

Draft Minutes

Governance and Audit Committee

Date: 26 January 2023

Time: 5:00pm

Venue: Council Chambers- Hybrid Meeting

Present: Mr G. Chapman (Chair), Dr. N. Barry, Mr D. Reed.
Councillors J. Jordan, G. Horton, R. Mogford and S. Cocks

In attendance: Andrew Wathan (Chief Internal Auditor), Dona Palmer (Audit Manager), Jan Furtek (Audit Manager), Gareth Lucey (Audit Wales), Paul Flint (Performance & Risk Business Partner), Tracy McKim (Head of People, Policy and Transformation), Janice Dent (Policy and Partnership Manager), Meirion Rushworth (Head of Finance), Robert Green (Assistant Head of Finance), Mark Howcroft (Chief Accountant and Project Manager), Laura Mahoney (Senior Finance Business Partner), Rhys Cornwall (Strategic Director – Transformation & Corporate Centre), P Jones (Strategic Director – Environment and Sustainability), Stephen Jarrett, (Head of City Services)

Anne Jenkins (Governance Team Leader), Pamela Tasker (Governance Support Officer)

1. Apologies for Absence

None received.

2. Declarations of Interest

None received.

3. Minutes of the last meeting: 27 October 2022

The Minutes were accepted as a true record.

Dr Barry requested that the target date for completion was included in any actions recorded.

4. Call In the Strategic Director of Environment and Sustainability and Head of Service re the PTU Taxi Contracts resulting in Second Unsatisfactory Opinion

Members of the Committee considered the explanations and assurances provided by the Strategic Director and the Head of Service responsible for Passenger Transport Unit

(PTU) – Taxi Contracts that improvements had been made in service provision following two consecutive Unsatisfactory audit opinions.

Following two consecutive *Unsatisfactory* Internal Audit opinions, the Strategic Director for Environment and Sustainability, responsible for Passenger Transport Unit (PTU) – Taxi Contracts were invited into Governance and Audit Committee to provide assurances that appropriate improvements within service provisions and the control environment were made.

The Strategic Director for Environment and Sustainability assured the Committee that since the Head of City Service had been in post following recruitment, regular meetings had been held with the staff involved that included routine team briefings. An action plan had been drawn up to resolve the outstanding issue, with the input of the Audit Team. The Head of City Services also met with the Strategic Director for Environment and Sustainability fortnightly to provide updates; good progress had been made as a result of this, as referred to in Appendix 2. There was some challenge from the service area over one recommendation relating to the third party tender Wales system that they considered to be outside of their scope of control, however the rest of the recommendations were accepted.

The Head of City Services advised that as a result of the recent restructuring of the area a service manager post had been filled. The Audit team would also be providing a quarterly checking arrangement. Additional resource had also been added to the team, as there had been a significant new pressure on the team since covid and onward.

In relation to the work processes, IT systems had been enhanced and quality checks should be easier as a result. Any issues identified would be taken to the Senior Leadership Team meetings and escalated if there were any issues.

The Head of City Services had worked with his team to resolve issues such as those with the CTX system, which had been upgraded. In terms of workload the Head of City Services provided statistics relating to 2019 data in comparison to 2022, where there had been significant increase in service demand and expectation.

Comments of Committee:

Councillor Jordan referred to Appendix, point 2.11 (New), and asked if there would be any recommendations for the new issue. The Audit Manager advised that this was a new weakness that came out of the follow up audit, however the Audit Team require that management take action to resolve issues, rather than making recommendations.

Dr Barry sought assurance that management would escalate issues. if a similar situation arose again. The Strategic Director for Environment and Sustainability agreed that this was important, and as part of the ongoing process, the first audit would trigger any concerns into an escalation process. It was hoped however that with the extra review and resources in place any concerns would be flagged up in advance before it escalated in future.

Dr Barry also asked were there were any performance issues underlying the results. The Head of City Services advised that this was not a factor, what was identified is that additional staff were required due to the amount of work involved. Whilst there was a combination of factors that underpinned the audit results, performance issues were not one of them.

