Audit and Corporate Services Review Committee

13 May 2026

Present (in person)
Councillor D Clements (Chair)
Councillor C George and Dr M Havard,

Present (online)
Ms H Gwenllian, Mr H Hogg, Councillor B Price and Councillor V Thomas

Officers in attendance
Jason Blewitt and Tim Buckle (Audit Wales), Ceri Kwiecinski, Astari (Internal Audit), Chief Executive, Performance and Compliance Officer, Head of People Services, Head of Finance and Fundraising and Democratic Services Manager.

(Hybrid Meeting: 10.00am -11.35am; 11.45am – 12.55pm)

1. Apologies

Apologies for absence were received from Councillor S Skyrme-Blackhall and Councillor M James.

2. Disclosures

There were no disclosures of interest.

3. Minutes

The minutes of the meeting held on the 25 February 2026 were presented for confirmation and signature.

On the proposal of Councillor Clements, seconded by Dr Havard, it was **resolved** that the minutes of the meeting held on 25 February 2026 be confirmed and signed.

4. Action Log

Noted.

5. Income Diversification Working Group

The report of the Income Diversification Working Group held on 10 December 2025 was received. Members were advised that the next meeting of this group had provisionally been arranged for 10 June 2026, but officers would confirm this shortly.

Noted.

6. Annual Audit Summary 2025

The Chair welcomed Jason Blewitt from Audit Wales who presented the report which outlined work undertaken since the previous Audit summary in May 2025. It was noted that as the draft financial statements had been received after the deadline of 30 June 2025, the Authority's accounts were not prioritised for audit by the agreed deadline of 31 October 2025. There were a number of errors identified which led to extra work and therefore an additional fee was charged for the financial audit. However an unqualified opinion on the accounts was issued. There were no uncorrected misstatements in the accounts although there was one significant issue reported in relation to underlying errors within the Revaluation Reserve which, although not material, the Authority would address in 2025-26.

It was noted that in line with previously advised timescales, the deadline for audit of the 2025/26 accounts would be 30 September 2026, with accounts to be submitted by 30 June. In response to a question Mr Blewitt explained that these deadlines had now returned to their original pre-covid dates, however about 60% of local government organisations last year failed to submit in time and a priority list would be established for undertaking the audits in the forthcoming year.

Noted.

[The Chair advised that she would vary the agenda to take report 17/26 the Audit Wales Audit Plan at this juncture.]

7. Audit Wales Audit Plan 2026

It was reported that the Plan outlined Audit Wales' programme of work for the forthcoming year. Jason Blewitt presented the financial audit work that would be undertaken, highlighting the level of materiality that would apply and risks to be audited, which included a valuation of pension fund net liability/surplus, valuation of land and buildings, senior officer remuneration, related party disclosures and the Authority's new financial ledger system.

The performance audit plan was presented by Tim Buckle and he advised that their duties required that Audit Wales were satisfied that the Authority was achieving value for money and acting in accordance with the requirements of the Wellbeing of Future Generations Act. This year the planned performance audit work would consist of a review of cyber security arrangements; the timescales would be agreed with officers later in the financial year.

Fees were also outlined in the report and would increase by 5.3% for financial audit and 2.8% for performance audit.

Noted.

8. Internal Audit Reports

The Chair welcomed Ceri Kwiecinski from Astari, the Authority's internal auditors, who provided an update of progress towards delivery of the 2025/26 Internal Audit Annual Plan, as well as a summary of the work undertaken. A report of Key Financial Controls in respect of payroll was also presented and the auditors were able to provide substantial assurance regarding this area making only one low priority recommendation. It was noted that an annual report of Astari's work over the year would be presented to the next meeting of the Committee.

Noted.

