walters
AJ Williams
PA Davies

Cynghorwyr

P Davies
TH Beedle
A Hussain
MC Clarke

Aelod Lleyg:

Mrs J Williams

Presennol

Y Cyngorydd LM Walters – Cadeirydd

CA Green
PA Davies

JE Lewis
P Davies

MJ Kearn
TH Beedle

AJ Williams

Ymddiheuriadau am Absenoldeb

RM Granville a/ac A Hussain

Swyddogion:

Carys Lord	Prif Swyddog - Cyllid, Perfformiad a Newid
Deborah Exton	Dirprwy Bennaeth Cyllid dros dro
Mark Thomas	Pennaeth Gwasanaeth Archwilio Rhanbarthol
Samantha Clements	Archwilio Cymru
Mark Galvin	Rheolwr Gwasanaethau Democrataidd Dros dro
Andrew Rees	Swyddog Gwasanaethau Democrataidd - Pwyllgorau
Nigel Smith	Rheolwr Cyllid
John Llewellyn	Arweinydd Tim Archwilio Cyllid, Swyddfa Archwilio Cymru
Frances Mantle	Rheolwr Cyllid Llywodraethu a'r Trysorlys
Martin Morgans	Pennaeth Gwasanaeth - Perfformiad a Gwasanaethau Partneriaeth
Philip O'Brien	Rheolwr Trawsnewid Digidol a Gwasanaethau Cwsmer
Joan Davies	Dirprwy Pennaeth Gwasanaeth Archwilio Rhanbarthol

Aelod Lleyg:

Mrs J Williams

291. CARYS LORD

Croesawodd y Cadeirydd Carys Lord, Prif Swyddog Cyllid, Perfformiad a Newid a Swyddog Adran 151 i'w chyfarfod cyntaf o'r Pwyllgor, ers iddi ddechrau ei chyflogaeth gyda'r awdurdod.

292. ETHOL IS-GADEIRYDD

Cofnododd y Cadeirydd ei diolch i'r Cyngorydd Venables, yr Is-Gadeirydd blaenorol am ei gwasanaeth i'r Pwyllgor a dymunodd yn dda iddi i'r dyfodol.

PENDERFYNWYD:

Gan na dderbyniwyd unrhyw enwebiadau, na ddylid penodi Is-Gadeirydd i rôl yr Is-Gadeirydd.

293. DATGANIADAU O DDIDDORDEB

Dim.

294. CYMERADWY'R COFNODION

PENDERFYNWYD:

Cymeradwyo cofnodion cyfarfod y Pwyllgor Llywodraethu ac Archwilio ar 11 Tachwedd 2021 fel cofnod gwir a chywir, yn amodol ar gofnodi diolchiadau a dymuniadau da'r Pwyllgor i Gill Lewis, Prif Swyddog Cyllid Dros Dro Perfformiad a Newid a Swyddog Adran 151 am ei gwasanaeth i'r Pwyllgor ac i'r awdurdod.

295. COFNOD GWEITHREDU'R PWYLLGOR LLYWODRAETHU AC ARCHWILIO

Cyflwynodd y Rheolwr Gwasanaethau Democrataidd Dros Dro adroddiad a oedd yn rhoi'r wybodaeth ddiweddaraf i'r Aelodau am Gofnod Gweithredu'r Pwyllgor Archwilio, a oedd ynghlwm wrth yr adroddiad.

Cyflwynodd Samantha Clements o Archwilio Cymru ddiweddariad ar y Cofnod Gweithredu ymhellach i gyfarfod diwethaf y Pwyllgor ar drafodaethau y maent wedi'u cael gyda Llywodraeth Cymru ar roi mwy o sicrwydd ariannol i awdurdodau lleol i'w galluogi i wella eu blaengynllunio, yn enwedig ar ôl y Covid-19 Pandemig. Dywedodd wrth y Pwyllgor fod Archwilio Cymru wedi cynnal adroddiadau ar Gynaliadwyedd Ariannol yr holl Gynghorau, gan edrych ar yr anawsterau a wynebai llywodraeth leol wrth reoli cyni. Mae'r adroddiad Gwasanaethau Cyhoeddus yn 2021 yn edrych ar sut mae gwasanaethau mewn llywodraeth leol dan bwysau cyn y pandemig a sut mae Cynghorau'n rheoli pwysau a'u hadferiad o'r pandemig. Roedd cynghorau wedi derbyn £5 biliwn o gymorth gan Lywodraeth Cymru ac roedd yr adroddiad yn edrych ar sut roedd Cynghorau yn ymdopi â'r busnes newydd fel arfer. Cafwyd sicrwydd gan Bwyllgor Cyfrifon Cyhoeddus y Senedd ynghylch sicrwydd ariannol llywodraeth leol, y mae ei statws yn bwysig iawn i Lywodraeth Cymru. Yn ogystal â hynny, roedd Archwilio Cymru wedi gwneud sylwadau ar gyllid tymor byr yn adroddiad Llesiant Cenedlaethau'r Dyfodol cyn y pandemig yn galw ar Lywodraeth Cymru i roi sicrwydd ynghylch dyraniadau cyllid hirdymor. Credai fod Llywodraeth Cymru wedi gwrando ar hyn o ran y setliad amodol diweddaraf ac mae cyllid dangosol bellach yn cael ei ddarparu am 3 blynedd.

PENDERFYNWYD:

Bod y Pwyllgor yn nodi'r adroddiad.

296. ADRODDIADAU PWYLLGOR LLYWODRAETHU AC ARCHWILIO CYMRU

Adroddodd cynrychiolydd Archwilio Cymru ar ddiweddariad ar y gwaith Archwilio Ariannol a Pherfformiad a wnaed, ac sydd i'w wneud, gan Archwilio Cymru.

Darparodd John Llewellyn o Archwilio Cymru grynoded o'r gwaith Archwilio Ariannol a wnaed, sef bod yr archwiliad o Ddatganiad Cyfrifon 2020-21 y Cyngor wedi'i gwblhau a bod Barn Archwilio wedi'i rhoi i'r Cyngor ym mis Gorffennaf 2021. Roedd gwaith archwilio hefyd wedi'i wneud ar gwblhau Ffurflenni 2020-21 ar gyfer Awdurdod Harbwr Porthcawl a Chyd-bwyllgor Amlogfa Llangrallo, gyda Barnau Archwilio wedi'u darparu ym mis Gorffennaf a mis Medi 2021 yn y drefn honno. Roedd yr Archwiliad o Grantiau a Ffurflenni 2020-21 y Cyngor yn mynd rhagddo. Roedd gwaith cynllunio wedi dechrau ar gyfer archwiliad cyfrifon ariannol 2021-22, a'r gobaiith oedd cytuno cyn bo hir ar yr amserlen ar gyfer archwilio cyfrifon a chyflwyno'r cyfrifon drafft.

Darparodd Samantha Clements o Archwilio Cymru grynoded o'r gwaith Archwilio Perfformiad a gyflawnwyd. Mewn perthynas â Sicrwydd ac Aseiad Risg, bydd cyflwyniad yn cael ei wneud yn fuan i'r Bwrdd Rheoli Corfforaethol yn amlinellu'r

canfyddiadau a bydd adroddiad allbwn yn cael ei ddarparu i'r Pwyllgor hwn yn ystod yr haf. Roedd gwaith maes wedi'i gwblhau'n ddiweddar ar adolygiad *Springing Forward*, ac mae Archwilio Cymru yn y broses o goladu'r canfyddiadau cyn i adroddiad gael ei gyhoeddi ym mis Mawrth. Bydd yr adolygiad dilynol o Grantiau Cyfleusterau i'r Anabl yn rhan o'r Sicrwydd a'r Asesiad Risg. O ran yr adolygiad o waith partneriaeth Iechyd Cwm Taf Morgannwg, mae'r gwaith maes wedi'i orffen, a bydd gweithdy'n cael ei gynnal gyda'r 4 corff partner yn ystod mis Mawrth. Roedd Archwilio Cymru wedi cyhoeddi adroddiad astudiaeth LG ar wasanaethau brys yn ddiweddar ac mae hwn ar gael ar ei wefan.

PENDERFYNWYD:

Bod y Pwyllgor yn nodi Adroddiadau Pwyllgor Llywodraethu ac Archwilio Cymru yn Atodiad A ac Atodiad B.

297. **CYNNYDD YN ERBYN CYNLLUN SEILIEDIG AR RISG ARCHWILIO MEWNOL 2021-22**

Cyflwynodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol ddatganiad sefyllfa yn manylu ar y cynnydd a wnaed yn erbyn y gwaith archwilio a gynhwyswyd ac a gymeradwywyd yng Nghynllun Seiliedig ar Risg Archwilio Mewnol 2021-22.

Dywedodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol wrth y Pwyllgor fod y Cynllun Archwilio Mewnol ar gyfer 2021-22 wedi'i gymeradwyo gan y Pwyllgor Llywodraethu ac Archwilio ar 18 Mehefin 2021, a oedd yn amlinellu'r aseiniadau i'w cyflawni a fydd yn darparu digon o sylw i roi barn ar ddiwedd 2021-22. Manylodd ar gynnydd a statws pob adolygiad ar gyfer y cyfnod 1 Ebrill i 31 Rhagfyr 2021, lle'r oedd 14 o archwiliadau wedi'u cwblhau gyda barn yn cael ei ddarparu. Cwblhawyd archwiliad pellach, cyhoeddwyd yr adroddiad drafft a disgwylir adborth gan yr Adran Gwasanaeth. Roedd cyfanswm o 12 archwiliad yn mynd rhagddynt ar hyn o bryd a dyrannwyd 13 arall i archwilwyr i'w cychwyn yn fuan. Dywedodd, yn seiliedig ar asesiad o gryfderau a gwendidau'r meysydd a archwiliwyd trwy brofi effeithiolrwydd yr amgylchedd rheolaeth fewnol, bod barn archwilio o sicrwydd sylweddol wedi'i rhoi i 3 adolygiad a gwblhawyd a barn o sicrwydd rhesymol i'r 11 arall o'r adolygiadau a gwblhawyd.

Dywedodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol fod rhai eitemau wedi'u cynnwys yn y cynllun archwilio sydd eto i'w dyrannu. Ymdrinnir â rhai o'r meysydd hyn megis Rheoli Prosiectau a'r Rheoliadau Diogelu Data Cyffredinol (GDPR) o fewn cwrmpas archwiliadau eraill er mwyn caniatáu rhywfaint o sicrwydd. Dywedodd fod meysydd gwasanaeth dan bwysau a bod dau archwiliad cynlluniedig, cod ymddygiad gweithwyr a rheoli perfformiad, wedi'u gohirio. Bydd unrhyw archwiliadau sydd heb eu dyrannu erbyn diwedd y flwyddyn yn cael eu cynnwys yn y broses asesu risg ar gyfer cynllun archwilio 2022-23.

Hysbysodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol y Pwyllgor fod cyfanswm o 25 o argymhellion blaenoriaeth ganolig wedi'u gwneud i wella amgylchedd rheoli'r meysydd a adolygwyd a 32 o argymhellion blaenoriaeth isel. Roedd gweithrediad yr argymhellion hyn yn cael ei fonitro i sicrhau bod y gwelliannau a nodwyd ac y cytunwyd arnynt yn cael eu gwneud a bydd cynnydd yn cael ei adrodd i'r Pwyllgor.

Cyfeiriodd yr aelod lleyg at statws parhaus yr adolygiadau a holodd, allan o 7 archwiliad i'w cynnal yn y Gyfarwyddiaeth Gwasanaethau Cymdeithasol a Llesiant, pam nad oedd 3 wedi'u dyrannu eto a dim wedi'u cwblhau. Hysbysodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol y Pwyllgor fod rhywfaint o le i anadlu wedi'i roi i'r Gyfarwyddiaeth oherwydd y pwysau yr oedd wedi'i wynebu yn ystod y pandemig, er bod darn o waith wedi'i ddechrau ar Daliadau Uniongyrchol. Mae trafodaethau'n cael eu cynnal gyda'r Cyfarwyddwr ar y dull o gynnal yr archwiliadau yn y cynllun. Dywedodd fod y Cyfarwyddwr yn deall yr angen i rywfaint o waith archwilio ddechrau. Dywedodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol na fydd archwiliad o WCCIS yn cychwyn eleni, ac ni fyddai archwiliadau Halo ac Awen ychwaith. Dywedodd Pennaeth y Gwasanaeth Archwilio Rhanbarthol wrth y Pwyllgor nad oedd y dull hwn o ohirio archwiliadau o fewn y Gwasanaethau Cymdeithasol yn unigryw i Ben-y-bont ar Ogwr gan fod Archwilio Mewnol yn ymwybodol o'r pwysau y mae Adrannau Gwasanaethau Cymdeithasol wedi'u hwynebu ar draws y rhanbarth yn ystod y pandemig. Y gobaith oedd dychwelyd i fusnes fel arfer yn y flwyddyn nesaf.

Gofynnodd aelod o'r Pwyllgor a oedd effaith Covid o fewn cylch gorchwyl yr archwiliad i'w ystyried, yn enwedig gyda gwasanaethau i'r henoed mewn gofal ac mewn ysgolion. Hysbysodd y Dirprwy Bennaeth Archwilio Mewnol Rhanbarthol y Pwyllgor y cafwyd sicrwydd gan ysgolion a bod cyngor ac arweiniad yn cael eu rhoi i Gyfarwyddiaethau eraill. Dywedodd Pennaeth y Gwasanaeth Archwilio Rhanbarthol na fu unrhyw ymweliadau â chartrefi gofal nac ysgolion yn ystod y pandemig, ond bod gwaith wedi'i wneud ar newid trefniadau a llywodraethu, ond nid oedd gwaith wedi'i wneud ar effaith Covid ar y grwpiau cleientiaid hynny.

Gofynnodd aelod o'r Pwyllgor a fydd y Pwyllgor yn cael adroddiad diweddar ar gynllun Arbed. Dywedodd Pennaeth y Gwasanaeth Archwilio Rhanbarthol ei fod yn ymwybodol bod adroddiad cryno wedi'i gyhoeddi ar wefan y Cyngor ac y byddai'n edrych ar yr hyn y gellid ei ddwyn gerbron y Pwyllgor. Gofynnodd y Cadeirydd i adroddiad gael ei gyflwyno i gyfarfod nesaf y Pwyllgor, cyn diwedd tymor y Cyngor hwn. Dywedodd y Pennaeth Gwasanaeth Archwilio Rhanbarthol y byddai'n cael trafodaethau gyda'r swyddogion perthnasol ynghylch yr hyn y gellir ei ddwyn gerbron y Pwyllgor nesaf.

Gofynnodd y Cadeirydd am ddiweddariad ar y cynlluniau ailstrwythuro ar gyfer y Gwasanaeth Archwilio Mewnol. Dywedodd Pennaeth y Gwasanaeth Archwilio Rhanbarthol wrth y Pwyllgor fod yr ailstrwythuro wedi'i gwblhau cyn y Nadolig a bod yr holl staff wedi'u paru â swyddi. Bydd swyddi gwag yn cael eu hysbysebu wythnos nesaf. Gofynnodd aelod o'r Pwyllgor a oedd staff o fewn y gwasanaeth wedi'u hadleoli yn ystod y pandemig i gefnogi gwasanaethau eraill. Dywedodd Pennaeth y Gwasanaeth Archwilio Rhanbarthol wrth y Pwyllgor fod rhai staff o fewn Archwilio Mewnol yn cael eu hadleoli ar sail tymor byr i gefnogi gwasanaethau hanfodol megis y prosiect Profi, Orlhain a Diogelu ond eu bod bellach wedi dychwelyd i'w rolau.

PENDERFYNWYD: Bod y Pwyllgor yn nodi cynnwys yr adroddiad a'r cynnydd a wnaed yn erbyn Cynllun Blynyddol Seiliedig ar Risg Archwilio Mewnol 2021-22.

298. **TRAWSNEWID DIGIDOL**

Rhoddodd y Prif Swyddog Cyllid Perfformiad a Newid ddiweddariad ar Raglen Trawsnewid Digidol y Cyngor a thynnodd sylw at y gweithgareddau a'r camau

gweithredu allweddol yn dilyn “Adolygiad o Drefniadau'r Cyngor i Ddod yn 'Gyngor Digidol' – Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr gan Archwilio Cymru.

Dywedodd ers sefydlu'r Rhaglen Trawsnewid Digidol yn 2016, ei bod wedi tyfu'n sylweddol ac ar hyn o bryd mae ganddi 15 o brosiectau o fewn ei chylch gwaith, ac mae gan Gyfarwyddiaethau o leiaf un prosiect sy'n cyd-fynd â'r Rhaglen Trawsnewid Digidol a oedd yn dystiolaeth o'i chefnogaeth nid yn unig i'r Dinesydd Digidol ond hefyd. ar gyfer y Lle Digidol a'r Cyngor Digidol.

Holodd yr aelod lleyg a oedd y rhestr o brosiectau yn y rhaglen Trawsnewid Digidol braidd yn ysgafn o ran newid diwylliannol a chofleidio a gwella'r diwylliant. Dywedodd Pennaeth y Gwasanaethau Partneriaeth wrth y Pwyllgor mai dyma'r rhan anoddaf o'r rhaglen i'w chyflawni, fodd bynnag y nod yw cynwysoldeb lle gall systemau gyflawni tasgau awtomataidd i alluogi staff i gyflawni mwy o swyddogaethau lefel uchel. Dywedodd fod y newid mewn diwylliant yn dechrau gyda'r Prif Weithredwr sy'n gyrru'r newid hwnnw o frig y sefydliad i lawr a bod ymgynghoriad yn digwydd gyda'r Undebau Llafur ar newid.

Gofynnodd yr aelod lleyg a welwyd buddion o weithio gartref o ganlyniad i'r pandemig. Eglurodd Pennaeth y Gwasanaethau Partneriaeth fod 10 – 30 o staff yn gweithio gartref fel mater o drefn cyn y cloi ym mis Mawrth 2020 ac yn dilyn y cyfyngiadau symud, symudodd yr Adran TGCh yn gyflym i ddarparu gliniaduron i 1,700 o staff i'w galluogi i weithio gartref. Dywedodd fod y Cyngor, yn ystod y cyfyngiadau symud, wedi gweithredu ei ganolfan gyswllt yn llwyddiannus o bell a bod staff wedi elwa ar yr hyblygrwydd o weithio gartref, sy'n cyd-fynd â model hybrid sy'n cael ei ystyried. Roedd cloi i lawr hefyd wedi gweld y cyflwyniadau digartrefedd yn mynd yn fyw o bell. Er mwyn cefnogi lles staff, roedd y Cyngor wedi penodi Swyddog Llesiant i sicrhau bod yr offer cywir ar gael i staff.

Gofynnodd yr aelod lleyg i'r tabl o brosiectau gynnwys mwy o ddiffiniad i gynnwys yr adnoddau ariannol a ymrwymwyd a lefel cyflawnrwydd pob prosiect. Dywedodd Pennaeth y Gwasanaethau Partneriaeth fod y wybodaeth hon ar gael ac y gellir ei darparu yn yr adroddiad nesaf. Sicrhodd y Rheolwr Grŵp Trawsnewid a Gwasanaethau Cwsmeriaid y Pwyllgor fod y wybodaeth hon wrth law ac y bydd yn cael ei chynnwys mewn adroddiadau yn y dyfodol.

Cyfeiriodd y Cadeirydd at reolaeth cwynion a bod Gweithgor wedi ei sefydlu gyda'r Swyddog Monitro a chytunwyd gan y Gweithgor y byddai'r system Gwynion yn cael ei hystyried o fewn y Rhaglen Trawsnewid Digidol.

PENDERFYNWYD:

Bod y Pwyllgor Llywodraethu ac Archwilio wedi ystyried yr adroddiad, cydnabod y gwaith a gwblhawyd hyd yn hyn a nodi'r camau gweithredu arfaethedig i barhau i gefnogi a chyflawni Trawsnewid Digidol ar draws y Cyngor.

299. STRATEGAETH RHEOLI'R TRYSORLYS 2022-23

Adroddodd y Prif Swyddog Cyllid, Perfformiad a Newid ar Strategaeth Rheoli'r Trysorlys (TMS) 2022-23 ddrafft, a oedd yn cynnwys Strategaeth Fenthyca 2022-23; Strategaeth Fuddsoddi 2022-23 a Dangosyddion Rheoli'r Trysorlys ar gyfer y cyfnod 2022-23 i 2024-25.