Councillor Cocks referred to the potentially vulnerable young people in taxis and queried the current situation in terms of up to date clearance of taxi drivers. The Head of City Services advised that all checks were up to date in relation to DBS checks, licences, etc. and that

there as there were always changes in operators and the related documentation, this was an ongoing process that was part of day to day operations.

Councillor Cocks also considered the implications in relation to staffing and training issues and the potential for greater pressure on individual staff due to cutbacks in future, and sought assurance that these pressures were being monitored and addressed. The Strategic Director for Environment and Sustainability agreed that this is key, and the new process of constant monitoring in place would ensure that this would not happen again.

Mr Reed asked the Strategic Director and Head of Service if the the weaknesses found by the audit team were accepted. The Strategic Director for Environment and Sustainability confirmed that the findings were accepted, although there was a minor issue relating to third party tendering which was not within the remit of the team.

Mr Reed then asked if the failings to the system being addressed with the support of the Audit Team. The Head of City Services assured Mr Reed that they were being addressed in collaboration with Audit, IT and Social Care.

Councillor Mogford asked owned the processes, and the accountability. The Strategic Director for Environment and Sustainability advised that Audit recommendations were dealt with at a Service Manager level, however the audit framework in place ultimately ensured that accountability was escalated and involved the Head of Service, and ultimately the Strategic Director for Environment and Sustainability. This was evidenced in the report being discussed at this level with the committee.

Cllr Horton referred to the CTX system and asked if using spreadsheets was a robust process to maintain information. The Head of City Services advised that spreadsheets were kept to support the management of the process in the CTX system. Whilst the system upgrade had increased functionality, the spreadsheets supported the overall process. Horton also asked if the system might fail due to the high-level of human interaction. The Head of Service briefly explained the process which would make sure that there was no failure going forward. The Strategic Director for Environment and Sustainability explained that any anomalies would be flagged up by the system.

The Chair mentioned that whilst it may have been beneficial to have invited the Team Manager to attend the committee, however further to Councillor Mogford's query, the Chair felt that accountability should be with the Strategic Director.

The Chair referred to comments in Appendix 2, para 1.02 that he considered should have been recorded as a red/critical weakness rather than amber/significant, and asked if the Strategic Director for Environment and Sustainability could give assurances that all the operators fulfilling the PTU contracts now had the necessary licensing and checks in place. The Strategic Director for Environment and Sustainability advised that they were.

The Chair asked if there was an internal working group that could pick up some of these cross-service issues in relation to operators, such as Licensing. The Head of City Services advised that there was a lot of interaction between Licensing and PTU that included monitoring, and this collaboration had recently helped to resolve an issue regarding photographic ID.

The Chair also questioned who undertook the monitoring of the contracts in terms of PTU and Licensing. The Strategic Director for Environment and Sustainability advised that it depended on the nature of the monitoring and recognised that the suggestion to formalise this through an internal working group was a good point raised by the Chair, and this would be considered for further development.

The Chair asked if City Services issued penalties for issues relating to PTU contracts. The Head of City Services advised that if there were significant breaches, the contractor / operator would be removed and any appropriate action taken.

The Chair also asked whether the Council had concerns as a statutory provider on the implications associated with providing services for vulnerable children, for example, if there was no escort and unlicensed driver. The Strategic Director for Environment and Sustainability advised that were there had been incidences of non-compliance, these operators had been removed.

Chair referred to the statistics in Appendix 2, para 1.03 and asked if the Committee could be given assurance that all escorts and drivers would have up to date DBS and training going forward. The Strategic Director for Environment and Sustainability assured the committee that the robust systems that were now in place were designed to ensure that this was monitored on an ongoing basis.

Chair referred to Appendix 2.11 regarding an unlicensed driver who worked in both Caerphilly and Newport was being prosecuted for doing so in Caerphilly. The Chair queried if the driver had been excluded from Newport's contract and how did this impact on Newport City Council who had a contract with the unlicensed drivers operator. The Head of City Services advised that whilst the driver had been prosecuted, the company was still operating in Caerphilly; whilst the incident in Caerphilly had been noted, the operator had not conducted any breaches of contract in Newport and therefore it was appropriate to keep the contract in place.

