

No.

## GOVERNANCE AND AUDIT COMMITTEE

Minutes of a hybrid meeting held on 11<sup>th</sup> December, 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) Councillors E. Goodjohn, J.M. Norman and J. Protheroe and M. Evans (Lay Member).

Also present: Councillors C.P. Franks, W.A. Hennessy and E. Williams (Cabinet Member for Social Care and Health)

### 625 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.”

### 626 APOLOGIES FOR ABSENCE –

These were received from Councillors P. Drake and M.J. Hooper.

### 627 MINUTES –

RESOLVED – T H A T the minutes of the meeting held on 23<sup>rd</sup> October, 2023 and the Special Meeting held on 16<sup>th</sup> November, 2023 be approved as a correct record.

### 628 DECLARATIONS OF INTEREST –

No declarations of interest were received.

### 629 DEPRIVATION OF LIBERTY SAFEGUARDS TEAM ANNUAL UPDATE (REF) –

The reference from Healthy Living and Social Care Scrutiny Committee on 9<sup>th</sup> October, 2023 was presented.

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The Chair, Mr. G. Chapman, referred to the table in paragraph 2.3 and asked that for future updates it would be useful if the number of urgent referrals was included.

The Chair referred to Welsh Government funding and queried whether there was any indication of funding continuing and what was the likely impact if funding was withdrawn. In reply, the Operational Manager Safeguarding and Service Outcomes advised that further funding would be available in 2024/25 but there would be resource implications if funding after next year was taken away. Welsh Government was in the process of reviewing the Deprivation of Liberty Safeguarding (DoLS) framework in order to streamline the process but the Council would need to consider the resources available.

In terms of the number of outstanding assessments to be completed within the prescribed timescale, the Operational Manager advised that the Council used the National Prioritisation Toolkit which meant that those with the highest need would be considered first. The Chair commented that there were still 82 service users who required assessment and that was a risk to them as individuals but also posed a risk to the Council. It was therefore important for the Council to write to Welsh Government to state the urgency to ensure that the funding was made available for next year on the basis that the Council needed to assess some of the most vulnerable people in society. In addition, there was also a concern that Welsh Government was delaying the funding and framework around DoLS and those concerns needed to be addressed by Welsh Government.

Subsequently, it was

RESOLVED –

- (1) T H A T the contents of the report be noted.
- (2) T H A T the comments of the Governance and Audit Committee be referred to the Director of Social Services for consideration.

#### Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

#### 630 STRENGTHENING OUR COMMUNITIES AND WORK TO TACKLE POVERTY AND THE CURRENT COST OF LIVING CRISIS (REF) –

The reference from Corporate Performance and Resources Scrutiny Committee on 18<sup>th</sup> October, 2023 was presented.

Councillor E. Goodjohn referred to Appendix A and recommendation (6) and queried what work was the Council undertaking in order to signpost individuals to the responsible partner organisation that could assist with the cost of living crisis. In reply, the Director of Corporate Resources stated that in terms of signposting, the Council had recently reviewed the contents of its website so that it reflected the most up to date information. In addition, there was more information on the

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Council's website in terms of support for people's housing needs and in relation to energy bills, etc. The Council had also recently launched the Cost of Living Reserve Fund and that scheme was open for small community grants of which a significant number of applications had been received. Further work included the development of over 30 warm spaces and the Council continued to work strongly with its partners, notably the Citizens Advice Bureau and the Council was also providing support through work undertaken by schools and there were better linkages of Council services around families.

Councillor Goodjohn asked whether there had been any consideration of C1V directly signposting people to those contacts and especially those most vulnerable with housing needs to advise them how they could get support. In reply, the Director stated that he would follow the query up, but he was aware that there was a joined up approach in terms of social care, housing and other needs. The Director added that there was a new system that allowed the Council to make direct referrals to its partner organisations who would also be able to make referrals directly to the Council.