Dyweddod y Prif Swyddog Cyllid, Perfformiad a Newid fod y TMS drafft 2022-23 yn cadarnhau cydymffurfiaid y Cyngor â Chod CIPFA, a oedd yn ei gwneud yn ofynnol bod amcanion, polisiâu ac arferion, strategaethau a threfniadau adrodd ffurfiol a chynhwysfawr yn eu lle ar gyfer rheoli a rheoli'n effeithiol weithgareddau rheoli'r trysorlys, ac mai rheoli risg yn effeithiol yw prif amcanion y gweithgareddau hyn. Dywedodd fod y TMS drafft wedi'i ddiweddarau i adlewyrchu'r cyd-destun economaidd presennol, gan gynnwys effaith barhaus y coronafeirws ynghyd â chwyddiant uwch a chyfraddau llog uwch yn dilyn cynnydd Banc Lloegr yn y gyfradd llog i 0.25% ym mis Rhagfyr 2021.

Dyweddod y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor fod aeddfedrwydd dyled hirdymor wedi'i gynnwys, a rhagwelwyd y gallai fod angen i'r Cyngor fenthycia dros y 3 blynedd nesaf i gefnogi'r Rhaglen Gyfalaf. Hyd yma mae'r Cyngor wedi gallu defnyddio cronfeydd wrth gefn i gefnogi ei wariant cyfalaf, a elwir yn fenthycia mewdol. Fodd bynnag, mae'r sefyllfa hon yn un tymor byr ac, wrth i gronfeydd wrth gefn gael eu defnyddio a balansau'n cael eu lleihau, byddai angen benthycia. Bydd hyn yn cael ei fonitro'n agos yn ystod y flwyddyn gan y bydd newidiadau i'r Rhaglen Gyfalaf yn dylanwadu ar hyn. Dywedodd, ar 31 Rhagfyr 2021, fod gan y Cyngor £96.87 miliwn o fenthyciadau a £77.50 miliwn o fuddsoddiadau.

Dyweddod y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor y bydd TMS 2022-23 yn cael ei gyflwyno i'r Cyngor i'w gymeradwyo ym mis Chwefror 2022 ac er na fydd y prif gorff yn newid, efallai y bydd amrywiadau i rai o'r ffigurau os bydd unrhyw newidiadau (fel y rhaglen gyfalaf) i adlewyrchu'r wybodaeth ddiweddaraf.

Cyfeiriodd aelod o'r Pwyllgor at sefyllfa ddyled a buddsoddi allanol y Cyngor ar 31 Rhagfyr 2021 a gofynnodd sut roedd dyled net y Cyngor o £36.7m o'i gymharu ag awdurdodau lleol eraill yng Nghymru a'r llynedd er mwyn asesu effaith barhaus Covid ar lefelau'r ddyled. Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor y byddai'n darparu'r manylion hyn i'r Pwyllgor yn ysgrifenedig. Dywedodd y Dirprwy Bennaeth Cyllid wrth y Pwyllgor mai dyled net y Cyngor ar gyfer y flwyddyn flaenorol oedd £53.5m.

PENDERFYNWYD: Bod y Pwyllgor:

- Wedi rhoi ystyriaeth ddyledus i'r Strategaeth Rheoli Trysorlys ddrafft ar gyfer 2022-23; a
- Yn argymhell ei fod yn cael ei gyflwyno i'r Cyngor i'w gymeradwyo ym mis Chwefror 2022.

300. **ASESIAD RISG CORFFORAETHOL 2022-23**

Adroddodd y Prif Swyddog Cyllid Perfformiad a Newid ar Asesiad Risg Corfforaethol 2022-23 wedi'i ddiweddarau a'r Polisi Rheoli Risg Corfforaethol wedi'i ddiweddarau a rhoddodd ddiweddariad ar Ddigwyddiadau a Digwyddiadau Agos.

Dyweddod y Prif Swyddog Cyllid, Perfformiad a Newid, wrth y Pwyllgor fod yr Asesiad Risg Corfforaethol wedi'i adolygu mewn ymgynghoriad â'r Bwrdd Rheoli Corfforaethol. Roedd y ddogfen yn nodi'r prif risgiau sy'n wynebu'r Cyngor, eu cysylltiad â'r amcanion llesiant corfforaethol o dan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015, ac

effaith debygol y risgiau hyn ar y Cyngor. Dywedodd fod 12 Risg ar y Gofrestr Risg Gorfforaethol ar hyn o bryd, o'r risgiau hyn, mae 7 yn cael sgôr uchel, 4 yn cael sgôr canolig, ac 1 yn cael sgôr isel.

Amlygodd y Prif Swyddog Cyllid Perfformiad a Newid y diwygiadau a wnaed i'r Asesiad Risg Corfforaethol sef:

- Nid oes unrhyw risgiau newydd wedi'u hychwanegu ers adolygiad diwethaf y Pwyllgor Llywodraethu ac Archwilio
- Mae'r Risgiau wedi eu hail-rifo yn unol â'r argymhelliad o adroddiad Archwilio Mewnol Partneriaeth Archwilio De Orllewin (SWAP) eleni i gydnabod yr adran, y flwyddyn y canfuwyd y risg, a'r nifer risg. Bydd y rhifo hwn yn cael ei ddefnyddio gan bob adran wrth symud ymlaen.
- Risg Mae COR-2019-02 wedi'i ddiweddarau i gynnwys cyfeiriad at yr Argyfwng Hinsawdd.
- Risg SS-2019-01 wedi'i ddiweddarau i adlewyrchu'r camau diogelu parhaus.
- Mae cyfeirnod risg 'COR-2020-03' – 'Iechyd y Cyhoedd/Amddiffyn y Cyhoedd' (risg 12 yn flaenorol) wedi'i ddiwygio i adlewyrchu bod cyllid gan Lywodraeth Cymru ar gael i gefnogi'r camau gweithredu parhaus.

Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid fod y Polisi Rheoli Risg Corfforaethol wedi'i ddiwygio i gyfeirio at y ddogfen ganllaw Rheoli Risg mewnol newydd sydd wedi'i chymeradwyo gan y Bwrdd Rheoli Corfforaethol.

Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor fod y tîm Yswiriant yn cadw log o achosion y bu ond y dim iddynt ddigwydd, yn unol â'r weithdrefn Adrodd ar Ddathliadau Agos Yn Erbyn hyn, ac na adroddwyd ar unrhyw ddigwyddiadau yn ystod y cyfnod Ionawr 2021 i Ragfyr 2021. Dywedodd fod Methiant Agos. Adroddiadau Mae modiwl E-ddysgu wedi'i ddatblygu i hybu ymwybyddiaeth o'r polisi a'r gweithdrefnau y mae angen eu dilyn. Mae swyddogion ar hyn o bryd yn y broses o nodi'r staff allweddol y bydd angen hyfforddiant arnynt a bydd e-ddysgu yn cael ei gyflwyno yn y misoedd nesaf.

Mynegodd aelod o'r Pwyllgor bryder ynghylch y sylw sylweddol yn y cyfryngau yn sgil cau meysydd parcio yn rhai o'r ysgolion newydd yn ddiweddar, a oedd wedi bod ar gyngor yr Awdurdod Gweithredol Iechyd a Diogelwch. Roedd ei gau wedi'i wneud oherwydd pryderon sylweddol ynghylch diogelwch plant a gofynnodd pryd y byddai'r risg hon yn cael ei rhoi ar y gofrestr risg. Dywedodd yr aelod y gallai cau'r safle fod yn groes i amodau cynllunio'r safleoedd. Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor fod y Cyfarwyddwr Corfforaethol Addysg a Chymorth i Deuluoedd yn rheoli'r risg hon a phe byddai angen, byddai'r risg yn cael ei huwchgyfeirio i lefel gorfforaethol a'i rhoi ar y gofrestr risg. Dywedodd hefyd fod y gofrestr risg wedi'i diweddarau cyn cau'r meysydd parcio mewn ysgolion yn ddiweddar. Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor y byddai'n mynd â hyn i ffwrdd ac yn ei drafod gyda'r Cyfarwyddwyr Corfforaethol perthnasol.

Mynegodd yr aelod llewyg bryder ynghylch y diffyg newidiadau a wnaed i'r gofrestr risg, sef bod y sgoriau gwerthuso yn aros yr un fath, ar wahân i ail-rifo risgiau a newidiadau

cyflwyniadol, ac eithrio cyfeiriad at yr Argyfwng Hinsawdd. Rhoddodd y Prif Swyddog Cyllid, Perfformiad a Newid sicrwydd i'r Pwyllgor fod y gofrestr risg wedi'i hadolygu a'i diweddarau gan y Bwrdd Rheoli Corfforaethol, bod y sgoriau gwerthuso wedi'u hadolygu ac wedi aros yr un fath.

Cyfeiriodd y Cadeirydd at y cynnydd yn y sgôr gros ar gyfer diogelu ond bod y sgôr net yn aros yr un fath, oherwydd y camau gweithredu sydd ar y gweill a gofynnodd am ddiweddariad. Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor fod Cyfarwyddwr Corfforaethol Gwasanaethau Cymdeithasol a Llesiant wedi adolygu'r sgorau a'i bod yn hapus gyda'r sgoriau, ond dywedodd serch hynny y byddai'n cymryd hwn i ffwrdd ac yn dod yn ôl i'r Pwyllgor gyda gwybodaeth am y sgoriau ar gyfer y risg hon.

Gofynnodd y Cadeirydd am ddiweddariad ar system WCCIS. Dywedodd y Prif Swyddog Cyllid, Perfformiad a Newid wrth y Pwyllgor fod yna faterion sylweddol ar y system a bod gwaith uwchraddio yn cael ei wneud ar y penwythnos. Dywedodd fod y mater yn bryder, a bod Pennaeth y Gwasanaethau Partneriaeth yn monitro'r sefyllfa.

PENDERFYNWYD: Bod y Pwyllgor wedi ystyried Asesiad Risg Corfforaethol 2022-23 ac wedi cymeradwyo'r Polisi Rheoli Risg Corfforaethol wedi'i ddiweddarau, gan gynnwys yr amserlen.

