

# Audit and Corporate Services Review Committee

**19 February 2025**

## Present

Dr R Heath Davies (Chair)

Councillor D Clements, Dr M Havard, Councillor M James, Mrs J James, Councillor A Tinley and Mrs V Thomas

## Officers in attendance

Ceri Kwiecinski, Astari (Internal Audit), Chief Executive, Head of Finance and Fundraising, Performance and Compliance Officer, Head of People Services, Development Management Manager, Director of Nature and Tourism and Democratic Services Manager.

(Virtual Meeting: 10.00am -11.25pm; 11.35am – 1.35pm)

### **1. Apologies**

Apologies for absence were received from Councillor B Price and Councillor S Skyrme-Blackhall.

### **2. Disclosures**

There were no disclosures of interest.

### **3. Minutes**

The minutes of the meeting held on the 13 November 2024 were presented for confirmation and authentication.

It was noted that in the list of those in attendance, Councillor V Thomas was incorrectly called Mrs, rather than Councillor Thomas. Dr Heath-Davies also asked that the minutes be amended to explain that at the start of the meeting she was awaiting a call from the hospital, rather than being unwell.

On the proposal of Councillor Clements, seconded by Dr Heath Davies, it was **resolved** that the minutes of the meeting held on 13 November 2024 be confirmed and authenticated subject to the above amendment.

### **4. Matters Arising/Action Log**

#### **a) Well-being Objectives Performance Report (Minute 7)**

An update was sought on progress with zero based budgeting, and Members were advised that the Authority's budget for the forthcoming year would be set at the next meeting of the Authority, but work was ongoing to reduce the deficit with the aim to set a balanced budget for



26/27. A series of options would be presented to Members at a budget workshop to be held on 2<sup>nd</sup> April.

**b) Assurance Monitoring Report (Minutes 8)**

An update was sought regarding reporting of planning performance figures, and the Development Management Manager reported that meetings with the service provider, Agile, were ongoing to try to resolve the issue, but in the meantime the figures had been calculated manually and provided to Welsh Government.

**c) Health, Safety and Wellbeing Quarterly Report (Minute 9)**

A Member asked whether there was an intention to appoint a Health and Safety officer following the departure of the Health and Safety Project Officer. The Chief Executive replied that Health and Safety was a managerial responsibility and while it was likely there would be more of a dedicated resource as part of the reorganisation of the Countryside Team, there were no plans for anyone to work more corporately. Specialists would be brought into provide advice as necessary.

**d) Action Log**

It was requested that action 995 regarding the capturing of the cash risk on a sub-risk register be completed by the next meeting. Also a suggestion was made regarding a provider for the tier 2 safeguarding training which officers would explore.

The remaining updates provided in the Action Log were **noted**.

**5. Health and Safety Group**

The report of the Health and Safety Group held on 8 October 2024 was received.

Members sought reassurance that progress was being made on the action to confirm that staff had read relevant risk assessments (minute 6), and it was suggested that this could be monitored through the performance system. Officers advised that development of a process was ongoing and would be discussed at a future meeting of the Health and Safety Group.

**Noted.**

**6. Internal Audit Progress Report**

The Chair welcomed Ceri Kwiecinski from Astari, the Authority's internal auditors, who provided an update of progress towards delivery of the 2024/25 Internal Audit Annual Plan, as well as a summary of the work undertaken. She reported that the implementation of global internal audit standards in January 2025, placed more responsibility on audit



committees to engage with the audit process and she suggested that a meeting take place either with the Chair or the Audit Committee to consider those areas on which they required assurance and which could be included in the audit plan for the forthcoming year. It was agreed that Ms Kwiecinski would advise on an appropriate timescale for such a meeting and the Chair would seek suggestions from Authority Members by email.

The first of two reports presented was a follow up on risk maturity which had concluded that Members could take some assurance that that the five recommendations raised in the 2023/24 Risk Maturity review and the one accepted recommendation from TIIA's Risk Mitigation 2021 review had been implemented as agreed. Work was still required to fully implement five of the six recommendations followed up and these had been updated and restated in the Action Plan for report. No new recommendations had been raised.

The Chief Executive reminded the Committee that following a Member Workshop, a new risk management policy had been agreed by the Authority in March 2024, however the Auditors did not believe that the objectives set out in the Risk Register aligned with the Authority's Strategic Objectives. The recommendations set out in the report had been accepted by officers and if these were agreed by the Committee, work would be undertaken to review the Policy and Register, with the intention that these be presented to the next meeting of the Committee. In response to a question, the Chief Executive explained that guidance had not yet been prepared as it had been intended that this would follow on from preparation of the sub-risk registers, work on which had commenced; while work on the guidance would be brought forward, he was unsure whether it would be completed by the next meeting. This approach was agreed by the Committee. The Chief Executive added that he did not believe that outsourcing the work would be helpful as it needed to be owned by the Authority.

The second report related to a review of Governance Structures and Processes which had concluded that Members could take substantial assurance that the governance structure of the Authority was in line with good practice and that key governance processes were fit for purpose and aligned with key expectations. One medium and one low priority recommendation had been made.

**Noted.**



**7. Action Log for External Performance Audit and Internal Audit (Ending 31 December 2024)**

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, and had been amended since the last meeting in response to comments. 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.

Members asked for updates in respect of the Cyber Security audit and sub-risk register deep dives and officers advised that an update on cyber security could be provided at the next meeting as part of the private session and information on the latter could be included in the Risk Register covering report.

