

Audit and Corporate Services Review Committee

25 February 2026

Present

Councillor D Clements (Chair), Councillor C George, Dr M Havard, Mr J Hogg, Councillor B Price, Councillor S Skyrme-Blackhall and Councillor V Thomas.

Ms H Gwenllian arrived during consideration of Minute 4 – Action Log

Officers in attendance

Charles Rigby (Wales Audit), Ceri Kwiechinski, (Astari - Internal Audit), Chief Executive, Head of Finance and Fundraising, Performance and Compliance Officer, Head of People Services and Democratic Services Manager.

(Virtual Meeting: 10.00am -11.30am; 11.45am – 12.45pm)

1. **Apologies**

Apologies for absence were received from Councillor M James.

2. **Disclosures**

There were no disclosures of interest.

3. **Minutes**

The minutes of the meeting held on the 12 November 2025 were presented for confirmation and authentication.

On the proposal of Councillor Clements seconded by Councillor George, it was **resolved** that the minutes of the meeting held on 12 November 2025 be confirmed and authenticated.

[Ms H Gwenllian arrived during consideration of the following item]

4. **Action Log**

It was noted that the timescale given for Action 1064 was incorrect. The remaining updates provided in the Action Log were **noted**.

5. **Health and Safety Group**

The reports of the meetings held on 8 July and 21 October 2025 and 13 January 2026 were presented for information.

Members agreed that it was important for return-to-work interviews to be held on the first day back to enable proper support for staff to be put in place.

Noted.



6. Income Diversification Working Group

The reports of the meetings held on 2 July 2025 and 17 September 2025 were presented for information.

Noted.

7. Future Proofing? Financial Sustainability in Pembrokeshire Coast National Park Authority

It was reported that as part of Audit Wales' local government studies programme in 2025-26, a review of the ways the Authority was acting to help it achieve Financial Sustainability was undertaken. This included its financial plans, the evidence it used to develop its plans, and how it reported to Members on its finances.

Charles Rigby from Audit Wales presented the report, outlining the high-level conclusion reached that the Authority was clearly aware of its financial position, including its relatively strong reserves position, and its associated risks. It had focused on generating income in the short term but was at an early stage in thinking about its longer-term strategic approach. Finally it was noted that the Authority reported clearly and regularly on its finances but could strengthen this by explaining the implications of its budget variances.

Two recommendations were made, that the Authority should build on its recent activity to develop a clear, longer-term financial strategy, and ensure that financial reporting included delivery of its financial strategy and the implications of budget variances on its financial position. A Management Response to these recommendations was also provided and Members were asked to agree this.

Members questioned the definition of medium-term, noting that the Authority currently produced 3-year budget forecasts, and how it would be possible to go further than that given the fact that the grant settlement was annual and there were considerable uncertainties facing public sector bodies. Mr Rigby acknowledged that issues around single year funding notifications and late in-year notification of grants and funding were common to all local government bodies and a summary of the national challenges were set out in the report relating to Principal Councils which he would share with officers. He also agreed to highlight best practice in terms of communication of financial reporting.

Turning to the Management response, some Members were concerned that as written this didn't really respond to the recommendations. The Chief Executive replied that it had been kept open ended to reflect the uncertain and dynamic situation the Authority found itself in, however he



suggested that a sentence could be added to the response to Recommendation 1 agreeing to create a plan that outlines our Framework, Approach and Priorities over the short, medium and long term.

On the proposal of Councillor Clements, seconded by Dr Havard, it was **resolved** that the Management Response be agreed, subject to the amended wording suggested in the meeting, and that the final response be delegated to the Chief Executive in consultation with the Chair of the Committee and of the Authority.

[Due to attendance of the Head of Finance and Fundraising at another appointment, the Chair agreed to bring the following item forward on the agenda]

8. Budget Performance Report for the 9 months to 31 December 2025
The Head of Finance and Fundraising presented a report which outlined budgetary performance for the period to December 2025.

The report provided a summary of the Revenue budget, 2025-26 Revenue Forecast, overview of the Capital programme and an outline of the Authority's reserves. It noted that as at 31 December 2025 the Authority's net revenue position showed a net deficit of £580k against an expected budget deficit of £1,586k (£1,006k better than budget) with key variances provided.

At year-end, the forecast revenue position for 2025–26 indicated a deficit of £471k, based on nine months of actual results to December and the remaining three months of budgeted expenditure. However a balanced outturn was expected, supported by the additional £1.4m revenue funding received from Welsh Government in the prior year. This funding was carried forward as an earmarked reserve at 31 March 2025 and was available to support the 2025–26 budget. On this basis, no deficit was currently forecast for the financial year.

