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Date	Approved By	Version
17/11/2021	Governance and Audit Committee	Draft
12/2021	Flintshire County Council (planned)	Final

## 1 Foreword by Councillor Chris Dolphin, Chair of the Governance and Audit Committee

I am pleased to present the Annual Report of the Governance and Audit Committee which outlines the Committees' work and activities for the year ending 31<sup>st</sup> March 2021.

This has been an extraordinary year for the Council and the Committee. The Governance and Audit Committee is a key part in the Council's governance framework to provide an independent oversight on the effectiveness of the Council's governance, risk, financial management, and internal control arrangements. This has continued throughout the pandemic.

Despite the challenges, once Committees resumed in July, the Committee has continued to receive valued professional reports, support and advice from Accountancy, Treasury Management, Risk Management, Corporate Business and Communications, Internal Audit and External Audit (Audit Wales). Additionally, we have invited Chief Officers and Service Managers to attend Governance and Audit Committee to respond to concerns raised by members or through various reports, such as those presented by Internal and External Audit.

At each meeting we have reviewed our Forward Work Programme ensuring the work mirrors the level of risks and priorities of the Council. Any actions raised during previous Committee meetings are reviewed for completeness.

I would like to thank members and officers who have supported the work of this Committee by presenting, discussing, challenging, and debating solutions to the governance, risk, financial, and control environment of the Council. The Committee has been well attended throughout the year and where apologies have been given a trained substitute member has attended on the members' behalf.

Finally, I would like to confirm that there are no areas of concern for the Committee to note or report back on which is reassuring for the Council.



Cllr Chris Dolphin  
Chair of Governance and Audit Committee

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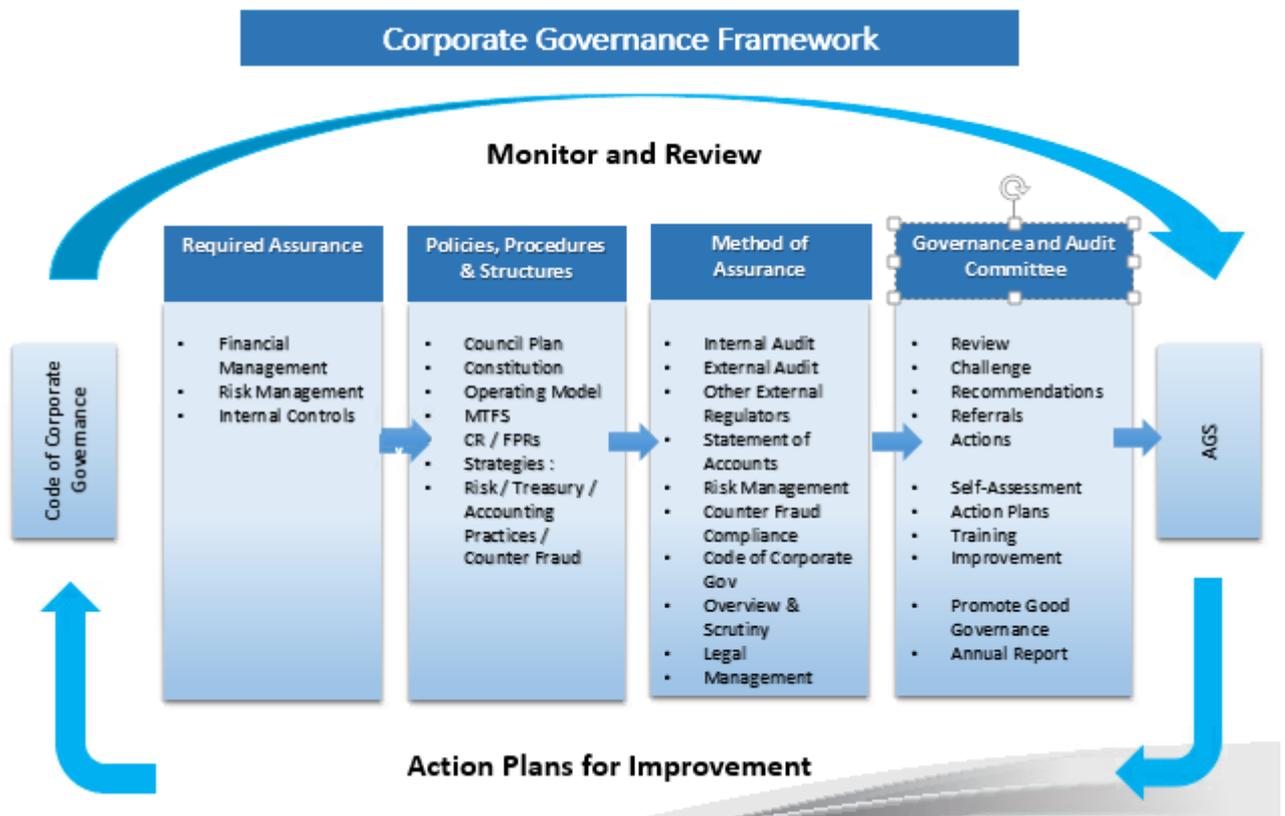
## 2 Introduction

- 2.1 The Governance and Audit Committee is a key part in the Council's Governance Framework. It provides independent governance assurance over the adequacy of the Council's governance and risk management frameworks, the internal control environment, and the integrity of the financial reporting. By overseeing internal and external audit and other regulators, the Committee makes an important contribution by ensuring effective assurance arrangements are in place.
- 2.2 How the Governance and Audit Committee fulfils this role is detailed within the Committee Terms of Reference (March 2021). It states that the Governance and Audit Committee's role and functions will be to:
- A** Review the effectiveness of the Authority's systems of corporate governance, internal control, [complaints](#), [performance \(self-assessment and peer review\)](#) and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements.  
  
Please note the Committee will not need to review the effectiveness of complaints or performance [highlighted in blue](#) until April 2022 when this part of the new Local Government and Elections (Wales) Act 2021 comes into force.
  - B** Oversee the reporting of the statutory financial statements to ensure the balance, transparency and integrity of published financial information, as well as the review of the financial statements prepared by the authority and recommended to County Council; and  
  
Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
  - C** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
  - D** Report to the Council annually, summarising the Committee's activities and recommendations.
- 2.3 The full Terms of Reference for Governance and Audit Committee are detailed at Appendix A.
- 2.4 In supporting the Governance and Audit Committee deliver its terms of reference, there is a strong contribution from the independent member, the external advisors and regulators and the Internal Audit Team.

### 3 Work of the Governance and Audit Committee and its Effectiveness

- 3.1 The Committee has worked within its Terms of Reference, which includes the requirement to monitor and review governance, risk management, financial management and internal controls within the Council to ensure there is an appropriate and effective framework in place. This process is demonstrated in Graphic 1 below.
- 3.2 The Governance and Audit Committee provides the Council with an independent opinion of the effectiveness of the Governance arrangements within the Council including those of the internal and external audit function.

