

## GOVERNANCE AND AUDIT COMMITTEE

Minutes of the Special Remote Meeting held on 16<sup>th</sup> November, 2023.

The Committee agenda is available [here](#).

The recording of the meeting is available [here](#).

Present: G. Chapman (Chair and Lay Member); N. Ireland (Vice-Chair and Lay Member); M. Evans (Lay Member); Councillors P. Drake, E. Goodjohn, M.J. Hooper, J.M. Norman, J. Protheroe and N.J. Wood.

Also present: Councillors C.P. Franks, G. John (Cabinet Member for Leisure, Sport and Wellbeing) and E. Williams (Cabinet Member for Social Care and Health) and A. Veale and J. Owens (Audit Wales)

### 521 ANNOUNCEMENT –

Prior to the commencement of the business of the Committee, the Chair read the following statement: “May I remind everyone present that the meeting will be live streamed as well as recorded via the internet and this recording archived for future viewing.”

### 522 DECLARATIONS OF INTEREST –

No declarations of interest were received.

### 523 AUDITED STATEMENT OF ACCOUNTS 2022/23 (CX) –

The Council had until 31<sup>st</sup> May each year to submit draft Statement of Accounts and an Annual Governance Statement and audit and external audit had until 31<sup>st</sup> July to issue a certificate. These deadlines had been relaxed during COVID 19 but as there had been a backlog of work nationally and the Auditor General for Wales had extended the certification deadline to 30<sup>th</sup> November, 2023 for 2023/23 Statement of Accounts.

The draft Statement of Accounts and Annual Governance Statement had been submitted to Audit Wales on 30<sup>th</sup> June 2023 by the locally agreed Audit Wales deadline. However, the Council had nevertheless issued a late publication notice.

The Draft Final Statement of Accounts included the consolidation of the draft City Deal Joint Committee accounts and the amended Big Fresh Audit Committee accounts, both of these changes amended the bottom line of usable and unusable reserves that were reported in July. There were a number of other changes largely of a presentation and classification nature which were detailed within the report and

had also been included in the Auditor's report. Since the despatch of the agenda some minor amendments had been made to Appendices A and D which had been circulated to Members and uploaded to the Council's website prior to the meeting.

The Annual Governance Statement demonstrated that appropriate governance arrangements were in place to meet the governance principles. Actions had been identified to address the governance issues identified during 2022/23.

Audit Wales had written to persons charged with Governance to gain assurance that there was no fraud which would have an impact on the accuracy and integrity of the Statement of the Accounts. The report highlighted that there were no fraud issues impacting on the Council's accounts. The external audit of the Statements of Accounts was nearing completion with the ISAA260 including appendices that set out the audit amendments agreed together with a recommendation in respect of Senior Management declarations of interest. The external audit of the Council's Annual Governance Statement was also complete with no significant amendments being required although one minor point relating to the updated Whistleblowing Policy had been reflected in the final version of the statement.

Audit work was also nearing completion on the Shared Regulatory Service and The Vale, Valleys & Cardiff Regional Adoption Service. These accounts would be brought back to Committee for consideration in the next cycle.

The Section 151 Officer provided the Committee with an overview of the report via a PowerPoint presentation further advising that with regard to the Management recommendation contained within the report relating to Senior Officer declarations under the Council's Code of Conduct this had been addressed as detailed in the report, by requesting a supplementary disclosure from officers during the audit period in respect of 2022/23 on a non-exception basis it being noted that this process would be concluded within the closure of accounts timetable for 2023/24. Following a query from the Chair as to how the definition of senior officers is arrived at the Auditor stated that it was a matter for the Local Authority to determine and was usually taken from the Council's remuneration list.

The Section 151 officer also drew attention to a potential emerging priority in relation to RAAC (reinforced autoclaved aerated concrete) advising that whilst there was positive news on this matter at the moment with there being no issues, this could change in the future. The Council was regularly monitoring this situation and would be updating Audit Wales as required.

The Head of Audit took the opportunity to advise Committee that he had provided reasonable assurance to the Council in respect of activities for the year 2022/23. A review had been undertaken and where actions had been identified they would be taken forward; it being noted that the basic controls were in place through the Council's Constitution.

The External Auditor Mr A Veale informed Committee that no significant issues had arisen during the audit and also took the opportunity to thank the officers and management for the support received during the audit further stating that the Council's management had taken everything onboard. The one recommendation

relating to senior officers' declarations of interests had also been complied with. In conclusion he stated that the next steps would be that the Statement of Accounts for 2022/23 be reported for approval to Full Council on 4<sup>th</sup> December, 2023 and for the Auditor General to sign off the accounts on 7<sup>th</sup> December, 2023.

Councillor Hooper in referring to the accounts for the Joint Committee Cardiff Capital City Deal region joint committee advised that the Committee had previously requested that a representative of the Joint Committee attend a meeting of the Governance and Audit Committee to present their accounts. To date this he said that this had not happened. It was subsequently suggested that the Director and the Accountant of that Committee attend a future meeting of the Governance and Audit Committee in the New Year to present their accounts with the Section 151 Officer advising that it would be appropriate for their attendance at a Governance and Audit Committee meeting once the accounts had been signed off.

Mr. M. Evans (lay member) enquired as to whether there were any obligations to be highlighted within the report for the Council. The Section 151 Officer responded by confirming that any obligations would have been picked up during the audit and prior to the Full Council meeting advising that there were no obligations to be included at this stage. Furthermore, the Section 151 Officer stated that the Council's direction of travel was in a good place and the Council was working well with Audit Wales.

The External Auditor confirmed for Members information that the Vale of Glamorgan Council had completed its accounts by the end of June but that not all local authorities in Wales had, for very good reasons. He too concurred that there was a very good relationship with officers in the Vale who had supported Audit Wales with all requests for information as required during the process. It was also acknowledged that there had been significant changes within the Financial Team throughout the year which had impacted to a degree on the production of the accounts.

The Section 151 Officer also took the opportunity to thank Audit Wales for their support during this time with it subsequently being.

RESOLVED –

- (1) T H A T it be recommended to Council that the Final Statement of Accounts and Annual Governance Statement at Appendices A (revised Appendix) and B to the report respectively be approved.
- (2) T H A T delegated authority be granted to the S151 Officer in liaison with the Chair of the Governance and Audit Committee to make any final adjustments to the Final Statement of Accounts and Annual Governance Statement as necessary.
- (3) T H A T the response to the Audit Wales Audit Enquiries at Appendix C to the report be approved.
- (4) T H A T the draft Audit Wales ISA260 and management actions agreed by the Vale of Glamorgan be noted.

- (5) T H A T the minor updates to Appendices A and D be noted.
- (6) T H A T the Section 151 Officer liaises with officers and the Chair of the City Deal Joint Committee with a view to representatives being in attendance at a future meeting of the Governance and Audit Committee to present their accounts.

Reasons for decisions

- (1) In order for Full Council to approve the Statement of Accounts and Annual Governance Statements.
- (2) The Audit of the Statement of Accounts and Annual Governance Statement is essentially complete but there may be some minor amendments to be made before they are approved by Council.
- (3) Audit Wales has written to both offices and those charged with governance with a set of queries to provide assurance on fraud, legal and related parties.
- (4) Having regard to the contents of the report and discussions at the meeting.
- (5) Having regard to further minor updates received.
- (6) Having regard to the technical nature of the accounts that representatives of the City Deal Joint Committee be present at a future meeting to advise Committee.