

# GOVERNANCE AND AUDIT COMMITTEE

## Minutes of the hybrid meeting held on 20 October 2022

- PRESENT:** Mr Dilwyn Evans (Chair)  
Councillor Euryrn Morris (Deputy Chair)
- Councillors Neville Evans, Dyfed W Jones, Dafydd Roberts, Keith Roberts, Margaret M Roberts.
- Lay Member – Mr William Parry, Mrs Sharon Warnes, Mr Michael Wilson.
- IN ATTENDANCE:** Director of Function (Resources)/Section 151 Officer,  
Director of Social Services,  
Head of Profession (Human Resources) and Transformation,  
Head of Highways, Property and Waste,  
Head of Internal Audit & Risk (MP),  
Principal Auditor (NW),  
Programme, Business Planning & Performance Manager (GM),  
Committee Officer (MEH).
- APOLOGIES:** Councillor Robin Williams (Portfolio Member for Finance,  
Corporate Business and Customer Satisfaction).
- ALSO PRESENT:** Mr Andrew Lewis – Senior Auditor
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### 1 **DECLARATION OF INTEREST**

None received.

### 2 **REVIEW OF THE DRAFT ANNUAL SELF-ASSESSMENT REPORT**

The report of the Head of Profession (Human Resources) and Transformation incorporating the Corporate Self-Assessment 2021/2022 was presented for the Committee's consideration.

The Head of Profession (Human Resources) and Transformation reported that the report evidences the output of the Councils corporate planning and performance management framework. The draft Annual Self-Assessment Report was initially considered by the Executive at its meeting held on 19<sup>th</sup> July, 2022 and thereafter the Governance and Audit Committee at its meeting held on 26<sup>th</sup> July, 2022 in accordance with the Constitution. She noted that amendments proposed by this meeting has been incorporated within the report and further amendments the Committee wishes to make will be presented to the full County Council on 27<sup>th</sup> October, 2022.

In considering the report, the Committee made the following points:-

- Whilst clarification has now been included within the report as regards to the increase in the reserves, questions were raised as to whether the Council is contented with the current level of reserves. The Director of Function (Resources)/Section 151 Officer said that the earmarked reserves are for potential risks and to fund specific projects. The general reserves are held at 5% of the net budget of the authority which equates to £8m. He noted that due to uncertainties in 2021/2022 following the end of the covid restrictions and also whether Welsh Government would be able to fund the additional costs, he recommended to the Executive to set the minimum balance for the end of the 2021/2022 financial year at £9m. At the end of the financial year it exceeded the minimum to £12m and this will now allow the Council to be in a better financial position to address future funding challenges it faces from 2023/2024 onwards.
- Reference was made that it should be included in the report that Internal Audit has reviewed the document rather than in the covering report.

**It was RESOLVED to recommend to the full Council at its meeting to be held on 27 October, 2022 that the Governance and Audit Committee accepts the report subject to the inclusion of the following:-**

- **That at page 20 of the report shall note that the Council are comfortable with the overall level of reserves; and**
- **That Internal Audit has reviewed the document and that it should be included within the report rather than in the covering report.**

**ACTION : As noted above.**

### **3 EXTERNAL AUDIT: SPRINGING FORWARD - ISLE OF ANGLESEY COUNTY COUNCIL**

The report of Audit Wales was presented for the Committee's consideration.

In the absence of Mr Alan Hughes, Audit Wales the following comments were read out on his behalf to the Committee:-

*'The main messages from the Springing Forward report is that it was found that more prominent consideration and application of the sustainable development principle would lead to a more complete understanding of the challenges presented by both the Council's building assets and workforce, and lead to improved visions, strategies and plans. This conclusion was reached because:-*

- *The Council understands the challenges presented by its land and building portfolio but has not yet developed a corporate vision for its assets or the associated delivery plans;*
- *The Council has rationalised and modernised part of its asset base and service delivery model, but this is not yet driven by a clear corporate vision;*
- *Defining and reviewing progress towards short, medium and longer-term objectives for its asset base will strengthen the Council's ability to transform, adapt and maintain the delivery of its services;*

- *The Council has a vision and key delivery themes for its workforce which can be strengthened by more prominent consideration of applying the sustainable development principle and further embedding the lessons learnt from the pandemic;*
- *The Council has engaged with staff and managers and is responsive to workforce challenges, it recognises the need to, and has started, the work of developing longer-term integrated strategies;*
- *The Council maintains an overview of current workforce issues but there is an opportunity to make more use of data and use benchmarking to measure the current and longer-term success of its workforce initiatives.*