**Graphic 1 – Corporate Governance Framework**



- 3.3 As referred to at 2.2, the Governance and Audit Committee’s Terms of Reference is split into four main areas referenced A-D. Within tables 1-4 below the Governance and Audit Committee demonstrates how it has met and fulfilled its Terms of Reference by receiving, reviewing, challenging and approving the following reports.

**Table 1 – Terms of Reference A**

<b>TOR A : To review the effectiveness of the Authority's systems of corporate governance, internal control and risk management</b>		
<b>Committee Date</b>	<b>Report Received</b>	<b>Committees Resolution</b>
23/07/2020	Annual Governance Statement (AGS) 2019/20	That the Annual Governance Statement 2019/20 includes the commitment to increase Member involvement from next year, and be endorsed and attached to the Statement of Accounts for adoption.
23/07/2020	Pandemic Emergency Response: Governance and Control Arrangements	No resolution required. The Chairman thanked the Chief Executive for sharing regular updates with Members on the Council's response throughout the emergency period.
23/07/2020	Assurance and the Internal Control Environment	No resolution required. The Chairman thanked the Chief Executive for sharing regular updates with Members on the Council's response throughout the emergency period.
09/09/2020	External Regulation Assurance	That the Committee is assured over the Council's response to pieces of external regulation work.
09/09/2020	Internal Audit Strategic Plan 2020/21	That the Flintshire Internal Audit Strategic Plan 2020-2023 be approved.
09/09/2020	Internal Audit Annual Report	That the report and Internal Audit annual opinion be noted.
09/09/2020	Wales Audit Office Audit Plan 2020	That the Audit Wales Audit Office report be noted.
09/09/2020	Quarterly update on the Response to the Pandemic	That the Committee is assured by the arrangements in place for the emergency response and recovery phases.
18/11/2020	Emergency Situation Briefing (verbal)	That the verbal update be received.
18/11/2020	Asset Disposal and Capital Receipts Generated 2019/20	Report is noted.
18/11/2020	Risk Management Framework	That the Committee is assured by the renewed risk management framework and the progress of its implementation.
18/11/2020	Approach to the 2020/21 Annual Governance Statement	That the proposed approach for the involvement of Governance & Audit Committee Members in the Annual Governance Statement process be endorsed.
18/11/2020	Internal Audit Progress Report	Report is accepted.
27/01/2021	Code of Corporate Governance	That the updated Code of Corporate Governance be endorsed for adoption as part of the Council's Constitution.
27/01/2021	Annual Audit Summary for Flintshire County Council 2019/20	That the Committee is assured by the Auditor General for Wales' Annual Audit Summary report for 2019/20.
27/01/2021	Local Government & Elections (Wales) Bill	<ul style="list-style-type: none"> <li>• That the briefing report be received;</li> <li>• That the Committee notes the constitutional and other implications of the Act, and supports internal plans for their implementation as necessary; and</li> <li>• That officers liaise with the Chairman to write to Welsh Government to express the Committee's concerns on the requirement to appoint lay</li> </ul>

		<p>members as both Chair and Vice-Chair of the Governance &amp; Audit Committee.</p> <p>NB After the meeting the Chief Officer (Governance) confirmed that the Vice Chair of the Committee could be an elected member. The Committee therefore agreed that resolution (c) did not need to be actioned.</p>
27/01/2021	Internal Audit Progress Report	That the report be accepted.
24/03/2021	Internal Audit Strategic Plan 2021/24	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2021-2024.
24/03/2021	Internal Audit Progress Report	That the report be accepted.
24/03/2021	Audit Wales Audit Plan 2021	That the Audit Wales Plan be noted.
24/03/2021	External Regulation Assurance	That the Committee is assured by the Council's response to external regulatory reports.

**Table 2 – Terms of Reference B**

<b>TOR B : To Oversee the reporting of the statutory financial statement's process and review and scrutinise the County Council's financial affairs</b>		
<b>Committee Date</b>	<b>Report Received</b>	<b>Committees Resolution</b>
23/07/2020	Draft Statement of Accounts 2019/20	<ul style="list-style-type: none"> <li>• That the draft Statement of Accounts 2019/20 (which includes the Annual Governance Statement) be noted; and</li> <li>• That Members note the opportunity to discuss any aspect of the Statement of Accounts with officers or Audit Wales from July to September, prior to the final audited version being brought back to the Committee for final approval on 9 September 2020.</li> </ul>
23/07/2020	Supplementary Financial Information to Draft Statement of Accounts 2019/20	Report is noted.
23/07/2020	Treasury Management Annual Report 2019/20 and Treasury Management Quarter 1 Update 2020/21	<ul style="list-style-type: none"> <li>• That the draft Treasury Management Annual Report 2019/20 be noted, with no matters to be drawn to the attention of Cabinet in September; and</li> <li>• That the Treasury Management 2020/21 first quarter update be noted.</li> </ul>
09/09/2020	Statement of Accounts 2019/20	<ul style="list-style-type: none"> <li>• That the final version of the Statement of Accounts 2019/20 be approved, incorporating the updated position on emergency grant funding;</li> <li>• That the Audit Wales report 'Audit of the Financial Statements – Flintshire County Council' be noted; and;</li> <li>• That the Letter of Representation be approved.</li> </ul>
18/11/2020	School Reserves Balances Year End 31 March 2020	<ul style="list-style-type: none"> <li>• That the school reserve balances as at 31 March 2020 be noted; and</li> <li>• That the changes to the Protocol for Schools in Financial Difficulty be noted.</li> </ul>
18/11/2020	Asset Disposal and Capital Receipts Generated 2019/20	Report is noted.
18/11/2020	Treasury Management Mid-Year Review and Quarter 2 Update 2020/21	That the Committee notes the draft Treasury Management Mid-Year Report 2020/21 and confirms that there are no matters to be drawn to the attention of Cabinet on 15 December 2020.
27/01/2021	Treasury Management Strategy & Treasury Management Quarter 3 Update 2020/21	<ul style="list-style-type: none"> <li>• That having reviewed the draft Treasury Management Strategy 2021/22, the Committee has no specific issues to be reported to Cabinet on 16 February 2021; and</li> <li>• That the Treasury Management 2020/21 quarterly update be noted.</li> </ul>
28/10/2021	Quarter 4 Treasury Management Update 2020/21	<ul style="list-style-type: none"> <li>• That the Treasury Management 2020/21 quarterly update be endorsed; and</li> <li>• That officers investigate options on how best to present the data in future reports.</li> </ul>

