

**SUBJECT: GOVERNANCE AND AUDIT COMMITTEE
ANNUAL REPORT 2025/26**

DIRECTORATE: Resources

MEETING: Governance and Audit Committee

DATE: 29 September 2026

DIVISION/WARDS AFFECTED: All

1. PURPOSE

To set out the 2025/26 Annual Report from the Chair of the Council's Governance & Audit Committee, (the 'Committee') [which the Committee endorsed at its meeting on 29th September 2026].

2. CONCLUSION

- 2.1 The Committee concluded that it had discharged its responsibilities during the 2025/26 financial year 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.**
- 2.2 Our conclusion has been informed by the annual, formal opinion provided by the Authority's Chief Internal Auditor alongside the results of individual audit assignments; the reports produced by Audit Wales including its unqualified opinion on the Council's Annual Accounts [TBC]; the findings and conclusion arising from the Panel Performance Assessment exercise completed in early 2026; the reports produced by various inspectorate and regulatory bodies, alongside the suite of papers prepared and presented by officers.
- 2.3 It is particularly pleasing to present this conclusion given the ongoing, and increasingly acute, financial and operational pressures being experienced by the Authority, as well as the wider public sector across Wales as a consequence of evolving service demand.
- 2.4 The Committee would like to thank all of the officers and, internal 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.

- 2.5 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 audit work programmes for the Authority's Internal Audit function, Audit Wales and the Shared Resources Service, and the results and recommendations arising from individual audit assignments.
- 2.6 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 of the Committee are set out in summary form at section 10.2 within the Council's Constitution (as agreed by the Council at its meeting on 10 April 2025) with further information on elements of 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 discretionary responsibilities which the Council has conferred upon the Committee.

4. SPECIFIC MATTERS FOR NOTING

- 4.1 For context, it is important to acknowledge 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 a 'no surprises' culture as evidenced by the number of briefings, good levels of openness and a positive attitude to revising proposals following the Committee's feedback.
- 4.2 The Committee has continued to engage constructively with the Council's scrutiny committees, specifically the Performance and Overview Committee, and has undertaken joint reviews on relevant matters ensuring that these are completed as efficiently and effectively as possible.
- 4.3 In recognition of the challenges being faced by the Authority, an ambitious, organisation-wide change programme known as 'For Purpose and On Purpose', (F-POP) has been launched with the goal of ensuring that we continue to be relevant, trusted and effective. As such, this programme is viewed as an enabler of the objectives as set out in the Council's Community and Corporate Plan. The Committee is very supportive of F-POP and as part of its work programme will periodically review the Programme's governance and risk management arrangements.

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 manner which is demonstrably non-party political. 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 and 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 eight occasions during the financial year 2025/26. 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
- Head of Internal Audit

8. RESULTS OF CONSULTATION:

Report agreed.

9. BACKGROUND PAPERS

Papers for the Governance & Audit Committee meetings during 2025/26.

10. AUTHOR AND CONTACT DETAILS

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

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