The capital spend for the year to date was £708,748. It was not expected that the full the budgeted program of £1,675,174 would be delivered by the end of the financial year. However the Preseli Suite was completed in January 2026 and the Newport Traeth Mawr development was anticipated to be completed in April 2026, both of which comprised 72% of the program.

In accordance with the updated contract standing orders, procurement breaches were required to be reported on a quarterly basis. One breach was reported in respect of fencing supply where only 1 quote was received, even though 4 contractors had been invited.



Finally, the officer noted that the new financial system was working well, with new systems and reports being developed, which would provide more information on budgets to staff. Comparison to the prior year would be particularly helpful once a full year of data had been entered.

Members noted the reference in the report to rising costs, but also to unfilled vacancies which had led to savings. Officers advised that some costs were as a result of particular projects or activities, however others were due to the significant burdens in accountability which resulted from being a public body. In reply to a question on cost saving measures it was confirmed that the Authority did work with other organisation, particularly Pembrokeshire County Council, and that good progress was being made on procurement frameworks. In respect of vacancies, it was noted that there were difficulties in recruitment in some area, but that work to build relationships with schools was ongoing.

The report was noted, and on the proposal of Councillor Clements, seconded by Dr Havard the movement in earmarked reserves to date was **approved**.

9. Internal Audit Reports

Ceri Kwiechinski from the Authority's Internal Auditors, Astari, presented 5 assurance reports which had been completed since the last meeting. Reports in respect of Asset Management – Commercial Management, Customer and Stakeholder Engagement and Strategic Planning had been given substantial assurance while those regarding Risk Management and the Follow-up Report on progress toward the implementation of agreed actions to address internal audit recommendations had received reasonable assurance.

Noted.

10. Action Log for External Performance Audit and Internal Audit (Ending 31 December 2025)

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 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 one external Audit action was on hold and in red due to the vacancy in Head of Regenerative Tourism role, one high priority internal Audit action was past due date and still in progress. A verbal update would be provided during the private session on activity



undertaken to date to progress this action due to it being linked to cyber security. Updates were provided on other actions.

Members felt that on some occasions the progress recorded against an action was not reflected in its RAG level. The Performance and Compliance Officer explained that the RAG level often reflected the officer's interpretation of the level of risk and whether it was likely to be completed within the stated timeframe. She agreed to provide further guidance to officers. Where items were in red, decisions needed to be taken on whether the action remained a priority for the organisation and whether it could be delivered in a different way; it also highlighted the importance of reflecting carefully on whether individual audit recommendations should be accepted.

Noted.

[The meeting was adjourned between 11.30am and 11.45am]

[Councillor George left the meeting at this juncture, rejoining for item 12]

11. 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 December 2025

The Performance and Compliance Officer presented two reports. The first set out the Authority's performance against its four Wellbeing Objectives (Conservation, Climate, Connection and Communities) within its Corporate and Resources Plan 2023/24 – 2026/27, outlining progress against priority indicators (including new Welsh Government indicators), projects and activities identified in the Authority's Delivery Plans. It acted as part of control monitoring for Risks 1- 4 in the Authority's risk register.

Performance report 2 set out the Authority's performance 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. It acted as part of control monitoring for Risk Areas 5, 6, 7, 9 and 11 in the risk register.

Members noted that progress was slow in some areas due to capacity. The Officer explained that the actions were set out in the Authority's Delivery Plans or linked to its Wellbeing Objectives and that these were reviewed annually. The Chief Executive added that he was content that some items were in amber or red, as long as an explanation for this could be provided.



Noted.

[Councillor George re-joined the meeting and Ms Gwenllian tendered her apologies and left.]

12. People Services Report

The report of the Head of People Services updated the Committee on health and safety, with a review of HAVS exposure data after its first year of collection and accidents and incidents in quarter three of 2025, staff sickness absence, training and development, implementation of the Employment Rights Act 2025, pay and grading, workforce planning and volunteering. An update from the Democratic Services Team in respect of the arrangement for evaluation individual Member Performance, Member training and attendance was also provided.

Noted.

13. Exclusion of the Public

On the proposal of Councillor Clements, 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.

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

The Chief Executive presented the Authority's Risk Register and outlined the amendments made since the previous meeting. An additional document providing a second line of assurance was also provided, in line with the recommendation of the Internal Auditors. Since the last meeting, some actions had been updated and other changes made, and these were outlined.

An update was also provided in respect of agreed actions from a previous internal audit on cyber security.

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.