301. RHAGLEN GWAITH CYCHWYNNOL WEDI'I DIWEDDARU 2021-22

Gofynnodd y Dirprwy Bennaeth Cyllid am gymeradwyaeth i'r Rhaglen Gwaith Cychwynnol wedi'i Diweddarau arfaethedig ar gyfer 2021-22 a thynnodd sylw at swyddogaethau craidd Pwyllgor Llywodraethu ac Archwilio effeithiol. Tynnodd sylw at yr eitemau y bwriedir eu cyflwyno yng nghyfarfod nesaf y Pwyllgor ar 31 Mawrth 2022 a gofynnodd i'r Pwyllgor gymeradwyo'r rhestr hon, cadarnhau'r rhestr o bobl yr hoffent eu gwahodd ar gyfer pob eitem (os yn briodol), a nodi a oedd unrhyw wybodaeth ychwanegol neu mae angen ymchwil. Dywedodd hefyd wrth y Pwyllgor y byddai adroddiad ar Grantiau Cyfleusterau i'r Anabl yn cael ei gyflwyno i gyfarfod y Pwyllgor ym mis Mehefin a bod eitemau ar y Rhaglen Gwaith i'r Dyfodol nad ydynt wedi'u ticio yn eitemau ad-hoc.

PENDERFYNWYD:

- (1) Bod y Pwyllgor wedi ystyried a chymeradwyo'r Rhaglen Gwaith Cychwynnol wedi'i Diweddarau arfaethedig ar gyfer 2021-22.
- (2) Bod adroddiad yn rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor ar y cynnydd sy'n cael ei wneud o ran recriwtio aelodau lleyg i wasanaethu ar y Pwyllgor yn cael ei gyflwyno i'r cyfarfod nesaf.

302. EITEMAU BRYD

Nid oedd eitemau brys.

Daeth y cyfarfod i ben am 10:54

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE GOVERNANCE AND AUDIT COMMITTEE

15 MARCH 2022

REPORT OF THE CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY

GOVERNANCE AND AUDIT COMMITTEE ACTION RECORD

1. Purpose of report

- 1.1 The purpose of this report is to provide Members with an update on the Governance and Audit Committee Action Record.

2. Connection to corporate well-being objectives/other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:-

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 An Action Record has been devised to assist the Committee in tracking the decisions made by the Committee in the exercise of its functions.

4. Current situation/proposal

- 4.1 In order to assist the Governance and Audit Committee in ensuring that decisions made by the Committee are actioned and implemented, the Action Record is attached at **Appendix A**. The Action Record will be presented to each meeting of the Committee for approval.

5. Effect upon policy framework and procedure rules

- 5.1 There is no impact on the policy framework and procedure rules.

6. Equality Act 2010 Implications

- 6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is primarily an information report, therefore it is not necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

- 8.1 There are no financial implications arising from this report.

9. Recommendation

- 9.1 The Committee is recommended to note the Action Record and provide any comment upon this, as appropriate.

Kelly Watson

**Chief Officer – Legal and Regulatory Services, HR and Corporate Policy
March 2021**

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Background Documents:

None

Governance and Audit Committee Action Record

Date of Committee	Agreed Action	Lead	Target Date	Progress	Date for action to be brought to Committee	Completed Date
18 June 2021	Audit Wales Governance and Audit Committee Reports	Chief Officer – Finance, Performance and Change / Head of Partnership Services	Autumn 2021	That a progress report on Digital Transformation be provided.	January 2022	January 2022
22 July 2021	Updated Forward Work Programme	Chief Officer – Finance, Performance and Change	TBC	A further report be presented to committee in due course on work both proposed and undertaken to date with regards to the Local Government and Elections (Wales) Act 2021.	June 2022	
9 September 2021	Corporate Complaints	Chief Officer Legal, HR & Regulatory Services	November 2021	<ol style="list-style-type: none"> 1. A Working Party to ensure all complaints are monitored and recorded accurately as the Committee considered there is an under recording of complaints. 2. The Chief Officer Legal and Regulatory Services, HR & Corporate Policy meet with Members to discuss the handling of complaints. 3. An information report on Corporate Complaints be presented to Council. 4. Information as to the shortfall of 10 cases be provided to the Committee. 	March 2022	
11 November 2021	Audit Wales Governance and Audit Committee Reports	Audit Wales	January 2022	An update from Audit Wales on any discussions they have had with Welsh Government on providing more financial certainty to local authorities to enable them to improve their forward planning, particularly after the Covid-19 Pandemic.	January 2022	January 2022
11 November 2021	Disabled Facilities Grants	Chief Officer – Finance, Performance and Change	June 2022	A further report be presented to the Committee on the progress of Disabled Facilities Grants to see how the service was being embedded	June 2022	
28 January 2022	Progress Against the Internal Audit Risk Based Plan 2021-22	Head of the Regional Audit Service	March 2022	A report be submitted to the next meeting of the Committee on the Arbed scheme.	March 2022	
28 January 2022	Digital Transformation	Head of Partnership Services	To be confirmed	The table of projects contain more definition to include the financial resource committed and the level of completeness for each project.	To be confirmed	

28 January 2022	Treasury Management Strategy 2022-23	Chief Officer – Finance, Performance and Change	Written response to the Committee	Information to be provided to the Committee on the position of the Council’s net debt compared to other local authorities in Wales and to last year in order to assess the ongoing impact of Covid on debt levels.	Written response to the Committee	March 2022
28 January 2022	Corporate Risk Assessment 2022-23	Chief Officer – Finance, Performance and Change	July 2022	Risk SS-2019-01 in relation to safeguarding actions - Information to be provided to the Committee on the scores for this risk following discussion with the Corporate Director Social Services and Wellbeing.	July 2022	
28 January 2022	Updated Forward Work Programme 2021-22	Chief Officer, Legal and Regulatory Services, HR and Corporate Policy	March 2022	Update the Committee on progress made in recruiting lay members to serve on the Committee.	March 2022	

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO GOVERNANCE AND AUDIT COMMITTEE

15 MARCH 2022

REPORT OF THE CHIEF OFFICER - FINANCE, PERFORMANCE AND CHANGE

UPDATE OF REVIEW OF THE CONCERNS AND COMPLAINTS PROCESS

1. Purpose of report

- 1.1 The purpose of this report is to update the Committee on the work being undertaken to review the Authority's Concerns and Complaints process.

2. Connection to corporate well-being objectives/other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015**:

- **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 In September 2021, the Governance and Audit Committee received a report from the Chief Officer – Legal and Regulatory Services, HR and Corporate Policy on the Authority's Concerns and Complaints Policy and process.
- 3.2 Feedback from the Committee suggested they would like the Authority to take a more holistic view of complaints and explore whether there were digital options for complaints management.
- 3.3 The Committee established a working group consisting of Cllr Lyn Walters, Cllr Cheryl Green and Cllr Amanda Williams. The working group undertook research and spoke to other local authorities.

4. Current situation/proposal

- 4.1 On 26 January 2022, the elected member working group met the Chief Officer - Legal, and Regulatory Services, HR and Corporate Policy to feed back their findings and views.
- 4.2 It was agreed that the Chief Officer would raise the topic at Corporate Management Board where it was agreed that the matter should be referred to the Digital Transformation Board for further consideration.
- 4.3 Prior to presentation to the Digital Transformation Board, initial work has been undertaken to explore the opportunities of incorporating the current formal stage of concerns and complaints within the existing Customer Relationship Management

(CRM) system which is used in Customer Services for recording all informal concerns and complaints.

- 4.4 The current corporate complaints form has already been built into the new digital platform and is available online for customers to complete. Work is now underway to look at developing the system so that all concerns and complaints are held and processed within the CRM system, rather than recorded in a standalone Excel spreadsheet.
- 4.5 It is envisaged that by recording all informal and formal concerns and complaints within the system, it will improve the current reporting process across the whole organisation. The initial phase will be to incorporate the corporate complaints recording within the system, before exploring opportunities to also look at incorporating statutory social services complaints within the same system, so one system is used corporately.
- 4.6 A copy of the complaints performance report that is provided each quarter to the Complaints Standards Authority Wales is also being reviewed to ensure the right data can be captured within the CRM system to simplify and improve the current reporting process.
- 4.7 In addition, business analyst resource is being sought to review the process and the way concerns and complaints are received, considering both how they come into the Authority and the issues raised. This work will enable the Authority to identify new or recurring problems, put in preventative action plans and monitor customer experiences and outcomes to help improve services the Council provides.
- 4.8 This information will be used to develop an options appraisal which will be presented to the Digital Transformation Board for consideration and support for ongoing developments, ensuring it is also aligned to the existing “corporate front door” project where the entry points into the organisation are being reviewed.

5. Effect upon policy framework and procedure rules

- 5.1 There is no impact of the policy framework and procedure rules.

6. Equality Act 2010 implications

- 6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not necessary to carry out an EIA in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report. Future assessments will be carried out as the project continues.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. The monitoring of complaints and the successful resolution of those complaints is consistent with the five ways of working within the Act as it supports the

provision of higher quality and more effective services to the public across all service areas. In addition, it enables each service to focus on areas of concern, to improve services and to monitor performance, ensure that any trends are identified and dealt with to be avoided in the future and to ensure that complaints are dealt with consistently and fairly across all service areas.

8. Financial implications

8.1 There are no financial implications directly linked to this report. The Digital Transformation Board will consider any financial implications as the project progresses.

9. Recommendation

9.1 The Committee is recommended to note the contents of the report.

Carys Lord
CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE
15 March 2022

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Background documents:

None

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE GOVERNANCE AND AUDIT COMMITTEE

15 MARCH 2022

REPORT OF THE HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE

ARBED SCHEME CAERAU

1. Purpose of report

- 1.1 The purpose of this report is to provide members of the Committee with an update report on the work undertaken by Internal Audit relating to the Arbed scheme, as requested by this Committee on 28 January 2022.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:
- **Smarter use of resources** – ensuring that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1. At the request of the former Chief Executive in 2018, the Council's Internal Audit team conducted an audit review to ascertain the extent to which the Council's policies and procedures had or had not been applied in respect of the Arbed funded scheme in Caerau for the period September 2012 to April 2013. Concerns were raised by the then Chief Executive specifically relating to an apparent absence of an audit trail and whether there would be any circumstances that would explain this.
- 3.2. A draft audit report produced in early 2019 concluded that the review was hampered by the lack of a clear audit trail and the unavailability of key officers who were involved at the time. The report also concluded that no evidence of any form of competition to demonstrate value for money could be found.
- 3.3. The Internal Audit team was therefore requested to undertake further work and to focus on the financial and procurement aspects of the scheme. The final report was completed in October 2019 and highlighted several significant concerns relating to the governance, decision making, procurement, monitoring and control aspects of the Arbed Scheme which the Council administered at the time and the conduct and role of a Councillor.
- 3.4. To provide assurance that there was no evidence that these issues were widespread, Internal Audit undertook a further review of the procurement and governance aspects of 10 externally funded schemes from 2018 onwards. This report was presented to the Governance & Audit Committee in January 2021. An audit opinion of reasonable

assurance was given and as a result only four minor recommendations were made. No significant issues were identified. It was found that, from the sample selected and reviewed, the concerns arising from a previous externally funded Arbed scheme had not been replicated.