The Head of Profession (Human Resources) and Transformation said that the 'Springing Forward' report summary is relevant to all 22 local authorities in Wales; not everything included in the introduction is specific and relevant to the Isle of Anglesey County Council. The Officer said that she valued the opportunity to discuss the document Audit Wales. She noted that it is encouraging that the report recognises that the Council is undertaking good practices with a recognition that the Council supports and adheres to the five ways of working detailed within the Well-being and Future Generations (Wales) Act 2015. It was important to note that the initial interviews and audit had commenced in December 2021 and a number of matters raised within the report had progressed since then. She gave an example as regards to the national recruitment issues and noted that this Council has addressed this by producing a marketing strategy together with the appointment of a specific officer to deal with marketing of vacant posts; a people strategy action plan has been implemented for 2022/2023, hybrid policy for staff which is active since 1<sup>st</sup> February, 2022, workforce strategy currently been updated.

The Head of Highways, Property and Waste said that there is reference in the report to the Corporate Asset Management Plan and it was an intention to submit this document to the Executive before the local government elections in May of this year but following instruction by the Executive, it was considered that the Plan be considered by the new administration after the elections in May. A designated officer has now been appointed to concentrate on property matters and the Corporate Asset Management Plan. He further highlighted that the responsibilities of the buildings of the Council incorporates each service within the Council with staff having been moved to the main headquarters. Work has already been done to rationalize the Council's corporate assets and that there is not much scope to do this further. The rationalization of any service assets (Schools, Libraries, and Leisure Centres etc) would be a wider matter for each service to consider. The Council has over 100 smallholdings to maintain with significant work undertaken to upgrade the smallholding estate and a 10 year plan will be submitted for consideration by the Executive in the New Year. He further said that work is undertaken through a Steering Group as regards to the use of energy, decarbonisation, reducing the energy costs due to the current energy crisis.

In considering the report, the Committee made the following points:-

- Reference was made within the External Audit report that the Council has not yet developed a corporate vision for its assets. The Head of Highways, Property and Waste responded that due to financial challenges the service is reacting to a

crisis at present that may arise within Council buildings. The appointment of a designated officer to deal with the Corporate Asset Management Plan will be responsible for the property portfolio which will deal with the development of the corporate vision of the Council's assets.

- Reference was made to the recommendations within the report as regards to the development of the use of data and benchmarking to inform planning, budget setting, and monitoring and assessing the longer-term success of its assets and workforce initiatives. Questions were raised whether the Council's services are using the data they hold to be planning ahead and to have a vision for the future. The Head of Profession (Human Resources) and Transformation responded that workforce planning is frequently seen as a Human Resources activity when in fact this is a service activity supported by Human Resources.
- Reference was made that the report needs to be relevant to the Isle of Anglesey County Council rather than to the 22 local authorities. It was noted that an Action Plan needs to be prepared to address the relevant issues raised in the report. The Head of Profession (Human Resources) and Transformation responded that many of the issues raised in the reports have been addressed. She noted within her responsibilities a strategic marketing and recruitment plan has been prepared which will be incorporated within the Council's people's strategy to deliver the services provided by the Authority.

**It was RESOLVED that an Action Plan be prepared to address the issues raised within the 'Springing Forward' report that is relevant to this Council.**

**ACTION : As noted above.**

#### **4 REVIEW OF THE FORWARD WORK PROGRAMME FOR 2022/2023**

The report of the Head of Audit and Risk incorporating the Committee's Forward Work Programme and Training Programme 2022/23 was presented for the Committee's consideration.

The Head of Audit and Risk gave an update on the Forward Work Programme and highlighted that the completing of Mandatory training for Members as seen at Appendix B is currently blank; updated version will be submitted to the next meeting of this Committee. She further said that the Risk Management training is anticipated to be undertaken in the New Year. The Head of Audit and Risk referred that it is uncertain at present whether the next scheduled meeting of the Committee to be held on 23 November, 2022 to consider the Final Annual Governance Statement 2021/2022 and Final Statement of the Accounts 2021/2022 will be convened. The Director of Function (Resources)/Section 151 Officer gave a detailed analysis of the current position to enable the Final Annual Governance Statement for 2021/2022 and Final Statement of the Accounts for 2021/2022 to the Committee.

**It was RESOLVD to accept the Forward Work Programme as meeting the Committee's responsibilities in accordance with the terms of reference.**

**MR DILWYN EVANS  
CHAIR**

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