

GOVERNANCE AND AUDIT COMMITTEE - THURSDAY, 28 NOVEMBER 2024

MINUTES OF A MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE HELD HYBRID IN THE COUNCIL CHAMBER - CIVIC OFFICES, ANGEL STREET, BRIDGEND, CF31 4WB ON THURSDAY, 28 NOVEMBER 2024 AT 10:00

Present:

G Chapman – Chairperson

M L Hughes
C Davies

MJ Williams
S Easterbrook

RM Granville

N Clarke

Present Virtually:

S J Griffiths

R J Smith

Lay Members – Present Virtually:

B Olorunnisola

A Bagley

D Austin

Attendee:

J Spanswick

Apologies for Absence

None

Officers:

Mark Shephard
Kelly Watson

Chief Executive
Chief Officer - Legal & Regulatory Services, HR & Corporate Policy

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Carys Lord	Chief Officer - Finance, Housing & Change
Deborah Exton	Deputy Head of Finance
Nigel Smith	Group Manager - Chief Accountant
Zak Shell	Head of Neighbourhood Services
Rachel Keepins	Democratic Services Manager
Joan Davies	Deputy Head of Regional Internal Audit Service
Alex Rawlin	Corporate Policy & Performance Manager
Kate Pask	Corporate Performance Manager
Chris Mason	Finance Manager - Financial Control, Closing & Systems
Charlotte Branford	Information and Data Protection Officer
Kellie Ward	Loans and Investment Officer
Charlotte Branford	Information and Data Protection Officer
Anthony Veale	Audit Wales
Samantha Clements	Audit Wales
Lucy Herman	Audit Wales
Alison Lewis	Audit Wales
Jemma Trivett	Audit Wales
Ellis Williams	Audit Wales
Stephen Griffiths	Democratic Services Officer - Committees
Nimi Chandrasena	Democratic Services Officer - Support

Declarations of Interest

None

181. Approval of Minutes

Decision Made	The Minutes of the meeting on 26 September 2024 were approved as a true and accurate record. Members requested that the Minutes record the attendance of the Leader and/ or Deputy Leader when they are present at meetings of the Committee.
Date Decision Made	28 November 2024

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182. Governance and Audit Committee Action Record

Decision Made	<p>The purpose of this report was to provide Members with an update on the Committee's Action Record. It sought to update Members on follow-up actions or further information requested on reports considered by Members and/or requested by the Committee, including any other related information in relation to previous agenda items.</p> <p>In response to the report, Members raised and discussed a number of issues, including the following:</p> <ul style="list-style-type: none">• A Member raised the issue of parking enforcement. A senior officer from the Communities Directorate was present and indicated that there had been some significant challenges, involving bereavement and long-term sickness, with the management of the parking team, and this had made it impossible to take the agreed action forward at the time. However, he further indicated that a new manager was now in place after a recruitment exercise and that the team leader had returned from long term sickness. As such, the outstanding action is due to be implemented by the end of the financial year.• A member requested an update on the proposed meeting between the Chair of the Committee and Scrutiny Chairs. In response, it was noted that Scrutiny was liaising with the Chair regarding availability for a meeting and that three possible dates had been identified. <p><u>RESOLVED:</u></p> <p>The Committee noted the Action Record and provided comments, as appropriate.</p> <p>In addition, Members requested that a report is submitted to the meeting of the Committee on 24 April 2025, outlining what has been done to ensure that the issues raised about parking enforcement have been dealt with in full.</p>
Date Decision Made	28 November 2024

