

AUDIT AND CORPORATE SERVICES REVIEW COMMITTEE

10 February 2021

Present: Councillor D Clements (Chair)
Dr R Heath Davies, Councillor M James, Mr G Jones, Councillor P
Kidney, Councillor R Owens and Councillor M Williams.

[Mrs S Hoss joined the meeting during consideration of the Budget
Performance Report (*Minute 7 refers*).]

(Virtual Meeting: 10.00am -11.50am)

1. Apologies

An apology for absence was received from Councillor P Baker.

2. Disclosures

There were no disclosures of interest.

3. Minutes

The minutes of the meeting held on the 11 November 2020 were
presented for confirmation and authentication.

It was **RESOLVED** that the minutes of the meeting held on 11 November
2020 be confirmed and authenticated.

4. Health and Safety Group: report of meeting

Members considered the report of the meeting of the Health and Safety
Group held on 26 November 2020.

It was **RESOLVED** that the report of the meeting of the Health and Safety
Group held on 26 November 2020 be received.

5. Audit Strategy and Annual Internal Audit Plan & Summary Internal Audit Controls Assurance Report

The Chair welcomed Jonathan Maddock from TIAA, the Authority's
Internal Auditors. Taking first the Audit Strategy and Annual Internal
Audit Plan, he explained that the Plan for 2021/22 had been informed by
risk assessments carried out across its local government clients and by
an updated audit risk assessment aligned to the work of the Authority, to
ensure that planned coverage for the year was focussed on the key audit
risks. Given the ongoing impact of the COVID-19 pandemic, the key
emerging themes identified were funding, commercial income, cyber
security and project management and delivery.



The Annual Plan 2021/22 was taken from the three year rolling Audit Strategy which set out the work to be undertaken over the period 2021 – 2024. The areas to be reviewed in block 1 (to be carried out during quarter 2) were risk management – mitigating controls; ICT Strategy; and Estates Delivery. Block 2, which would be undertaken during quarter 4, would cover Equality and Diversity; Resilient and Sustainable Services; and Procurement and Creditor Payments. There would also be a follow-up of implementation of agreed priority 1 and 2 actions from previous audit reports.

It was noted that neither the Strategy nor the Plan were set in stone and changes could be made during the year in response to emerging risks or at the request of the Committee. Members were invited to contribute to the content of future plans.

Members suggested that in future years areas for consideration could include accordance of the Authority's work with the 'Involvement' element of the Ways of Working identified in the Well-being of Future Generations (Wales) Act 2015. Also the assessments in respect of the socio-economic duty due to come into force in March 2021. With regard to the latter, officers advised that different approaches to the assessments were currently being trialled in advance of further guidance being issued, but that consideration of this work stream could prove helpful in future.

The second document before the Committee was the Summary Internal Controls assurance (SICA) Report 2020/21. This provided an update on the emerging governance, risk and internal control related issues, with the principal impact being the COVID-19 pandemic. The report also noted that no audits had been finalised since the previous meeting of the Committee, however Mr Maddock advised that the first block of audit work had now been completed and would be reported to the May meeting. With regard to the Authority's progress in actioning priority 1 recommendations identified in previous audit reports, it was reported that the recommendation regarding fire safety logbooks identified as part of the review of Health and Safety had now been completed and the internal audit work had confirmed that action had been taken to address the risk exposure. Members were pleased to see that this action had been completed.

NOTED.

6. Annual Audit Letter 2019-20 and Annual Audit Summary 2020

It reported that the Auditor General for Wales' Annual Audit letter detailed his statutory responsibilities under the Public Audit (Wales) Act 2004 and the Code of Audit Practice. In addition, Audit Wales had provided an



Annual Audit Summary 2020 which showed the work it had completed since the last Annual Improvement Report, issued in 2019.

With regard to the Annual Audit Summary, the Chief Executive noted that not all of the information contained in it was relevant to the work of the Authority and he questioned whether more up to date figures could have been given in the Key Facts section of the document, referencing the Welsh Government's Planning Services Annual Performance Report as the relevant comparator.

Members agreed that, while they had found a number of the reports referred to interesting, a more tailored report would have been more relevant, and that Audit Wales should be asked to amend any inaccurate statistics. They noted that the report referred to an examination of the extent to which the Authority had acted in accordance with the sustainable development principle when taking steps to increase involvement, and asked whether any progress had been made in involving stakeholders in deciding spending priorities and strengthening resilience.

Officers replied that the draft report was still awaited, however an internal engagement action plan group had been created which had completed the self-assessment provided by the Future Generations Commissioner and this was being used to inform the Authority's priorities. It was hoped to present this work to a future meeting of the Committee.