**Table 3 – Terms of Reference C**

<b>TOR C : To monitor the performance and effectiveness of the internal and external audit functions</b>		
<b>Committee Date</b>	<b>Report Received</b>	<b>Committees Resolution</b>
09/09/2020	Public Sector Internal Audit Standards	<ul style="list-style-type: none"> <li>• That the report be noted; and</li> <li>• That the Committee formally thanks officers and Audit Wales colleagues for their extraordinary work over the emergency period.</li> </ul>
09/09/2020	Internal Audit Strategic Plan 2020/21	That the Flintshire Internal Audit Strategic Plan 2020-2023 be approved.
09/09/2020	Internal Audit Annual Report	That the report and Internal Audit annual opinion be noted.
09/09/2020	Wales Audit Office Audit Plan 2020	That the Audit Wales Audit Office report be noted.
18/11/2020	Approach to the 2020/21 Annual Governance Statement	That the proposed approach for the involvement of Audit Committee Members in the Annual Governance Statement process be endorsed
18/11/2020	Internal Audit Progress Report	Report is accepted.
18/11/2020	Private meeting between members, Internal Audit Manager and Audit Wales	N/A
27/01/2021	Annual Audit Summary for Flintshire County Council 2019/20	That the Committee is assured by the Auditor General for Wales' Annual Audit Summary report for 2019/20.
27/01/2021	Internal Audit Charter	That the updated Internal Audit Charter be approved.
27/01/2021	Internal Audit Progress Report	That the report be accepted.
24/03/2021	Internal Audit Strategic Plan 2021/24	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2021-2024.
24/03/2021	Public Sector Internal Audit Standards	That the Committee accepts the report and its findings on the self-assessment.
24/03/2021	Internal Audit Progress Report	That the report be accepted.
24/03/2021	Audit Wales Audit Plan 2021	That the Audit Wales Plan be noted.

**Table 4 – Terms of Reference D**

<b>TOR D : To report to the Council annually, summarising the Committee's activities and Recommendations (<i>demonstrating the Committees' effectiveness</i>)</b>		
<b>Date of Committee</b>	<b>Report Received</b>	<b>Committees Resolution</b>
18/11/2020	Audit Committee Annual Report	That the annual report for 2019/20 be endorsed prior to its submission to Council for approval on 8 December 2020.
27/01/2021	Local Government & Elections (Wales) Bill	<ul style="list-style-type: none"> <li>• That the briefing report be received;</li> <li>• That the Committee notes the constitutional and other implications of the Act, and supports internal plans for their implementation as necessary; and</li> <li>• That officers liaise with the Chairman to write to Welsh Government to express the Committee's concerns on the requirement to appoint lay members as both Chair and Vice-Chair of the Governance &amp; Audit Committee.</li> </ul> <p>NB After the meeting the Chief Officer (Governance) confirmed that the Vice Chair of the Committee could be an elected member. The Committee therefore agreed that resolution (c) did not need to be actioned.</p>
27/01/2021	Recruitment of the Lay Member to the Audit Committee	<ul style="list-style-type: none"> <li>• That one additional lay member be recruited to the Audit Committee in place of an elected member with effect from May 2022; and</li> <li>• That the recruitment panel consisting of the Chair of the Council, Chair of the Audit Committee plus the Cabinet Member for Finance and two other Audit Committee members makes a recommendation to Council for appointment.</li> </ul>
24/03/2021	Review of the Terms of Reference of the Audit Committee	That the amended name of Council's Audit Committee be acknowledged and the new functions set out in the Act included within the Terms of Reference of the renamed Committee.

- 3.4 Any actions raised by Governance and Audit Committee after reviewing and considering these reports are detailed at Appendix B. Where actions remain open (3 of the 26 raised), these have been delayed due to either the pandemic or that the action is not due to be presented to committee in line with the Forward Work programme.
- 3.5 The Committee's Forward Work programme for 2021/22 is detailed at Appendix C.

## 4 Internal Audit Opinion

- 4.1 The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Governance and Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving that opinion it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.
- 4.2 The matters raised in this report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.
- 4.3 In mid-March 2020 the Coronavirus Pandemic started resulting in the Council invoking its Business Continuity Plan. Given the unprecedented nature of the pandemic and its impact on the Council's service delivery and its workforce, all Internal Audit work was paused to allow the organisation to respond to the emergency. For the period April to August 2020 the Internal Audit Service supported the Council's response to this emergency. The work of internal audit during this period included the review of direct management assurance, key financial decisions, risk method statements, review and challenge of new business processes to aid alternative service delivery, validation and challenge of complex business support grants saving the Welsh Government circa £180K, working with multi-agency partner to deliver Test Trace Protect and Deeside Rainbow Hospital within Flintshire as well as attendance that the various emergency tactical working groups providing guidance and advice.
- 4.4 In September the original Internal Audit Plan for 2020/21 – 2022/23 was revised to reflect on the work of the Internal Audit service for the first part of the year and to re-evaluate the service's work for the remainder of the year. The revised Strategic Audit Plan for 2020/21-2022/23 was presented and approved by the Governance and Audit Committee in September 2020. Due to the in-depth work Internal Audit were involved with during April to August and the revised Audit Plan in September sufficient work had been completed during the year to allow an assurance opinion to be provided.
- 4.5 There have been no limitations made on the scope of Internal Audit coverage during the year.

**For the year ending 31 March 2021, based on the work the Internal Audit Service has undertaken, the direct assurance from management and external assurance from Audit Wales, my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.**

- 4.6 During 2020/21 we have not issued a 'Red / Limited assurance' opinion compared to previous years (2019/20 one audit, 2018/19 two audits, 2017/18 three audits, 2016/17 four audits & 2015/16 six audits), where an urgent system revision was required.
- 4.7 Overall 82% of assurance opinions issued were either Green or Amber Green providing the Committee assurance that of the audits undertaken this year in the main there are effective arrangements in place for governance, risk management and internal control.
- 4.8 In order for the Internal Audit team to be in position to undertake such work and deliver this audit opinion, it has an unfettered high profile role within the Council, and has

developed and holds an excellent trusted working relationship with portfolios. The breadth of the work has grown in recent years seeing a significant increase in requests for advisory, consultancy and commissioned work.

## 5 Governance and Audit Committee Membership and Attendance

- 5.1 The Council has determined that the membership of its Governance and Audit Committee will consist of seven elected Members and two Independent Lay Members (as required by the Local Governance (Wales) Measure 2011). The Independent Lay Members are appointed for a period of four years and Council Members are reappointed annually. The first lay member was appointed in 2017 and the second in September 2019.
- 5.2 The Committee is serviced by Council Officers, principally the Chief Executive, the Chief Officer, Governance (Council's Monitoring Officer), the Corporate Finance Manager (Section 151 Officer) and the Internal Audit Manager. Representatives from Corporate Finance, Corporate Business and Communications, and Audit Wales also attend Audit Committee.
- 5.3 The Governance and Audit Committee met on five separate occasions during 2020/21 as the first meeting of the financial year was cancelled due to the emergency of the pandemic. For each meeting, the Committee were quorate and there were sufficient Elected Members to generate an informed discussion on the matters raised. The attendance by members demonstrates their continued commitment to the Governance and Audit Committee by their 100% attendance.