Councillor Horton asked how many contracts had been assessed under the monitoring taking place. The Head of City Services advised that monitoring had suffered due to low resources in the past, however, monitoring would also now be undertaken by Licensing and schools. City Services were in contact with schools daily and if there was a serious issue that required the Council to pull a contract, then this would be done immediately.

Dr Barry wished to see a documented process in place for schools to follow regarding to monitoring, so that reporting was not missed. The Strategic Director for Environment and Sustainability advised that information through schools came through to City Services regularly however they would speak to Education to ensure that regular monitoring was taking place. This was noted as a recommendation.

Councillor Jordan asked how far in advance the CTX System would flag up when a DBS check was due for renewal. The Strategic Director for Environment and Sustainability would look into this for the Committee.

Resolved:

- That Members of the Governance and Audit Committee accepted the explanations and assurances of the Strategic Director and the Head of Service, which would be confirmed by way of a second follow up internal audit.
- That an update report in three months be provided by City Services on its position including: facts and figures, DBS Checks for drivers and escorts and an indication of what continuation training was in place
- That Head of City Services and the Strategic Director for Environment and Sustainability be invited to Governance and Audit Committee in Six months' time to provide a further update.

- That Council consider the development of a working group comprising of PTU, Licensing, Social Services and Education to facilitate monitoring.
- That a process for monitoring and reporting issues is developed for use in schools.

5. Update on Call in of Director of Social Services and Head of Service re: the internal Audit of Adoption Allowances resulting in a Second Unsatisfactory Opinion- October Committee 2022

The Committee was provided with a written update from the Strategic Director for Social Services, as requested at the previous meeting:

I attended Governance and Audit Committee with Natalie Poyner Head of Children's Services on 27.10.2022 following a request from the Committee. Work carried out by the audit team had highlighted a number of areas of concern in the management of adoption allowances. While staff in Children's Services were aware of some of the challenges and had requested the support of audit colleagues to examine and understand the issues.

The reviews had resulted in two consecutive unsatisfactory opinions being issued.

At the Committee on 27.10.2022 I gave a series of assurances as to the steps being taken by Children's Services staff and proposals to remedy the issues raised.

Current position

The audit team have further reviewed the adoption allowances and are currently working on a further report. Their review work was undertaken late in the Autumn of 2022. The early findings of their review have been made available to Children's Services.

During this process it has become clear that the original steps taken in Children's Services and remedies have been insufficient to manage the challenges and while there is now full awareness of the issues there are in fact ongoing matters which continue to be unsatisfactory and have led to a poor service in the assessment, review and timely delivery of adoption allowances. When looked at in the wider arena of Children's Services with a budget of £27 million this is a relatively small area of expenditure of £300K and involves a comparatively small number of families 30 in total as compared to over 3,000 supported during the course of the year but it does impact on some of our most vulnerable children and the financial support for them to be settled with their families.

The most recent review has highlighted some very particular issues with staffing and structure in the teams involved. The details of those issues have undermined the assurances I gave to the Committee on 27.10.2022

Planned steps

In light of the further emerging findings from the audit team the following headline steps are now in hand.

- a. *The current arrangements for staffing and management responsible for adoption allowances have been reviewed and revised arrangements are being implemented with immediate effect. This will include a return of the work to the Children's Services business support team. The establishment of robust arrangements for leave periods, counter checking of the assessments and the decisions as well as supervision of the staff are part of this change.*
- b. *As part of the revisions discussions are underway to build training for a wider pool of staff and to ensure a step by step toolkit is available for all involved.*
- c. *Arrangements in neighbouring LAs to consider the "skill" mix for staff have flagged a possible need to enhance some of the input to financial assessment arrangements.*

Conclusion

Given the emerging review findings I apologise to the Committee for the assurances I gave on the 27th of October. The particular challenges within the current structures have led to the continued issues with delays and errors. The most recent discussions (23.01.2023) have ensured we do now have an immediate impetus to move forward.

