

**SUBJECT: GOVERNANCE AND AUDIT COMMITTEE
ANNUAL REPORT 2024/25**

DIRECTORATE: Resources

MEETING: Governance and Audit Committee

DATE: 20 August 2025

DIVISION/WARDS AFFECTED: All

1. PURPOSE

To set out the 2024/25 Annual Report from the Chair of the Council's Governance & Audit Committee [which the Committee endorsed at its meeting on 11th September 2025].

2. CONCLUSION

- 2.1 The Committee concluded that it had discharged its responsibilities during the 2024/25 period and consequently the Council can be reasonably assured over its work, outputs and the conclusion reached, namely, that the Authority's overall governance, risk and control arrangements are broadly effective. Our conclusion has been informed by the work and annual, formal opinion provided by the Authority's Chief Internal Auditor, the reports produced by Audit Wales, and other inspectorate and regulatory bodies, alongside papers presented by officers.
- 2.2 It is particularly pleasing to present this conclusion given the extended period of change and uncertainty experienced by the Authority during the financial year.
- 2.3 We would like to thank all of the officers and external assurance providers who have supported our work by attending meetings, presenting papers and addressing concerns raised. Similarly, as Committee Chair, I would like to thank committee members for their valued contribution throughout the period.
- 2.4 The Committee confirms that, over the period, it has received a sufficient number and range of papers and reports of appropriate quality which supports in discharging its responsibilities. Such papers and reports include, for example:
 - budgetary, financial control and investment management;

- risk management policies, framework information and risk registers;
- data security and IT related matters, and
- the annual work programmes for the Authority's Internal Audit function and Audit Wales, and the results and recommendations arising from individual audit assignments.

2.5 The Council is invited to:

- consider the conclusion and observations set out within this Annual Report;
- provide feedback on the performance of the Governance and Audit Committee, and
- as appropriate endorse this Report.

3. THE COMMITTEE'S RESPONSIBILITIES

3.1 The core responsibilities for the Governance & Audit Committee are set out in summary form at section 10.2 within the Council's Constitution (10 April 2025 version) with further information on its responsibilities and expectations unhelpfully dispersed throughout the remainder of what is a very lengthy document. Section 10.2 states the Committee's responsibilities are to:

- ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted;
- review and approve the annual statement of accounts, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit;
- maintain an overview of the Council's constitution in respect of contract procedure rules and financial regulations, and
- make recommendations, as appropriate, to Cabinet and Council on any matters reported through the Governance and Audit Committee.

3.2 The Committee also has a number of additional functions as required by s81, Local Government (Wales) Measure 2011), noting that these functions are not explicitly reflected in the Constitution, alongside other specific responsibilities which the Council has conferred upon the Committee.

4. SPECIFIC MATTERS FOR NOTING

4.1 For context, it is critically important to recognise that officers have continued to engage constructively and in good faith with the Committee throughout the period. Indeed the manner in which officers have engaged with the Committee has been exemplary with, for example, good levels of collaborative working between the Committee and officers; robust but respectful debate; effective management of disagreements, and an improved 'no surprises' culture as evidenced by the number of informal

briefings, greater levels of openness and a positive attitude to revising proposals following the Committee's feedback.

4.2 Notwithstanding the above, the Committee notes the following matters:

- We have consistently raised concerns over the extended timeline for appointing a permanent Chief Internal Auditor, (CIA), indeed the Authority has had an Acting CIA for over 2.5 years. Such a situation could have adversely impacted the incumbent's authority, influence and effectiveness to the detriment of the Authority's overall system of control, but it is important to note that there has been no evidence of this. The Committee is pleased to note that this situation has been resolved following the recent successful recruitment exercise, (July 2025) and we look forward to continue working with the CIA.
- In last year's Annual Report the Council accepted that the Committee's should play a role in reviewing proposed changes to the Authority's Constitution in recognition that this document is fundamental to how the Authority is governed and controlled. It is disappointing to note that officers did not engage with the Committee when proposing recent changes to the Constitution. In this regard we note the inconsistency between the Constitution and the underlying legislation in respect of the eligibility criteria for the appointment of the Chair of the Democratic Services Committee, as highlighted in the Council's meeting of 15 May 2025. I have asked Democratic Services to liaise with the Monitoring Officer to ensure that future updates to the Constitution, and the Code of Corporate Governance, are presented to the Governance and Audit Committee before being considered by the Council.

5. COMMITTEE CONSTITUTION, MEMBERSHIP & ATTENDANCE

- 5.1 Following the Local Government and Elections (Wales) Act 2021 coming into effect the Council's former Audit Committee was re-named as the Governance & Audit Committee with other changes as required by the legislation, such as an increase in the number of lay members to comprise one third of the Committee were made with three lay members (including the Chair) appointed meaning that the Committee has a total of 12 members (comprises eight elected and four lay members).
- 5.2 There have been minor changes to membership over the period with all new members, along with existing members, offered an appropriate training and support programme which ensures that all members feel able to contribute effectively and to do so in a non-partisan manner. I think it helpful to highlight that members, both elected and lay, bring a diverse but complementary range of highly relevant skills and professional experience to the committee which enables each to make a significant and valued contribution.
- 5.3 The Committee is supported by Democratic Services with the, Deputy Chief Executive and Chief Officer Resources, the Head of Finance and

the Chief Internal Auditor, Performance and Data Insights Manager in attendance at most meetings. Representatives from our external auditors (Audit Wales) are invited too and attend meetings as appropriate.

- 5.4 The Committee met on nine occasions during 2024/25. For each meeting, the Committee was quorate and there were sufficient members to enable an informed discussion on the matters raised. The high attendance rate by members demonstrates their continued commitment to the work of the Committee.

6. RESOURCE IMPLICATIONS

None.

7. CONSULTEES

- Governance & Audit Committee members
- Deputy Chief Executive/ S151 Officer
- Monitoring Officer.

8. RESULTS OF CONSULTATION:

Report agreed.

9. BACKGROUND PAPERS

Papers for the Governance & Audit Committee meetings during 2024/25.

10. AUTHOR AND CONTACT DETAILS

Andrew Blackmore, Chair, on behalf of the Governance and Audit Committee

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