

**Governance & Audit Committee**  
**Friday, 11 March 2022**

**PRESENT:** Councillor T.M. Higgins (Chair)

**Councillors:**

A.G. Morgan, K.V. Broom, K. Davies, B. Thomas and D.E. Williams

**Co-opted Member:**

Mrs. J. James

**Also present as an observer:**

Councillor D.M. Jenkins – Cabinet Member for Resources

**Audit Wales Representation:**

N. Jenkins

**The following Officers were in attendance:**

C. Moore, Director of Corporate Services

H. Pugh, Head of Revenues and Financial Compliance

A. Bracey, Head of Adult Social Care

S. Smith, Head of Children's Services

A. Williams, Head of Waste and Environmental Services

C. Powell, Principal Auditor

G. Ayers, Corporate Policy and Partnership Manager

M. Withey, Member Support Officer [webcasting]

M.S. Davies, Democratic Services Officer

J. Owens, Democratic Services Officer [note taker]

S. Rees, Simultaneous Translator

**Virtual Meeting - 10.00 - 11.56 am**

**1. APOLOGIES FOR ABSENCE.**

Apologies for absence were received from Councillors G.H. John and B.A.L. Roberts.

**2. DECLARATIONS OF PERSONAL INTERESTS.**

J. James	11. Minutes of the Governance and Audit Committee held on 17 December 2021.	Personal and prejudicial interest in matters relating to the recruitment of Lay Members to the Governance and Audit Committee.
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**3. PROGRESS REPORTS:**

**3.1. ADULT SOCIAL CARE ACCOMMODATION STRATEGY**

The Committee considered a report which provided an update on the Authority's position in response to the recommendations contained in the Audit Wales report concerning Strategic Commissioning of Accommodation Services for Adults with Learning Disabilities.

Members were reminded that an update had been presented to the Committee at its meeting in December 2018, whereby it was resolved that a progress report regarding the Authority's plans to develop accommodation services for adults with learning disabilities in Carmarthenshire be provided to Members.

A synopsis of the progress made in respect of the Authority's ambitious 10-year programme of change was provided to the Committee, which had been supported via an increase in staff resource within the adult social care, commissioning and housing divisions.

The Head of Adult Social Care reported that the ongoing coronavirus pandemic had somewhat hindered the Authority's progress, however the Committee noted with interest that several accommodation projects had been progressed on a collaborative basis, with the use of external Integrated Care Funding, and the Council's housing stock to implement bespoke housing projects.

The following observations/issues were raised on the report:-

Clarity was sought on the number of individuals who would require accommodation during the course of the plan, which would provide Committee with an indication of the scale of the challenge ahead for the Authority. The Head of Adult Social Care referred to the imminent publication of the Authority's Accommodation Plan 2022-24 which would be circulated to the Committee in due course, and which would provide a detailed insight into the accommodation requirements for the County.

In response to a query, the Head of Adult Social Care confirmed that the needs and requests of individuals were accommodated as far as possible, which included the provision of support, via a range of accommodation options in local areas, in order to provide improved outcomes for individuals.

Reference was made to the recent accommodation provision within the Glanaman area, whereby Members commended the Authority for its model of care which promoted choice, independence, and community integration.

**UNANIMOUSLY RESOLVED that the progress made and future priorities in relation to people with a Learning Disability be noted.**

### **3.2. AUDIT WALES REPORT - REVIEW OF WASTE SERVICE, JULY 2021; UPDATE, MARCH 2022**

The Committee considered a report which provided an update on the Authority's position in response to the Audit Wales review of the Council's arrangements to plan and deliver its waste services sustainably. The report summarised the main findings arising from the audit undertaken by Audit Wales of the Council's Waste Services.

The Committee duly considered the action plan appended to the report which aimed to address the 8 key recommendations emanating from the audit findings, together with a synopsis of the Waste Strategy Implementation Plan.

The following observations/issues were raised on the report:-

In response to the concerns expressed regarding the high number of fly-tipping incidents, the Head of Waste and Environmental Services confirmed that a strategy would be introduced to address the problematic areas of fly-tipping in a strategic co-ordinated manner, whereby cameras would be deployed to identified areas of need, as required. In respect of the number of prosecutions made, the Head of Waste and Environmental Services responded that there had been in the region of 4-5 and 3-4 prosecutions in 2019/20 and 2020/21, respectively.

Reference was made to the waste service strategy whereby a concern was raised regarding the number highways that had not been adopted within new developments, which resulted in waste bags being placed in bulk at sites entrances. The Head of Waste and Environmental Services clarified that whilst there was no legal enforcement for the adoption of highways within new developments, the Authority very much encouraged voluntary agreements with Developers. It was explained that risk assessments were undertaken for developments without the formal adoption of highways to ensure safe systems of work for the Authority's employees.