Resolved:

The Committee noted the Social Services update from Director of Social Services.

6. Corporate Risk Register (Quarter 2)

The Head of People Policy and Transformation presented the report to the Committee, outlining that there were eight Severe risks (risk scores 15 to 25); six Major risks (risk scores 7 to 14); that were outlined in the report. In comparison to the quarter one Corporate risk register, there were no new and/or escalated risks, and two risks had been closed. Three risks increased in risk score; one risk had decreased in risk score; and the remaining ten risks maintained the same score. No risks were escalated or de-escalated in quarter one.

As set out in the Council's Risk Management Policy, Cabinet reviewed the Corporate Risk Register on a quarterly basis ensuring appropriate procedures were in place to monitor the management of significant risks. The Register was likely to change following the approval of the new Corporate Plan and priorities for service delivery.

Comments of committee:

Mr Reed queried the purpose of the green stars with ticks within the report. The Performance and Research Business Partner advised that a glossary would be included for future reference; a green star meant that a project was on course to finish on time and a tick over the green star meant a project was completed.

Dr Barry referred to the risk around recruitment of staff for children's services and staff absence, which appeared to be an issue throughout Wales. Dr Barry enquired if there was any collaborative work underway with other Welsh authorities or the WLGA to address this. Dr Barry felt that there should be more actions aimed at mitigating this issue in the medium

term plan. Finally in relation to out of county placements, Dr Barry questioned whether the Council be doing something to stimulate the local market, as issuing a tender m not answer the problem. The Strategic Director, Transformation and Corporate suggested that whilst the questions were not for this committee, they were valid points that would be referred back to the relevant Head of Service for their consideration.

Councillor Cocks referred to the severity of the cutbacks Councils needed to make throughout the UK, and the impacts that this would have on services. Cllr Cocks flagged his concerns that this would increase risks in children's services and other areas, and asked if the Committee adequate as to monitor these measures. The Chair advised that the report provided the reality of the situation of the Council and evidenced that the governance process was identifying risks being highlighted which should provide assurance to the Committee that the issues were being highlighted. The Chair added that, as elected members, difficult decisions need to be made to decide the priorities as the financial settlement would not be sufficient to cover every requirement. The Head of People, Policy and Transformation added that the role of the Committee was to ensure that adequate processes were in place to ensure that risks were monitored, or tolerated if that was the most appropriate response. The Head of Service confirmed that although resolving these issues sits outside of the remit of the Committee, there are ongoing local and national discussions relating to the levels of risk Councils are facing.

The Strategic Director, Transformation and Corporate stated that potential reductions in budget was the next challenge facing local authorities following the pandemic and austerity measures. The Director indicated that the mitigation and tolerance of risks as set out in the report is key.

Resolved:

The Governance and Audit Committee considered and moved the contents of the report and the risk management arrangements in place for the Authority.

7. Audit Wales and Regulatory Bodies Six Month Update

The Policy and Partnership Manager advised that the Governance and Audit Committee was required under its terms of reference to receive and consider inspection reports from external regulators and inspectors, to make recommendations and, where necessary, monitor implementation and compliance with agreed action plans. The Committee are asked to ascertain that the governance and processes place are adequate to manage this appropriately.

There are three external regulators: Audit Wales, Care Inspectorate Wales, and Estyn. Each body is responsible for providing assurance that the Council is fulfilling its statutory duties and providing value to the public. This report covered the regulatory reports published by each body between April and December 2022 including a summary of the Council's response (where applicable) and any additional actions which the Council was undertaking to respond to the recommendations. Performance information has been included, as per

Committee's recommendation at a previous meeting. The tables provide detail of ownership, completion dates and progress updates.

Comments of committee:

Dr Barry referred to a working group set up in relation to social enterprises and sought assurance that there was an action plan in place, and whether economy and regeneration were also involved. The Policy and Partnership Manager advised that there was cross-service representation from the Council as well as working with external partners, however it was in early stages and a plan could be expected from May onwards.

