

**MINUTES OF A MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE HELD
REMOТЕLY VIA MICROSOFT TEAMS ON THURSDAY, 22 APRIL 2021 AT 14:00**

Present

Councillor LM Walters – Chairperson

CA Green
AJ Williams

JE Lewis
P Davies

MJ Kearn
A Hussain

RM Granville

Apologies for Absence

A Williams, PA Davies and TH Beedle

Officers:

Simon Roberts	Senior Fraud Investigator
Deborah Exton	Interim Deputy Head of Finance
Mark Thomas	Head of Regional Audit Service
Samantha Clements	Wales Audit Office
Gill Lewis	Interim Chief Officer – Finance, Performance and Change
Michael Pitman	Democratic Services Officer - Committees
Nigel Smith	Finance Manager
Eilish Thomas	Finance Manager - Financial Control & Closing
Martin Morgans	Head of Performance and Partnership Service

Lay Member:

J Williams

233. DECLARATIONS OF INTEREST

None.

234. APPROVAL OF MINUTES

RESOLVED: That the minutes of a meeting of the Governance and Audit Committee dated 28 January 2021, be approved as a true and accurate record.

235. GOVERNANCE AND AUDIT COMMITTEE ACTION RECORD

The Interim Chief Officer – Finance, Performance and Change presented a report, which updated the Committee on the Action Record, which was devised as a way of tracking the decisions made by the Committee in the exercise of its functions.

She advised that the Action Record was presented to each meeting of the Governance and Audit Committee and was attached at Appendix A to the covering report. She outlined the actions listed in the Appendix with the progress to date on each of these.

The Audit Wales representative commented on the progress of the Financial Sustainability report in relation to item 3 of the Action Record, stating that the work on this had been drafted and was currently going through moderation. She anticipated that it would be presented at the next committee meeting.

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The Financial Audit Manager – Audit Wales added that the National Fraud Initiative report should be ready to be presented at the next committee meeting also.

The Interim Chief Officer – Finance, Performance and Change added that the Corporate Risk Assessment 2021-22 actions had been completed and the risk register would be presented at a meeting in due course.

A Member suggested that a column be added to the action record to differentiate between ongoing and completed actions. She asked if a completed date could be added to appropriate actions as well as the date of the meeting that actions were due to be fed back to.

The Lay Member noted in relation to the Annual Corporate Fraud Report 2019-20 item on the action record that there was a dramatic drop in the risk score for the transformation and savings section. She asked what the result of this was.

The Interim Chief Officer – Finance, Performance and Change explained that she didn't have the information to hand but would get back to her with this, outside of the meeting.

RESOLVED: That the Committee noted the action record subject to the following:

- An additional column be added to reflect the completion date of an action, and;
- To also add specific dates of meetings when an action(s) was due to be presented there.

236. AUDIT WALES GOVERNANCE AND AUDIT COMMITTEE REPORTS

The Audit Wales Representative presented a report which updated the Committee on financial and performance audit work undertaken, and due to be undertaken, by Audit Wales, and the Audit Wales 2021 Audit Plan.

He explained that Audit Wales had prepared a number of reports for the committee to consider, namely:

1. The Audit Wales Governance and Audit Committee Update (attached at Appendix A to the report) and;
2. Audit Wales 2021 Audit Plan – Bridgend County Borough Council (attached at Appendix B)

The Audit Wales Representative outlined the financial audit work and its progress update carried out by Audit Wales, listed in table one of appendix A.

The Audit Wales Representative outlined the performance audit work and the main changes since the last Governance and Audit Committee meeting. She explained that the performance audit work programme was drawing to a close, with much of the work completed and the remainder of the work to finish by around July 2021. She added that the Review of the Council's arrangements to become a 'Digital Council' had been reflected upon and a report on this had been re-issued. She was confident that the work on this would come to a close shortly.

The Chairperson stated that Audit Wales were due to look at the Carbon Reduction Plans and asked for some elaboration on this. The Audit Wales representative explained that this formed part of the 2020-21 work programme as a component of the assurance

and risk assessment. She stated that the scope was to look at BCBC's early plans for reducing the carbon footprint.

The Audit Wales Representative presented the Audit Wales Plan which set out the programme of work for the financial year. He explained that while he did not anticipate changes to the timings set out in the report, he stated that such changes were possible, due to the negative effects of Covid-19.