**Noted.**

[The meeting was adjourned between 11.25am and 11.35am]

**8. Update on Audit Wales Audit Plan**

Members were reminded that at the meeting of the Committee in July 2024 Audit Wales presented the Audit Plan for 2024-25, however the programme in relation to performance was to be confirmed at that time. A letter had now been received from Audit Wales setting out the work being undertaken during February 2025 and this was provided for information.

**Noted.**

**9. Assurance Monitoring Report – Compliance, Public and Statutory Duties and Corporate Improvement**

The Performance and Compliance Officer noted that the aim of this report was to review the Authority's current performance in respect of its compliance, public and statutory duties and corporate improvement areas. It would act as one element of the risk management approach and support officers and Members in monitoring, assessing and responding to compliance and corporate improvement areas of work. The report also outlined progress against corporate improvement areas identified within the Annual Governance Statement and the Authority's Delivery Plans.

The report provided resilience scores in respect of each area, and where tolerance levels or triggers had been reached resulting in scores considered 'Vulnerable' or 'Of concern' additional information and a management response had been provided. The reporting period was for the period ending quarter 3 2024/25.



It was noted that there had been positive development in respect of provision of planning statistics and it was hoped that the issues would be fully resolved by the next meeting. The Performance and Compliance Officer also pointed out that there was an error on page 72 of the report where the figure for invoices paid on time should have read 93.86%.

Members were concerned at some of the outstanding actions, notably the publication scheme, records of processing and review of policies, and asked that a date for completion be given; the officer provided assurance that work on them was progressing. The Chief Executive noted that due to the amount of governance requirements placed on what was a small Authority, it was challenging to have no areas considered to be 'vulnerable' or 'of concern', however the Authority was operating transparently in highlighting areas where work needed to be undertaken. He believed that the Authority was functioning effectively but at a time when it was trying to save money, it had to balance putting additional resources into these outstanding matters against preserving front line services.

**Noted.**

#### **10. Well-being Objectives Performance Report for the Period ending 31 December 2024**

It was reported that this report 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. It outlined progress against priority indicators, projects, work programmes and internal development activities linked to activities identified in the Authority's Delivery Plans. The report presented the performance to date up to 31 December 2024 and included Quarter 3 statistics for some measures.

In response to questions from Members, updates were provided in respect of the impact of storm damage, which had been considerable, the sustainable transport study and its links to the Regional Transport Plan and the e-bike project.

**Noted.**

#### **11. Health, Safety and Wellbeing Quarterly Report**

The report of the Head of People Services updated the Committee on accidents and incidents during 2024, Hand and Arm Vibration Syndrome monitoring, Health and Safety matters and training. Absence rates for staff sickness were also reported. She noted that there would be further work in encouraging the reporting of near misses.



Members asked that information on lessons learned be provided in future reports, particularly in respect of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents, and that the table of incidents be organised in some manner. There was also a question regarding claims resulting from injuries and whether there were any outstanding. Officers advised that they were not aware of any and would confirm whether there was a contingency sum provided within budgets.

**Noted.**

## **12. Finance Budget report for the 9 months to December 2024**

The report detailed the net revenue budget which showed a net deficit of £9k against an expected budget deficit of £441k (£432k better than budget). Costs overall were £219k over budget and variations were detailed in the report (although it was noted that the crosses and ticks in the final column of the table on page 142 had been reversed in error), together with a summary of retail performance.

At the end of the financial year, the forecast revenue position for the 2024/25 year end was an operating surplus in the region of £313k despite a budgeted net deficit of £509k as per the original budget. This was due to additional revenue funding of £660k allocated by Welsh Government and increased investment income. No deficit was therefore expected for 2024-25.

The capital programme for the year had increased from the original budget of £972k to a revised budget of £1,758k. The budget had increased principally due to the inclusion of items on order at the year-end but not delivered, an increased budget for the proposed Green Room build, additional H&S equipment, emergency replacement of a woodchip boiler, new finance system and IT Upgrades.

Figures for reserves, both general and earmarked, were also provided; the balance on the general reserves was forecast to be £1,520K which should maintain the fund balance within the reserves policy, while the Capital Receipts reserve and Capital Grants Unapplied were expected to be utilised during the year. There was also an expectation that earmarked reserves would reduce during 2024-25 as projects were delivered.

Members commended the zero based budgeting exercise that had been undertaken and asked about the impact of the rise in Employers National Insurance contribution. Officers replied that as no confirmation had been received that additional funding would be forthcoming, the full cost of the rise had been shown in the budget. A comment was also made with



regard to visitor centre income and the Director of Nature and Tourism noted that the weather played a fundamental role and that a huge amount of work took place; he advised that the next meeting of the Operational Review Committee would focus on the work of the Centres and that report would be shared with the Committee.

The report was **noted** and the movement in earmarked reserves and increased capital budget to date was approved.

### **13. Exclusion of the Public**

On the proposal of Councillor James, seconded by Councillor Clements 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.

### **14. Risk Management Policy – Risk Register and Risk Management Statement**

The Chief Executive advised that following consideration of the Internal Audit report on Risk Maturity earlier in the meeting, the recommendations impacting on the Authority's approach to Risk Management and the Risk Register would be taken forward and updated documents presented to the next meeting. Minimal changes had been made to the Risk Register since the last meeting and these were highlighted and other suggestions by Members discussed.

**Noted.**

### **15. 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 on 14 May 2025 subject to the following amendments:

It was noted that the word 'that' was repeated in the second paragraph on page 3 (Minute 6 Internal Audit Progress Report). Also in respect of the balance to be struck in completing outstanding actions highlighted in minute 9 (Assurance Monitoring Report) the Chair asked that it be noted that sufficient resources had to be made available to ensure compliance.