Councillor Cocks referred to the positive comments in the report, particularly those concerning carbon reduction and the workforce report, and flagged this for note by the Committee.

The Chair felt that the requirement for an action plan regarding social enterprise was important, and stated that the Governance and Audit Committee should be made aware of the Council's response to that recommendation and the resulting outcome. The Strategic Director, Transformation and Corporate agreed that the action plan is important to evidence that appropriate processes are in place to manage this. The Director reiterated that under Terms of Reference of the Committee, members were required to appraise the governance processes involving scrutiny, Cabinet and Council that underpinned this. Evidence of this underpinning process would be shared with the Committee as a link to the published plan; scrutinisation of the plan itself would be carried out in other committees as part of the governance processes.

Resolved:

The Governance and Audit Committee considered the contents of the report concerning regulatory activity completed, and the assurances provided in the meeting that where recommendations were raised, the Council was taking necessary action.

8. Internal Audit Plan – Progress (Quarter 3)

The Chief Internal Auditor highlighted the attached report, which identified that the Internal Audit Section was making progress against the 2022/23 audit plan and internal performance indicators.

The Internal Audit Plan was based on 1073 audit days. The team currently operated with an establishment of 7.5 Full Time Equivalent (FTE) audit staff. At the start of the year there were 5.5 audit staff in the team; additional support was being provided by an external internal audit provider. As a result of significant budget pressures facing the Council, a budget saving proposal was put forward to help to meet the anticipated gap. This would reduce the audit team establishment by 1 FTE, which would have an impact on the number of audits being completed next year. The Head of Finance included a section on this as part of the report.

The context to the saving was the financial position anticipated by the Council, and to mitigate this, all parts of the council had to make a significant level of savings. The Council was balancing an increasing number risks across council this would impact on front line services, including Social Care and school provision; therefore Finance had to consider a range of savings and prioritise those which would have the least impact on frontline provision.

Further to the update on resource, two Unsatisfactory audit opinions were being reported:

- i) Purchasing Cards (Transactions) and;
- ii) Passenger Transport Unit (PTU) Taxi Contracts follow up.

Comments of committee:

In relation to the reduction in staff, Dr Barry felt that it was a false economy to reduce the Audit team by one Full Time Equivalent and asked how this would impact on the Audit team. The Chair and Mr Reed also echoed the comment made by Dr Barry. The Chair also felt that a staff cut should be made in another service area instead. The Chair queried whether any savings could be made on the outsourced provision instead.

The Head of Finance confirmed that there is no base budget for external resources, it is funded from any gaps in vacancies in the core audit budget..

The Chair therefore asked that this proposal be reconsidered by Cabinet, as a reduction in the audit team would be counter productive and he felt there would be serious issues as a result of giving up the post.

The Strategic Director, Corporate and Transformation added that an extract of the Minutes from this Committee could be fed back to Cabinet, however Cabinet could not make a decision on this as it was the Head of Finance, under delegated authority made this decision.

The Strategic Director for Transformation and Corporate reminded the committee that whilst their comments could be put forward to Cabinet, this savings proposal is a delegated decision to the Head of Service under the Council's Constitution. The Strategic Director wished to put this saving into context of the total £27M worth of savings being considered at the time of the meeting, the majority of which affected front line services.

In addition, the Chief Auditor gave further context, advising that a standard auditor would provide 180 operational audit days per annum and in terms of loss of an audit manager that would reduce this capacity by 60 management days and 120 operational days, which was close to 10 audit opinions. This would result in completion of fewer audits overall.

The Chair requested that the views of the committee be fed back to Cabinet, and that the Head of Service reconsider his decision under their delegated powers

Councillor Cocks did not support the Committee's view that deletion of the 1 FTE post should be reconsidered; Cllr Cocks went on to state that whilst the role of audit officers is an essential function, if this saving was not made then the equivalent amount would have to be found in other areas within the council already affected by cut backs and in frontline services this would have a more direct impact on residents.

D Reed requested that the responsible officer be called in to Committee in relation to the Unsatisfactory Audit Opinion for Purchasing Cards (Transactions). The Chair and Councillor Horton also supported this request.