183. Monitoring Report - Corporate Complaints

Decision Made	<p>The purpose of this report was to note the Authority's corporate complaints process and the Public Services Ombudsman for Wales Annual Letter and determine whether the Committee wished to make any recommendations in relation to the Authority's ability to handle corporate complaints effectively.</p> <p>In response to the report, Members raised and discussed a number of issues, including the following:</p> <ul style="list-style-type: none">• The escalation process for corporate complaints.• Why recommendations are not always implemented within agreed timelines, and whether this was a matter of culture or the result of specific, identifiable obstacles.• Whether it would be possible to provide a succinct statement on one side of A4, for use by councillors, of how complaints could be taken forward by constituents. Necessarily, this would have to point members of the public to published policies.• Given there is not currently a centralised system for logging complaints, there was a need to understand how and how well the current system works before introducing the Granicus system for managing customer experiences.• The need for a system that could provide data on complaints, whether formal or informal and however received, by ward.• Whether the Ombudsman's report should be a formal agenda item rather than an appendix (for information) to the annual complaints report.• The need to revisit how the Ombudsman records and deals with complaints and publishes information about Town and Community Councils.• In terms of compliance performance for Bridgend County Borough Council (BCBC), the percentage of recommendations complied with on time was 35%.• Whether the Wales Penalty Processing Partnership (WPPP) should be scrutinised by a scrutiny committee.• The need to have oversight centrally of school complaints.• Training opportunities, both online and in person, in respect of complaints.• The lessons learned from dealing with complaints across all directorates, having a mechanism to generate themes and trend data across directorates, being able to see that directorates have responded to the complaints effectively and have an understanding of good practice, and then
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	<p>being able to produce a portrait of the Council’s culture.</p> <ul style="list-style-type: none">• That the next iteration of the report should include examples of effective complaint handling within directorates.• The need for more detail about the complaints that fall into the category, ‘Various/Other,’ in Appendix 3 of the report.• The potential value of capturing the informal complaints made to councillors on a daily basis, and whether the new Granicus system could provide a mechanism for doing this.• The need to capture and analyse compliments. <p><u>RESOLVED:</u></p> <p>The Committee noted the report and made the following additional recommendations:</p> <ul style="list-style-type: none">• That a report on the Granicus system be submitted for consideration at the next meeting of the Committee on 30 January 2025.• That the Wales Penalty Processing Partnership (WPPP) be referred to the relevant scrutiny committee, and that the findings are reported back to the Governance and Audit Committee.• That officers provide Members with an analysis of the Council’s compliance performance (65% non-compliance), as detailed in Appendix E of the Ombudsman’s report.
Date Decision Made	28 November 2024

184. Audit Wales Governance and Audit Committee Reports

Decision Made	<p>The purpose of this report was to submit to the Committee three reports from Audit Wales:</p> <ol style="list-style-type: none">1. The Audit Wales Work Programme and Timetable.2. Review of Decision-Making Arrangements – Bridgend County Borough Council.3. Setting of Wellbeing Objectives – Bridgend County Borough Council. <p>In response to the first report, a Member asked about the process for individuals or committees to request a piece of work by Audit Wales.</p>
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	<p>In response to the second report, Members raised and discussed a number of issues, including the following:</p> <ul style="list-style-type: none">• The risks associated with the scheme of delegation.• How the Council’s decision-making processes compare to other councils in Wales.• The need to strengthen the Council’s approach to forward planning and pre-decision scrutiny.• The need to address issues about the involvement of members in, and in shaping the processes and procedures for, decision-making.• Whether there is a need to address the balance between the role of members and officers in decision-making, to become more member-focused, and to be clear that the culture of the Council is that officers advise, and members decide.• The perception that decisions are made at the last minute.• That the Democratic Services Committee should consider the report. <p>In response to the third report, a Member welcomed the identification of areas for improvement in this area.</p> <p>Another Member encouraged the Council to adopt a broad view of what a partner organisation could be in writing the next corporate plan. This was especially the case in respect of meeting the Council’s commitment to net zero.</p> <p>The Chair questioned the March 2028 date for the completion of the work required to implement two of the three recommendations in the report. The principles behind those recommendations could be accepted now.</p> <p><u>RESOLVED:</u></p> <p>The Committee noted the Audit Wales Governance and Audit Committee Reports at Appendix A, Appendix B and Appendix D, along with the Council’s Management Response Forms to the reports at Appendix C and Appendix E.</p>
Date Decision Made	28 November 2024