**Table 5 – Governance and Audit Committee Meeting 2020/21**

Present	03/06/20	23/07/20	09/09/20	18/11/20	27/01/21	24/03/21	Total Meetings Attended
Cllr C Dolphin (Chair)	Cancelled due to the Pandemic	Yes	Yes	Yes	Yes	Yes	5
S Ellis (Lay Member & Vice-Chair)		Yes	Yes	Yes	Yes	Yes	5
Cllr G Collett		Yes	Apology	Yes	Yes	Yes	4
Cllr A Dunbobbin		Yes	Yes	Yes	Yes	Yes	5
Cllr P Johnson		Yes	Yes	Yes	Yes	Yes	5
Cllr A Woolley		Yes	Yes	Yes	Yes	Yes	5
Cllr P Heesom		Yes	Yes	Yes	Yes	Yes	5
Cllr J Axworthy		Yes	Yes	Yes	Yes	Yes	5
A Rainford (Lay Member)		Yes	Yes	Yes	Yes	Yes	5
Cllr J Johnson (Substitute)		N/A	Yes	N/A	N/A	N/A	1
<b>Total for Committee</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	
Other Members Present as Observers	0	2	2	3	3	3	
<b>Attendance Ratio for 2020/21</b>				100%			
<b>Attendance Ratio for 2019/20</b>				97.5%			
<b>Attendance Ratio for 2018/19</b>				95.8%			
<b>Attendance Ratio for 2017/18</b>				87.5%			

- 5.4 All members of the Committee, including any substitutes have received the required Governance and Audit Committee training prior to attending their first Governance and Audit Committee meeting. Due to the pandemic all meetings were held remotely, meetings were recorded and papers are available on the Council's website. Officers from the Council's External Auditors, Audit Wales (AW) were present at each of the meetings.

## 6 Self-Assessment, Training & Development

### Governance and Audit Committee Self-Assessment

- 6.1 Due to the pandemic a review of the effectiveness of the Governance and Audit Committee was delayed until October 2021 where an online awareness session took place to review the period 2020/21. The Committee reviewed its effectiveness and performance against the best practice set out by CIPFA. The online session was interactive with a positive discussion taking place regarding the delivery of the Committee’s core role and function. Following the self-assessment an action plan (Appendix D) was developed and will be used to monitor performance.
- 6.2 In October 2019, new to Wales, a Chair and Vice Chairs of Governance and Audit Committee Network was established and held in Llandrindod Wells. During 2020/21 this was moved online. During 2020/21, two sessions have been held and both attended by the Chair and Vice Chair of the Governance and Audit Committee and the Internal Audit Manager. Due to the success of the network group and to reflect the changes of the new Act, it is proposed going forward that all members of the Governance and Audit Committee would be invited to attend the all Wales network sessions.

### Governance and Audit Committee Training and Development

- 6.3 Due to the pandemic, training was reduced this year compared to previous years. Table 6 provides details of the training courses attended.

**Table 6 – Governance and Audit Committee Training & Development**

Topic	Date	Type of Training	Coverage
Chair and Vice Chairs of Audit Committee’s Network Seminar	30/11/2020	Overview to Audit Committees; Risk Management and Annual Governance Statement	Full day session covering: <ul style="list-style-type: none"> <li>• Audit Wales Counter Fraud Work</li> <li>• Local Government and Elections (Wales) Bill</li> <li>• Audit Committee role in Risk Management &amp; AGS</li> <li>• Making an Impact</li> <li>• Role of the Lay Member</li> </ul>
Chair and Vice Chairs of Audit Committee’s Network Seminar	06/09/2021	Governance; Risk Management and Annual Governance Statement	Half Day Session covering: <ul style="list-style-type: none"> <li>• Local Government and Elections (Wales) Act 2021</li> <li>• Complaints Handling in Local Authorities</li> <li>• Policy in Practice.</li> </ul>
Treasury Management	09/12/2020	Financial	Half day external training session provided on the Council’s approach to Treasury Management.
Statement of Accounts	23/07/2021	Accounts	Presentation and explanation of the Statement of Accounts.
WebEx Training	May / June 2020	Information Technology	To support members to access remote training.

## 7 Future Priorities

- 7.1 The Committee's Forward Work Programme (Appendix C) will continue to be reviewed to ensure the contribution to governance, risk management, financial management and internal control is maximised.

## Appendix A

## Governance and Audit Committee's Terms of Reference

The Terms of Reference for the Governance and Audit Committee was updated to reflect the name change and the new responsibilities as a result of the Local Government and Elections (Wales) Act 2021. Whilst the act will be phased in over a period of time it was agreed to update the Terms of Reference once. **Where text is highlighted blue, these roles and responsibilities will not come into force until April 2022.**

**7.00 Statement of Purpose:**

The terms of reference sets out the Governance and Audit Committee's position in the governance structure of the Council.

The Governance and Audit Committee is a key component of Flintshire County Council's (the Council's) corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

**7.01 Role:**

The Governance and Audit Committee's role and functions will be to:

- A.** Review the effectiveness of the Authority's systems of corporate governance, internal control, **complaints, performance (self-assessment and peer review)** and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements;
- B.** Oversee the reporting of the statutory financial statement's process to ensure the balance, transparency and integrity of published financial information, and to review the financial statements prepared by the authority and recommend them to County Council; and  
  
Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
- C.** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
- D.** Report to the Council annually, summarising the Committee's activities and recommendations.

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**A. Corporate Governance, Internal Control, Complaints, Performance and Risk Management**

1. Evaluate whether Senior Accountable Officers and service teams are setting the appropriate “control culture” by communicating the importance of internal control and risk management.
2. Consider and assure the annual update of the Code of Corporate Governance against the ‘Delivering Good Governance Framework (Wales)’.
3. Consider and assure the draft Annual Governance Statement and make appropriate recommendations/observations prior to its submission to the Council’s Regulators.
4. Evaluate the overall effective development and operation of the internal control and risk management frameworks and consider whether actions raised by the internal and external auditors have been implemented by Senior Accountable Officers.
5. Review and assure the Risk Management Strategy through regular reports on risk management and business continuity plans, processes and outcomes.
6. Monitor progress in addressing risk related issues reported to the Committee.
7. Consider the Council’s framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
8. To review and assess the Council’ ability to effectively handle complaints.
9. To make reports and recommendations in relation to the Council’s ability to handle complaints effectively.
10. To consider the Council’s draft Annual Performance Self-Assessment report and if necessary make any recommendations for changes to the Council.
11. To receive the Council’s finalised Annual Self-Assessment report for the respective financial year as soon as reasonably possible after the end of the financial year.
12. At least once during the period between two consecutive ordinary elections of councillors to the Council, consider the independent Panel Performance Assessment report on whether the Council is meeting its performance requirements.
13. To receive and review the Council’s draft response to the report of the independent Panel Performance Assessment and if necessary make

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recommendations for changes to the statements made in the draft response to the Council.

