

GOVERNANCE & AUDIT COMMITTEE

FRIDAY, 15 DECEMBER 2023

PRESENT: D. MacGregor (Chair)

Councillors (In Person):

A.G. Morgan

Councillors (Virtually):

K.V. Broom

K. Davies

A. Evans

P.T. Warlow

D.E. Williams

J. Williams

Lay Members (In Person):

J. James

K. Jones

M. McDonald

Also in attendance (In Person):

E. Ansell – Audit Wales Representative

D. Owen – Audit Wales Representative

Also in attendance (Virtually):

A. Lewis – Audit Wales Representative

G. Lewis – Audit Wales Representative

Also Present (In Person):

C. Moore, Director of Corporate Services

C. Powell, Principal Auditor

A. Bracey, Head of Adult Social Care

G. Ayers, Corporate Policy and Partnership Manager

G. Jones, Digital Programme Manager (City Deal)

R. Morris, Members Support Officer

J. Owens, Democratic Services Officer

Also Present (Virtually):

S. Rees, Simultaneous Translator

K. Thomas, Democratic Services Officer

Chamber - County Hall, Carmarthen. SA31 1JP and remotely - 10.00 - 11.46 am

1. APOLOGIES FOR ABSENCE.

An apology for absence had been received from Helen Pugh – Head of Revenues and Financial Compliance and R. Hemingway – Head of Finance.

2. DECLARATIONS OF PERSONAL INTERESTS.

Member	Agenda item	Nature of Interest
Mr Malcom MacDonald	7 – Council Complaints Policy Annual Report	Mr MacDonald has an involvement with one of the cases recorded as a statistic

Note: These minutes are subject to confirmation at the next meeting.

	2022-23 and	within the report. Mr MacDonald remained in the meeting and did not partake in the discussions or the voting therein.
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3. BURRY PORT HARBOUR FINANCIAL STATEMENT 2022-23

Further to Minute 4 of the meeting held on the 27th October 2023 the Committee, in accordance with the Accounts and Audit (Wales) Regulations 2014, and the delegated powers enshrined within the Local Government Measure, considered the 2022-23 Audited Accountment Statement for the Burry Port Harbour Authority.

Carmarthenshire County Council had a range of statutory powers and duties for the purposes of improving, maintaining and managing the Burry Port harbour through the Burry Port Harbour Revision Order 2000.

The report referred to the Harbours Act 1964 which stipulated the requirement for Harbour Authorities to prepare an annual statement of accounts relating to harbour activities. In compliance with the Accounts and Audit (Wales) Regulations 2014, the accounts were presented in the form of a separate annual income and expenditure account and statement of balances.

The Director of Corporate Services reminded the Committee that on the 1st April 2018 the Authority had granted a long-term lease to the Marine Property Group Ltd for the running and management of the Harbour and consequently the activity on the statement was much reduced. Subsequent to the granting of the lease however administrators had been appointed in June 2023 and the Council had agreed to provide short term funding to ensure the harbour remained operational. As a consequence of the company going into administration that position that had created significant doubt regarding the realisation of debtor balances and accordingly provision for that amount had been included within the accounts.

It was reported that the net cost of the harbour activities in 2022-23 amounted to £146k, (£687k for 2021-22) and all activities were fully funded by Carmarthenshire County Council. The fixed assets held at 31st March 2023 totalled £867k. The report detailed that the decrease in costs year on year of £697k was offset by a £137k bad debt provision and a £19k decrease in income.

The Director further apprised the Committee of the current position relating to the company's administration and to the authority's discussions with the administrators thereon, together with its actions in funding the Harbour's continued operation.

Reference was made to the lease arrangement between the Council and Burry Port Marine Ltd. It was confirmed the company had defaulted on the lease terms and the Council's legal division was examining the legal options on future

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forfeiture of that lease. There was also currently 3rd party interest in the harbour which was being discussed with the administrators.

UNANIMOUSLY RESOLVED that the audited Accounting Statement for the Burry Port Harbour Authority for 2022-23 be approved.

4. TO CONSIDER THE FOLLOWING DOCUMENTS PREPARED BY AUDIT WALES:-

4.1. AUDIT WALES WORK PROGRAMME UPDATE

The Committee considered Audit Wales' Programme Update and timetable as at September 2023.

The Committee was informed that following the report's preparation, the Audits had been completed in respect of the 2022-23 accounts for the Council, the Dyfed Pension Fund, Swansea Bay City Deal and the South Wales Corporate Joint Committee. The Accounts in respect of the Burry Port Harbour Authority had been completed and accepted by the Committee in Minute 3 above.

Additionally, the Performance Information report referenced on page 24 of the agenda pack had been drafted and shared with the Council and the Unscheduled Care Report on page 25 had been drafted but not shared.