9. Strategy Update for Internal Audit 2026/27 – 2028/29

It was reported that each year an 'Understanding the Business' exercise was undertaken through which the Internal Audit team considered any changes to the Authority or the operating environment, including reviewing the results of previous audits and other sources of assurance. This, together with the Authority's own risk management processes were used to undertake a risk assessment and develop a robust, risk-based audit plan.

The Internal Audit Strategy for 2026/29 had been developed following consultation with Chair, Vice Chair, Chair of Audit and Corporate Services Review Committee and Senior Leadership Team. The Authority's Management Team had also been provided with an opportunity to comment on the draft plan. It was presented to the Committee for approval that it would meet the Authority's priorities and needs for assurance.

Members were reassured that the plan was dynamic and was kept under review throughout the year, being sufficiently flexible to respond to emerging needs. The programme for 2027-29 was indicative and would be refreshed at the end of the financial year.

On the proposal of Councillor Clements, seconded by Councillor George, it was **resolved** that the Internal Audit Plan for 2026-27 be agreed.

10. **Audit Enquiries to those charged with governance and management**

It was reported that as part of the audit planning process, Audit Wales required assurance that the financial statements taken as a whole were free from material misstatement, whether caused by fraud or error.

A letter from Audit Wales appended to the report sought documented consideration and understanding on a number of governance areas that impacted on their audit of the Authority's financial statements. Management had updated their responses to the Audit enquires in the appendices and the Committee was requested to formally consider and approve these responses.

Some Members questioned the value of the document as many responses were unchanged from the previous year. Officers advised that no feedback had been received to indicate that the information provided was not as required, however where there had been changes these would provide a focus for the Auditors during the forthcoming year. A minor amendment was suggested to the responses in respect of oversight in relation to fraud and related party transactions and relationships (pages 40 and 49) and it was suggested that amendment of the relevant sentences be delegated to the Chief Executive in consultation with the Chairs of the Authority and the Audit and Corporate Services Review Committee.

On the proposal of Dr Havard, seconded by Ms Gwenllian, it was **resolved** that agreement of the management responses to the Audit Wales Enquiries letter in respect of the audit of the financial statements for the year ended 31 March 2026 be delegated to the Chief Executive in consultation with the Chairs of the Authority and the Audit and Corporate Services Review Committee to allow minor wording changes as discussed at the meeting.

11. **Action Log for External Performance Audit and Internal Audit (Ending 31 March 2026+)**

Members were reminded that following a request from the Committee, an Action Log for External Performance Audit and Internal Audit had been created to assist with monitoring of actions agreed from Audit reviews. The report provided an update on each of the actions. It was clarified that those actions arising from the Internal Audit reports presented that morning would be added to the Action Log following the meeting.

It was noted that due dates for a number of actions had been reviewed by officers and approval was sought for the revised implementation dates.

Focussing on the actions in red and amber, Members questioned how those resulting from vacant posts would be progressed. Officers responded that recruitment had commenced for a slightly different post, however it was considered that the risks associated with these actions not being progressed were low, and it was possible for some to be delivered in a different way. In response to a suggestion it was noted by officers that Audit Wales did not identify risk priorities for their actions, it was for the Authority to determine how it responded.

On the proposal of Councillor George, seconded by Councillor Thomas, it was **resolved** that the revised implementation dates for Audit Wales actions be agreed.

12. Well-being Objectives Performance Report – Progress against Priority Indicators and Projects/ Corporate Areas of Change Actions/ Annual Governance Statement Improvement Actions for the Period ending 31 March 2026

It was reported that these reports set out the Authority's performance against its four Well-being Objectives (Conservation, Climate, Connection and Communities) set out in its Corporate and Resources Plan 2023/24 – 2026/27 and against corporate area of change deliverables within the Delivery Plan, governance elements of Welsh Government reporting and deliverables from delivery plans, Welsh Government and improvement actions from Annual Governance Statement. They acted as part of control monitoring for risks set out in the Authority's risk register.

The reports presented the financial year performance for 2025/26.