14. Keep under review the Council's Anti-Fraud and Corruption Strategy, Fraud Response Plan and Whistleblowing Policy and the assessment of fraud risks and potential harm to the Council from Fraud and Corruption.
15. Consider the Council's arrangements to secure value for money and review assurances and assessment on the effectiveness of these arrangements.
16. Receive reports on all fraud identified and any other special investigations, and action taken.
17. Consider how Senior Accountable Officers are held to account for the security of computer systems and applications to protect against computer fraud or misuse.
18. Ensure the rigorous application of the agreed protocol for the reporting and decision making over business cases for collaborative projects, the management of the transition for approved collaborations, and the subsequent performance management arrangements for the new collaborative services.
19. Obtain regular updates from Senior Accountable Officers and legal advice regarding compliance matters, and be satisfied that all compliance matters have been considered in preparing the financial statements.
20. The Chair and Vice Chair of the Governance and Audit Committee together with the Chairs and Vice Chairs of the six Overview and Scrutiny Committees will attend the Chair and Vice Chair Liaison Group with the primary aim to reduce duplication of work, ensure there is a shared coverage of the Council's risk profile and escalate poor performance between respective Committees.

Appendix A of the Audit Charter provides a diagram of the co-ordination of work between the Overview and Scrutiny Committees and Governance and Audit Committee.

## **B. Financial:**

### **Statutory Financial Statements**

1. Receive the draft annual Statement of Accounts, together with the underlying accounting policies for information. Consider and comment on the final statement of accounts following the receipt of the proposed audit opinion from the Wales Audit Office prior to recommending their approval to the Council.
2. Understand the controls and processes implemented by Senior Accountable Officers to ensure the financial statements derive from the underlying financial

systems, comply with relevant standards and requirements, and are subject to appropriate review.

3. Meet with management and external auditors to review the financial statements, the key accounting policies and judgements, significant accounting and reporting issues and their impact on financial reports, and the results of the audit.
4. Ensure that significant adjustments, unadjusted differences, disagreements with Senior Accountable Officers and critical accounting policies and practice are discussed with the external auditor.

### **Financial Affairs**

5. Understand the internal control systems implemented by Senior Accountable Officers and service team for the approval of transactions and the recording and processing of financial data.
6. Gain an understanding of the current areas of greatest risk around financial controls and advise and assure on risk management.
7. Keep under review the Council's financial procedure rules and contract procedure rules and all other corporate directions concerning financial control.
8. Review and assure the Treasury Management Strategy and Policy and consider quarterly updates on Treasury Management and make appropriate recommendations / observations to the Cabinet.

### **C. Internal and External Audit**

1. Keep under review the joint working arrangements of the Council's Internal and External Auditors.

#### **Internal Audit**

2. Promote the role of internal audit within the Council, as a key element of its control environment.
3. Review and approve the Internal Audit Charter, outlining the role, scope, independence, authority, responsibility and reporting of the department.
4. Keep under review the organisational structure and resource requirements of the Internal Audit Section and consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Internal Audit Manager. To approve and periodically review safeguards to limit such impairments.

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5. Make appropriate enquiries of both Senior Accountable Officers and the Internal Audit Manager to determine if there are any inappropriate scope or resources limitations.
  6. Review, approve (but not direct) and monitor the delivery of the risk-based internal audit plan, the approach to using other sources of assurance and any work required to place reliance upon those other sources and ensure the plan considers changes arising from Government, Assembly or Council initiatives.
  7. Approve significant interim changes to the risk based internal audit plan and resources requirements.
  8. Receive summaries of all internal audit reports issued, highlighting key actions with corporate control implications.
  9. Consider reports from the Internal Audit Manager on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
    - Updates on the work of internal audit including key findings, issues of concern including monitoring the implementation of agreed actions contained within internal audit reports, receive report on actions not implemented within good timescales and seek explanations from officers where required.
    - Regular reports on the results of the Quality Assurance Improvement Programme (QAIP);
    - Reports on instances where the internal audit service does not conform to the Public Sector Internal Audit Standards (PSIAS) and Local Governance Advice Note (LGAN), considering whether the non-conformance is significant enough that it must be included in the AGS.
  10. Receive and consider the Internal Audit Managers annual report:
    - The statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement – these will indicate the reliability of the conclusions of internal audit.
    - The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the Annual Governance Statement (AGS).
    - Keep performance indicators under review and evaluate, on an annual basis, the performance and effectiveness of internal audit and its compliance with best practice.
  11. Consider summaries of specific internal audit reports as requested.

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12. Receive reports outlining the action taken where the Internal Audit Manager has concluded that Senior Accountable Officers and service teams have accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.
  13. Contribute to the Quality Assurance Improvement Programme (QAIP) and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
  14. Meet separately with the Internal Audit Manager to discuss any matters that the Committee or internal auditors believe should be discussed privately.
  15. Should the needs arise, arbitrate in the event of any failure to agree between a Senior Accountable Officers and internal audit.
  16. Discuss with the external auditor the standard of work of internal audit.

### External Audit and External Regulatory Bodies

#### External Audit

17. Support the independence of external audit through consideration of the external auditor's annual assessment of its independence.
18. Review the external auditors' proposed audit scope and approach for the current year in the light of the Authority's present circumstances and changes in regulatory and other requirements arising from Government, Assembly or Council initiatives.
19. Ensure that the annual audit is undertaken in compliance with statutory requirements.
20. Receive all audit reports, and the annual audit letter, issued by the external auditor, and ensure that all agreed recommendations are implemented.
21. Consider specific reports as agreed with the external auditor.
22. Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.
23. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure the auditors have access to the chair of the Governance and Audit Committee when required.
24. Review, annually, the performance of external audit and co-ordinate any feedback requested from the Wales Audit Office.