- 3.5. Audit Wales were appraised of the findings throughout this work.
- 3.6. On 26 January 2022 a summary of the findings of the Internal Audit report in respect of the Caerau scheme, funded via Arbed, was published on the Council's website.

4. Current situation/proposal

- 4.1. The document published on the Council's website on 26 January 2022, is at **Appendix A**. The document outlines the findings and the conclusions from the work undertaken by Internal Audit which was reported in October 2019. The report identifies several significant concerns relating to the governance, decision making, procurement, monitoring and control aspects of the Arbed Scheme and the conduct and role of a Councillor as a Director of Green Renewable Wales Ltd. The report therefore made recommendations, all of which have been implemented by the Council.
- 4.2. The report was shared with the Police in August 2019 and after due consideration they determined it was not appropriate for them to take any action.
- 4.3. The issues relating to the conduct of the Councillor were reported to the Public Services Ombudsman for Wales for investigation in November 2019. Following their investigation they made a referral to the Adjudication Panel for Wales and a hearing was scheduled. However due to the circumstances no further action could be taken.
- 4.4. The wider issues in respect of governance, decision making, and procurement were subject to a further internal audit undertaken as part of the 2020/21 audit plan. The objective of the review was to provide assurance that the Council's policies and procedures, as well as the funding terms and conditions, were being adhered to when managing external funding received by the Council. This report identified the 10 schemes reviewed and the findings and recommendations made as a result of the work. It was found that, from the sample selected and reviewed, the concerns arising from a previous externally funded Arbed scheme had not been replicated. Documentation was available to support compliance with the Council's Contract Procedure Rules and the involvement of Corporate Procurement when engaging contractors. There was also evidence of supplier monitoring, reporting and governance across all the projects. An audit opinion of reasonable assurance was given, that is that key controls exist but there may be some inconsistency in application. As a result, only 4 minor recommendations were made. The full audit report was presented to the Governance & Audit Committee in January 2021.
- 4.5. In addition, an audit of project and contract management of two schemes within the service area responsible for the Arbed scheme was completed and the report issued in October 2021. An audit opinion of reasonable assurance was given with areas including project planning, monitoring and reporting found to be well controlled. Some areas of improvement were suggested in respect of the terms of reference for the project management board, performance indicators and business continuity plans.

- 4.6. **Appendix B** summarises the 11 audits undertaken within the same service area which administered the Arbed scheme, that related to either capital schemes, grant funded schemes, project management and/ or procurement. These audits were completed between November 2011 and October 2021 and outline the strengths and weaknesses identified at the time.
- 4.7. The findings of these audits confirm that no major issues of concern were identified and procurement and project management processes were being followed across the Service Area. A number of strengths were identified along with some weaknesses as shown in **Appendix B**.
- 4.8. These audits would have been included as part of the regular Internal Audit Outturn Reports and Progress Against the Plan Reports taken by Internal Audit to this Committee at the time and would have been included within the Annual Internal Audit Reports for the periods concerned. However, due to audit opinions of reasonable assurance or substantial assurance being given these audits would not have been specifically highlighted in those reports.
- 4.9. This information also provides additional assurance that the issues found as part of the Arbed report were not identified during any other work undertaken by Internal Audit from 2011 to date.

Comments from Audit Wales

- 4.10. The Audit Director at Audit Wales has made the following observations in relation to the Arbed scheme :

“The reports produced by the Council’s Internal Audit Department identify serious deficiencies in the Council’s administration of the Arbed funding scheme for the period September 2012 to April 2013. In particular, the reports highlight fundamental concerns regarding the Council’s failure to comply with its established governance arrangements in respect of its dealing with Green Renewable Wales Ltd.

I take assurance that Internal Audit has reviewed the procurement and governance aspects of 10 externally funded schemes from 2018 onwards, and have found no evidence that the issues identified in respect of the Arbed funding scheme were widespread. I also note that the Council has addressed the specific findings and recommendations of the October 2019 Internal Audit report.

I endorse the recommendation of Internal Audit’s October 2019 report:

“The wider issues identified in the report need to be considered to identify what needs to be implemented/changed to minimise the risk of a similar occurrence of a breakdown in Governance taking place at the Council e.g. knowledge and awareness of:

- *Contract procedure rules*
- *Contract management & supervision processes*
- *Financial procedure rules*
- *Codes of conduct for Members and Officers and*
- *Protocol for member & officer relationships*
- *Decision making processes and documentation*

• *Management & supervision*”

It is clear from the work undertaken by Internal Audit, that the Council’s failed to keep a proper documentary audit trail to support the funding decisions it made in respect of Green Renewable Wales Ltd. I would therefore reinforce the importance of ensuring that officers understand the need to maintain proper documentation to show what considerations have been taken into account when reaching decisions, and how the Council’s governance requirements have been met. The Council would in my view also do well to undertake checks on a sample basis to ensure that its required standard of documentation is being adhered to.

I have considered whether it would be appropriate for an external review of matters relating to the Arbed funding to be undertaken. Overall, having considered the content of the Internal Audit reports, I am satisfied that Internal Audit acted without partiality and has not sought to downplay the seriousness of its findings. I therefore do not consider that it would serve a useful purpose for Audit Wales to conduct a further audit into the matters already considered by Internal Audit. Furthermore, I do not think it would be a proportionate use of audit resources given that the length of time that has elapsed since the events to which the concerns relate occurred.

For completeness, I note that where issues were raised by Internal Audit that were potentially relevant to the remit of other external agencies, the Council referred those matters to those agencies for their consideration.”

5. Effect upon policy framework and procedure rules

5.1 There is no effect upon the policy framework and procedure rules.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 Effective Audit planning and monitoring are key contributors in ensuring that the Council’s assets and interests are properly accounted for and safeguarded.

9. Recommendations

- 9.1 That members of the Committee note this update report on the work undertaken by Internal Audit relating to the Arbed scheme.
- 9.2 That members of the Committee note the assurance provided by Internal Audit that the issues identified within the Arbed scheme during 2012/2013 were not identified during any other work undertaken by Internal Audit at the Council from 2011 to date.
- 9.3 Members of the Committee note the observations of Audit Wales in relation to the Arbed scheme.

Mark Thomas
HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE
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Background Documents :

None

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Arbed Scheme Caerau – Findings of Internal Audit

In view of ongoing concerns brought to the attention of the Council, in 2018, Bridgend's Internal Audit Service were requested to carry out a review by the then Chief Executive to ascertain the extent to which the Council's policies and procedures had or had not been applied in respect of the Arbed funding scheme for the period September 2012 to April 2013 in Caerau.

The findings of Internal Audit (outlined below) highlighted a number of internal procedural issues relating to the governance, decision making, procurement, monitoring and control aspects of the funding that the Council administered for this scheme at this time. There is no evidence that these issues were widespread in the Council and to provide assurance Internal Audit undertook a review of the procurement and governance aspects of 10 externally funded schemes from 2018 onwards. No issues were identified. Audit Wales were appraised of the findings throughout this work.

Objectives & Scope of the Review

Following an initial audit review undertaken at the request of the previous Chief Executive in respect of Arbed funding for residents in Caerau, Maesteg, a draft audit report was produced in early 2019. The draft report concluded that the review was hampered by the lack of a clear audit trail and the unavailability of key officers who were involved at the time. The report also concluded that no evidence of any form of competition, to demonstrate value for money, could be found. The work also identified that a Councillor was involved in the project and was the Company Secretary / Director of a company undertaking the work on behalf of Bridgend County Borough Council. As the initial review was only based on information retained in three paper folders, Internal Audit were requested to undertake further work by accessing and reviewing the relevant previous Officers' email accounts as well as trying to speak to the Officers involved at the time to establish a more comprehensive sequence of events.

The initial review was to ascertain the extent to which the Council's policies and procedures had or had not been applied in respect of the Arbed Funding Scheme for the period September 2012 to April 2013. Particular concerns were raised by the then Chief Executive specifically relating to an apparent absence of an audit trail and whether there would be any particular circumstances that would explain this.

Findings

Engagement of Contractors

The draft audit report concluded that no evidence of any form of competition to demonstrate value for money was found to support the engagement of the contractors. Therefore, further work has been undertaken to establish how the contractors were engaged by BCBC. The initial audit work identified that a company, Green Renewable Wales Ltd, received Arbed funding for Caerau from Bridgend County Borough Council (BCBC) and it was identified that a Councillor, at the time, had been a Director of this company since 22nd January 2010.

Green Renewable Wales Ltd were paid by BCBC via two separate funding streams from Welsh Government (WG):

- Arbed = £49,376 awarded to BCBC in September 2012
- ECO-BRI-001 = £259,825 awarded to BCBC in February 2013

This funding equated to £309,201. Analysis of the BCBC financial system identified that a total of £316,192 (excluding VAT) was paid to Green Renewable Wales Ltd between February and May 2013.

A review of two former employees' email accounts identified that in December 2009 the Councillor concerned refers himself as the Managing Director of Renewable Wales Ltd in an email to various people including Council Officers. Companies House records shows that Green Renewable Wales Ltd was registered in January 2010 and the Councillor was listed as Director and Company Secretary, these records also show that there was another Director in July 2010. This company was dissolved in November 2017.

