

GOVERNANCE AND AUDIT COMMITTEE - THURSDAY, 27 NOVEMBER 2025

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, 27 NOVEMBER 2025 AT 10:00

Present

A Bagley – Chairperson (Lay Member)

M L Hughes

O Clatworthy

Present Virtually

C Davies  
MJ Williams

RM Granville

S J Griffiths

RL Penhale-Thomas

Lay Members – Present Virtually

D Austin

B Olorunnisola

Apologies for Absence

G Chapman

S Easterbrook

Declarations of Interest

None

## GOVERNANCE AND AUDIT COMMITTEE - THURSDAY, 27 NOVEMBER 2025

### Officers:

Carys Lord	Chief Officer - Finance, Housing & Change
Gareth John	Finance Manager - Governance
David Williams	Audit Wales
Rachel Keepins	Democratic Services Manager
Stephen Griffiths	Interim Scrutiny Officer
Oscar Roberts	Business Administrative Apprentice - Democratic Services

### **266. Approval of Minutes**

Decision Made	<u>RESOLVED:</u>  The Minutes of the meeting on 30 October 2025 were approved as a true and accurate record, subject to the following amendment:  That where the minutes refer to a representative from Audit Wales presenting the following reports, it should refer to a representative from the Regional Internal Audit Service (RIAS):  <ul style="list-style-type: none"><li>• Progress Against the Internal Audit Risk Based Plan 2025-26</li><li>• Internal Audit Recommendation Monitoring</li><li>• Governance and Audit Committee Annual Report 2024/25 - DRAFT</li></ul>
Date Decision Made	27 November 2025

### **267. Governance and Audit Committee Action Record**

Decision Made	The purpose of this report was to provide Members with an update on the Governance and Audit Committee Action Record.  Members were provided with an update in respect of the Disclosure and Barring Service (DBS) referral to
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	<p>the Education and Youth Services Overview and Scrutiny Committee as follows:</p> <p>The recommendation from the Education and Youth Services Overview and Scrutiny Committee was that the concern be referred to Governors Support to request that they raise it with all Governing Bodies.</p> <p><b><u>RESOLVED:</u></b></p> <p>The Committee noted the Action Record and agreed the following:</p> <p>Given the concern that there could be a safeguarding issue related to staff potentially commencing their roles without DBS clearance or appropriate risk assessments in place, the Committee requested that the matter be drawn to the attention of Safeguarding.</p> <p>The Committee requested that dates be agreed to bring reports, in respect of two actions, to the Committee as follows:</p> <ol style="list-style-type: none"><li>1. A comprehensive overview of the governance structure, reporting lines, and finances for Porthcawl Harbour.</li><li>2. The circumstances surrounding the Council's decision to purchase a shipping container.</li></ol>
Date Decision Made	27 November 2025