The Strategic Director, Transformation and Corporate and the Head of Finance agreed that they should attend the next committee to discuss the Purchasing Cards; they also advised that there was an ongoing investigation, which would potentially lead to disciplinary action.

The Chair requested that the Chief Executive also attend the Committee, and the Strategic Director, Transformation and Corporate advised that the point of escalation would be to invite the relevant Head of Service or Director to the next meeting, to provide assurance that this matter was being addressed appropriately.

Resolved:

1. That the report regarding progress on delivering the 2022/23 audit plan, be noted by the Council's Governance and Audit Committee
2. Feedback and comments from the Committee regarding the loss of the 1 FTE audit post are shared with the Head of Finance and Cabinet.
3. Purchasing Cards: that the Strategic Director, Transformation and Corporate and the Head of Finance be invited to the next meeting.

9. Draft Capital and Treasury Management Strategy

As set out within the Corporate Plan, the Council has ambitious plans for the city, and the Capital Programme is a key enabler in delivering against this. The current programme is due to end in March 2023, with a new five-year programme commencing in 2023/24. The new programme predominantly comprises of annual recurring allocations and a number of ongoing schemes carried forward from the existing programme.

The report includes both the Capital and Treasury Management Strategies which, at their core, (i) confirmed the Capital Programme, as part of the Capital Strategy and (ii) the various borrowing limits and other indicators which govern the management of the Council's borrowing and investing activities, as part of the Treasury Management Strategy.

The Capital Strategy also sets out the long-term context (10 years) in which capital decisions are made. It demonstrates that the Council's approach to taking capital and investment decisions is in line with service objectives, whilst giving consideration to risk, reward and impact. It also demonstrates that these decisions are taken whilst having proper regard to stewardship of public funds, value for money, prudence, sustainability and affordability.

The capital plans of the authority are inherently linked with the Council's treasury management activities and, therefore, the Treasury Management Strategy is included for consideration alongside the Capital Strategy.

The main points arising from the two strategies are highlighted in this covering report, and essentially states that the proposed programme is affordable and provides headroom for borrowing. Much of the strategy is signed off by full Council, and the Committee is being asked to consider and comment on the report before a final version of the report is considered by Cabinet.

Comments of committee:

Dr Barry fully supported the report and positively endorsed the content.

Councillor Cocks considered that the report well written and was a good summary of complex information. Cllr Cocks asked what the impact of inflation in construction would have on outstanding commitments such as school Band B projects, which had not yet started and other outstanding commitments such as the Transport Bridge and Capitol Region City Deal. The Assistant Head of Finance advised that with regard to budget, allocation would be made with an eye on inflation, however, until they went to tender, the costs were not fully confirmed. The management of existing projects would also be considered. The Welsh Government had indicated an openness to discussion regarding aspirations under the Capitol Region programme.

The Chair asked if Councils shared pots of money in relation to the slippage issue relating to building projects. The Head of Finance stated that he was not aware that such arrangements existed. The Chief Accountant and Project Manager advised that if there was a surplus cash balance and another authority required this, then they could potentially be treated as an investment counter party but this was not done on a project by project basis although those complexities existed. The Chief Accountant and Project Manager remarked that often Welsh Government funding is paid in arrears, after the spend has been incurred.

Resolved:

The Committee

- Received and endorsed the Capital Strategy (Appendix 2), including the draft new Capital Programme within it (shown separately in Appendix 1) and the borrowing requirements/limits to deliver the new programme.
- Received and endorsed the Treasury Management Strategy and Treasury Management Indicators, the Investment Strategy and the Minimum Revenue Provision (MRP) for 2023/24 (Appendix 3).

As part of the above, the Committee

- Noted, and commented on the debt, and corresponding revenue cost of delivering the new Capital Programme, and the implications of this over the short and medium-long term with regard to affordability, prudence and sustainability.
- Noted and commented on the Head of Finance recommendation to Cabinet and Council that borrowing needs to be limited to funding ongoing and previously approved schemes brought forward from the current Capital Programme only, and the recommended prudential indicators on borrowing limits to achieve this.
- Noted and commented on the proposal to prioritise annual sums funding over any new schemes, unless unavoidable.