The following queries/comments were raised in relation to the report:

With regard to the Assurance and Risk Assessment report, referenced on page 26, the Committee was informed the report had been finalised and was due back from the publishing department on the 19th December. Thereafter, it would be shared with the Council and published on the Audit Wales website four weeks later. Following its publication, it would be scheduled for discussion at a future meeting of the Governance and Audit Committee.

UNANIMOUSLY RESOLVED that the Audit Wales Work Programme Update be noted.

4.2. DIGITAL STRATEGY REVIEW - CARMARTHENSHIRE COUNTY COUNCIL

The Committee considered the Audit Wales' report on Carmarthenshire's Digital Strategy Review. Whilst the review had been undertaken as part of a National Review, individual reports had been prepared for each Council. For Carmarthenshire, the report examined the extent to which its strategic approach to digital services had been developed in accordance with the sustainable development principle and it was hoped that it would help to secure value for money in the use of the Council's resources with the following key findings having been made:

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- The Council has a clearly articulated strategic approach to digital, that is informed by a good understanding of current and future trends and is understood by key elected members and officers.
- There are strong governance arrangements to monitor the progress of digital projects supported by implementation plans that include milestone and performance measures.
- The Council has also reviewed the impact of the COVID-19 pandemic on the delivery of its digital strategy and has applied learning from this to inform its strategic approach.
- The Council's arrangements could be further strengthened through improved public engagement, clarifying how it could contribute to the national well-being goals and further exploring opportunities for partnership working.
- The Council also aims to monitor value for money via project post-implementation reviews, however, these are not always completed, and achievement of savings is not always monitored.

The report had also identified four recommendations (as detailed in the report) and the Councils' response thereto was appended to the report:

The following issues were raised on the report:

Reference was made to Appendix 1 of the report detailing the questions Audit Wales sought to obtain answers for along with the criteria used to arrive at its findings. The Committee found the inclusion of the Appendix to be most informative in providing clarity and setting out the framework in which the audit had been conducted.

Whilst it was acknowledged an evaluation of any strategy generally could not be undertaken in a one size fits all category, clarification was sought on how the Council would evaluate the Digital Strategy. It was confirmed that key to evaluation was monitoring, and the council would be discussing with Audit Wales on how that could be best achieved. Key to that would be the monitoring of satisfaction rates, both quantitative and qualitative for services provided internally to council departments and externally with the Council's residents.

With regard to a question on the monitoring of the report recommendations, it was confirmed that would form part of future progress reports to the Committee on regulatory recommendations, as detailed on item 8 of the agenda.

In response to a question on connectivity issues within the county especially the more rural areas it was accepted there was an issue and that over the past three years over £15m had been invested in that area and the new Digital Strategy, to be produced for 2024, would focus on increasing connectivity for the rest of the county's residents. The Strategy would also have a focus on digital regeneration including improving digital skills and inclusion for the county's residents.

UNANIMOUSLY RESOLVED that the report be received and the Council's responses to the recommendations be noted.

Note: These minutes are subject to confirmation at the next meeting.

4.3. SETTING WELL-BEING OBJECTIVES - CARMARTHENSHIRE COUNTY COUNCIL

The Committee considered the Audit Wales report on the setting of Carmarthenshire's Well Being Objectives. It was explained that the Well-being of Future Generations (Wales) Act 2015 placed a 'well-being' duty on 48 public bodies requiring them to set and publish 'well-being objectives' to maximise their contribution to achieving each of the Acts seven national well-being objectives by taking all reasonable steps in exercising their functions to meet those objectives.

The Committee noted that the report had made one key finding that 'the Council has applied the sustainable development principle in setting its new well-being objectives but could strengthen its arrangements for citizen involvement and monitoring its progress'.

The report also included one recommendation together with the Council's response thereto.

In response to a question on community engagement on the Council's public consultations, it was confirmed the Council was exploring the option of creating some form of panel of resident representatives similar to a citizens panel, and how that could be progressed, supported and resourced. For example, the previous citizens panel had operated in partnership with the Local Health Board and the Dyfed Powys Police.

UNANIMOUSLY RESOLVED that the report be received and the Council's response to its recommendation be noted.

5. AUDIT WALES REPORT: TIME FOR CHANGE - POVERTY IN WALES PROGRESS REPORT

In accordance with minute 5.5 of its meeting held on the 14th July 2023 the Committee received a progress report on the Audit Wales report titled "Time for Change – Poverty in Wales" providing an outline of the Council's response to the recommendations detailed therein relevant to local government. It was noted that, in July 2023, the Council had approved its 'Tackling Poverty Plan 2023' and the actions arising were embedded in service business plans with progress being monitored through usual performance management arrangements. Additionally, the cross-party Tackling Poverty Advisory Panel, chaired by the Cabinet Member responsible for Tackling Poverty (Cllr. Linda Evans) monitored progress on the delivery of the plan as well as advising the Cabinet Member of areas for development and progression.