From examination of the former staff members email accounts, the first contact identified from Green Renewable Wales Ltd was in November 2011 when the Officer received an email from the Director, copying in the Councillor, attaching a briefing paper called "WalesCo / Green Renewable Wales", stating that Green Renewable Wales was a not for profit organisation and a development partner of WalesCo. They wanted to work with BCBC to deliver energy efficiency measures in Bridgend and stated that they were already working with community organisations in the area.

Companies House records show that WalesCo was registered as Wales Community CIC (Community Investment Company) in September 2011 with a sole Director who liquidated the company in November 2016 and remaining profits were distributed to various charitable organisations.

In December 2011 an email from the Officer confirmed that BCBC was working in partnership with WalesCo to submit a bid for Caerau 2. However, no other documentation can be found to identify who made that decision or on what basis. Evidence that other companies contacted BCBC offering to assist with bids has been found. Between May and November 2011 there is evidence that 3 different companies made contact with BCBC expressing an interest in working with them, these offers were acknowledged but no further contact could be identified.

The email examination found many emails between Officers, Directors of the company and the Councillor using both his BCBC email address and his private one. These emails indicate that all parties were jointly working on preparing an Arbed bid, often with the Councillor acting as the conduit between all concerned.

It is apparent however from the information identified within the files and emails, as well as the conversations with former employees that the Councillor was clearly involved in aspects of the funding schemes particularly in respect to Caerau even though he was a Director of Green Renewable Wales Ltd.

In June 2012, BCBC were notified that the original Arbed bid was unsuccessful. Nevertheless, BCBC continued to work with Green Renewable Wales Ltd and WalesCo to submit further bids when additional funding was made available. There is no evidence of any procurement exercise being undertaken or any other companies being considered by the Council.

Funding

From documentation available it has been identified that WG contacted BCBC on 2nd August 2012 providing an opportunity to bid for additional funding to complement existing projects. Officers applied for funding and a "Schemes of Delegation of Functions Record of Decision" form was completed and approved by the then Head of Service. This document agreed the offer and acceptance of grant funding of £23,800 which was to reduce the financial contribution required from private home owners towards the replacement of boilers, the form stating that the work was being undertaken by WalesCo supported by BCBC. In November 2012 WG offered additional monies of £25,576 to fund additional properties and another Scheme of Delegation form was completed to accept the funding which stated that the money is awarded to WalesCo to install boilers and loft insulation. The total award was therefore £49,376 and the final claim for this funding had to be made by January 2013.

BCBC claimed and received the full award, £49,376, from WG in January 2013. The claim made by BCBC was supported by an invoice from Green Renewable Wales Ltd to Wales Community CIC Ltd (WalesCo) stating that 38 boilers had been installed by Glamorgan Gas Ltd and administration and management was provided by GRW Ltd. The total invoice was for £55,314.32 of which £4,560.00 was for the administration and management provided by GRW Ltd. There was no direct payment made by BCBC to WalesCo and it is unclear what relevance the supporting invoice accompanying the WG claim has to this scheme. However the payments actually made by BCBC were to Green Renewable Wales Ltd in the sum of £56,367.20 (excluding VAT). This is £6,991.20 more than the funding provided by WG and payments were based on 4 invoices submitted by Green Renewable Wales Ltd for this work.

On 1st February 2013 another bid was made by BCBC for additional funding made available from WG for projects. The bid was for loft and external wall insulation at 25 owner occupier properties in Caerau Road at a total cost of £317,325. WG were asked for £259,825 as Energy Company Obligation (ECO) funding of £57,500 had already been identified. The bid of £259,825 was approved on 7th February 2013 and a Scheme of Delegation form was partially completed. The terms of funding states that the works had to be completed by 31st March 2013.

The accompanying information from WG stated that this funding had been made available under the Arbed banner to attract energy efficiency money into Wales. As the timescales were identified as being tight it was specified that discussions with energy suppliers should already be advanced and the guidance also states that local authorities will be responsible for carrying out all works and engaging with residents. There was no specific guidance from WG in relation to any procurement arrangements that should be put in place, however, the accepted practice for any grant funding, in the absence of any guidance, is that the Council's own Contract and Financial Procedure Rules would apply.

The agreed figure of £259,825 was claimed by BCBC from WG and then paid to Green Renewable Wales Ltd in 2 payments made in March 2013 and April 2013. The invoices from Green Renewable Wales Ltd to BCBC were supported by invoices from various companies used to undertake the works with £29,750 being claimed directly by Green Renewable Wales Ltd for project management.

Therefore, between February 2013 and May 2013, BCBC paid Green Renewable Wales Ltd a total of £316,192.20 (excluding VAT). Based on the invoices provided the following companies were in receipt of this funding:

Table 1 – Companies Paid By Green Renewable Wales Ltd

	Arbed / CESP 11	Eco-Bri 001	Total
	£	£	£
Green Renewable Wales Ltd (retained)	56,367.20	29,750.00	86,117.20
Wales Co		10,000.00	10,000.00
Sustainable Building Services (SBS)		102,015.00	102,015.00
BSS Bridgend		37,500.00	37,500.00
Tower Energy Contracting		78,060.00	78,060.00
BCBC Building Regs		2,500.00	2,500.00
	56,367.20	259,825.00	316,192.20

It was therefore identified that three Scheme of Delegation documents were completed to accept the grant funding however Green Renewable Wales Ltd was not mentioned although WalesCo was referenced on two of the forms. Two of the three forms were authorised and signed by the “decision maker” being the then Head of Service whilst the third form was not fully completed or signed. However the submitted bid for the third element of work did identify that BCBC’s partner was Green Renewable Wales Ltd.

No evidence was found of any Scheme of Delegation forms being completed for the decision to award the work, so again, it is not clear how, when or who made decisions to request that Green Renewable Wales Ltd would undertake the work.

No contract, legal documentation, orders or any evidence of procurement activity in relation to these works was identified. As a consequence no evidence of any due diligence checks on the company or companies who were going to undertake the work has been found.

Role of the Elected Member

The report illustrated that the Councillor’s role became increasingly unclear and officers admitted that although they were aware of a link between Green Renewable Wales Ltd and the Councillor, they did not know the extent of it.

All Members and Senior Officers are required to declare any related party transactions they have with the Council during a financial year as part of the closure of the accounts process which includes a description of the transactions and the amounts involved.

Subsequent Funding

From the email accounts reviewed it has been identified that there was ongoing dialogue for several months, after payment had been made to Green Renewable Wales Ltd, between officers in BCBC and the Directors of the company before the properties under the Arbed funding scheme in Caerau had been satisfactorily completed and signed off. There appeared to be delays in completing works in certain properties as well as the issues identified within the initial draft report whereby

Green Renewable Wales Ltd had made changes to the original list / programme of properties. Although WG appeared to be unconcerned about these changes it does demonstrate that BCBC did not retain adequate control and direction for spending of the grant. Whilst there was evidence that Building Control Officers were inspecting elements of the work, it is unclear what other inspections of work were taking place by BCBC staff to monitor progress and to support payments. There are emails that show that Surveyors reports and Energy Performance Certificates (EPCs) were being chased up by the former Senior Strategy Officer from GRW in order to support payment of invoices.

An email string from June 2013 illustrates that there were still outstanding issues with the two funded schemes after payment had been made to Green Renewable Wales Ltd. In November 2013 WG announced further funding under Arbed.

No further payments were made by BCBC to Green Renewable Wales Ltd.

The findings illustrate that BCBC recognised that there were difficulties with the process adopted for previous schemes and therefore moving forward proper procurement was to be undertaken, adhering to advice from the Council's Procurement Officers. These actions confirm the assertion that there was no procurement involvement previously and hence the Council's Contract Procedure rules were not complied with.

Conclusions

The report identified a number of significant concerns relating to the governance, decision making, procurement, monitoring and control aspects of the Arbed Scheme and the conduct and role of the Councillor as a Director of Green Renewable Wales Ltd.

Summary Conclusions

Governance, Decision Making, Procurement, Monitoring & Control Aspects of the Scheme

- There was a breakdown in Governance at the Council in relation to issues identified in this report linked to:
 - Contract Procedure Rules
 - Contract management & supervision processes
 - Financial Procedure Rules
 - Codes of Conduct for Members and Officers and
 - Protocol for member & officer relationships
 - Decision making processes and documentation
 - Management & Supervision
- No procurement process was followed and no due diligence checks were evidenced for the companies used to undertake these works.
- It is unclear what inspections of work were taking place by BCBC staff to monitor progress and to support payments made to Green Renewable Wales Ltd.
- There was no clear evidence of how, when or who made decisions in relation to this scheme.

Conduct of the Councillor

- The Councillor was a Director of Green Renewable Wales Ltd which was paid £316,192.20 (excl VAT) by BCBC between February and May 2013.
- There were a number of examples indicating potential breaches of the Members Code of Conduct.

Detailed Conclusions

BCBC started working with Green Renewable Wales Ltd and their partner WalesCo on various Energy Efficiency Bids to Welsh Government from December 2011. There was evidence of 3 other companies offering to work with BCBC on bids of this nature in 2011. No evidence has been found as to how, when or who made decisions for the Council to work with Green Renewable Wales Ltd and their partner WalesCo.

There is no evidence of any procurement exercise being undertaken or any other companies being considered by the Council.

Green Renewable Wales Ltd was paid £316,192.20 (excl VAT) by BCBC between February and May 2013. This was for works and services provided in relation to:

- Boiler Replacements and loft insulation for 38 Private Homes at Caerau, Maesteg.
- Insulation and Boiler Replacements for 25 Private Homes also at Caerau, Maesteg.

Governance, Decision Making, Procurement, Control and Monitoring Aspects of the Scheme

There is no evidence that any procurement exercise took place prior to BCBC engaging with Green Renewable Wales Ltd for the two schemes undertaken by them which is contrary to the Council's rules particularly the Council's Contract Procedure Rules. In respect of the second block of funding, it is clear that WG gave very short timescales from the awarding of the funds to when they had to be spent (7 weeks). It would not have been feasible to undertake a procurement exercise but as a minimum the Council's Exemption process should have been followed to make a documented decision.

Three Scheme of Delegation documents were completed to accept the grant funding, two stating that the work was to be undertaken by WalesCo. No mention was made of Green Renewable Wales Ltd involvement nor was it disclosed that the payments would be made to them. Two of the three forms were authorised and signed by the "decision maker" being the then Head of Service. The third form was not fully completed or signed but the bid for this element did identify that the partner was Green Renewable Wales Ltd.