**268. Half Year Review of the Annual Governance Statement Action Plan**

Decision Made	<p>The purpose of this report was to provide an update on the Action Plan that accompanied the Annual Governance Statement 2024-25 (AGS), setting out how the significant issues identified were being addressed in 2025-26.</p> <p>In response to the report, members discussed the following:</p> <ul style="list-style-type: none"><li>• The transfer of the Waste Service back to the Council. In particular, it was noted that there are two boards in operation at the moment, one of which is a transition board, and information was requested on the representation of Councillors or Cabinet members and how the minutes of the meetings could be accessed. In response, the Chief Officer - Finance, Housing &amp; Change indicated</li></ul>
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	<p>that one was an officer project group that was working through all of the issues, and the other was the Waste Transition Board which meets monthly and whose membership was a mixture of the overall programme lead for the waste service, some senior officers and some members of Cabinet. In respect of providing access to minutes, she indicated that it was probably best if she took that away for a discussion on the best way to provide Members with feedback on the project, including status reports to Cabinet or for a scrutiny committee.</p> <ul style="list-style-type: none"><li>• How the Council understands the meaning of, and established that procurement processes provide, 'value for money.' In response, the Chief Officer - Finance, Housing &amp; Change indicated that when auditors evaluate the Council's procurement processes, they look at the process and the way in which officers evaluate tenders to provide 'value for money' in regard to services goods.</li><li>• Whether an evaluation of the workings of the Scrutiny Budget Working Group (the successor to BREP) could be added to the Committee's forward work programme. In response, the Chief Officer - Finance, Housing &amp; Change indicated that discussions had already taken place with the Chair of the overall process to analyse how it had worked this year and how it could be improved next year. The Democratic Services Manager also indicated that the Scrutiny Team was undertaking a review of the process, and in order to avoid duplication, she would have no problem bringing a report on that to the Committee in due course.</li><li>• Whether the difficulties that remain in certain areas for the recruitment of staff could be referred to another committee (i.e. the Cabinet Committee Equalities and Employee Relations) for detailed analysis. In response, the Chief Officer - Finance, Housing &amp; Change indicated that a great deal of targeted work had been undertaken, and lessons learned, in respect of recruitment in social care and Communities in particular. She also indicated that it could be useful for a report to be prepared for Cabinet Committee Equalities and Employee Relations.</li><li>• That an update to the Socially Responsible Procurement Strategy should take account of the motion passed at Council in respect of ensuring ethical investment of Local Government Pension Funds. In response, the Chief Officer - Finance, Housing &amp; Change indicated that she would take that back to the Procurement Team.</li><li>• A lay member indicated that it would be helpful to understand what specific interventions are planned to strengthen the financial resilience of schools and how progress will be monitored. In response, the Chief Officer - Finance, Housing &amp; Change noted that with regard to support, there is a central team in Finance, and teams in Education, who do a lot of work with individual schools, especially in respect of sharing ideas and good practice. Also, the Corporate Director - Education, Early Years &amp; Young People has regular meetings with all head teachers. In regard to monitoring, the report notes many of the actions undertaken by officers, and Finance reports the overall position to Cabinet on a quarterly basis through the revenue outturn report for the Council as a whole.</li></ul>
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	<ul style="list-style-type: none"><li>• In addition, the Deputy Chairperson asked whether the Committee was being provided with the necessary assurance that there was sufficient coverage across the schools in terms of attending training events. The Chief Officer - Finance, Housing &amp; Change noted that the Corporate Director - Education, Early Years &amp; Young People pushed the issue of training and attendance at events when he has his meetings with head teachers.</li></ul> <p><b><u>RESOLVED:</u></b></p> <p>The Committee considered the Annual Governance Statement Action Plan 2025-26 and progress on the actions to 30 September 2025.</p>
Date Decision Made	27 November 2025

**269. Treasury Management Half Year Report 2025-26**

Decision Made	<p>The purpose of this report was to update Governance and Audit Committee on the treasury management activities and treasury management indicators for the half year ending 30 September 2025.</p> <p>In response to the report, Members discussed the following issues:</p> <ul style="list-style-type: none"><li>• The position in respect of long-term debt and investment income and whether there is likely to be a rise in Council Tax this year. In response, the Chief Officer - Finance, Housing &amp; Change noted that the level of Council Tax increases or otherwise for next year is part of ongoing modelling, but it is anticipated that draft estimates will probably be available in January, at which point there would be a proposal with regard to the Council Tax rate for next year.</li><li>• The trend in the Capital Financing Requirements (CFR) based on current capital commitments within the approved capital programme, and whether, given the slippage in the capital programme (for reasons outlined in a report to Council on 19 November) over recent years, the projections were realistic going forward. In response, the Chief Officer - Finance, Housing &amp; Change noted that capital requirements were reviewed and monitored regularly, and the Council would not borrow unless it was needed for the capital programme.</li><li>• The cost of financing the Treasury plan. A Member noted that it would be useful to know whether the overall cost to the Council of the loans versus the investments is changing over time, and whether the Council is doing well or not. In response, the Chief Officer - Finance, Housing &amp;</li></ul>
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	<p>Change suggested that 'Table 10: Interest', which provided a comparison of interest payable on borrowings excluding other long-term liabilities (PFI and lease interest), and interest income due for the period 1 April 2025 to 30 September 2025, answered the question. It made clear that the Council received more income than it is having to spend to repay debt. The Member asked if a rolling number could be provided so that it was possible to monitor changes over time. The Chief Officer - Finance, Housing &amp; Change proposed that a table could be included that showed the position over the last few years.</p> <ul style="list-style-type: none"><li>• Whether the Council was borrowing money, and therefore paying interest, that was not being used. In response, the Chief Officer - Finance, Housing &amp; Change noted that the Council does not borrow ahead of need.</li><li>• The relationship between slippage in the capital programme and inflationary pressures leading to cost increases. In response, the Deputy Chairperson proposed that the Capital Programme could be a suitable topic for an audit by RIAS.</li><li>• The drivers for the improvements in net debt and investment between March and September 2025 and whether this is a trend that will continue. In response, the Finance Manager – Governance noted that this was temporary and a position at a fixed point in time and not necessarily a trend, given that money for investment was diminishing over time.</li><li>• The thinking behind the terms of borrowing, and whether there is a relationship between the depreciation of an asset and the proposed terms for borrowing. In response, the Chief Officer - Finance, Housing &amp; Change noted that the Council does not borrow in relation to specific projects. The Council borrows generally to cover its programme. As such, there is not necessarily a direct link between a loan and a particular asset.</li><li>• The way decisions are made about Lender Option Borrower Option (LOBO) loans. The Finance Manager – Governance noted that all LOBO loans are subject to the lender having the right to change the rate of interest payable during the financial year at either of two trigger points in January and July, with the Council having the right to refuse the change, triggering early repayment and the need to re-finance.</li><li>• Whether, although non-treasury investment represents less than 1% of the Council's total long-term assets, a table could be provided that shows the trend on returns over the long-term, especially given that the value of these investments has increased by 9.3% over the last 12 months. The Finance Manager – Governance indicated that it would be possible to provide a table showing the historical trend.</li></ul>
Date Decision Made	27 November 2025