185. Audited Statement of Accounts 2023-24

Decision Made	<p>The purpose of this report was to present to the Governance and Audit Committee the audited Statement of Accounts for 2023-24 for approval, which is due to be certified by the external auditors, Audit Wales, along with the associated Letter of Representation of the Council, the Annual Governance Statement included as part of the Statements, and the auditors letter in relation to the audit of the accounts.</p> <p>In response to the report, a representative from Audit Wales thanked the Chief Officer - Finance, Housing & Change, the Deputy Head of Finance, the Group Manager - Chief Accountant, and members of the finance team for their hard work on the accounts.</p> <p>A Member of the Committee congratulated and thanked officers for producing a set of unqualified accounts, and noted that, given the situation in England with unaudited accounts, having the accounts to this level of detail on this level of certainty was the bedrock of good management of the Council.</p> <p><u>RESOLVED:</u></p> <p>The Committee:</p> <ul style="list-style-type: none">• Approved the audited Statement of Accounts 2023-24 (Appendix A).• Noted the appointed auditors' Audit of Accounts Report (Appendix B).• Noted and agreed that the final Letter of Representation to Audit Wales be signed by the Chair of the Committee and Section 151 Officer (Appendix C).
Date Decision Made	28 November 2024

186. Half Year Review of the Annual Governance Statement Action Plan

Decision Made	<p>The purpose of this report is to provide an update on the Action Plan that accompanied the Annual Governance Statement 2023-24 (AGS), setting out how the significant issues identified are being addressed in 2024-25.</p> <p>In response to the report, Members requested an update on the Digital Strategy, and that the next iteration of the report should include high-level commentary on reports which got limited assurance opinions.</p>
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	<p><u>RESOLVED:</u></p> <p>The Committee considered and noted the Annual Governance Statement Action Plan 2024-25 and progress on the actions to 30 September 2024.</p>
Date Decision Made	28 November 2024

187. Treasury Management Half Year Report

Decision Made	<p>The purpose of this report was to:</p> <ul style="list-style-type: none">• Report on the Treasury Management Indicators for the period to September 2024.• Comply with the requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) 'Treasury Management in the Public Services: Code of Practice' (the CIPFA Code). <p>As of 30 September 2024, the Council had £99.58 million of long-term debt, £15.32 million of other long-term liabilities and an overall net debt position of £69.90 million. The average interest rate for debt was 4.69% (excluding Salix borrowing which is interest free) and for investments it was 5.09%. The Council has a manageable maturity structure of borrowing, with its current debt repayable at various points over the next 30 years.</p> <p>In response to the report, Members drew attention to the financing of the capital programme, the need for comparative data on Treasury management activity in other Welsh councils, whether it was worth extending our debt to invest in revenue generating opportunities, and whether we should exercise particular caution in continuing to invest in other local authorities.</p> <p><u>RESOLVED:</u></p> <p>The Committee:</p> <ul style="list-style-type: none">• Noted the treasury management activities for 2024-25 for the half year period 1 April 2024 to 30 September 2024.
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	<ul style="list-style-type: none">Noted the Treasury Management Indicators for the half year ending 30 September 2024 against those approved in the Treasury Management Strategy 2024-25.
Date Decision Made	28 November 2024

188. Porthcawl Harbour Return 2023-24 Annual Audit Letter

Decision Made	<p>The purpose of this report was to submit to the Governance and Audit Committee the appointed auditor's Annual Audit Letter 2023-24 for Porthcawl Harbour attached at Appendix A.</p> <p><u>RESOLVED:</u></p> <p>The Committee noted the Annual Audit Letter 2023-24 at Appendix A.</p>
Date Decision Made	28 November 2024

189. Progress Against the Internal Audit Risk Based Plan 2024-25

Decision Made	<p>The purpose of this report was to provide members of the Committee with a position statement on progress being made against the audit work within the approved Internal Audit Risk Based Plan 2024-25.</p> <p>A summary of the progress made against the internal audit plan as of 31st October 2024 was detailed in Appendix A. It showed that fifteen planned audit reviews have been completed, which equates to a completion rate of 33%.</p> <p>Audit opinions, based on the assessment of the strengths and weaknesses of the areas examined through testing of the effectiveness of the internal control environment have been given to all fifteen audits: Fourteen Substantial or Reasonable Assurance, and one Limited Assurance.</p> <p>Included within the 2024-25 plan are six audits that were not undertaken or completed in 2023-24. Appendix B shows the status of these audits; five are completed and the other is in progress.</p>
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	<p>A total of fifty recommendations have been made to date to improve the control environment. The progress being made in implementing these is regularly monitored by the Audit team and reported to the Governance and Audit Committee.</p> <p>In response to the report, a Lay Member drew attention to the limited assurance report on payment security standards.</p> <p><u>RESOLVED:</u></p> <p>The Committee noted the content of the report and the progress made against the 2024-25 Internal Audit Risk Based Plan.</p>
Date Decision Made	28 November 2024