Members also noted that Audit Wales had carried out a review of Public Service Boards (PSB) and wondered about the Authority's involvement with this body and the progress it was making. The Chief Executive replied that he was currently Chair of the Pembrokeshire PSB and acknowledging that bringing together a wide variety of public organisations was challenging. He believed that progress was being made, however it would take time for the PSB to achieve its potential.

NOTED.

7. Budget Performance Report for 9 months to December 2020

The report of the Finance Manager set out the detailed net revenue budget for the nine months to December 2020 which showed that the actual and committed expenditure was £3,679k, £71k over the profiled budget. The main reasons for the variance of actual expenditure against budget for each service department were set out in the report. A £59k underspend in the Development Management budget had been predominantly due to increased fee income, however the Promoting Understanding and Recreation and Park Management budgets were significantly over budget due to reduced merchandise sales, admissions



income at the Authority's Centres and reduced car park income. It was noted that the Centres had remained closed since the autumn firebreak and staff had been furloughed in full or part.

The forecast revenue position for the 2020/21 year end was expected to be a breakeven position. Additional expenditure and loss of Authority generated income as a result of the COVID restrictions and guidelines had been mitigated by additional grant support from the Welsh and UK Governments, and therefore instead of having to draw down £176k from an allocated reserve to balance the revenue budget, the Authority would be able to add £110k to this reserve.

The capital programme had significantly increased from the original budget to £3,117k due to an award from the Welsh Government under their Sustainable Landscapes Sustainable Places grant scheme, with details of the projects funded set out in the report.

Turning to the Authority's Reserves, it was reported that the general Reserve was expected to remain at £1,008k at the end of the current financial year. Earmarked and Capital Receipts Reserves were expected to fall to fund previously planned projects.

One Member was concerned about levels of stock in the Centres and the Finance Manager advised that the annual stock check was currently being carried out, but while a higher than normal write-off of stock was expected, this was not expected to be significant.

Members were also concerned with the reference to salary savings in the Development Management budget contributing to an underspend, given that the department was under pressure. Officers replied that an officer had been on long-term sick leave, however staff in the department had been supplemented by the engagement of a consultant as previously reported to the Authority. One Member believed it would be better to employ additional planning officers than to pay agency staff, and while officers did not disagree, it was noted that the Authority had used the Consultant to deal with peaks in the work of the department over a number of years. The staffing and structure of the team was constantly monitored and it was intended to advertise for an additional member of staff in the coming weeks.

NOTED.

8. Performance Report for the Period ending 31 December 2020

The report followed the structure of the Corporate and Resources Plan for 2020/21. The Plan was in two parts - the first section was based on progress against short and mid-term priorities focused on the Authority's



COVID-19 response and recovery planning, while the second section outlined progress against work streams that contributed to the longer term delivery of the Authority's Well-being Objectives and impacts within the National Park Management Plan. This section going forward would provide insight into the impact of COVID-19 and recovery on long term delivery and projects across well-being objectives. Some activities within work streams might be progressed during 2020/21, however a number of them, particularly those involving face to face contact between individuals, may not be able to progress until restrictions were partially or fully lifted. In some cases this would mean that activities under some work streams might not be carried out during 2020/21. Activities under work streams were being reviewed as part of the development of the Corporate and Resources Plan 2021/22, and a flexible approach continued to be needed as capacity meant that certain activities would need to be put on hold.

The report presented the performance to 31 December 2020 for monthly and quarterly data. The Performance and Compliance Coordinator highlighted a number of measures and actions to the Committee in relation to COVID-19 restrictions and recovery, noting that in line with recovery planning and relevant risk assessments, delivery of adapted face to face services did restart as restrictions allowed during Q2 and Q3, focussing mainly on outdoor engagement. Performance in the planning services had been affected by workload backlog, issues with IT systems and restrictions on office access and site visits but figures for Q3 for % of all planning applications determined within time periods required ytd showed an improvement on those for Q2. The report also provided an update on work towards longer-term objectives.

It was reported at the meeting that a new in-house performance management system had been developed and introduced as support had been withdrawn for the Ffynnon system used previously. Figures were also provided for coast path usage year to date, and these showed a fall when compared to 2019/20 from 181,043 to 145,511. Finally it was noted that the reference to October at the top of page 76 was incorrect and should have read December.

Members asked a number of questions regarding the actions and measures in the report which were answered by officers. Further information regarding the network of electrical vehicle charging points would be circulated after the meeting, with Members noting that this was a significant project, about which they wanted to gain a greater understanding.