Councillor J. Protheroe queried whether there were any plans or proposals to support the sustainability of social enterprises. In response, the Director advised that the work of Audit Wales was to try and understand some of the barriers and challenges that that sector was experiencing and also how the Council could work more effectively to support their activities. The Director referred to the Council's procurement strategy around social value and that was something that the Council was keen to explore further.

The Chair queried how would the Council reach those people who did not have access to the Council's website. In reply, the Director advised that the Council did not just rely on its website as there was the Contact Centre which also handled a significant volume of queries. In addition, a positive piece of work was the creation of community focused schools such as Cadoxton that would now be able to support some of the Council's services through the signposting of parents. There was also a roll for libraries as well as working with the Council's partner organisations in order to reach people in hard to reach locations. In addition, it was also very important for the Council to support customers and residents in being able to access the Council's website digitally for themselves.

In coming back to the Director's points, the Chair commented that greater focus was required in rural parts of the Vale where there was an assumption that information was being relayed. The Chair stated that he felt that individuals living in the rural part of the Vale were missing out and he felt that greater consideration was required on how to engage with people in the rural areas.

The Director stated that he agreed with the point made by the Chair and that it was important for the Council to recognise that there were different types of poverty and deprivation in different parts of the county.

The Corporate Performance and Resources Scrutiny Committee had raised two questions in relation to discussions with Welsh Government concerning target settings for alleviating poverty. The Chair stated that Welsh Government was

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going to develop a Child Poverty Strategy and he asked when would that Strategy be available. In reply, the Director stated that he would find out and he would send a reply to all Members via email.

The Chair referred to the set of recommendations and responses contained in Appendix A and stated that it would be useful if all the recommendations from the report could be brought together at some stage in the future to clearly outline the work the Council was doing and what outcomes had been achieved. In reply, the Director stated that it was an excellent suggestion and an update report would be provided to the Governance and Audit Committee when available.

Councillor Protheroe commented that in terms of tackling poverty and the cost of living crisis, there was a role for Elected Members in advising their residents of the type of support available and how support could be accessed.

Subsequently, it was

RESOLVED – T H A T the contents of the report be noted and for the report and the comments of the Governance and Audit Committee to be referred to Cabinet for consideration.

Reason for decision

Having regard to the contents of the report and discussions at the meeting.

631 TREASURY MANAGEMENT MID-YEAR REPORT 2023/24 (REF) –

The reference from Cabinet on 16<sup>th</sup> November, 2023 was presented.

The purpose of the report was to provide a mid-year update on the Authority's Treasury Management operations for the period 1st April, 2023 to 30th September, 2023.

The report detailed the factors that were driving the UK economy during the period under review up to 30th September, 2023 and analysis of interest rate forecasts for the period December 2023 to September 2026.

Having considered the mid-year report, the Governance and Audit Committee

RESOLVED – T H A T the Treasury Management Mid-Year Report for the period 1<sup>st</sup> April, 2023 to 30<sup>th</sup> September, 2023 be noted.

Reason for decision

Having regard to the contents of the report and discussions at the meeting.

632 CORPORATE COMPLAINTS ANNUAL REPORT 2022/23 (DCR) –

The purpose of the report was to allow consideration of corporate complaints received from customers and the Public Service Ombudsman's Annual Letter for the corresponding period.

The Council adopted the Welsh Government's Model Corporate Concerns and Complaints Policy in July 2013. Complainants who remain unsatisfied after Stages 1 and 2 of the Policy were able to refer their complaint to the Public Service Ombudsman for Wales (PSOW). In May 2021 the PSOW confirmed that the Council's policy conformed with its model policy.

Recording and management of complaints and compliments transferred from Oracle CRM to the Granicus GovService platform in August 2022. These excluded Social Services complaints which were resolved via a different procedure and were reported separately.