The following issues arose:

Reference was made to the operation of Hwb Bach y Wlad within the ten towns. It was noted that time had been taken to establish itself within the communities with take up now increasing as people go to know the service with it providing valuable advice and assistance to residents. Its operation was funded by the

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Shared Prosperity Fund until December 2024 and would be monitored in accordance with the fund criteria.

UNANIMOUSLY RESOLVED that the progress report be received.

6. INTERNAL AUDIT PLAN UPDATE 2023/24

The Committee considered an update report on the implementation of the Internal Audit Plan for 2023/24. Appendix B to the report provided summaries of completed financial reports on key financial systems relating to:

- Main accounting,
- Creditor Payments
- Capital Accounting

The Committee duly reviewed the progress made in respect of the delivery of the audit programme which showed a completion rate of 55% to date.

It was also noted that the assignment within the Plan on 'Supported Living' would be replaced with an assignment on 'Support Carers'.

UNANIMOUSLY RESOLVED that the Internal Audit Plan Update 2023/24 be received.

7. COUNCIL COMPLAINTS POLICY ANNUAL REPORT 2022-23

(NOTE: Mr MacDonald having earlier declared an interest in this item re-declared that interest and remained in the meeting but took no part in the discussion or voting thereon)

Further to minute 6 of the meeting of the Committee held on the 29th September 2023 the Committee considered an amended Complaints Annual Report 2022-23 providing details on the corporate and social services complaints process, data on complaints / compliments received during 2022-23 together with additional information relating to:

- Compliance with the Complaints Policy Timeframe
- Compliance with the Social Services (Complaints Procedure) (Wales) Regulations 2014 for Adult and Children Services Complaints
- Feedback in terms of outcomes of complaints and service users
- Further information in terms of compliments received.

The Committee welcomed the revised report which addressed the points raised at its September meeting and extended its appreciation to officers for improving the report to reflect its observations from the previous meeting. While the revised report was welcomed, it was noted further improvements/amendments would be made in future reports, for example, the inclusion of comparative figures for the pre-ceding years.

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Reference was made to the high level of complaints upheld and an assurance sought they had not arisen because of organisational issues and were likely to continue. The Committee was assured the high number of complaints received were mainly service related with the two largest by volume relating to the operation of the waste collection service following the introduction of new working practices. The other service was Housing Repairs and new processes had recently been introduced for that service.

With regard to the provision of information to the Committee on Stage 2 complaints and their turnaround times, the Committee was advised that work was on-going to finding a solution thereto and that was a priority for the Council. However, in undertaking that work, a potential solution had also been identified for the provision of information relating to recording the timeliness of responding to Stage 1 complaints.

RESOLVED that the Complaints Policy Annual report 2022-23 be received.

8. PROGRESS ON REGULATORY REPORT RECOMMENDATIONS

The Committee received a report outlining progress made on recommendations contained within regulatory reports both National and local (local being specific to Carmarthenshire) detailing on-going recommendations from past reports together with recommendations completed and closed during the previous year.

It was agreed that for future reports where an action had been completed, the performance status element of the report be also amended to read 'completed' and not 'on target' as presently shown.

UNANIMOUSLY RESOLVED that the progress report be received.

9. GOVERNANCE & AUDIT COMMITTEE ACTION LOG

The Committee considered the Governance and Audit Committee Action Log detailing the actions to be monitored/progressed from previous meetings.

The Director of Corporate Services referred to action GAC – 2023/O5 relating to the Payroll Staff Certification process and advised that following the Committee's concern expressed at the September meeting, further action had been taken and the return rate for Council Departments was now 99%. For schools, however, 49 had yet to provide the relevant information despite a reminder having been sent in August and the matter being raised within the School Heads Forum. The next step would be a letter being sent by the Director of Education direct to the respective school heads and their chair of governors requiring the information to be provided.

The Committee noted that recommendation 7.2 within the minutes of the meeting held on the 27th October had not been included within the log but that would be corrected for the next meeting

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UNANIMOUSLY RESOLVED that the Governance and Audit Committee Action Log be received.

10. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE GOVERNANCE AND AUDIT COMMITTEE HELD ON THE 27 OCTOBER 2023

RESOLVED that the minutes of the meeting of the Governance and Audit Committee held on the 27th October 2023 be signed as a correct record.

CHAIR

DATE

Note: These minutes are subject to confirmation at the next meeting.