Members commended the planning team for the work being undertaken under difficult circumstances, however they reiterated the point raised



under the previous item that further support, possibly in the form of an additional officer, was needed to mitigate impacts on staff and applicants. The Chief Executive replied that COVID-19 restrictions had affected much of the Authority's work and targets had not been met in many areas. Support had been provided to the planning service which continued to operate, but was unable to deliver in the same way that it would have done under normal circumstances.

With regard to challenges in engagement with for example the farmers or Community Councils as a result of the pandemic, it was noted that a phone call or other means of communication could provide an alternative to face-to-face contact. The Chief Executive replied that as with other organisations, the Authority had adapted to different ways of working and that engagement and discussions were taking place despite the restrictions. Officers would continue to engage in whatever way they could safely do so.

NOTED

9. Health and Safety Update

It was reported that following the last Health & Safety Meeting it had been decided to categorise Incidents and Accidents, to ensure the Authority could prioritise its response in addressing underlying causes. No personal injury incidents or accidents had been reported between October and December 2020; however there had been seven building and infrastructure incidents (security alarm triggers) and three incidents involving very minor only damage to Authority vehicles. Officers considered that these numbers were partly explained by the closure of the Authority's Centres during part of the reporting period; staff either working from home or furloughed; and the extended Christmas holiday period. Future reports would start to show monthly comparisons, as the Authority introduced its new HR System; this would enable much better reporting, so that trends and patterns could be monitored.

The report went on to provide an update on a number of project areas. Caer Health had been appointed as the Authority's new Occupational Health services provider following notice by Pembrokeshire County Council that it was no longer able to provide these services. Caer Health was an established company which currently worked with a number of public sector organisations and was able to provide greater value for money through enhanced service provision and a more competitive pricing structure.

An outline of the Authority's Employee Assistance Programme provided by Care First had recently been presented to the Personnel Committee and a copy of this was provided to Members of the Audit and Corporate



Services Review Committee for information. The service was free to all staff and their families and provided a 24/7 confidential telephone and information and advice line; telephone and face to face counselling; and an on-line portal, providing advice on fitness and wellbeing and practical solutions for a range of everyday problems. In order to ensure that staff properly understood the service offered, a programme of staff communication and engagement would be undertaken during 2021. Following a request by the Chair of the Member Support and Development Committee, the HR Manager was pleased to advise that Members of the Authority and their families would also be eligible to access the service and details would be circulated to them in due course.

To enhance the emotional support provided to Officers of the Authority, during Covid-19, Members were reminded that Cllr Phil Kidney had put forward a motion to the National Park Authority on 2 December 2020 which was referred to the Personnel Committee, for the introduction of a 'Listening Service' provided by Committee Members. Councillor Kidney had recently given a presentation to the Authority's Staff Reps Forum and work was ongoing to develop a communications plan for how this service would fit with the mechanisms currently in place.

It was reported that Fire Marshall Training, in accordance with the Fire Safety Policy and Procedure, would shortly be provided via video conference to close off an outstanding audit action.

Finally an update was provided on the Authority's staffing arrangements in response to the COVID-19 pandemic. Morale remained a constant concern in light of daily Government news on the pandemic and consideration would be given to holding staff activities to ensure morale issues remained high up on the agenda.

Noting the potential for Care First to provide professional support and performance coaching, one Member asked about the measures in place for staff development. The HR Manager replied that the Authority had a Service Level Agreement with Pembrokeshire County Council Learning and Development Team, and a training programme was currently being developed for staff and managers which it was hoped to implement in the summer when face to face meetings may be possible. It was intended that this would be a blended model of online and personal training, and the HR Manager offered to provide an overview of the key elements of that training to the Committee at a future meeting.

NOTED.



10. Risk Register

Members were asked to consider the latest risk register, which had been reviewed by the Leadership Team. The main changes from the previous report were highlighted in a summary table as previously requested by Members.

The Internal Auditor pointed out that the inherent risk scores in relation to risks 6 and 7 were mathematically incorrect, and the Finance Manager agreed to correct these figures.

Members noted that there was a typographical error in respect of risk 48, with an apostrophe in the middle of a word. It was requested that consideration be given to including a risk to reflect the effect on staff morale resulting from the ongoing lockdown and future uncertainty. The Finance Manager replied that he would include this and could highlight the work that was being undertaken to support staff. Finally an update was sought in respect of risk 43 – Ash Dieback and it was reported that it was intended to make a presentation on this to the next meeting of the Committee.

NOTED.

11. 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.