The Local Government & Elections (Wales) Act (2021) required the Governance and Audit Committee to review and assess the Authority's ability to handle complaints effectively and to make reports and recommendations in relation to the Authority's ability to handle complaints effectively. These provisions were included in Part 6 of the legislation relating to the Performance and Governance of Principal Councils and Duty of Principal Council to keep its performance under review. The purpose of the policy was to ensure that complainants experienced a consistent and fair response. Recording and monitoring of complaints allowed the Council to:

- Gain insight into citizens' satisfaction with services provided.
- Understand how satisfied customers were with how complaints were investigated.
- Monitored responsiveness to statutory guidance and customer expectations regarding how quickly complaints investigations were completed.
- Identify potential for improving service by analysing what had been learned from complaints.

Analysis of complaints information for 2022/23 showed an increase in the number of complaints received to 495 (358) line with the long-term trend of increasing complaints, and above the 9-year annual average of 390.

- Responsiveness, in terms of adherence to deadlines, continued to decline
- Complaint handling was meeting the requirements of statutory bodies
- An increased focus on learning from complaints was required.

The PSOW received 49 complaints relating to the Council during the period. This represented a significant reduction compared to the 61 received in 2021/22 but remained above the longer-term average. No complaints were taken into investigation however, 15 complaints were resolved through Early Resolution and 15 (25) were considered to be Premature. 4 (8) were out of jurisdiction and 19 (19) were other cases closed after initial consideration. The full PSOW Annual Letter (2022/23) was attached at Appendix B to the report.

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The Annual Report detailed complaint performance for Directorates for 2022/23 and included performance trends since 2014/15. In April 2022 the Council implemented the Unacceptable Actions by Citizens and Social Media Policies. The new Policy on Unacceptable Actions by Citizens had not been applied to any citizen since its adoption. As of the date of the report 12 accounts had been blocked on 'X' and 14 on Facebook under the Social Media Policy.

Mr. M. Evans (Lay Member), queried how much reliance could there be placed on lessons learned when the number of interviews was fairly low and were there other methods of learning under consideration. In reply, the Director of Corporate Resources stated that there was not a huge amount of reliance, but feedback received was useful in terms of developing the Council's approach and understanding people's experiences. In terms of new methods of learning, one of the new approaches related to a linked email being sent immediately following the conclusion of a complaint.

Mr. N. Ireland (Lay Member), stated that it was good to see the number of complaints where there was learning reducing during the year and he wanted to thank the Director for the changes to the format of the report following the Committee's consideration last year. The Director stated that the thanks would be passed on to the team.

The Chair commented that in terms of complaints, there was likely to be an element of under-reporting particularly in relation to complaints raised directly to Councillors and it was important for those to be captured. In reply, the Director stated that one area that would be explored for the next report was in relation to those comments or complaints raised but not part of the formal policy.

Subsequently, it was

RESOLVED –

- (1) T H A T the contents of the report and Appendix A (Annual Complaints and Compliments Report) be noted.
- (2) T H A T the Governance and Audit Committee continues to receive an annual update in relation to Corporate Complaints and Compliments.
- (3) T H A T the report and the comments of the Governance and Audit Committee be referred to Cabinet for their consideration.

#### Reasons for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.

(3) In order that Cabinet can be apprised of the report and the comments made by the Governance and Audit Committee and reply to the Public Services' Ombudsman for Wales Annual Letter.

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633 PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED PLAN 2023-24 (HRIAS) –

The purpose of the report was to provide members with a position statement on progress being made against the audit work included and approved within the Internal Audit Risk Based Plan 2023-24.

The progress made against the approved internal audit risk-based plan 2023-24 for the period 1<sup>st</sup> April to 24<sup>th</sup> November, 2023 was detailed in Appendix A attached to the report. It showed that 30 of 69 planned audit reviews had been completed to date which equated to a completion rate of 43%. The Regional Internal Audit Service had set a target of 50% completion by the end of quarter 3.