Members asked questions on various aspect of the report including visitor numbers, coast path complaints, volunteering numbers, carbon emissions, progress on work at Traeth Mawr and funding of 1st 1000 days project which was considered important to enable children and families to gain the skills and confidence to get outdoors, thereby setting the tone for the rest of their lives. These were answered by officers, however it was agreed that further information be sought on reasons for the reduction in coast path complaints and the budget for Traeth Mawr.

Noted.

[The meeting was adjourned between 11.35am and 11.45am]

13. People Services Report

The report of the Head of People Services updated the Committee on Health and Safety including accidents and incidents in the first quarter of 2026, policy updates, including those resulting from implementation of the Employment Rights Act 2025, staff sickness absence, training and development, volunteering and Member development matters.

The officer apologised for some duplicated information contained within the report. She noted that the reporting of near misses was encouraged and it was pleasing to see these reports increasing. It was also noted that there was no underlying trend in sickness absence with the spike in the first quarter being due to seasonal colds and 'flu. The Democratic Services Manager added that following completion of the Welsh Government Governance training workshops, 44% of Members had attended all four sessions, while a further 4 Members (22%) had attended three of the four sessions.

Officers answered a number of questions put by Members, but officers agreed to provide an update on whether improved signage had been put in place at Carew regarding dogs on leads. The Chair of the Authority noted that progress in undertaking Member PDRs was slow but ongoing, however completion would enable development and training to be tailored to Members' needs.

Noted.

14. Business Continuity Plan, IT Disaster Recovery

The report provided the Committee with an update on the recent testing and review activities undertaken in relation to the organisation's Business Continuity Plan (BCP) and IT Disaster Recovery Plan (IT DRP) and creation of a new Cyber Incident Management Plan and summarised the outcomes. It provided assurance that the organisation was broadly well-prepared to respond to and recover from significant disruptions. However, continuous improvement actions had been identified and would be implemented to enhance the effectiveness and robustness of the arrangements.

In response to questions, the Head of Decarbonisation advised that the emergency response team was flexible, with additional members of staff added to the core team of senior managers and the Head of Communications depending on the incident. It was agreed that clear communication was essential and it was noted that a cascade system through managers was in place.

Noted.

[Councillor Price tendered her apologies and left the meeting during consideration of the following item.]

15. Budget Performance for the 12 months ending March 2026

The Head of Finance and Fundraising reported that indications were that the Authority would not end the year in deficit due to a last-minute settlement from Welsh Government. The team were about two weeks behind with preparation of the accounts and there would probably be further delays as some valuations of land and buildings were awaited, and sector-wide, there was no clarity on what index-linked figures were to be applied.

Members asked when it was anticipated that the accounts would be circulated to Members and they were advised that it was not certain that the Authority would make the 30th June deadline for submission to Audit Wales and the accounts would be reported to the next meeting of the Committee or the Authority as they became available, or would be circulated by email.

Noted.

16. Exclusion of the Public

On the proposal of Dr Havard, seconded by Councillor George it was **RESOLVED** that the public be excluded from the meeting as exempt information, as defined in Paragraph 14 of Part 4 of Schedule 12A to the Local Government Act, would be disclosed.

17. Risk Management Policy – Risk Register and Risk Management Statement

The report provided Members with an opportunity to comment and discuss an updated version of the Risk Register, 2nd Line Assurance Report and the Risk Appetite Statement. In addition, information was provided on deep dives undertaken since the previous meeting and any future actions. It was noted that, following a discussion at the workshop on Governance of Risk, an update on the Risk Register would be provided to meetings of the Authority.

Noted.

18. Delegation of any issues for consideration by the Continuous Improvement Group

It was **resolved** that there were no issues of concern that the Committee wished to delegate to the Continuous Improvement Group for consideration.

The Minutes of this meeting were confirmed at the meeting of the Audit and Corporate Services Review Committee held on 22 July 2026 without amendment