10. Statement of Accounts 2021/22

11. The Assistant Head of Finance advised that the above item and Item 11 **Response to ISA260 Report and Statement of Accounts Authorisation be taken as one item.**

The 2021/22 ISA260 Report, prepared by Audit Wales, outlined the fact that an overall unqualified audit opinion was given. There were no uncorrected misstatements, as the Council was able to work through and process revisions whilst the ledgers remained opened for longer in anticipation of retrospective legislation and national accounting changes that affected fixed asset presentation. The appendices to this report provide context to the errors and misstatements identified, as well as outlining initial lessons learned and the Council's responses to questions raised at the previous Governance and Audit Committee meeting.

The Chair was minded to discuss the highlights of the ISA 260 report without listening to the presentation. The Governance and Audit Committee were in agreement with this recommendation.

G Lucey of Audit Wales revisited the ISA 260 report for the committee, which was the annual standard report summarising the results of the audit.

The main headline was the unqualified Audit Opinion over the final set of accounts; the audit certificate was set out in Appendix 2 of the report.

There were a number of corrections that had arisen, as set out in Appendix 3, however nothing in the list of corrections gave Audit Wales cause for concern.

There were also no uncorrected mistakes recorded within the report.

Exhibit 2 sets out a few issues that had arisen during the audit; the first two items are the uplifts to non-current assets and the accounting for infrastructure assets. These were both national issues which were technical matters that had arisen for Local Authorities throughout Wales and were outside of the Council's control. Therefore, there were no areas of concerns.

The next three items were nil value assets, declarations of interest for members and discrepancy in the reserve statement led on to the three recommendations within the report within Appendix 4 and raised for information.

G Lucey was happy that there was no cause for concern regarding these issues and finally within the senior officer remuneration table there was a minor issue that was highlighted in the report, again, this did not affect the audit opinion and no further action was required.

G Lucey thanked officers for their hard work and the difficult national issues they have met and overcome, and also the support received from the audit team.

The Head of Finance wanted to take the opportunity to thank his team involved in preparing this during one of the hardest times experienced. The Head of Finance reflected that it was a tremendous effort and noted the good working relationship with Audit Wales.

The Chair also endorsed the Head of Finance's comments and thanked Officers involved, and Audit Wales.

Resolved:

The Governance and Audit Committee

- Noted the contents of the ISA260 Report, the Council's response and recommended approval of the 2021/22 Statement of Accounts.
- Approved the accounts to be signed off.

12. Work Programme

The purpose of a forward work programme was to help ensure Members achieve organisation and focus on the undertaking of enquiries through the Governance and Audit Committee function. The report presented the current work programme to the Committee for information and detailed the items due to be considered at the Committee's next two meetings.

The Assistant Head of Finance advised the Chair that a Lessons Learned report would be brought to the following meeting, following on from the two previous items discussed.

Resolved:

That the Governance and Audit Committee noted the Work Programme.

The date of the next meeting was 30 March 2023.

Part 2:

Not for publication as consideration of the report involves the likely disclosure of exempt information as defined in schedule 12 A of the Local Government Act 1972 (as amended) and the exemption outweighs the public interest in disclosure.

13. Waiving of Contract Standing Orders: Quarterly report reviewing Urgent decisions or Waiving Contract SOs (Quarter 3, October to December)

The Audit Manager introduced the report to Committee, outlining details of decisions on the use of Standing Order 22.4 (decisions taken urgently) or the Waiving of Contract Standing Orders for the above period.

The Head of Regeneration and Economic Development gave a timeline in relation to the reasons for the Enforcement Notice and Stop Sign at Green Lane, Peterstone.

The Chair thanked senior officers for their prompt action.

Resolved:

That Committee

- Noted and accepted the reasons for the waiving of the Contract Standing Orders which were appropriately reflected in the report.
- Noted the decision and justification to issue an urgent Enforcement Notice and Stop Sign in accordance with Standing Orders