Based on the assessment of the strengths and weaknesses of the areas examined through testing of the effectiveness of the internal control environment, audit opinions had been given to 26 of the 30 completed audits. 19 audits had been given Substantial or Reasonable assurance and 7 audits had been given Limited assurance. The identified risks found in the Limited assurance reports were detailed within the report. Included within this year's plan were 21 audits that were not undertaken or completed in 2022-23. Appendix B to the report showed the status of those audits. 9 of the 21 audits were now completed, 6 were in progress or allocated and due to start and 1 had been removed from the plan as the service had changed and the previous identified risks no longer existed. A total of 95 recommendations had been made to date to improve the control environment. The progress being made in implementing those was regularly monitored by the Auditors and reported to Committee.

The Chair referred to paragraph 2.6 and issues in relation to those limited assurance reports including libraries and digital equipment and Code of Conduct. He stated that there was a concern in respect of the timescales for the recommendations to be implemented. In reply, the Deputy Head of the Regional Internal Audit Service stated that a follow up review of all limited assurance reports would be undertaken. The outcome of the reviews would be reported to the Committee when available and usually within 6 months.

Subsequently, it was

RESOLVED – T H A T the contents of the report and the progress made against the 2023-24 Internal Audit Annual Risk Based Plan be noted.

Reason for decision

Having regard to the contents of the report and discussions at the meeting.

634 RECOMMENDATION MONITORING (HRIAS) –

The purpose of the report was to provide members with a position statement on internal audit recommendations made, implemented and outstanding.

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A position statement in respect of internal audit high and medium priority recommendations made, implemented and outstanding as of 24<sup>th</sup> November, 2023 was detailed in Appendix A attached to the report. A total of 58 high and medium priority recommendations had been made following the conclusion of audits from the 2023-24 annual plan. All had been agreed and to date 20 had been implemented and 38 had a future implementation date.

In respect of audits completed prior to the current financial year, there were currently 7 recommendations outstanding, that was where the agreed implementation date had passed. Details of these were shown in Appendix B attached to the report. 2 medium priority recommendations, made in audits undertaken in 2021-22, still had future target dates for implementation. These were detailed in Appendix C to the report. In addition, 21 recommendations made in 2022-23 audits had a future target date and these continued to be monitored. The monitoring of recommendations was undertaken regularly by Auditors and any undue delays or issues were highlighted to Senior Management and ultimately Committee.

The Chair commented that it was important for the Committee to be made aware of any areas of slippage and for those issues to be reported to the Senior Leadership Team in timely fashion too.

Having considered the report, it was

RESOLVED – T H A T the information provided in respect of the status of the high and medium recommendations be noted.

#### Reason for decision

Having regard to the contents of the report and discussions at the meeting.

#### 635 FINAL GOVERNANCE AND AUDIT COMMITTEE ANNUAL REPORT 2022/23 (HRIAS) –

The purpose of the report was to allow Members to have an opportunity to comment on the Governance and Audit Committee Annual Report 2022/23 prior to its presentation to Full Council.

Members of the Governance and Audit Committee were given the opportunity to consider and endorse the Final Governance and Audit Committee Annual Report 2022/23. The draft report was presented to Governance and Audit Committee on 18<sup>th</sup> September, 2023 and Members comments were included at 1.2 of the covering report and 3.2 of the main report.

The report demonstrated how the Committee had met its terms of reference as per the Council's Constitution as set out by the Local Government Measure 2011 and the Local Government and Elections (Wales) Act 2021. It had achieved this by concentrating on its core responsibilities during the year.



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Members of the Governance and Audit Committee agreed for their Annual Report 2022/23 to be presented to Full Council for its consideration and endorsement.

There being no queries or comments, the Committee

RESOLVED –

(1) T H A T the final Governance and Audit Committee Annual Report 2022/23 be endorsed.

(2) T H A T the final Governance and Audit Committee Annual Report 2022/23 be presented to Full Council for their consideration and endorsement.

Reasons for decisions

(1) Having regard to the contents of the report and discussions at the meeting.

(2) In line with the Local Government and Elections (Wales) Act 2021 and for Full Council endorsement.

