

AUDIT AND CORPORATE SERVICES REVIEW COMMITTEE

13 May 2020

Present: Councillor D Clements (Chair)
Dr R Heath Davies, Councillor M James, Mr G Jones and Councillor R Owens.

[Councillor M Williams arrived during the presentation by Wales Audit Office of the Review of Involvement (Minute 4 refers)]

(Virtual Meeting: 10.00am-11.50am)

1. Apologies

Apologies for absence were received from and Councillor P Baker, Mrs S Hoss and Councillor P Kidney.

2. Disclosures

There were no disclosures of interest.

3. Minutes

The minutes of the meeting held on the 12 February 2020 were presented for confirmation and authentication.

It was **RESOLVED** that the minutes of the meeting held on 12 February 2020 be confirmed and authenticated.

4. Matters Arising

Internal Audit Provision (Minute 12a refers)

The Chief Executive advised that, following a tender process, TIAA had been appointed as the Authority's internal auditors for next 3 years; he looked forward to working with them.

NOTED.

5. Review of Involvement

It was reported that during 2019-20, the Performance Audit element of the Wales Audit Office plan for the Authority included a "Review of Involvement". This work had been based on two case studies:

- the involvement of stakeholders in developing the Newport information hub and community centre; and
- volunteering and the new Volunteer Forum.

The Chair welcomed Nick Selwyn, Euros Lake and Matthew Brushett from Audit Wales (until 1 April called the Wales Audit Office) to the meeting. A summary of the Review was appended to the committee report and the officers presented the main findings contained within it.



The report noted that the Authority had started to identify who it needed to involve in developing individual policies and project plans but needed to ensure its recent Corporate Engagement Action Plan delivered a more consistent approach across the organisation. However the report also acknowledged that the Authority's ability to strengthen its involvement work was difficult in the challenging financial and operating environment and it had to prioritise future funding to make the best use of its limited capacity. It concluded that the Authority was developing a more corporate and consistent approach to involvement, but further work was required to involve stakeholders in deciding spending priorities and to strengthen resilience.

Rather than list proposals for improvement Audit Wales had produced a self-assessment for the Authority's staff and Members to use in identifying the strengths and weaknesses of its current approach to involvement. This self-assessment could be used at both a corporate strategic level but also on individual projects to judge how well the Authority was doing and where change was needed to ensure involvement was mainstreamed and made sustainable. Officers confirmed that this was for the Authority's own use, and did not need to be submitted to Audit Wales.

Members welcomed the report and asked a number of questions regarding it, seeking clarification on the suggested need to streamline plans and on the issue of project led funding. Officers from Audit Wales advised that they felt there were opportunities to streamline plans and strategies in order to reduce the burden on officers. They also acknowledged the challenges faced by the Authority with regard to the balance between bidding for project funding which could then take the focus from its core functions. They recognised that this was a situation that both officers and Members were aware of. In answer to a question regarding the involvement of groups such as the Pembrokeshire Access Group and the Pembrokeshire Blind Society in the research, the officers replied that in preparing the report they had not engaged with all of the Authority's partners, however there was evidence of the Authority's work with the Access Group.

NOTED.

6. Audit Wales Audit Plan 2020

The Chair welcomed Deryk Evans from Audit Wales who explained that, in accordance with the requirements of the Public Audit (Wales) Act 2004, the Local Government (Wales) Measure 2009, the Local Government Act 1999, and the Code of Audit Practice, the Authority was audited by Audit Wales. The programme of work for the next year was outlined in the 2020 Audit Plan, and this was appended to the report. In addition to the audit of financial statements, Audit Wales would look at asset valuations and



pensions. The performance audit would focus on resilient and sustainable services in addition to an assessment of the Authority's Improvement Plan.

Mr Evans acknowledged that there would undoubtedly be challenges resulting from the impact of Covid-19 on the audit process, including the effect on the timetable for publication of the accounts. In response to this situation, Audit Wales had produced notices that the Authority could use to advise of the reasons for the delay.

Turning to fees, it was noted that these had been raised again, however Audit Wales were always looking for efficiencies and ways to keep the fees down. This year it was likely that the work would take longer as work would have to be carried out remotely, however any additional costs in respect of this would be borne by Audit Wales. It was also noted that should the work take less time than anticipated the Authority would receive a refund, as was the case for 2019/20.

NOTED.

7. Internal Audit Annual Report 2019/20

The Chairman welcomed Mr Jonathan Maddock from TIAA to the meeting. He explained that the report, which had been circulated to the Committee, was the result of work completed against the 2019/20 Operational Audit Plan approved by the Authority's Audit and Corporate Services Review Committee in May 2019.

The Internal Audit service had reviewed a number of areas during the year: Car Parks; Grant Making; Business Continuity; Information Governance; Risk Management; Key Financial Controls; Health and Safety; Fleet Management (follow up); and Rangers. Reports on these areas had been considered in two blocks at the meetings of the Audit and Corporate Services Review Committee in November 2019 and February 2020 respectively. The first block of work had been undertaken by Gateway Assure and the second by TIAA.

From these examinations, TIAA was satisfied that, for the areas reviewed during the year, the Authority had reasonable and effective risk management, control and governance processes in place.

