

Corporate Governance Panel Minutes

23rd September 2021

Attendees: Cllr Margaret Sargent\Cllr Eluned Stenner\Deb Gronow\Rob Tranter\Liz Lucas

Chair: Stephen Harris

1. Apologies

Richard Edmunds (Ed)
Sue Richards
Robert Tranter (start of meeting)

2. Minutes of Last Meeting

The minutes of the last meeting held on 26th May 2021 were approved.

3. Update on Accounts

Originally going to Governance & Audit Committee on 30th September 2021 but now scheduled for 12th October 2021 and then Full Council on 14th October 2021.

Audit Wales fieldwork due to be finalised this week and we will be handing over version 2 of the 2020/21 Financial Statements to them on 27th September 2021, which will reflect any adjustments that have been agreed as part of the audit process. Later in the week we will receive back from Audit Wales their report on the audit of the Financial Statements (ISA260 Report).

Different approach this year compared to Grant Thornton's whereby we would have received the key issues, recommendations, and the management responses in the ISA260 Report. Audit Wales take a slightly different approach. The report from them will highlight the issues that came from the audit along with the Auditor General's opinion. A separate 'Addendum Report' will then follow setting out the recommendations arising from the audit and the management responses. SH has agreed with Audit Wales that the 'Addendum Report' will go to the next meeting of the Governance & Audit Committee in January 2022. By this time officers would have responded to any recommendations and a positive response will be able to be given to the Governance & Audit Committee stating that either the recommendations have been addressed or that there are plans in place to address them.

4. Annual Governance Statement

The draft 2020/21 Annual Governance Statement (AGS) was endorsed by the Governance & Audit Committee at its meeting on the 8th June 2021 and was subsequently included in the draft 2020/21 Financial Statements, which have since been subject to audit by Audit Wales. The final version of the AGS will now go to Governance & Audit Committee on 12th October 2021 and the Full Council meeting on 14th October as part of the approval process for the audited Financial Statements.

SH confirmed the following amendments had been made to the draft AGS: -

- Audit Wales asked if we had considered the CIPFA Bulletin 6 which does provide a recommended structure for the AGS. This is not currently mandated, and SH has advised Audit Wales that this will be looked at over the coming months.
- Lots of links to documents inserted into the AGS which Audit Wales felt would assist the reader.
- Audit Wales felt that the impact of Covid needed to be referenced earlier in the document, so this has been carried out. Outlined that temporary decision-making processes had to be put in place.
- External Audit section – Audit Wales requested we inserted their Audit Wales 2020 Audit Wales Audit Summary. This document has already been presented to the Governance & Audit Committee and Cabinet.
- Audit Wales Financial Sustainability Assessment for Caerphilly CBC - This assessment had not been finalised at the time of preparing the draft AGS. A final report has since been issued and this is now referenced in the final AGS including the addition of an action arising from proposals for improvement in the Audit Wales report.
- Adjudication Panel decision on Cllr Poole – referenced in draft AGS but link to Adjudication Panel's report now added in final AGS.
- Additional narrative provided on the waste investigation.
- Reference made to the CIPFA Financial Management Code which operated in shadow/pilot form in 2020/21 but is now mandated for 2021/22. Narrative included in final AGS outlining what we need to do to make sure the Council is financially resilient and has robust financial management in place. MTFP needs to be enhanced and linked to the Transformation Strategy.

Following discussion, it was agreed that the Review of the Risk Management Strategy be moved to the meeting of the Governance & Audit Committee on 25th January 2022. Updated Strategy to be presented to next meeting of the Corporate Governance Panel on the 23rd December 2021.

Cyber risk – LL outlined that there is a lot of work being undertaken around cyber security in order to deliver a Cyber Security Strategy. A number of workshops and training sessions are being undertaken with Leadership Team/Management Network during October/November. Office 365 E5 licences, which are the most secure available, are currently being deployed however a lack of staff is causing a delay. **LF to circulate a copy of the presentation provided to Management Network Team on 10th September 2021.**

SH to provide a brief summary of amendments made to the draft AGS at Governance & Audit Committee meeting on the 12th October 2021.

5. Agenda for Audit Committee on 12th October 2021

Agreed the meeting on the 12th October will focus purely on the Accounts.

Confirmed that the Review of the Risk Management Strategy be moved to the meeting on 25th January 2022. Updated Strategy to be presented to next meeting of the Corporate Governance Panel on the 23rd December 2021.

CCBC Anti-Fraud Strategy and Action Plan – draft document to come to the next meeting of the Corporate Governance Panel on the 23rd December 2021.

Audit Wales Review of Town Centre Regeneration - national report to be presented at Governance & Audit Committee meeting on 25th January 2022.

Possible items to be added to agenda for the meeting in January include Progress Update on Internal Audit Plan and Update on Recommendations Tracker. Governance & Audit Committee have requested 6 monthly updates re: Recommendations Tracker. SH to update Forward Work Programme and include in meeting on 12th October 2021 for endorsing.

DG to forward SH a list of items to be added to the Forward Work Programme post January.

6. Any Other Business

No matters raised.

7. Date of Next Meeting

23rd December 2021