Committee Members expressed their gratitude to the Head of Waste and Environmental Services and his team for the sterling progress made to date to address the recommendations emanating from the external audit. Furthermore, the Committee requested a further update on the action plan, including the progress made in respect of roadside glass collection.

#### **UNANIMOUSLY RESOLVED**

**3.2.1 That the Authority's position in response to the Audit Wales review of the Council's arrangements to plan and deliver its waste services sustainably be received.**

**3.2.2 An update on the progress of the action plan be provided to the Governance and Audit Committee scheduled for 16 December 2022.**

#### **4. INTERNAL AUDIT PLAN UPDATE 2021/22**

The Committee considered a report which provided an update on the progress made on the implementation of the Internal Audit Plan 2021/22.

The Head of Revenues and Financial Compliance reported that due to the ongoing situation with the coronavirus pandemic, and particularly the outbreak of the Omicron variant and its resultant restrictions over the Christmas period, further Internal Audit resources had been required to assist with the processing and payment of grant funds, as set out within the report. Accordingly, it was proposed that the audit assignments for the Welsh Language Standards, Disaster Recovery & Business Continuity and Waste would be deferred to the 2022/23 Audit Plan. This was endorsed by the Committee.

The Chair, on behalf of the Committee, commended the sterling efforts of the Head of Revenues and Financial Compliance and her Team for the additional audit assistance provided to ensure compliance with required processes.

**UNANIMOUSLY RESOLVED that the Internal Audit Plan update 2021/22 be received.**

## **5. INTERNAL AUDIT RECOMMENDATIONS**

The Committee considered a report that provided an update on the progress status of Internal Audit recommendations which related to the 2020/21 financial year.

The Head of Revenues and Financial Compliance advised the Committee that Internal Audit had issued a total of 102 recommendations during the 2020/21 financial year with recommendation ratings of between 1\*- 3\*. To date, 89 (87%) had been completed or in progress, 5 (5%) either had actions outstanding or were off target and the remaining 8 (8%) had not yet reached their target date. The outstanding actions, in the main, related to staffing issues within the creditors division and the requirement for the payroll division to issue reminders in respect of the correct protocols to be followed by employees.

Committee welcomed the report and requested that future reports include details of the actions outstanding. This was agreed by the Head of Revenues and Financial Compliance, who also stated that the information would be included within the Annual Internal Audit report scheduled to be considered by the Committee at its meeting on 15 July 2022.

### **UNANIMOUSLY RESOLVED:**

**5.1 That the Internal Audit Recommendations report be received.**

**5.2 Future reports on the Internal Audit Recommendations and Annual Internal Audits include details of actions which remained outstanding or were off target.**

## **6. INTERNAL AUDIT PLAN 2022/23 & PLANNED COVERAGE FOR 2022-25**

In accordance with the requirements of the Public Sector Internal Audit Standards, the Committee considered a report which detailed the Internal Audit Plan for 2022/23 and the planned coverage for 2022-25. It was reported to the Committee that the Audit Plan for 2022/23 had been compiled using risk assessment principles and took account of changes in services.

The Head of Revenues and Financial Compliance confirmed that a total of 1240 audit days had been allocated for 2022/23 within the areas of Fundamental Audits, Corporate Governance Assurance, COVID-19 Assurance, Corporate Reviews, Grants and Certification, Departmental Reviews and additional work. In this regard, the Committee was assured to note that the programme had been developed in consultation with the Corporate Management Team to ensure a relevant and robust audit provision.

Reference was also made to the implementation of a three-year rolling programme which provided assurance of the adequacy of audit coverage and allowed the flexibility to deal with changes to systems within the Authority.

#### **UNANIMOUSLY RESOLVED**

- 6.1 that the Annual Internal Audit Plan for 2022/23 be approved;**
- 6.2 that the plan coverage for 2022-25 be confirmed.**

### **7. GOVERNANCE & AUDIT COMMITTEE FORWARD WORK PROGRAMME**

The Committee considered the proposed Forward Work Programme for the 2022/23 Governance and Audit Committee Cycle which detailed the items to be presented to Committee at scheduled meetings during the forthcoming year.

The Head of Revenues and Financial Compliance drew Members' attention to the delay in Committee receiving the scheduled review of planning services and provided assurances that the most recent update report, which had been considered by Cabinet Members, would be circulated to the Committee, prior to providing a further report on progress to the Committee at its meeting scheduled for 15 July 2022.

Reference was also made to the delayed Audit Plan update from Audit Wales, whereby the Audit Wales representative clarified that the report would be published following inclusion of the feedback provided as part of its recent consultation process.

Consideration was also given to the training programme appended to the report which aimed to equip members with the required skills to fulfil their role on the Committee.

**UNANIMOUSLY RESOLVED that the report be received.**

### **8. CARMARTHENSHIRE COUNTY COUNCIL'S CORPORATE RISK REGISTER 2021/22**

The Committee received for consideration the Corporate Risk Register which was maintained to evaluate the Council's exposure to key strategic risks.

