

WLGA Audit Committee

Item 2

Draft Minutes 8th October 2020

via MS Teams 10:30am – 12:10pm

Chair: Councillor Christopher Weaver (Cardiff)

Present: Councillor Rosemarie Harris (Powys)
Councillor Julian Thompson-Hill (Denbighshire)
Councillor Maureen Webber (Rhondda Cynon Taf)

WLGA Officers: Dr Chris Llewelyn, Chief Executive
Jon Rae, Director of Resources
Daniel Hurford, Head of Policy (Improvement & Governance)
Graham Jones, Interim Head of Employment
Lee Pitt, Democratic Services Officer
Gaynor Williams, Finance Officer
Vitori Cartwright, Finance Assistant, Data Cymru
Martin Edwards, Finance Lead, Data Cymru
Janet Davies, Administration Assistant (Minute Taker)

Others Present: Mr Harri Lloyd Davies, Bevan and Buckland LLP

Apologies: Councillor Linda Evans (Carmarthenshire)

Item 1. Welcome and Apologies for Absence

1. Vice Chair, Councillor Christopher Weaver, welcomed everyone to the meeting of the WLGA Audit Committee and noted the apologies of the Chair Councillor Linda Evans.
2. It was agreed to take items 3 and 4 first to allow the Auditors to leave the meeting.

Item 3. Appointment of WLGA External Auditors 2020-21 Financial Year (oral item)

3. The Director of Resources recommended that Bevan Buckland LLP be appointed as the WLGA External Auditors for 2020-21.

Resolved:

4. **Audit Committee members:**

- 4.1 Agreed that Bevan Buckland LLP be appointed as the External Auditors for the WLGA for 2020-21.**
- 4.2 Agreed a small tendering exercise, in conjunction with Data Cymru, will be conducted to appoint external auditors for 2021-22.**

Item 4. WLGA Draft Financial Statements 2019-20 (External Auditors Bevan Buckland LLP in attendance) EXEMPT

- 5. This item is exempt under section 20.6.3 of the WLGA Constitution.**

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Item 2. Minutes of Audit Committee Meeting 9th April & Matters Arising

- 6. Members received a copy of the Draft Minutes from 9th April meeting which were agreed as accurate by the committee members present.
- 7. The Vice Chair confirmed there were no matters arising.

Item 5. Treasury Management Report for 2019-20

- 8. Previous treasury management reports had recommended reducing the risk of holding large balances in one account. Officers recently transferred £2.5m to CCLA - consistent with the threshold agreed by the Committee. The recommendation in the paper is for members to raise the threshold to £4m.
- 9. The Vice Chair noted the recommendation to increase the holding to CCLA but raised the issue of governance and how the decision will be made and who in the WLGA will take responsibility that this is done. Any decisions made are approved by the senior management team and ultimately Chris Llewelyn as Chief Executive.

Resolved

10. Audit Committee members:

- 10.1 Received the Annual Treasury Management report for the WLGA for 2019-20.**

- 10.2 Audit Committee members agreed to raise the threshold for alternative cash holding from a maximum of £2.5m to £4.0m.**

Item 6. WLGA Financial Regulations Update

11. The Audit Committee members were asked to review and agree an updated version of the WLGA's Financial Regulations.
12. The Association's Financial Regulations are reviewed at least annually to ensure that they remain up to date and relevant. Members were notified of and discussed the three proposed amendments detailed in the report.

Resolved:

- 13. Audit Committee members:**

- 13.1 Discussed and agreed the proposed amendments to the WLGA's Financial Regulations.**

Item 7. WLGA Accommodation Review (oral item)

14. Chris Llewelyn gave a verbal update on the accommodation review stating that the lease on the current building ends in September 2021. The Association is considering alternative accommodation located close to the city centre. The pandemic has demonstrated that remote working is effective and smaller premises would be needed going forward.
15. Chris confirmed that members, through Group Leaders and Leaders meetings had been informed of progress recently and the intention is to present a paper with final recommendations to Management Sub-Committee on 23rd October. Once a decision has been made, a project group will be set up to implement proposals.
16. The Vice Chair thanked Chris for clarification of the oversight arrangements and members noted the update.

Item 8. Review of WLGA Members Allowances Scheme 2021-22

17. Councillor Harris declared an interest as a Leader and WLGA Spokesperson and did not participate in the discussion.
18. The Head of Policy (Improvement and Governance) introduced the report, noting the Audit Committee's previous recommendation regarding linking WLGA Member Allowances with the Independent Remuneration Panel

recommendations for senior salaries, which is currently proposed as an uplift of 1.06% to be applied from 2021-22.

19. The report also noted that WLGA allowances had not been subject to a full review since introduction and that they had not increased in line with responsibility and workload.

20. The Chair noted the recommendations and asked members for any comments.

21. Members discussed the report and recommendations, noting that senior roles were significant, and a wider review was desirable. It was also noted that the WLGA did not have a 'care allowance' and that the LGA commissions an independent review of its scheme periodically and advice could be sought from the LGA.

Resolved:

22. Audit Committee members:

22.1 Agreed to note their previous recommendation for any increase in 2021-22 to be aligned to the Independent Remuneration Panel determinations for any senior salary increase and agreed to recommend that the WLGA should commission a wider review of WLGA Senior Allowances during the next 18 months, for introduction for the new Association in the 2022 municipal term.

Item 9. Review of WLGA Strategic Risk Register

23. The Director of Resources introduced the report and talked about the impact of the current Coronavirus pandemic on the risks for the Association. Individual risk owners have updated the document accordingly.

24. It was agreed that the Audit Committee will regularly review the register. The Vice Chair commented on the people management risk, workforce planning and the well-being of staff.

25. Chris Llewelyn commented that WLGA have regular all staff meetings where staff can voice concerns on any issues, which are taken on board.

Resolved:

26. Audit Committee members:

26.1 Noted the report and agreed that the Register should be on the agenda at the April Meeting.

Item 10. Data Protection Compliance Programme Update

27. The Director of Resources presented the report from the Data Protection Officer. There are proposals to run more training courses in the future and Jon asked members to note the progress withing the report.

Resolved:

28. **Audit Committee members noted the progress to date.**

Item 11. Annual Report of the Audit Committee

29. The Director of Resources outlined the approach for producing and approving the Committee's Annual Report, reflecting discussions and the work of the committee over the course of the year.
30. A Draft Annual Report will be circulated to committee members for comment by Wednesday 14th October with the report being presented to the WLGA Council at the AGM on 23rd October.

Resolved:

31. **Audit Committee members:**

- 31.1 Approved the process for the development and approval of the WLGA Audit Committee Annual Report 2019-20.**

Item 12. Audit Committee Future Work Programme

32. The Vice Chair asked for recommendations and comments and said he was pleased to see that the review of internal controls had been incorporated in readiness for the April 2021 meeting.

It was acknowledged that there would need to be some flexibility on the work programme due to the current coronavirus pandemic.

Resolved:

33. **Audit Committee members:**

- 33.1 Discussed and agreed the proposed work programme.**

Item 13. Any Other Business

34. Chris Llewelyn drew attention back to the Strategic Report and asked that a paragraph be incorporated to reflect the change in WLGA leadership in November 2019. Baroness Wilcox who is now a Shadow Minister and Spokesperson on Equalities stepped and Councillor Andrew Morgan became the new leader of the Association.
35. Councillor Maureen Webber gave praise for the work of Councillor Andrew Morgan, the current Association Leader since the start of the pandemic on behalf of the WLGA and also as leader of Rhondda Cynon Taf CBC
36. The Vice Chair echoed the sentiment and brought the meeting to a close.