Mr Maddock thanked the Authority for appointing TIAA as Internal Auditors going forwards and he looked forward to working with officers and Members. He advised that an Audit Plan for the forthcoming year would be provided at a future meeting and asked that if Members had suggestions for any areas to be looked at, these were provided to the Finance Manager.



NOTED.

8. Internal Audit Report 2019/20 - Health and Safety Management Response

Members were reminded that the Internal Audit Block 2 Report had been considered at the previous meeting of the Committee and this Report had found that one area had been given an overall effectiveness assessment of 'limited' internal controls; this being Health and Safety Management. The Committee had asked for an update to be provided at the next meeting as regards the Authority's response to this finding.

The report summarised the actions that had been taken by officers in response to the points raised regarding Health and Safety in the Internal Audit Report in order to provide assurance to Members.

Members thanked the Human Resources Manager for his report, noting that that they were reassured to see details of the progress made, although this had naturally been hindered by the lockdown resulting from the Covid-19 outbreak. It was suggested that an action plan setting out targets once the lockdown was eased would be helpful.

NOTED.

9. Health and Safety Update

Following feedback at the previous meeting of the Committee, the report of the Human Resources Manager outlined incidents and accidents reported through the Authority's internal processes during the first quarter of 2020. The officer clarified that these related to incidents recorded between 1 January 2020 and 31 March 2020.

The report summarised the action taken in response to each incident. It was noted that there had been no incidents that were reportable to the Health and Safety Executive under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

The report went on to provide an update on a number of project areas, including the Corporate Health Standard, dealing with threatening behaviour and the Authority's response to the COVID-19 pandemic.

Members noted that there were a number of Health and Safety issues resulting from staff working from home as a result of the pandemic and asked if consideration could be given providing them with an update on this at the next meeting. The officer replied that guidance had been sent out to Managers when staff began working from home, and further advice and updates had been provided since that time. He added that it had been made clear to staff that the Authority was happy to offer flexibility with regard to hours of work in order to accommodate the needs and



requirements of childcare and other responsibilities and feedback from staff had suggested that this approach had been welcomed.

NOTED.

10. Performance Report for the Period ending 31 March 2020

The report followed the structure of the Corporate and Resources Plan for 2019/20. This followed the approach of the Well-being of Future Generations Act with seven well-being objectives, with an additional section providing general governance information. The report presented the performance for the full financial year - April to March 2019/20 and included Q4 data (January – March) for the majority of data sets. However some quarterly data sets were outstanding due to issues relating to accessing systems and records as a result of COVID-19 and staff working from home.

A number of actions remained in amber at the end of the financial year, in the main this related to areas where further work was needed to progress activities, actions were part of a longer term project or an action had been affected by COVID-19 (in particular centres, projects or services that required face to face delivery) .

The Performance and Compliance Co-ordinator took Members through the report, highlighting areas in respect of the Local Development Plan, planning and enforcement, the new website, Parkwise training, Walkability, Education and Health and Safety.

Thanking the officer for a comprehensive report, Members asked how realistic the targets were given the current situation and whether these should be reviewed. It was suggested that an additional column could be added to show revised targets in light of the Covid-19 pandemic.

Officers explained that the targets in the report were set out in the current Corporate Plan. The Corporate Plan for the forthcoming year was due to have been considered at the meeting of the National Park Authority on 1 April that was postponed. A revised version of the Plan would now be considered by the Authority at its meeting on 3 June and its contents would reflect the entirely changed work programme that had resulted from the pandemic lockdown measures. Members asked if there was an opportunity for them to feed into the revised Corporate Plan before it was considered and the Chief Executive agreed to circulate this for comment. The Performance and Compliance Coordinator agreed to look at the inclusion of an additional column containing revised targets for future reports.

NOTED



11. Risk Register

Members were asked to consider the latest risk register, which had been reviewed by both the Management and Leadership Teams. The Finance Manager apologised for a typographical error in the title of the table which dated the register March 2019, not 2020 and explained that increasing and decreasing trends in risks were highlighted in the Register.

One Member asked whether the risk to the Authority's finances of the current lockdown measures should be shown as a separate risk; officers replied that they felt it was covered by Risk 45 – Impact of Coronavirus. The Member also suggested that the likelihood rating on Risk 3 - Risk of failing to comply with new legislation could be reduced. Finally she noted that the mitigation actions in Risk 7 needed to be updated.

Other Members asked about the likelihood of compensation from Welsh Government for the Authority's loss of income as a result of the Covid-19 lockdown, and also whether they would be issuing guidance regarding the processing of planning applications. Officers advised that discussions were ongoing with Welsh Government regarding the Authority's financial situation, however they were not aware of any guidance in respect of planning services during the current lockdown. The Authority was currently looking at the practicalities of allowing officers to safely undertake site visits and put up site notices.

NOTED

12. Budget Performance Report

The Finance Manager advised that due to the difficulties caused by staff working remotely as a result of the Covid-19 lockdown, progress on finalising the accounts this year had been delayed. Staff were focussing on paying suppliers, staff and Members. It was likely that the year-end position would show a breakeven situation, however without significant revenue and with the need to make provision for additional costs, that may turn into a deficit.

NOTED.

13. Delegation of any issues for consideration by the Continuous Improvement Group

It was **RESOLVED** that there were no issues of concern that the Committee wished to delegate to the Continuous Improvement Group for consideration.