**270. Monitoring Report - Complaints Process**

Decision Made	<p>The purpose of this report was to note the Authority's corporate complaints process and determine whether the Committee wishes to make any recommendations in relation to the Authority's ability to handle complaints effectively.</p> <p>In response to the report, Members discussed a number of issues, including the following:</p> <ul style="list-style-type: none"><li>• The number of complaints made about waste &amp; refuse, concern that so many of them are upheld, and what could be done to reduce them in the future. In response, the Information and Data Protection Officer noted that her role was restricted to the process itself and was not in a position to provide an explanation on behalf of the Communities Directorate. The Deputy Chairperson proposed that the Communities Directorate be asked to provide more information about complaints in respect of waste &amp; refuse.</li><li>• The potential value of a feedback process for those that have utilised the corporate complaints process. The Information and Data Protection Officer confirmed that there was not one at present but that it could be looked at as part of the process to develop the new system for corporate complaints. The Deputy Chairperson noted that that should be looked at as part of the process of continuous improvement in respect of the complaints process.</li><li>• The need for a new system to improve the process of signposting where complaints should be directed.</li><li>• The timetable for the development and introduction of the new complaints process, based on the Granicus platform for service delivery. The Information and Data Protection Officer confirmed that the planning stage had been completed but she was not in a position to provide an exact timeframe for the build stage.</li><li>• The Council's ability to meet the deadlines set by the Public Services Ombudsman for Wales (PSOW). The Information and Data Protection Officer noted that although she acted as the liaison to the PSOW she was dependent on service areas in the Directorates to respond to referrals by the set deadlines. The Deputy Chairperson noted that the deadlines are agreed between the authority and the PSOW to start with, and although he appreciated the role of the Information and Data Protection Officer, somebody within the authority should be monitoring and escalating to ensure compliance with deadlines, as appropriate.</li><li>• The need to learn from comparators who manage to reach a much higher compliance rate in</li></ul>
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	<p>respect of PSOW deadlines, and whether there should be a working group in the Council to consider the issues that lead to only 28% of the recommendations due being complied with within the timescale agreed.</p> <ul style="list-style-type: none"><li>• That ten Code of Conduct complaints against the Authority's Councillors were received by the PSOW in the year in question but none of which proceeded to investigation.</li><li>• The new complaints system should facilitate learning in service areas and across the organisation by providing the means of deeper analysis of complaints and outcomes.</li><li>• The new system should also be able to capture compliments.</li><li>• The possible need for a training event, given the number of complaints recorded in Appendix G: Community Council Code of Complaints in respect of Porthcawl Town Council.</li><li>• The fact that although the Information Team endeavour to ensure that all complaints (both informal and formal) are acknowledged within five working days, some delays were experienced due to temporary staff shortages.</li><li>• The Deputy Chairperson noted that although, during 2024-25, PSOW received 4% less new Code of Conduct complaints than the previous year, over half of those received (56% this year) tended to relate to the promotion of equality and respect. Given that the Equality and Human Rights Commission (EHRC) has taken formal enforcement action in the form of a Section 23 legal agreement with the Welsh Government to improve its compliance with equality law, the Deputy Chairperson asked what assurance the committee has that the Council is fulfilling its legal obligations in relation to the public sector equality duty. This was something that needed to be thought about and suggested that it was an action to take away and come back to this committee in the future.</li><li>• That the Committee needed assurance that there was a process for corrective action and a feedback loop in terms of lessons being addressed at a corporate level in respect of complaints.</li></ul>
Date Decision Made	27 November 2025

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**271. Forward Work Programme 2025-26**

Decision Made	The purpose of this report was to seek approval for the updated Forward Work Programme for 2025-26.  <u>RESOLVED:</u>  The Committee considered and approved the updated Forward Work Programme for 2025-26.
Date Decision Made	27 November 2025

**272. Urgent Items**

Decision Made	None
Date Decision Made	27 November 2025

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

The meeting closed at 11:18.