The Audit Wales Representative outlined the financial audit section at pages 5-9 of the Audit Wales Plan. He stated that the primary responsibility was to audit the statement of accounts and to reflect whether or not they gave a true and accurate view, by taking a risk-based approach. The financial statement audit risks were set out in Exhibit 1 with the key risk identified being related to Covid-19, including additional cost expenditures and the pressures on staffing.

The Audit Wales Representative added that the fee for the audit work on the accounts was set out on page 13 of the document and was based on the actual fee of last year, which was £6,000 less than the estimate included in last year's Audit Plan.

The Audit Wales Representative also outlined the Performance Audit Programme 2021-22 which was set out in Exhibit 3 of the report which she summarised as follows:

- Improvement reporting audit – This related to the Local Government and Elections (Wales) Act and the duties Local Authorities now had with regards to self-assessment.
- Assurance and Risk Assessment – A presentation was made to CMB and was agreed to focus on the points listed.
- Thematic work – Springing Forward – Examining the building blocks for a sustainable future – This related to how councils were prepared for future challenges and lessons learnt from past challenges like Covid-19.
- Follow-up review – Disabled Facilities Grants – To follow up the Council's progress to address the findings from our disabled facilities grants (DFG) review
- Review relating to the Cwm Taf Morgannwg health partnership following the Council's transition to the partnership in 2019 – to revisit this work in light of changes over the past 3 years including Covid-19, the scope of which was to be discussed further.
- Statutory building compliance - A short piece of assurance work to assess the Council's arrangements to improve its levels of statutory buildings compliance.

RESOLVED: That the Committee noted the Audit Wales Governance and Audit Committee Reports at Appendix A and Appendix B to the main report.

237. FRAUD STRATEGY & FRAMEWORK 2021/22 TO 2024/25

The Interim Chief Officer – Finance, Performance and Change presented a report which provided the Committee with the Council's draft Fraud Strategy and Framework 2021/22 to 2024/25 and the draft Fraud Risk Register in accordance with the functions of the Governance and Audit Committee as outlined in the Terms of Reference, prior to submission to Cabinet for approval.

She thanked the staff who contributed to the report and stressed the importance of the fraud strategy and framework. She explained that there had been a large number of attempts to commit fraud, particularly during Covid-19.

The Senior Fraud Investigator stated that in July 2020 Audit Wales produced a report entitled 'Raising Our Game – Tackling Fraud in Wales'.

The report identified seven key themes that all public bodies needed to focus on in raising their game to tackle fraud more effectively and made 15 recommendations across these themes.

He explained that the Fraud Strategy & Framework 2021/22 to 2024/25 was attached at Appendix A and outlined the aims and objectives of the strategy, identified fraud risks and this included a 3 year action plan, which will further improve the Council's resilience to fraud, bribery and corruption.

The Senior Fraud Investigator stated that the report also included measures of success and a flow chart to demonstrate the Council's approach to a suspected fraud. He outlined the key points in the strategy and framework including Roles & Responsibilities, Aims & Objectives, Current Fraud Landscape & Risks, the managing of the risk of fraud, bribery & corruption, action plan and measuring of success.

The Senior Fraud Investigator outlined the draft fraud risk register which was at Appendix B to the report and listed 20 potential fraud risks that had been identified throughout the Council. The register outlined the consequences of each risk and how each risk was being addressed.

The Chairperson thanked all involved with producing the report and stated that it was a clear and understandable read.

A Member asked if anyone had been prosecuted for fraud in the past financial year by the Council. The Senior Fraud Investigator confirmed that there had been some prosecutions relating to benefit fraud, with previous years being higher and relating more to blue badge fraud. A Member believed that highlighting fraud prosecutions to the public may deter future fraud attempts.

A Member asked what checks were carried out in terms of the tender process and was the Council confident that no fraud had taken place in this area.

The Head of Regional Internal Audit Service explained that at the last Governance and Audit Committee, a report on contracts was brought to Members to give assurance on the processes that were undertaken in Bridgend. The Interim Chief Officer – Finance, Performance and Change also commented on the Council's own processes and financial and contract procedure rules that were looked at when tendering, and much of these processes are very strictly managed.