190. Internal Audit Recommendation Monitoring

Decision Made	<p>The purpose of this report was to provide members of the Committee with a position statement on internal audit recommendations made, implemented and outstanding as of 31st October 2024 and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.</p> <p>To date thirty-four medium priority recommendations have been made following the conclusion of audits from this year's annual plan. All have been agreed, nineteen have been implemented and none are overdue.</p> <p>There are currently no overdue recommendations.</p> <p>There are four recommendations made in audits completed in 2022-23 which still have a future implementation date. The detail of these are in Appendix B.</p> <p>The monitoring of recommendations is undertaken regularly by the Audit team and any undue delays or issues are highlighted to Senior Management and ultimately the Governance and Audit Committee.</p> <p>In response to the report,</p>
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	<ul style="list-style-type: none">• A Lay Member drew attention to a primary school with ten medium actions and has a reasonable assurance opinion whereas others have limited assurance with just three.• A Member requested an update in writing in respect of the implementation of identified actions in regard to another school, Corneli Primary School.• The Chair repeated his request, previously made at the meeting of the Committee on 26 September 2024, that the responsible Director and/or heads of service are expected to complete the outstanding agreed actions by the due date stated in the appendices, and if not, will be required to attend, along with the relevant Cabinet Member, the next meeting of Governance and Audit Committee to explain why the actions have not been met. <p><u>RESOLVED:</u></p> <p>The Committee noted the content of the report and considered the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.</p> <p>The Committee requested that the responsible officers and the relevant Cabinet Member, attend the next meeting of the Committee on 30 January 2025, to discuss the implementation of agreed actions in regard to Home To Work Mileage in Council Vehicles.</p>
Date Decision Made	28 November 2024

191. Governance and Audit Committee Annual Report 2023/24

Decision Made	<p>The purpose of the report is for the Committee to approve the Governance and Audit Committee’s Annual Report and determine whether it forms a balanced summary of the work undertaken by the Committee during 2023/24 for presentation to full Council.</p> <p>The report demonstrated how the Committee met its Terms of Reference as per the Council’s Constitution as set out by the Local Government (Wales) Measure 2011 and the Local Government and Elections (Wales) Act 2021.</p> <p>The Committee achieved this by concentrating on its core responsibilities during 2023/24.</p>
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	<p>Members demonstrated that they have held senior management to account for making improvements in the governance arrangements and the control environment, challenged officers and sought clarification and progress reports to obtain the assurances required to support continued good governance.</p> <p>The outcome of the 2023/24 self-assessment process, consistent with previous years, demonstrated that the Council has sound arrangements in place in respect of its Governance and Audit Committee, noting that the level of knowledge and experience of members was good or satisfactory.</p> <p>GAC Members' comments were considered and incorporated within the report where appropriate.</p> <p>Pen pictures of lay members in 2023/24 were included at Appendix 5.</p> <p><u>RESOLVED:</u></p> <p>The Committee approved the Governance and Audit Committee's Annual Report and determined that it formed a balanced summary of the work undertaken by the Committee during 2023/24, for presentation to full Council.</p>
Date Decision Made	28 November 2024

192. Updated Forward Work Programme

Decision Made	<p>The purpose of this report was to seek approval for the updated Forward Work Programme for 2024-25.</p> <p><u>RESOLVED:</u></p> <p>The Committee considered and approved the updated Forward Work Programme for 2024-25, subject to the following additional reports being added to the agendas of two meetings:</p> <p>30 January 2025</p> <ul style="list-style-type: none">• A report on the Granicus System for complaints.• A report on Compliments.• A report on the Statement of Accounts 2023/24: Lessons Learned.
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	<ul style="list-style-type: none">• A report on the Digital Strategy. <p>24 April 2025</p> <ul style="list-style-type: none">• A report on Parking Enforcement.
Date Decision Made	28 November 2024

193. Urgent Items

Decision Made	None
Date Decision Made	28 November 2024

To observe further debate that took place on the above items, please click this [link](#).

The meeting closed at 12:57.