## External Regulation: Performance

25. External arrangements for regulation and assurance are provided by a number of statutorily appointed bodies such as the Wales Audit Office (WAO), Estyn and the Care Inspectorate Wales (CIW), plus a number of other external regulatory bodies. To examine how the organisation manages and spends public money including achieving value in delivery. This work is co-ordinated by the Chief Executive's Business and Communications team and a shared protocol for these working arrangements is in place.
26. To gain assurance and confidence of the Council's response to the external regulatory findings the Governance and Audit Committee will:
  - a) Receive periodic reports from external regulators which will include the Council's response to the reports and ensure that effective processes are in place for setting and monitoring against proportionate and effective action plans.
  - b) Receive an annual report collating external regulatory activity on improvement assessment work which is supplemented by local risk based audit work; and
  - c) Receive the Annual Improvement Report from the Auditor General

## D. Accountability Arrangements

1. Require the attendance at the Committee of any officer or member, or the submission of a report from any officer, to provide further explanation in connection with any of the above terms of reference.
2. Evaluate the Committee's own performance, both of individual members and collectively, on a regular basis.
3. The Committee must meet at least once a year and must also do so if the Council decides or if at least a third of the Committee's members require a meeting. Beyond those requirements the Committee can meet whenever it likes.
4. The Governance and Audit Committee will keep the above terms of reference under annual review and propose any amendment to the County Council.
5. Report to full council and publish an annual report on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

## 7.02 Composition

1. The Chair and Vice-Chair of the Governance and Audit Committee will be chosen by the Committee itself at its first meeting following each annual general meeting. The Chair and Vice Chair of the Governance and Audit Committee will be chosen from amongst the opposition group(s), non-aligned Councillors or lay member on the Council (that is to say from amongst the group(s) none of whose members are

included in the Cabinet). From May 2022 the appointment of the Chair must be from one of the Lay Members appointed to sit on the Committee.

2. The County Council shall appoint two (three from May 2022) people who are neither a serving Councillor nor an officer of the County Council or any other Council to serve as lay members of the Committee with full voting rights. The lay member's term of office shall be from the first County Council meeting following the annual general meeting following the County Council elections until the first County Council meeting after the annual general meeting following the next County Council elections. No more than one member of the Committee shall be on the Council's Cabinet. The Council Leader cannot be a member of the Committee.
3. It is the express wish of the Council that there should be continuity of membership of the Governance and Audit Committee so as to build up a body of expertise and maintain a consistency of approach.
4. In recognising the express wish of the Council, but observing the requirements of the legislation for political balance, the Governance and Audit Committee will comprise seven (six from May 2022) Members with the seats allocated in accordance with the legislation to the appropriate political groups and one lay member. Any proposed substitution shall comply with Council Procedure Rule 22.4 and the proposed substitute shall have attended relevant training. Substitutes will only be permitted where the Governance and Audit Committee, at the commencement of its meeting, agrees that good reasons exist for substitution.
5. Members will receive induction training on appointment to the Committee. Ongoing training will be provided as necessary to meet the requirements of the Committee, based on the skills and experience of the members.
6. The business of the Committee shall be conducted apolitically.

## Governance and Audit Committee Actions Raised – 2020/21

## Appendix B

Item No.	Report	Action Required	Action Taken	Status
<b>23<sup>rd</sup> July 2020</b>				
62.	Draft Statement of Accounts 2019/20	An up-to-date figure for the NHS debt in note 13	This information was provided to members of the Committee on 07/08/2020.	Closed
62.	Draft Statement of Accounts 2019/20	Clarification on £374k payments in note 28 for Related Parties - Officers	The accounts have been updated to reflect this and they will be presented to committee in September for approval.	Closed
62.	Draft Statement of Accounts 2019/20	The reason for fluctuating management and supervision costs on the HRA Income & Expenditure Sheet (p.70 of the accs).	This information was provided to members of the Committee on 07/08/2020.	Closed
62.	Draft Statement of Accounts 2019/20	To receive a report in Sept (on a quarterly basis) to give assurance to the Committee on how the Council is proportionately responding to the pandemic emergency and making risk-assessed decisions.	The first report was be provided at the September 2020 Audit Committee meeting.	Closed
62.	Draft Statement of Accounts 2019/20	To share Audit Wales contact details with the Committee.	This information was provided to the Committee on 23/07/2020	Closed
64.	Annual Governance Statement 2019/20	That the Annual Governance Statement 2019/20 includes the commitment to increase Member involvement from next year, and be endorsed and attached to the Statement of Accounts for adoption.  The process and timescale for more Member involvement on the AGS during Q4 to be shared with the Committee in the Autumn.	Update provided to members	Closed
64.	Annual Governance Statement 2019/20	To share the six recovery risk registers and business plans with the Committee.	These were circulated to the Audit Committee members on 17/09/2020.	Closed
67.	Treasury Management Annual Report 2019/20 and Q1	To provide a response to the Committee on any reason for the difference in brokerage fees (App 5)	A response was provided to Audit Committee members on 18/08/2020.	Closed

Item No.	Report	Action Required	Action Taken	Status
	2020/21 Update	since 2019.		
<b>9<sup>th</sup> September 2020</b>				
76.	PSIAS	To ensure that benchmarking data against other authorities is shown in future PSIAS reports.	Benchmarking data to be included in future PSIAS reports. Due to the pandemic benchmarking has not taken place to date. This has resumed. If the data is available this will be included within the Internal Audit Annual Report 2020/21.	Open
16.	Quarterly update on response to the pandemic	Presentation slides from Cabinet 15/09/20 to be shared with the Audit Committee.	These were circulated to the Audit Committee members on 17/09/2020.	Closed
16.	Quarterly update on response to the pandemic	Updated risk registers to be shared with the Audit Committee later in the month.	These were circulated to the Audit Committee members on 17/09/2020.	Closed
<b>18<sup>th</sup> November 2020</b>				
6.	School Reserve Balances y/e 31/3/2020	To include data over a three year period in future annual reports on school balances.	Future report to include three year period.	Closed
9.	Risk Management Framework	To clarify the escalation of high level risks to Cabinet, Overview & Scrutiny committees and Audit Committee within the document.	The escalation process has been revised within the Risk Management User Guide.	Closed
10.	Approach to the 2020/21 AGS	To check availability of the Chair, Cllr Heesom, Cllr Johnson, Sally Ellis and Allan Rainford for the workshop in March/April 2021.	This workshop is has been provisionally booked for 21/03/2021.	Closed
11.	Audit Committee Annual Report	That the annual report for 2019/20 be endorsed prior to its submission to Council for approval on 08/12/20.	The Audit Committee Annual report was approved by Council on 08 December 2020.	Closed
14.	Forward Work Programme	To consider how best to share the approach to managing risks identified during budget-setting to give assurance to the Committee.	This will be included within the Audit Committee Forward Work Programme	Closed