The Lay Member welcomed the report and the Senior Fraud Investigator for working hard on tackling and preventing fraud for BCBC. She asked, in relation to Appendix A and the action plan, if there were plans to have implementation dates added to it. The Interim Chief Officer – Finance, Performance and Change confirmed that there were plans for targets, deadlines and actions relating to this. There would be implementation dates inserted where applicable, she confirmed. The Head of the Regional Internal Audit Service added that information from a variety of areas was used, from previous experiences, local intelligence, and current issues like cybersecurity to inform the Internal Audit Plan and cover the highest risk areas.

The Lay Member was concerned with the number of risks on Appendix B and asked if the service area/directorate could be listed next to each risk to gain a better understanding of where the biggest exposure to risks were.

The Lay Member asked if they would be able to identify who the risk would be associated with/linked to and who would be implementing the actions.

The Interim Chief Officer – Finance, Performance and Change explained that, similar to the corporate risk register, there were a number of risks that were obvious who the responsibility lay with, however, some risks related to a number of areas, as opposed to being the sole responsibility of one person/one work area. She added that the Senior Fraud Investigator had also interviewed the Corporate Management Board (CMB) individually to try and identify areas of vulnerability, so that there was accountability among everyone, including top tier officers.

The Lay Member explained that the fraud risk register would be integrated within the corporate risk register. She asked for clarification on how this would work, i.e., would some be scored and then placed on the corporate risk register while others omitted. The Interim Chief Officer – Finance, Performance and Change explained that the way this was done had not been decided upon yet, though she added that risks would need to be decided upon in terms of how significant they were to warrant being included in the corporate risk register. She added that fraud was discussed in the corporate risk register, therefore there would always be a level of inclusion of these in the fraud risk register.

The Lay Member asked when the committee would be updated on the fraud risk register per se. The Interim Chief Officer – Finance, Performance and Change stated that the committee would receive a report on this at the end of each financial year.

A Member asked if there was any issues with fraud from within the authority as much of what was said related to external fraud. The Senior Fraud Investigator stated that there was a strong anti-fraud culture within BCBC and with the recent E Learning Module on Fraud being released to staff and members to undertake, he believed this enforced that.

The Chairperson asked in relation to risk 9 – election fraud - there was no mention of postal votes. She asked if that should be built into the risk register and strategy. The Senior Fraud Investigator agreed that this was a valid point and that he would bring this up with the electoral department to find out what mitigation was currently in place.

RESOLVED: That the Committee noted the draft Fraud Strategy and Framework 2021/22 to 2024/25 and the draft fraud risk register prior to submission to Cabinet for approval.

238. **ANTI-TAX EVASION POLICY**

The Interim Group Manager – Chief Accountant presented a report which informed the Governance and Audit Committee of the new Anti-Tax Evasion Policy. He explained the requirement of the policy as per the Criminal Finances Act 2017 and outlined the background at section 3 of the report.

The Interim Group Manager – Chief Accountant explained that the Council was committed to establishing and maintaining effective arrangements to prevent and detect acts of bribery, corruption and tax evasion in relation to Council services.

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He explained that the Anti-Tax Evasion Policy was attached as Appendix A to the report and was supplementary to the Council's wider Anti-Fraud and Bribery Strategy which sets out the key responsibilities with regard to fraud prevention and what to do if fraud or financial irregularity is suspected, including the action that will be taken by management as a result of this.

He advised that Cabinet approved the new Anti-Tax Evasion Policy on 9 February 2021 and the Governance and Audit Committee was asked to consider the policy as part of their role to obtain assurance regarding the Council's corporate governance and risk management arrangements. The policy was to be reviewed and updated as required on a bi-annual basis.

The Chairperson asked how the policy was going to be rolled out and how would any findings regarding this be reported to the Committee. She also asked how could it be proved that the policy was being implemented effectively.

The Interim Group Manager – Chief Accountant explained that the findings of any tax evasion would be recorded by the Senior Fraud Investigator and his team and presented to the Committee as and when required. He stated that this would play a role in ensuring the policy was implemented.

The Lay Member mentioned that the policy was similar to the fraud risks discussed in the previous report. She suggested that the reporting of this to the Committee be done in conjunction with the fraud risk register.

RESOLVED: That the Committee

- Noted the Anti-Tax Evasion Policy attached at Appendix A to the report.
- Noted the proposed amendments to the Terms of Reference of the Committee and the Constitution attached as Appendix B, to be presented to Council for approval.
- Noted that further reports on monitoring the policy will be provided to the Governance and Audit Committee for consideration.