No evidence was found of any Scheme of Delegation forms being completed for the decision to award the work, so again, it is not clear how, when or who made decisions to request that Green Renewable Wales Ltd would undertake the work.

No contract, legal documentation, orders or any evidence of procurement activity in relation to these works was identified. As a consequence, no evidence of any due

diligence checks on the company or companies who were going to undertake the work has been found.

Green Renewable Wales Ltd had made changes to the original list / programme of properties that were in the bid. Although WG appeared to be unconcerned about these changes it does demonstrate that BCBC did not retain adequate control and direction for the work or spending of the grant.

Whilst there was evidence that Building Control Officers were inspecting elements of the work, it is unclear what other inspections of work were taking place by BCBC staff to monitor progress and to support payments. There are emails that show that there were delays in completing works in certain properties and Surveyors reports and Energy Performance Certificates(EPCs) were being chased up by the former Senior Strategy Officer from Green Renewable Wales Ltd both before and after they were paid.

BCBC recognised that there were difficulties with the process adopted for previous schemes and therefore moving forward proper procurement was to be undertaken. This confirms no previous procurement involvement and hence the Council's Contract Procedure rules were not complied with. No further payments were made by BCBC to Green Renewable Wales Ltd.

As part of the requirement to declare personal interests the Councillor correctly declared that he was a Director of Green Renewable Wales Ltd and SBS Ltd along with other companies. However, he stated that SBS Limited did not trade as a company when invoices indicate otherwise.

The invoices provided to support payments indicated that of the £316,192.20 paid to Green Renewables Wales Ltd the company retained £86,117.20 with £102,015 being paid to SBS Ltd. Therefore these companies retained a total of £188,132.20.

It cannot be confirmed if BSS Bridgend, which provided two of the supporting invoices actually existed. There was no company by this name registered with Companies House and BSS Bridgend were not registered for VAT even though VAT was charged. It was noted that one of the BSS Bridgend invoices quoted an invalid 8-digit VAT registration number and the other invoice contained no VAT registration number. There was no company logo and no payment or bank account details stated. The address on the invoice was Main Avenue, Brackla Industrial Estate but a google search could find no trace of a company of that name or at that address.

The invoices from SBS state that the company's address is Unit 4c Innovation Centre, Science Park, Bridgend which is also the base for Green Renewable Wales Ltd.

Recommendations

The Chief Executive, Monitoring Officer and Section 151 Officer consider the content of this report in order to determine any further action.

The wider issues identified in the report need to be considered to identify what needs to be implemented/changed to minimise the risk of a similar occurrence of a breakdown in Governance taking place at the Council e.g. knowledge and awareness of:

- Contract procedure rules
- Contract management & supervision processes
- Financial procedure rules
- Codes of conduct for Members and Officers and
- Protocol for member & officer relationships
- Decision making processes and documentation
- Management & supervision

The report has been shared with the Police and after due consideration they have determined that it is not appropriate for them to take any action.

The Council has implemented all of the recommendations outlined in the report and the issues relating to the conduct of the Councillor were correctly and appropriately reported to the Public Ombudsman for Wales for investigation.

Summary of Relevant Work Undertaken by Internal Audit

Outlined below is information relating to internal audits that were undertaken prior to or after the issues identified within Arbed Scheme (September 2012 to February 2013).

These audits were carried out within the same service area and relate to capital schemes, grant funded schemes, project management and procurement.

List of Audits Undertaken

	Date Issued	Audit
1.	November 2011	Engineering Services, capital projects
2.	May 2012	Communities Physical Regeneration Projects - project management, risk
3.	June 2012	Economic Development Unit – grant monitoring and controls
4.	July 2012	Corporate Procurement Unit – procurement strategy & approved lists
5.	February 2014	Communities First - grant monitoring and controls
6.	February 2016	Street Scene Capital Programme
7.	October 2016	Townscape Heritage Initiative
8.	April 2017	Vibrant & Viable Places – Rhiw Gateway Project
9.	February 2019	Strategic Procurement Arrangements
10.	November 2020	External Funding Review
11.	October 2021	Project & Contract Management (Communities)

A desktop review of these internal audit reports confirm that no major issues of concern were identified, and procurement and project management processes were being followed across the Service Area. A number of strengths were identified along with some weaknesses as shown below.

These reports would have been included as part of the regular Internal Audit Outturn Reports and Progress against the Plan Reports taken by Internal Audit to the Committee at the time and would have been included within the Annual Internal Audit Reports for the periods concerned. However, due to audit opinions of reasonable assurance or substantial assurance being given these audits would not have been specifically highlighted in those reports.

The table below outlines each report, its audit opinion and summarises the strengths and weaknesses identified at the time the audit took place. In addition, an update on the progress of the implementation of the recommendations made in the External Funding Review completed in November 2020 and reported to Governance and Audit Committee in January 2021, is included.

	Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
Page 34 1.	Engineering Services – Usage of the Project Toolkit Issued November 2011	With reference to the Council's capital programme, identify a sample of projects (6) the Engineering Section have for 2011/12 and complete a walkthrough test ensuring compliance to the Council's Project Management toolkit	reasonable	Engineering Services were found to comply with the BCBC project toolkit in the majority of areas tested	Project Toolkit documentation should be signed off The risk register should be fully completed
2.	Physical Regeneration Projects Issued May 2012	To perform an overview risk assessment of the project management arrangements to ensure they are being managed in accordance with project management best practice including project initiation, project management, risk management and financial monitoring	substantial	The review demonstrated that the physical regeneration areas <ul style="list-style-type: none"> • Town Centre Regeneration • Porthcawl Harbour Regen • Maesteg Regen • Energy Efficiency scheme Are complying with the BCBC project toolkit in most areas tested.	Only three minor issues identified: Identification of measurable outcomes for schemes. Identification of inherent risks linked to funding & spend in project risk registers. Clear identification of project sponsor and project manager in project documentation.
3.	Economic Development Unit Issued June 2012	To provide assurance that the EDU has suitable controls in place to ensure that it meets its objectives and the Authority is safeguarded against risk. Adequate policies and procedures are in place Budgets for revenue and grant funds are adequately controlled. Grant funding schemes are monitored and controlled within the expected guidelines	substantial	There is a clear dissemination of information throughout the team and a good understanding of policies and procedures. Communication throughout the team is excellent, all team members work closely with each other, and information is freely passed around ensuring a good understanding of what stage each individual grant claim is at. Files are well organised and information is clear.	There is no provision for follow up visits with grant recipients (after the formal monitoring visit) to confirm assets purchased with the funding are still in existence / in use

	Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
		<p>All files are up to date and necessary receipts are shown on the files where funds have been awarded.</p>			
4.	<p>Corporate Procurement Unit Issued July 2012</p>	<p>To ensure that the Procurement Unit has a suitable framework in place to deliver the procurement strategy and mitigate the associated risks. The following areas were examined.</p> <p>Vetting of contractors for acceptance onto, and continuing membership of, the BCBC approved suppliers list</p> <p>Ensuring that the approved list is maintained up to date</p> <p>Ensuring that in practice the approved list is used.</p> <p>Review and comment on the Authority's Directory of Contracts including assurance that BCBC are being charged contractual rates.</p> <p>Identify that processes identify and monitor efficiencies and savings in line with the procurement strategy.</p>	reasonable	<p>The completion and approval of the Procurement Strategy 2012 -2014.</p> <p>The recording of efficiencies and alignment with the Procurement Strategy and action plan has developed significantly since the previous audit although the process needs further embedding.</p> <p>Sample testing indicated full compliance with Contract Procedure Rules.</p> <p>Processes for vetting and subsequent monitoring of contractors on the approved list.</p>	<p>Contractors are presently allowed 4 weeks from date of insurance expiry to provide up to date insurance certificates. This leaves BCBC at risk in the interim.</p> <p>Sample testing indicated that when contractors are suspended from the approved list the Purchase Ledger Section has not been notified and no stop is placed on the COA account.</p> <p>Evidence also indicates that some sections have continued to use suspended/removed contractors implying that they are not checking the approved list at the time of placing orders.</p> <p>One instance has been identified whereby a contractor not on the approved list has been awarded a large job but not then added to the approved list in line with procedure.</p>

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Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
	Ensuring tendering is done in line with BCBC Procedure Rules.			
5. Communities First Issued February 2014	To ensure that the systems and controls surrounding the Communities First programme within the Clusters complies with WG Guidance and the Council's Financial Regulations and that expected outcomes are achievable	reasonable	Dedicated and enthusiastic staff members are responsible for budgetary control and have developed sound mechanisms for financial governance.	Effective monitoring of the third party relationships is essential to ensure delivery in the delegated areas.
6. Street Scene – Capital Programme Issued February 2016	The objective of the audit was to provide assurance that the Street Scene projects within the Council's Capital Programme 2015/16 are adhering to the Council's project management principles with effective governance; finance; risk management; controls in place.	reasonable	<p>All 21 schemes have been assigned budget holders and the majority fully adhere to the project management principles</p> <p>The Coychurch Crematorium project is anticipated to complete two weeks ahead of schedule and within its agreed budget.</p>	<p>Some minor recommendations were made in relation to the three transportation projects in respect of :</p> <p>Monitoring of project progress.</p> <p>Use of Project Initiation Documents to define the governance, tolerance controls and risk management processes;</p> <p>Responsibility for Risk Registers being given to the Project Manager.</p>
7. Townscape Heritage Initiative Issued October 2016	To provide assurance that the current practices for administering THI funding are robust and protect the Council from risk. The scope of audit included the following areas:	substantial	Both Bridgend and Porthcawl Townscape Heritage Projects were evidentially supported to demonstrate compliance with the Council's Grant Policy and financial procedures.	A minor issue was identified with the timeliness of grant monies of £40k from the Lottery Fund for Bridgend THI which had taken up to 2 and half years to be received.

	Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
Page 37		<p>Bidding and approval process including links to Heritage Lottery Fund bid;</p> <p>Ongoing budget monitoring of spend of the fund; and</p> <p>Compliance with T&C imposed on us by HLF and passed onto 3rd parties.</p>		<p>Individual applications for grant funding were supported by evidence to demonstrate compliance with the Heritage Lottery Funding terms and conditions.</p> <p>There is evidence to support the review and approval of Applicant's Quantity Surveyor reports and invoices prior to payment.</p> <p>Grant claims to the Heritage Lottery Fund are evidentially supported and approved in accordance with the Council's Grant Policy.</p>	
8.	<p>Vibrant & Viable Places Programme - Rhiw Gateway Project</p> <p>Issued April 2017</p>	<p>To provide assurance that the governance and funding arrangements are effective, transparent, robust and protect the Council from risk. The scope included:</p> <p>Funding arrangements and ongoing budget monitoring of spend, reporting and approval process</p> <p>Payments made to any 3rd Parties – valuations, verification, progress reports, variations</p>	substantial	<p>The nature of the Development Agreement and the allocation of responsibilities have proved successful in minimising potential risks to the Council.</p> <p>Review of the controls in place revealed that the project has been well controlled, and no significant concerns were identified</p>	One minor recommendation was made in relation to the accuracy of staffing being provided to Finance to inform the overall claim

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	Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
		Compliance with terms and conditions imposed on the Council by Welsh Government.			
9.	Strategic Procurement Issued March 2019	The objective of the audit was to undertake a review of the strategic arrangements in place regarding procurement	reasonable	From the testing it was verified that the Contract Procedure Rules for the tendering process have been followed in that the relevant number of tenders / quotes had been obtained prior to award.	The Procurement Strategy and other procurement documentation available on the staffnet needed to be updated.
10.	External Funding Review Issued November 2020	The objective of the review was to provide assurance that the Council's policies and procedures as well as the funding terms & conditions are being adhered to when managing external funding received by the Council	reasonable	The report selected 10 schemes and it was found that the concerns arising from a previous externally funded scheme (Arbed) have not been replicated. Documentation was available to support compliance with the Council's Contract Procedure Rules and the involvement of Corporate Procurement when engaging contractors. There was also evidence of supplier monitoring, reporting and governance across all the projects	4 minor recommendations were made which were discussed with the relevant Officers who agreed to take mitigating action Governance and reporting of the Active Travel and Local Transport Fund schemes are improved. Since making this recommendation regular meetings take place between Officers to discuss the progress of each scheme Capita Glamorgan Consultancy/ Redstart Joint Venture agreement draws to a close in 2023 and that appropriate steps must be taken to prepare for this. Legal Services have been reviewing the contract. Where an independent third party delivers grants on the Council's behalf, control improvements could be made to check that the third party and their staff

	Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
					<p>have no conflict of interests before undertaking the grant delivery. Since this recommendation was accepted there have not been similar schemes where third party engagement was required however third-party engagement will be included on any future relevant audit programmes</p> <p>Awareness of the need to declare personal interests in delivering grants is raised amongst officers. This recommendation is being taken forward corporately with the revision of the Officers Code of Conduct</p>
11.	<p>Project & Contract Management (Communities)</p> <p>Issued October 2021</p>	<p>The review focused upon two projects within the Council's Communities Directorate. The project management arrangements in place were reviewed for suitability, along with checks for compliance against the Council's Contract Procedure Rules.</p> <p>The projects reviewed were:</p> <ul style="list-style-type: none"> • Maesteg Town Hall. • 2. Waterton Roundabout & Pencoed (Active Travel Schemes). 	reasonable	<p>The following areas were found to be well controlled:</p> <ul style="list-style-type: none"> • Feasibility studies have been completed to inform the project. • A Project Plan is in place, including clear timescales and key accountabilities. • Risk and issues logs are in place and actively used to support the project. • Costs are clearly defined. • Regular scrutiny, monitoring and reporting of project progress is undertaken. • Contract and tendering awards are made in line with council contract procedure rules. 	<p>The corporate project management guidance is brought up to date and communicated to all staff responsible for overseeing and/or delivering projects.</p> <p>Some minor recommendations were also made which covered:</p> <ul style="list-style-type: none"> • Putting a Terms of Reference (ToR) in place for the Maesteg Town Hall Programme Management Board (PMB). • agreeing key performance indicators (KPIs) and penalty clauses with the principal consultant for the Maesteg Town Hall project. • Business continuity plans should be being considered as part of

	Audit	Objectives & Scope	Opinion	Strengths	Weaknesses
Page 40				<ul style="list-style-type: none"> • There is clarity regarding roles and responsibilities for council oversight of contracts. • Supplier management meetings are held to support performance 	<p>the tendering processes for key suppliers, particularly for contracts spanning more than 12 months in length.</p>

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE GOVERNANCE AND AUDIT COMMITTEE

15 MARCH 2022

REPORT OF THE CHIEF OFFICER - FINANCE, PERFORMANCE AND CHANGE

FORWARD WORK PROGRAMME 2022-23

1. Purpose of report

- 1.1 The purpose of this report is to seek approval for the proposed Forward Work Programme for 2022-23.

2. Connections to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:
- **Smarter use of resources** – ensuring that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 The core functions of an effective Governance and Audit Committee include the responsibility to:
- review, scrutinise and issues reports and recommendations in relation to the Authority's financial affairs.
 - consider the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting, governance processes, performance assessment and complaints arrangements.
 - seek assurances that action is being taken on risk-related issues identified by auditors and inspectors.
 - consider the effectiveness of the Council's anti-fraud and corruption arrangements.
 - be satisfied that the Council's assurance statements properly reflect the risk environment and any actions required to improve it.
 - oversee the work of internal audit (including the annual plan and strategy) and monitor performance.
 - review summary internal audit reports and the main issues arising, and seek assurance that action has been taken where necessary.
 - receive the annual report of the Head of Audit.
 - consider the reports of external audit and inspection agencies, where applicable.
 - ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.

- review and approve the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.
- review and make any recommendations for change to the Council's draft self-assessment report.
- consider panel performance assessment reports into how the Council is meeting its performance requirements.

3.2 Effective Governance and Audit Committees help to raise the profile of governance, internal control, risk management and financial reporting issues within an organisation, as well as providing a forum for the discussion of issues raised by internal and external auditors. They enhance public trust and confidence in the financial governance of an authority.

4. Current situation/proposal

4.1 In order to assist the Committee in ensuring that due consideration is given to all aspects of their core functions the proposed Forward Work Programme for 2022-23 is attached at **Appendix A**. Committee Members are asked to endorse this schedule, confirm the list of people they would like to invite for each item (if appropriate), and indicate whether any additional information or research is required.

4.2 Shown below are the items scheduled to be presented at the next meeting on 9th June 2022.

Proposed Agenda Items – 9 June 2022	
1	Governance and Audit Committee Action Record
2	Governance and Audit Committee Terms of Reference
3	Audit Wales Governance and Audit Committee Reports
4	Annual Governance Statement 2021-22
5	Annual Internal Audit Report 2021-22
6	Internal Audit Shared Service Charter 2022-23
7	Internal Audit Annual Strategy and Audit Plan 2022-23
8	Disabled Facilities Grants
9	Updated Forward Work Programme 2022-23

4.3 There may be additional agenda items presented to the Committee as the Local Government and Elections (Wales) Act 2021 comes into effect, particularly in respect of the Committee's new responsibilities in relation to performance and self-assessment, and these will be added to the Forward Work Programme as necessary. The Governance and Audit Committee has a statutory responsibility to review the Council's self-assessment report and may make recommendations for changes to the conclusions or action the Council intends to take. It is anticipated that the self-assessment report for the 2021-22 financial year will be presented to Committee at a meeting to be held during October 2022, but this will be confirmed at a later date.

4.4 The schedule of items for discussion at specific meetings may be subject to change, to take into account other items that need to be considered, and operational factors. It should be noted that the meeting dates are subject to approval by Council at its Annual Meeting to be held on 18th May 2022.

5. Effect upon policy framework and procedure rules

5.1 There is no impact on the policy framework and procedure rules.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 There are no financial implications arising from this report.

9. Recommendation

9.1 That the Committee considers and approves the proposed Forward Work Programme for 2022-23.

Carys Lord
Chief Officer – Finance, Performance and Change
March 2022

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Deputy Head of Finance

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Background Documents: None

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GOVERNANCE AND AUDIT COMMITTEE FORWARD WORK PROGRAMME 2022-23	Frequency	09 June 2022	28 July 2022	22 September 2022	October 2022 tba	10 November 2022	26 January 2023	27 April 2023
Standing Items								
Governance and Audit Committee Action Record	Each meeting	✓	✓	✓	✓	✓	✓	✓
Audit Wales Governance and Audit Committee Reports	Each meeting	✓	✓	✓	✓	✓	✓	✓
Updated Forward Work Programme	Each meeting	✓	✓	✓	✓	✓	✓	✓
Annual Accounts								
Statement of Accounts 2021-22 (unaudited)	Annually		✓					
Porthcawl Harbour Return 2021-22 (unaudited)	Annually		✓					
Audited Statement of Accounts and Annual Governance Statement	Annually			✓				
Audited Harbour Return (if amended)	Annually			✓				
Governance								
Governance and Audit Committee Terms of Reference	Annually	✓						
Annual Governance Statement 2021-22	Annually	✓						
Review of the Annual Governance Statement 2022-23	Annually					✓		
Audit Wales Annual Audit Plan (included in Audit Wales Governance and Audit Committee Reports item)	Annually							✓
Annual Audit Summary (included in Audit Wales Governance and Audit Committee Reports item)	Annually						✓	
Internal Audit Reports								
Annual Internal Audit Report 2021-22	Annually	✓						
Internal Audit Shared Service Charter 2022-23	Annually	✓						✓
Internal Audit Annual Strategy and Audit Plan 2022-23	Annually	✓						
Internal Audit Progress Reports	Quarterly		✓		✓		✓	
Treasury Management								
Treasury Management Outturn 2021-22	Annually		✓					
Treasury Management Half Year Report 2022-23	Annually					✓		
Treasury Management Strategy 2023-24	Annually						✓	
Risk Assurance								
Corporate Risk Assessment 2022-23	At regular intervals		✓			✓	✓	
Corporate Risk Assessment, Corporate Risk Management Policy and Incident And Near Miss Reporting Procedure	Annually						✓	
Counter Fraud								
Corporate Fraud Report 2021-22	Annually		✓					
Anti Tax Evasion Policy	Biennially							✓
Others								
Complaints Process	Ad hoc			✓				✓
Disabled Facilities Grants	Ad hoc	✓						
Annual Self Evaluation Report	Annually				✓			

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