



# WLGA Audit Committee

## Minutes

**16<sup>th</sup> May 2023**  
**12:00 to 14:00 via Teams**

**Chair:** Cllr Linda Evans (Carmarthenshire)

**Present:** Cllr Anthony Hunt (Torfaen)  
Cllr Bernie Attridge (Flintshire)

**Apologies:** Cllr Maureen Webber (Rhondda Cynon Taf)  
Cllr Eluned Stenner (Caerphilly)

**WLGA Officers:** Dr Chris Llewelyn, Chief Executive  
Jon Rae, Director of Resources  
Naomi Alleyne, Director, Social Services and Housing  
Karen Higgins, Head of Workforce and Executive Business Manager  
Nathan Gardner,

**Others Present:** Harri Lloyd Davies, Bevan and Buckland LLP  
Catherine Hine, Deputy Data Protection Officer, Cardiff Council

### **Item 1. Welcome and apologies for absence**

1. The Chair, Councillor Linda Evans, welcomed everyone to the meeting of the WLGA Audit Committee and noted Cllr Webber and Stenner's apologies.

### **Item 2. Minutes of the Audit Committee Meeting 24<sup>th</sup> October 2022 and matters arising**

2. The minutes were approved as an accurate record, with one amendment being Paragraph 11 which should read "80-100%" so should be corrected.
3. Jon Rae reported that the mandatory financial regulations training for staff has commenced, with one session held already and a further session to be held on 22<sup>nd</sup> May.

#### **4. Resolved:**

- 4.1 **The minutes of the WLGA Audit Committee, held 24<sup>th</sup> October 2022 be approved subject to that amendment.**

### **Item 3. Auditors Planning Report**

5. Harri Lloyd Davies ran through the Executive Summary, highlighting the critical elements that have changed.
6. Harri noted the pension may be an issue, with Jon confirming he had received the pension figures which he will forward on to the auditors. Jon stated for the first time we may show a surplus, largely because of the rise in interest rates. Harri confirmed there may be a little more work to look at the figures before coming back to the Audit Committee to confirm the decision as to whether the pension is in deficit or surplus.
7. Harri informed the meeting that materiality is based upon turnover. Whilst last year this was very high due to covid income, this year it will probably be set at 2%. He added that this year they will also be focusing more on the IT systems to look at how the organisation would survive if systems were taken out by cyberattacks.
8. Cllr Evans noted one of the main risks mentions reviewing internal audit reports, at which Harri apologised and noted that should have been removed.
9. Cllr Attridge queried why there was no internal audit and was informed by the Chief Executive that as the WLGA is an unincorporated public body, it has its own Constitution and is not subject to many of the rules that apply to most public bodies. Jon explained there is no bar to doing an internal audit and six years ago the Cardiff council audit ran some standard assessments to ensure the correct checks and balances were in place. However, it was noted that the new financial regs now require an internal audit function and this should be implemented as soon as practicable.

#### **10. Resolved:**

##### **10.1 Members agreed the Audit Planning Report.**

### **Item 4. WLGA Strategic Risk Register**

11. As the risk owners were all present, it was agreed to go through the areas that had changed in each risk identified.
12. On Risk 1, Naomi confirmed an officer has been appointed to the role of leading on the Covid 19 Inquiry.
13. Regarding risk 2, the Chair asked if there was a view regarding members of the WLGA meeting face to face and whether there is a risk that members lose the soft intelligence and relationship building that used to take place? Cllr Attridge mentioned that within his own group, some new members had asked what would be saved if the council left the WLGA. He noted that long standing members that have been there a long time know the benefits of the organisation, but it would be helpful across Wales to have some form of a drop-in, an e-mail explanation about how the WLGA works etc. Naomi confirmed the WLGA conference this year is being held in Llandudno, so would ask Cllr Attridge to encourage members of his group to attend.

14. On Risk 3, Chris Llewelyn informed the Audit Committee that Daniel Hurford has left the Association and there has been a senior management review which will be reported to the Executive at the end of the month. He also noted there is the possibility there will be a Liberal Democrat group in the Association in the future, so there would be further changes at that point.
15. For Risk 4, Chris confirmed greater emphasis is being put on Communications. They are currently reviewing the Comms strategy and are trialling Deryn who are doing some media monitoring work for the organisation. The Chair queried how soon the organisation would be up to capacity on Comms, with Chris noting recruitment is proving challenging, noting there is the bilingual dimension but also the organisation itself is seen as a shop window.
16. It was noted that for Risk 5 there was no change to the scores with the areas in red just stressing the new elements such as the financial controls, with one training session run, another booked and a further mop up to follow.
17. For Risk 6 it was noted this is a new way to manage risk and so the organisation are likely to involve Cardiff for assistance. It was noted that it was useful to have the risk owners attending the Audit Committee
18. On Risk 7, Karen confirmed that the numbers have not changed and will not until the activities have been completed, adding some have been delayed pending the Senior Management Review. Cllr Attridge queried how as WLGA Audit Committee they could ensure things are being done according to priorities, to which Karen undertook to provide regular updates to the Committee. Karen added that Graham Jones is undertaking the policy reviews but what will create the biggest delay will be the staff and trade union consultation. Karen confirmed she has initiated discussions with the LGA who will be working with the organisation us on the job evaluations going forward.
19. For Risk 8 Jon highlighted there was a slight increase in the residual risk as there had been a letter in from Welsh Government querying whether the organisation's unincorporated status allowed for it to be a data controller.

**20. Resolved:**

- 20.1 Members considered and agreed the Strategic Risk Register.**

**Item 5: Data Protection Officer's Progress Report**

21. Jon introduced Catherine Hine, the deputy Data Protection Officer in Cardiff. Catherine introduced the paper which provides a brief update and informs the next steps in some areas such as cyber security. Consideration is being given to carrying out a data protection audit next year.

**22. Resolved:**

- 22.1 Members noted the progress and approved the next steps.**

**Item 6: Audit Committee Future Work Programme**

23. It was agreed the next meeting will be in October where the focus will be on the results of Bevan & Buckland's audit. It was agreed not to increase the frequency of meetings, though a December meeting could be arranged if required.

**24. Resolved:**

**24.1 Members agreed the proposed future work programme.**

**Item 7: Approach to the WLGA Audit Committee Annual Report (Oral item)**

25. Jon reminded members that the Audit Committee's Annual Report will be presented to the WLGA Council at its AGM on the 30<sup>th</sup> June this year. The report will reflect discussions from this meeting and a draft report will be shared for approval via email with Audit Committee members.

**26. Resolved:**

**20.1 Members agreed to look at, comment on and approve the report via e-mail.**

**Item 8: Any Other Business**

27. The Chair noted the next meeting is to be October and requested a date be put in the diary as soon as possible. It was suggested that Lee seeks members availability for Tuesdays in October so the date can be scheduled accordingly, ideally for this to be held in the offices in Cardiff.

**Action: October meeting to be scheduled prior to the summer break.**