Clarification was provided to the Committee that the previous risk rating noted in the report showed the direction of travel from the initial submission of risk on to the register. Furthermore, the Committee was advised that a refresh of the risks set out within the register would be undertaken to ensure the appropriate categorisation of risks.

The following observations/issues were raised on the report:-

In response to a query which related to the adverse implications to care homes as a result of rising fuel costs, the Head of Revenues and Financial Compliance provided assurance that the issue of fuel prices would be considered by the Corporate Management Team and the corporate risk register would be updated as appropriate.

Committee commended the corporate risk register whereby it was noted that pertinent information was clearly structured, however it was suggested that the titles of responsible officers be included for all actions in future reports to ensure consistency and furthermore, some typographical issues would need to be addressed.

Reference was made to risk CRR190068 which related to the funding of highways. In response to a query, the Head of Revenues and Financial Compliance provided background information on the incorporation of the risk to the corporate register, which in the main had been identified as a consequence of falling investment levels following the termination of grant funding from Welsh Government. However, since the incorporation of the risk to the corporate register, Committee was assured to note that the Council had subsequently allocated a total of £4.3m for local highway infrastructure to mitigate for the lack of Welsh Government support for investment in highways.

Committee requested that the risk rating for the cyber-attacks area of risk (CRR190034) be reviewed by the Corporate Management Team in view of the ongoing situation with the recent Russian invasion on Ukraine.

**UNANAMOUSLY RESOLVED that the report be received.**

**9. TO CONSIDER THE FOLLOWING DOCUMENTS PREPARED BY AUDIT WALES:**

**9.1. AUDIT WALES WORK PROGRAMME UPDATE 2021/22**

The Committee considered a report presented by the Audit Wales Representative on the Audit Wales Work Programme and Timetable quarterly update, as at 31 December 2021.

**UNANIMOUSLY RESOLVED that the Audit Wales Work Programme Update.**

## **9.2. ANNUAL AUDIT SUMMARY 2021**

The Committee considered the 2021 Annual Audit Summary produced by Audit Wales on its completed work for Carmarthenshire County Council since the last Annual Improvement Report issued in January 2021. It was noted that publication of the Audit Summary formed part of the Auditor General for Wales' duties.

**UNANIMOUSLY RESOLVED that the Carmarthenshire County Council Annual Audit Summary 2021 be received.**

## **10. MINUTES OF RELEVANT GROUPS TO THE GOVERNANCE & AUDIT COMMITTEE**

### **10.1 CORPORATE GOVERNANCE GROUP – 10<sup>TH</sup> DECEMBER, 2021**

Committee received for information the minutes of the Corporate Governance Group held on 10<sup>th</sup> December 2021. In considering the document, for the purpose of clarity, a request was made for use of acronyms and abbreviations to be avoided in future minutes. The Head of Revenues and Financial Compliance duly agreed to feed back the comments made by Committee in this regard.

**UNANIMOUSLY RESOLVED that the minutes of the Corporate Governance Group held on 10<sup>th</sup> December, 2021 be received.**

### **10.2 RISK MANAGEMENT STEERING GROUP – 10<sup>TH</sup> FEBRUARY, 2022**

**UNANIMOUSLY RESOLVED that the minutes of the Risk Management Steering Group held on 10<sup>th</sup> February, 2022 be received.**

## **11. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE AUDIT COMMITTEE HELD ON 17<sup>TH</sup> DECEMBER 2021**

[NOTE: J. James having earlier declared an interest in this item remained in the meeting for its consideration].

**UNANIMOUSLY RESOLVED that the minutes of the meeting of the Audit Committee held on the 17<sup>th</sup> December, 2021 be signed as a correct record.**

## **12. EXCLUSION OF THE PUBLIC**

**UNANIMOUSLY RESOLVED, pursuant to the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, that the public be excluded from the meeting during consideration of the following items as the reports contained exempt information as defined in paragraphs 12 and 13 of Part 4 of Schedule 12A to the Act.**

**13. INTERNAL AUDIT REPORT - GARREG LWYD RESIDENTIAL UNIT**

**Following the application of the public interest test it was RESOLVED pursuant to the Act referred to in minute no. 12 above not to publicise the content of the report as it contained exempt information relating to particular individuals which is likely to reveal their identity (including the Authority holding that information) (Paragraphs 12 and 13 of Part 4 of Schedule 12A to the Act). The public interest test in respect of this report outweighed the public interest in disclosing the information as disclosure would result in a disproportionate and unfair disclosure of personal data relating to identifiable individuals.**

As agreed its meeting held on 17<sup>th</sup> December 2021, an update report was considered by the Committee which detailed the outcome of an Internal Audit review of Garreg Lwyd Residential Unit which had been undertaken to assess the controls and procedures in place in relation to Financial Management.

**UNANIMOUSLY RESOLVED that the report be received.**

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**CHAIR**

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**DATE**