636 CORPORATE FRAUD ENFORCEMENT POLICY (HRIAS) –

The purpose of the report was to provide members with the Council's draft Corporate Fraud Enforcement Policy ("the Policy") for consideration prior to submission to Cabinet for approval.

One of the core functions of an effective Governance and Audit Committee was to consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements. The Counter Fraud Strategy and Framework underpinned the Council's commitment to prevent all forms of fraud, bribery, and corruption, whether it be attempted externally or from within. Key policies were in place to support the Council's commitment, and the Anti-Fraud and Corruption Policy stated that the Council would seek the appropriate sanctions against any individual or organisation that defrauded or sought to defraud it.

The draft Policy aimed to ensure that the Council could apply a full range of sanctions in a just and consistent manner, ensuring they were applied effectively, were proportionate and cost-efficient. This Policy would ensure that the sanction decision making process was stringent, robust, transparent and properly considered the public interest. The decision to refer cases for prosecution or to recommend another form of sanction as an alternative to prosecution, where permitted by certain legislation, would be taken by the Council's Sanction Panel.

The use of sanctions would be governed by the principles of this Policy and would specifically cover Elected Members and Council Staff, Welfare Fraud such as Council Tax Reduction, Social Housing Fraud and any other fraud investigated by the Regional Internal Audit Service. It should be noted that the Shared Regulatory

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Service (SRS) had its own Compliance and Enforcement Policy to cover SRS areas of work.

Mr. N. Ireland (Lay Member), commented that the success or failure of the Policy related to the quality of the investigation undertaken. Therefore, the Policy should mention the type of training required for those undertaking the investigations and also commentary around the knowledge and expertise required. The Committee agreed for an additional statement to be added into Section 4 outlining that an investigation should be undertaken or led by a person with the appropriate qualifications.

The Chair queried whether the new Policy had synergy with the Policy devised for the SRS. In reply, the Deputy Head of Regional Internal Audit Service confirmed that the new Policy had been discussed and shared with the SRS and also Legal Services had also reviewed the Policy when in draft.

Subsequently, it was

RESOLVED –

(1) T H A T Section 4 of the draft Corporate Fraud Enforcement Policy relating to investigations be amended to include commentary that investigations should be carried out or led by officers with the appropriate training and/or experience.

(2) T H A T the draft Corporate Fraud Enforcement Policy along with the Committee's recommendation be referred to Cabinet for approval.

#### Reasons for decisions

(1) Having regard to the contents of the report and discussions at the meeting.

(2) To ensure Cabinet receive the comments of the Governance and Audit Committee.

#### 637 UPDATED FORWARD WORK PROGRAMME 2023/24 (HRIAS) –

The report was presented, the purpose of which was to provide Members with a Forward Work Programme (FWP) for 2023/24.

The Governance and Audit Committee had a number of core functions and responsibilities within its remit. It received reports and presentations throughout the year to enable it to carry out those core functions and responsibilities effectively and to provide it with confidence in the financial governance of the Authority.

To enable the Committee to provide this assurance and to ensure it was covering its range of responsibilities, an FWP was presented at each meeting, setting out the reports to be presented at future meetings, for approval or amendment, as necessary.

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The updated FWP for 2023/24 was attached at Appendix A to the report and changes had been made to reflect decisions made at previous meetings.

Committee was requested to approve the updated FWP or request changes for future meetings.

The Committee noted that the Director of Corporate Resources and the Director of Social Services would both be attending the next meeting of the Governance and Audit Committee in February in order to provide progress in relation to cyber security and corporate safeguarding respective.

Subsequently, it was

RESOLVED –

- (1) T H A T the Forward Work Programme be noted.
- (2) T H A T the schedule of items for the next meeting on 5<sup>th</sup> February, 2024 and the list of people to be invited for each item (if appropriate) be endorsed.

Reason for decisions

(1&2) Having regard to the contents of the report and discussions at the meeting.