239. LOCAL GOVERNMENT & ELECTIONS (WALES) ACT 2021

The Interim Chief Officer – Finance, Performance and Change presented a report which provided the Committee with an update regarding the Local Government and Elections (Wales) Act 2021 and proposed amendments to the Terms of Reference of the Committee.

She stated that the Act was passed by the Senedd on 18 November 2020 and received Royal Assent on 20 January 2021. The legislation covered a range of areas like electoral reform, public participation, governance and performance and regional working. The Act aimed to provide a more streamlined approach to performance, good governance and improvement and introduced the following:

- Reforming Electoral Arrangements for local government
- General Power of Competence
- Reforming public participation in local government
- Reforms around democratic governance and leadership
- Reform of the performance and governance regime
- Collaborative Working

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- Voluntary Mergers of principal councils

The Interim Chief Officer – Finance, Performance and Change explained that the Act introduced previously consulted upon reforms to change Audit Committees including:

- For May 2021, the renaming of the Committee to Governance and Audit Committee;
- From May 2022, prescribed changes to membership and Chair – a third of members to be Lay Members and the Chair to also be a Lay Member;
- Replacing audit and reporting duties with duties with regard to self-assessment and panel assessment (Peer review), including duties to:
 - consider both the draft and final versions of the Council's self-assessment report;
 - at least once during the period between two consecutive ordinary elections, to consider the Independent Panel Performance Assessment report;
 - to review the Council's response to the Independent Panel Performance Assessment report;

The Interim Chief Officer – Finance, Performance and Change explained that it was proposed that the Terms of Reference of the Committee within Part 3 of the Council's Constitution be amended to include the points listed in paragraph 4.2 of the report. She added that, in addition to this, it was identified that the purpose of the Committee needed to be updated to reflect responsibilities around governance and the new legislation. Therefore, it was proposed that the purpose of the Governance and Audit Committee be updated as per paragraph 4.3 of the report.

A Member mentioned the point that a third of the Committees members should be Lay members, which included the chair. She asked if there was a default position that the Committee could take if they were unsuccessful in obtaining one third lay members. The Interim Chief Officer – Finance, Performance and Change confirmed that she did not have the details regarding this and expected that some guidance would follow closer to the date of implementation of this part of the Act.

A Member mentioned that some of the changes would have future cost implications. She asked if the Council were aware of what these costs would be. The Interim Chief Officer – Finance, Performance and Change stated that she did not have the details of these, but once the details were confirmed of what the Council was expected to do, what grants or resources were available etc, these costs would become more clearly identified.

The Chairperson stated that as the Committee had a new responsibility to review the effectiveness of the Council's complaints process, was it possible to have a report to the Committee in quarter 3 of the financial year to understand how the complaints process was currently managed. The Interim Chief Officer – Finance, Performance and Change agreed to put this forward as it was an important role of the Committee, but also it was useful to help understand the numbers of complaints and what types of complaints were being received. The Committee asked for a report on the complaints process, so that they could familiarise themselves with process and numbers.

The Chairperson asked that when further clarification was made in terms of the changes to the Governance and Audit Committee, could training sessions be provided to provide a better understanding of the changes and their ramifications. The Interim Chief Officer –

Finance, Performance and Change suggested that this training be provided alongside the training on fraud prevention. Members agreed this would be beneficial for the Committee.

RESOLVED: That the Committee:

- Noted the report and the prescribed reforms to the current Committee;
- Noted the proposed amendments to the Terms of Reference and purpose of the Committee to be presented to Council for approval.
- Requested that the details of process and numbers of complaints be brought to a future Committee meeting later this year.

240. DISABLED FACILITIES GRANT - PROGRESS REPORT AND POSITION STATEMENT

The Head of Partnerships presented a report, the purpose of which was to update the Governance and Audit Committee on actions taken to progress improvements to the Disabled Facilities Grant (DFG) service and provide information on the position to date.

He confirmed that, previous reports to Audit Committee, Cabinet and Cabinet / Corporate Management Board (CCMB) have outlined the critical need to re-shape and improve the delivery of the DFG service within Bridgend.

A further audit report undertaken by the Regional Internal Audit Service in 2019/20 had concluded that there was Limited Assurance in relation to the service at that time. This report had also made some recommendations required in order to improve the service and these were detailed at paragraph 3.4 of the report.