Item No.	Report	Action Required	Action Taken	Status
<b>21<sup>st</sup> January 2021</b>				
19.	Treasury Management Strategy 2021/22 and Q3 Update 2020/21	To consider the suggestion of a future briefing session on the use of bond investments.	Treasury Management attended the members workshop for members to review their effectiveness on the 13 <sup>th</sup> October 2021.	Closed
20.	Code of Corporate Governance	To consider for future versions of the Code (i) retaining Section 2 as an appendix and (ii) to reinforce references to organisational resilience.	This will be include in the 2021/22 Code of Corporate Governance which will be presented to Governance and Audit Committee in January 2022.	Open
25.	IA Progress Report	To circulate the Planning Enforcement report (Environment & Economy OSC).	An email providing an update on Planning Enforcement was circulated to all member on 3 <sup>rd</sup> February 2021	Closed
25.	IA Progress Report	To circulate an update on the position on school funds.	This will be provided to the committee once the school reviews have been completed.	Open
<b>24<sup>th</sup> March 2021</b>				
31.	Minutes 27/01/2021	The remaining two places on the recruitment panel for the additional lay member to be filled by either Sally or Allan plus an elected Member of the Committee.	Interview date of 13 <sup>th</sup> November 2021 has been confirmed	Closed
32.	Terms of Reference for the Governance and Audit Committee	To remove 'on the Council' from the second sentence in para 7.02 of the Terms of Reference.	The Terms of Reference were amended to reflect this change.	Closed
35.	IA Progress Report	To liaise with the Chief Officer Team so that an update on the current status of high priority outstanding actions can be reported to the Committee	All outstanding actions (High priority, actions with no update and actions where an update had not been provided in 3 months) were presented to the Chief Officers Team 14 <sup>th</sup> April. Work has been undertaken since this meeting by action owners to provide feedback / evidence on the current position of these actions. A further update on this work is included within the Internal Audit Progress Report presented to the June committee.	Closed

Item No.	Report	Action Required	Action Taken	Status
38.	Q4 Treasury Management Update 2020/21	That officers investigate options on how best to present the data in future reports.	This was explored as part of the members workshop on reviewing their effectiveness session held on the 13 <sup>th</sup> October 2021.	Closed
41.	External Regulation Assurance	To share the report with OSC Chairs & Vice-Chairs to help them identify areas of interest for their forward work Programmes.	This was completed on 27 <sup>th</sup> July 2021 and reported to Recovery Committee on the 9 <sup>th</sup> September 2021.	Closed
41.	External Regulation Assurance	To arrange the next meeting of the Audit/OSC liaison group.	This was held on 27 <sup>th</sup> July 2021.	Closed

## Governance and Audit Committee Forward Work Programme – 2021/22

## Appendix C

Meeting Date	Agenda Item	Assurance Type	Int. / Ext. Assurance
02/06/2021	Certification of Grants and Returns Report (AW)	Financial Management	External
	Draft Annual Governance Statement	Governance, Risk, Financial & Control	Internal
	Internal Audit Annual Report 2020/21	Governance, Risk, Financial & Control	Internal
	Internal Audit Progress Report 2021/22	Governance, Risk, Financial & Control	Internal
	Audit Committee Action Tracking	-	Internal
	Forward Work Programme	-	-
28/07/2021	Treasury Management 2021/22 Q1 Update and Annual Report 2020/21	Financial Management	Internal
	Supplementary Financial Information to Draft Statement of Accounts 2020/21	Financial Management	Internal
	Risk Management update 2021/20	Governance, Risk, Financial & Control	Internal
	Audit Wales – Raising our Game Tackling Fraud in Wales	Governance, Risk, Financial & Control	External
27/09/2021	Statement of Accounts 2020/21	Financial Management	Internal
	School Reserves – Annual Report on School Balances	Financial Management	Internal
	Budget 2022/23 - Stage 2	Financial Management	Internal
	Internal Audit Progress Report 2020/21	Financial Management	Internal
	Audit Committee Action Tracking	Governance, Risk, Financial & Control	Internal
	Forward Work Programme	-	Internal
	Private Meeting (AW and Internal Audit)	-	-
		-	Internal & External
17/11/2021	External Assurance Report – Audit Wales, Housing Rent	Governance, Risk, Financial & Control	External
	External Assurance Report – Audit Wales, Town Centres	Governance, Risk, Financial & Control	External
	Audit Committee Annual Report	Corporate Governance	Internal

Meeting Date	Agenda Item	Assurance Type	Int. / Ext. Assurance
	Treasury Management 2021/22 – Mid Year Report Asset Disposals and Capital Receipts Grant Claims Certification Risk Management Update – Mid Year Report Internal Audit Progress Report 2020/21 Audit Committee Action Tracking Forward Work Programme	Financial Management Financial Management Financial Management Governance, Risk, Financial & Control Governance, Risk, Financial & Control - -	Internal Internal Internal Internal Internal Internal -
26/01/2022	Annual Audit Summary (AW) (2020/21) Treasury Management 2021/22 Q3 Update and 2022/23 Strategy Code of Corporate Governance Internal Audit Charter Internal Audit Progress Report 2021/22 Audit Committee Action Tracking Forward Work Programme	Corporate Governance Financial Management Corporate Governance Governance, Risk, Financial & Control Governance, Risk, Financial & Control - -	External Internal Internal Internal Internal Internal -
23/03/2022	Risk Management Update Treasury Management 2021/22 Q4 Update Audit Plan (AW) Annual Report on External Inspections 2020 Internal Audit Strategic Plan 2022/2025 Public Sector Internal Audit Standards Compliance 2021/22 Internal Audit Progress Report 2021/22 Audit Committee Action Tracking Forward Work Programme Private Meeting (AW and Internal Audit)	Risk Management Financial Management External Audit Corporate Governance Governance, Risk, Financial & Control Governance, Risk, Financial & Control Governance, Risk, Financial & Control - - -	Internal Internal External External Internal Internal Internal Internal - - Internal & External

## Audit Committee Self-Assessment Summary and Action Plan 2020/21

## Appendix D

## Summary of Governance and Audit Committee's Self-Assessment 2021/22

No	Topic	Questions Answered			
		Strongly Agree	Agree but identified areas for further improvement	Disagree and action required	Not Applicable
1.	<b>Good Governance</b> : Promoting the principles of good governance and its application to decision making	3	2	0	0
2.	<b>Internal Control</b> : Raising awareness of the need for sound internal control and contributing to the development of an effective control environment	3	2	0	0
3.	<b>Risk</b> : Supporting arrangement for governance of risk and for effective arrangements to manage risk	4	1	0	0
4.	<b>Assurance Framework</b> : Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively	3	1	0	1
5.	<b>Internal and External Audit</b> : Reinforcing the objectivity, importance and independence of internal audit and external audit and therefore the effectiveness of the audit functions.	4	1	0	0
6.	<b>Assurance Arrangements</b> : Aiding the achievement of the Authorities goals and objectives through helping ensure appropriate governance, risk, control and financial assurance arrangements.	3	3	0	0
7.	<b>Ethics and Values</b> : Helping the Authority to implement the values of ethical governance, including effective arrangements for countering risks of fraud and corruption.	3	1	0	0
8.	<b>Transparency &amp; Accountability</b> : Promoting measures to improve transparency and accountability and effective public reporting to the Authority's stakeholders and the local community.	3	0	0	1
	<b>Overall Summary</b>	<b>26</b>	<b>11</b>	<b>0</b>	<b>2</b>

