

## Isle of Anglesey County Council

Report to:	Executive Governance and Audit Committee Council
Dates:	25/11/2025 04/12/2025 09/12/2025
Subject:	Amendment to the Constitution – Final Approval of the Council's Annual Accounts
Portfolio holder(s):	
Head of service / director:	Lynn Ball, Director of Function (Council Business)/Monitoring Officer
Report author:	Lisa Lord, Interim Legal Services Manager and Deputy Monitoring Officer
Local members:	All

### A – Recommendation(s) and reasons

#### **Recommendations**

##### **Executive**

For the Executive to express a view on the proposed amendment to the Constitution to provide for the final approval of the Council's Annual Accounts by the Governance and Audit Committee, in place of the Council.

##### **Governance and Audit Committee**

For the Committee to express a view on the proposed amendment to the Constitution to provide for the final approval of the Council's Annual Accounts by the Governance and Audit Committee, in place of the Council.

##### **Council**

For Council to approve the proposed amendment to the Constitution to provide for the final approval of the Council's Annual Accounts by the Governance and Audit Committee, in place of the Council.

#### **Reasons**

- The main stages of the approval process for the Council's Annual Accounts are as follows:
  1. Certification of the draft accounts – s151 Officer

2. Public examination of the draft accounts
3. Review of the draft audited accounts - Governance and Audit Committee
4. Report to the Executive to consider the draft audited accounts
5. Review by Governance and Audit Committee of the final accounts
6. Approval of the final accounts by full Council

- Audit Wales' Annual Plan has a clear goal to bring forward the audit timetable for local government. The authorisation date for 2025/26, is 30/09/2026, which is a month earlier than 2024/25.
- This compresses the time available to respond to any matters raised by the Governance and Audit Committee, agree any changes with the External Auditor, and produce an amended, accurate and bilingual version of the final accounts.
- If approval remains with full Council, the 09/2026 meeting will need to be moved or an extraordinary meeting of full Council will be required.
- Delegating authority to the Governance and Audit Committee is a more efficient approval process. There is no disadvantage to any councillor, nor to the public, as the reports will still be available in the usual way (see full approval process above).
- Audit Wales has suggested the proposed amendment to bring our arrangements in line with those now currently operating in principal councils in Wales.
- Against this background, the amendment sought is to paragraph 3.4.8.12.3 – *“The Committee will review and approve, prior to approval by full council, the authority's annual financial statements, including the explanatory foreword, key messages, trends, consistency with financial performance, suitability of and compliance with accounting policies and treatments and major judgmental areas”*.
- Under paragraph 2.15.2.1 of the Constitution *“...changes to the Constitution will only be approved by the full Council after consideration of the proposal by the Executive”*.
- A report will also be taken to the Governance and Audit Committee, on 04/12/2025, in order to seek the view of that committee on the change proposed.

B – What other options did you consider and why did you reject them and/or opt for this opinion?

Approval remaining with full Council. This was rejected as the status quo is having a negative impact on the efficiency of the process while the proposed change does not disadvantage any party.

C – Why is this a decision for the Executive?

This is not an Executive decision, and the decision will be made by full Council. However under paragraph 2.15.2.1 of the Constitution there is a requirement to provide the Executive with an opportunity to comment on any proposed changes to the Constitution.

Ch – Is this decision consistent with policy approved by the full Council?

Changes to the Constitution (not falling within 3.5.3.6.6 and 3.4.12.6.3) require approval of full Council

D – Is this decision within budget approved by the Council?

There are no budgetary impacts

Dd – Assessment of potential impacts (if relevant)

1. How does this decision affect our long-term needs as an island?

The proposed change supports efficient decision making in relation to the Council's statutory accounts.

2. Is this a decision that is anticipated to prevent future costs/dependencies on the Council? If so, how?

Not to any significant extent but will obviate the need for an extraordinary meeting of the Council.

3. Have we collaborated with other organisations to come to this decision? If so, with whom?

Audit Wales

4. Have the citizens of Anglesey played a part in drafting this way forward, including those directly affected by the decision? Explain how.

No

5. Note any potential impact this decision would have on the protected groups under the Equality Act 2010.

No impact

6. If this is a strategic decision, note any potential impacts the decision would have on those experiencing socio-economic disadvantage.

No impact

7. Please note any potential effects that this decision would have on opportunities for people to use Welsh and not treat the language less favourably than English.

No impact

E – Who did you consult with and what were their comments?

1. Chief Executive / Leadership Team (mandatory)	Considered on 14/10/2025 when the recommendation was agreed
2. Finance / 151 Officer	Report commissioned by the S151 Officer
3. Legal / Monitoring Officer (mandatory)	<p>Author of the report and supportive of the recommendation</p> <p>Legal advice has been sought, in the context of this Report, about the conflict between CIPFA <a href="#">Delivering Good Governance in Local Government Addendum</a> and legislation, when it comes to the voting rights of the lay members of the GAC.</p> <p>The Local Government (Wales) Measure 2011(as amended), Regulation 10 of the Accounts and Audit Regulations (Wales) 2014 (as amended) and statutory guidance all make it clear that lay members of the GAC have full voting rights.</p> <p>This is acknowledged by CIPFA and their Guidance will be revised to reflect the correct statutory position.</p>
4. HR	N/A
5. Property	N/A
6. IT	N/A
7. Procurement	N/A
8. Scrutiny	N/A
9. Local members	Consultation with the Governance and Audit Committee on 04/12/2025

F – Appendices

Ff – Background papers (contact the report author for more information)