At a subsequent meeting of Cabinet, a report was considered that reflected some proposals and actions that needed to be pursued, in order to take forward and improve the DFG service. Paragraph 4.1 of the report, confirmed that these had been acted upon and also outlined progress to date on these. The Head of Partnerships gave a resume of these for the benefit of Members.

The Head of Partnerships confirmed that in parallel to the activity outlined in the report were the actions that respond to the recommendations of the Wales Audit Office report. These actions met the Council objectives at paragraph 2.1 of the report, as well as supporting the 5 ways of working under the Well-being Future Generations (Wales) Act 2015 and the Social Services and Well-Being (Wales) Act 2014.

A project team had been established which will be responsible for the development, implementation and monitoring of the pilot. Discussions were currently taking place with colleagues from Social Services, to strengthen the role of the Social Services Occupational Therapist service and its role in children's cases and initiating adult DFG referrals to the housing team. This will ensure that medium and large DFG works are processed in a standardised and consistent manner across the Council and will ensure the pathway to a DFG and related Social Services support is clear.

To ensure compliance with Council processes and procurement, a Framework Agreement was being developed under which contractors shall be appointed to carry out the works on DFG applications in line with the CPRs.

The steps being put in place to streamline the service and the collaborative working with Neath Port Talbot Council, would allow BCBC to develop new processes and

procedures. Monitoring, review and evaluation processes would be established, to ensure the Council has appropriate controls in place, he added.

Performance improvements were also being targeted, further added the Head of Partnerships. Targets for improvement here were itemised in the report, in order to ensure that BCBC's performance improves to meet an All Wales average. Though he stressed that the internalisation changes and moving to a new operational model may delay these improvements being implemented, particularly for reasons of staff recruitment of suitable experienced and qualified staff to take on, in order to undertake the work that would, in turn, give rise to improvements required being made.

The benefits of a new operating model, were outlined in paragraph 4.14 of the report.

Finally, the Head of Partnerships referred to the report's financial implications, which he advised were cost neutral.

A Member noticed that the report included data that had been collated for the Year 2018/19, average number of days taken to deliver a Disabled Facilities Grant, and she understood why there may be no data available for 2020/21, due to the Covid-19 outbreak. She asked however, why there was no data included in the report for 2019/20.

The Group Manager – Housing and Community Regeneration confirmed that she would look into this outside of the meeting and advise the Committee accordingly of her findings.

The Chairperson then asked how long would it take to conclude the recruitment of extra staff to support DFG work under the new arrangement and if the Collaborative Agreement with Neath Port Talbot CBC, was going to plan.

The Interim Chief Officer - Finance, Performance and Change confirmed that in terms of the Collaboration Agreement, this was progressing well, with just a few loose ends to tie up in respect of the tendering process and the Framework Agreement. When this was concluded, a further update report would be presented to Committee.

The Head of Partnerships added that when this Agreement was in place additional staff would be recruited as was proposed. He added that recruitment was a risk as identified in the report, on the basis that this would involve the recruitment of Surveyor posts which was a fairly specialised profession, both in terms of recruitment and retention. However, trainee posts were also proposed and a training programme would be put in place for these new staff, in conjunction with support from Neath Port Talbot CBC.

RESOLVED: That the Committee noted progress to date, in order to improve the DFG service and the current position.

241. **EFFECTIVENESS OF THE GOVERNANCE & AUDIT COMMITTEE SELF-ASSESSMENT UPDATE**

The Head of the Regional Internal Audit Service presented a report, in order to update members of the Committee, following feedback, on the findings of the Self-Assessment of Good Practice from the Chartered Institute of Public Finance & Accountancy (CIPFA) Audit Committees Practical Guidance 2018, (originally reported on 28th January 2021). As well as to summarise the members' responses to a skills questionnaire issued to gauge their level of knowledge and experience of key areas.

He advised that the effectiveness of this Governance and Audit Committee should be evaluated in line with the Self-Assessment of Good Practice included in CIPFA

guidance. This provides a high-level review that incorporates the key principles set out in CIPFA's Position Statement.

The checklist was presented to Committee on 28th January 2021. During the meeting it was agreed that members of the committee would be given the opportunity to provide their own feedback. In addition the Chairperson arranged some sessions which members were invited to join if they preferred.