**Action Plan - Governance and Audit Committee's Self-Assessment 2021/22**

No	Question	Agree	Agree & identified areas for improvement	Disagree	Response to Question	Action
<b>1.</b>	<b>Good Governance : Promoting the principles of good governance and its application to decision making</b>					
1.1	How does the Committee promote the principles of good governance within the organisation?		Y		Through training, self-assessment and Audit Wales. However the Committee was unsure about 'promoting' the committee. Given the new Act will require a Lay Member as Chair this will need to be given further consideration. The committee also identified that it would be good to benchmark forward work programmes of other LAs to theirs.	As a result of the new Act, consideration needs to be given as to how the Chair will be able to fulfil their role and form a relationship with officers and members of the Council. To benchmark other G&AC work programmes.
1.3	How does the Committee promote and encourage openness and transparency in decision making?		Y		The Committee encourages consultation when an issue arises. All reports are open and transparent, available to the public. A discussion took place over how O&SC's see and/or know about the G&AC. This was picked up in the previous self-assessment. Going forward a questionnaire will also be sent to the O&SC chairs. G&AC feel there is little communication between the committee and the O&SC's presently however appreciated the liaison group has only just been reconvened following the pandemic and therefore will reassess at a	As part of the self-assessment process next year the Overview & Scrutiny Committees, Cabinet Members and Chief Officers will be consulted.

No	Question	Agree	Agree & identified areas for improvement	Disagree	Response to Question	Action
					later date.	
<b>2.</b>	<b>Internal Control : Raising awareness of the need for sound internal control and contributing to the development of an effective control environment</b>					
2.2	Does the Committee formally report the findings of its work and its recommendations for improving internal control to the Council?		Y		Yes through its Annual report to Council. The Committee did recognise that it would be helpful if they made more recommendations than accepting reports as this would help with visibility.	Where appropriate the Committee to make recommendations rather than accepting reports.  The committee feels an annual review should be undertaken against the TOR to ensure all elements of work are covered.
2.4	Is the Committee recognised within the Council as an agent for improvement?		Y		It difficult to determine this (by lay members) Chair also has a question regarding this – area to explore with the appointment of the new chair.  It was also raised that refresher training for G&AC members could be beneficial as well as an awareness session for non G&AC members.	Refer to action 1.1 Develop the training available for the new members of the G&AC and an awareness session for non G&AC members.
<b>3.</b>	<b>Risk : Supporting arrangement for governance of risk and for effective arrangements to manage risk</b>					
3.3	Does the Committee periodically deep-dive into a specific risk/risk area to confirm that risk management and mitigation arrangements are fit for purpose?		Y		The Committee feel this should be done however recognise that there is a degree of sensitivity around this. There is also a cross over between G&AC and O&S.  G&AC do receive Red reports / Limited assurance reports in full and the Chief Officer / Services will also attend.	Invite individual managers to meeting re risk owners from the risk register to deepen own understanding and promote / awareness.  The committee would like to confirm the

No	Question	Agree	Agree & identified areas for improvement	Disagree	Response to Question	Action
					The review of risks is also picked up as part of the audit planning process.	escalation protocol for escalating matters from the Governance and Audit committee to Overview and Scrutiny committees and vice versa.
<b>4.</b>	<b>Assurance Framework : Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively</b>					
4.4	Does the Committee have good relationships and able to share information with other parts of the assurance framework, eg Scrutiny, Internal Audit, Complaints		Y		Yes with Internal audit and there is an escalation process in place with the O&SCs. There is a Chairs and Vice Chairs Liaison group in place but feels this is the lowest priority for everyone. However appreciates that it has only just been reconvened as result of the pandemic.  Currently complaints is reported to CROSC however from April 2022 this will fall under the remit of the Committee. Training in this area has been identified by the members.	To arrange training for G&AC member on corporate complaints.
<b>5.</b>	<b>Internal and External Audit: Reinforcing the objectivity, importance and independence of internal audit and external audit and therefore the effectiveness of the audit functions.</b>					
5.4	Does the Committee ensure that internal and external audit recommendations are addressed and implemented by the organisation?		Y		This is always an area for improvement, however proportionality needs to be considered here.	The Internal Audit Manager to review alternative approaches for actions tracking with Management.

No	Question	Agree	Agree & identified areas for improvement	Disagree	Response to Question	Action
<b>6.</b>	<b>Assurance Arrangements: Aiding the achievement of the Authorities goals and objectives through helping ensure appropriate governance, risk, control and financial assurance arrangements.</b>					
6.4	Do members of the Committee have strong working relationships with members of the Executive which provide the Committee with early warning of planned developments / projects, and enable the Committee to ensure that appropriate governance, risk, control and financial assurance arrangements are considered at an early stage?		Y		Strong working relationship is there however with the new arrangement for the Chair this will need to be considered carefully. The committee questioned the reference to early warnings. Since the session, the CIPFAs model TOR has since been reviewed and currently does not require the G&AC to be made aware of early warning.	Relationship of the future chair to be considered given the position will be a lay member.
6.5	Do the quarterly Treasury Management reports provide members with the information they need? Is there too much information or too little? Is there anything else that would be useful to include?		Y		Reports are comprehensive Treasury Management training sessions could be developed as the last one was complex. May be one put on internally. The committee also raised a point that external audit are placing more emphasis on value for money work and questioned whether this would be part of the G&AC remit.	The approach to delivering Treasury Management training to be review to reflect the feedback from the committee. Accountancy to liaise with external audit over the role of G&AC and value for money work
<b>7.</b>	<b>Ethics and Values: Helping the Authority to implement the value of ethical governance, including effective arrangements for countering risks of fraud and corruption.</b>					
7.3	How does the Committee obtain assurance that values and ethical governance arrangements have been effectively communicated across the organisation and have been embedded?		Y		In terms of ethical values, this is an area the committee has not been involved in, in detail. An audit has been completed. The full report is to be shared with the G&AC for information. The Committee did highlight that it would be	Audit report on Ethical Values to be shared in full with the Governance and Audit Committee. Annual report from standards committee to be shared to the Governance and Audit

No	Question	Agree	Agree & identified areas for improvement	Disagree	Response to Question	Action
					useful to see the annual report from the Standards Committee for oversight.	Committee for oversight