The Head of the Regional Internal Audit Service, added that a draft audit report was attached at Appendix A to the report, which provided a summary of the findings and the feedback received from members of the Committee, whilst Appendix B included the updated checklist. The draft audit report includes a management implementation plan which lists the recommendations being made as a result of this work.

A skills and knowledge questionnaire was also presented to Committee on 28th January 2021. It was agreed that this would be circulated for completion by all members. The results are also provided in the attached draft audit report at Appendix A, whilst the questionnaire is attached at Appendix C for reference.

The Head of the Regional Internal Audit Service, then referred Members to the Action Plan attached to the report, where there were bullet points for members to consider, going forward.

The Chairperson advised that these were shown at page 133 of the report (6.1.2) and she would take members through these individually, in order to see the consensus of opinion of which of these recommendations, should be taken forward.

- The Ethical Framework for BCBC needs to be enhanced and better articulated so the Committee is able meet this responsibility. - **Agreed** – Chairperson to discuss further with the Head of the Regional Internal Audit Service.
- Additional meetings should be considered to avoid excessively voluminous papers that can be difficult to absorb prior to meetings. – **Agreed.**
- A 30 minute pre-meeting for members only (to reflect approach in Scrutiny Committees) to discuss issues and agree questions. This would not stop other questions being raised during the meeting but may assist in streamlining the questions and processes. – **Disagreed.**
- New members who join the Audit Committee after the first year do not receive specific audit committee training. – **Agreed. i.e .Members felt that such new Members should receive training.**
- Only partly instead of fully agreeing that there is an appropriate mix of knowledge and skills among the membership. – **Members agreed that there was an appropriate mix of knowledge and skills from different work backgrounds on the Committee.**
- There is inadequate knowledge of what the Governance & Audit Committee does by other members of the Council (not on this Committee) – **Disagreed, therefore don't consider this point further.**
- Some members do not have the knowledge to perform their function effectively – **It was agreed that that training for members on this Committee should be mandatory with additional training being arranged specifically on the Local Government (Wales) Elections Act 2021, Fraud and Complaints.**
- As this committee in comparison to other overview and scrutiny committees of the Council requires a very specific skill set, it is suggested that all Group Leaders and non-aligned Independent Members undertake a skills audit to identify those in their political groups who are best placed to sit on this

committee. This will ensure that the committee is comprised of those members with the most appropriate professional background and knowledge. –

Discounted, as this has been answered in a previous bullet point above.

- Slightly disagree that the arrangements to hold the committee to account for its performance are operating satisfactorily. **It was agreed to discount this point.**
- There is not always a good level of discussion and engagement from all members in meetings. – **Disagreed**
- Response to Does the audit committee report directly to full council? Should be no and not partly met. – **Take away and discuss with the Council's Monitoring Officer, if the Governance and Audit Committee Annual report should be presented to Council, as this was not a requirement but something that could be deemed as good practise.**

RESOLVED: That members of the Committee considered and responded to the recommendations in the draft audit report at Appendix A, as detailed above.

242. PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED PLAN 2020-21

The Audit Client Manager presented a report, so as to provide Members of the Committee with a position statement on progress being made against the audit work included and approved within the Internal Audit Risk Based Plan 2020-21.

She gave some background information, then advised that progress made against the plan during 2020-21 was attached at Appendix A to the report. It should be noted the Audit Client Manager stated, that this was a draft position as some work was in the process of being completed and the outcome of this work would be included in the Head of Audit's Annual Internal Audit Report 2020-21, to be brought to a future Governance and Audit Committee.

Appendix A detailed the status of each planned review, the audit opinion and the number of any high or medium recommendations made to improve the control environment. It should be noted, she explained, that some reviews listed have no audit opinion, for example advice and guidance, Governance and Audit Committee and Corporate Management Board (CMB) reporting. This was because the audit work carried out in respect of these items is planned, but the nature of the work does not lead to testing and the formation of an audit opinion.

Appendix A illustrated that to date 26 items of work had been completed of which 19 audits have resulted in an opinion being provided. A total of 13 audits were currently on-going and would be included within the final annual opinion report.

The above Appendix identified that a total of 28 medium (significant) recommendations had been made to improve the control environment of the areas so reviewed.

The Audit Client Manager, further added that Appendix A showed that some of the planned audit reviews had been deferred following a request from the service department and will be considered in the following year's plan. However, from the work undertaken there had been sufficient coverage to form an audit opinion for 2020-21, which will be included in the Head of Audit's Annual Internal Audit Report.

The Audit Client Manager concluded her submission by referring to certain examples of the audit work that had been undertaken, as referred to in the report's appendix.

The Lay Member asked if any of the audit work carried out by the Shared Internal Audit Service had revealed any fraud related issues.

The Audit Client Manager confirmed that no such fraud related matters had arisen in respect to any of the audit work completed as detailed in Appendix A.

The Lay Member noted that there was an investigation into a service area where work to date had revealed a security breach and she asked if Members could be advised what this related to/receive further information regarding this.

The Head of the Regional Internal Audit service advised that as this investigation had not yet been fully completed, further information regarding it could not yet be shared with Members. However, when the investigation had been concluded, Members would be advised of relevant issues arising.

In terms of the missing money identified as a result of the audit of the Supported Living service, the Lay Member asked how much this amounted to.

The Audit Client Manager confirmed that this was under £150 which had, in any event, been found some months later. Notwithstanding this, there were some weaknesses in the service area that had been identified and were in the process of being addressed.

The Chairperson asked how recruitment was progressing in the Shared Internal Audit Service.

The Head of the Regional Internal Audit Service explained that the structure had been established and was awaiting approval subject to Human Resources advice and staff consultation. It was anticipated that recruitment to vacant posts would not be pursued in the coming months, whilst a Trainee Auditor had already been recruited.

RESOLVED: That Members of the Committee noted the content of the report and the progress made against the 2020-21 Internal Audit Annual Risk Based Plan.

243. **REGIONAL INTERNAL AUDIT SERVICE CHARTER 2021-22**

The Head of the Regional Internal Audit Service presented a report, in order to submit to Members of the Governance and Audit Committee, the Regional Internal Audit Service's Internal Audit Charter for 2021/22.

The purpose of the Regional Internal Audit Service Charter, was to define the purpose, authority and responsibilities of the Regional Internal Audit Shared Service across Bridgend, Merthyr Tydfil, Rhondda Cynon Taf and the Vale of Glamorgan Councils.

The Head of Internal Audit sections was responsible for reviewing the charter and presenting it to each Council's Audit Committee annually for review and approval, in line with the Public Sector Internal Audit Standards (PSIAS).

He confirmed that the Regional Internal Audit Charter for 2021/22 was attached at Appendix A to the report. The Charter was fully reviewed and amended for 2020/21, to have a consistent Charter for the four Councils. This was consistent with the objectives of the Regional Shared Service, that is, to eliminate duplication and apply best practice.

The Head of the Regional Internal Audit Service, advised that this had been reviewed again for 2021/22, to ensure it continues to reflect the requirements of the PSIAS and is applicable to all four Councils involved in the Shared Service. The only changes made to the Charter, he advised, related to the change of title of the Audit Committee to the

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Governance and Audit Committee as a result of the Local Government & Elections (Wales) Act.

RESOLVED: That Members of the Committee considered and approved the Regional Internal Audit Service Charter for 2021/22, as attached at Appendix A to the report.

244. FORWARD WORK PROGRAMME 2021-22

The Interim Deputy Head of Finance presented a report, the purpose of which was to seek approval for the proposed Forward Work Programme for 2021-22.

She advised that 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 2021-22 was attached at Appendix A to the report.

Paragraph 4.2 of the report, listed the items scheduled to be placed on the Agenda at the next Committee meeting dated 18 June 2021.

The Interim Deputy Head of Finance, added that 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 respect of performance and complaints. These would be added to the Forward Work Programme, where necessary, as and when known/required.

RESOLVED: That the Committee considered and approved the proposed Forward Work Programme for 2021-22.

245. URGENT ITEMS

There were no urgent items. The Chairperson however advised that the next date of the Committee had been delayed from a provisional date in May to 18 June 2021, in order to consider, in a more timely manner, the year-end Statement of Accounts.

This meeting was scheduled at 10.00am on that date, but following discussion with Members, it was felt that it may be better to hold the meeting in the afternoon at 2.00pm.

The Interim Chief Officer - Finance, Performance and Change confirmed that she would liaise with the Monitoring Officer (and Proper Officer for Committees) and staff in Democratic Services, in order to establish if the meeting on this date could be moved from the morning to the afternoon.