
NORTH WALES CJC GOVERNANCE AND AUDIT SUB-COMMITTEE
09/12/25

Elected Members: Councillor Gareth Jones (Conwy County Borough Council), Councillor Andrew Parkhurst (Flintshire County Council), Councillor Paul Rogers (Wrexham County Borough Council), Councillor Ioan Thomas (Cyngor Gwynedd) and Councillor Geraint Bebb (Isle of Anglesey County Council).

Lay Members:

Nigel Rudd (Chair).

Elected Members (Delegated): Councillor Bobby Feeley (Denbighshire County Council).

Other officers present: Alwen Williams (CJC Chief Executive), David Hole (CJC Implementation Programme Manager), Dewi A. Morgan (Head of Finance – Cyngor Gwynedd), Luned Fôn Jones (Audit Manager – Cyngor Gwynedd), Iwan Evans (Monitoring Officer – Cyngor Gwynedd), Claire Inledon (CJC Interim Deputy Monitoring Officer) and Sera Whitley (Democracy Services Officer – Cyngor Gwynedd).

1. ELECTION OF A CHAIR FOR 2025/26

It was resolved to postpone the appointment until the next meeting.

It was resolved to elect Nigel Rudd as Chair of this meeting.

2. ELECTION OF A VICE-CHAIR FOR 2025/26

It was resolved to postpone the appointment until the next meeting.

3. APOLOGIES

Apologies were received from Councillor Carol Holliday (Denbighshire County Council), Carys Edwards (Lay Member), and Sian Pugh (Assistant Head of Finance - Cyngor Gwynedd).

4. DECLARATION OF PERSONAL INTEREST

There were no declarations of personal interest.

5. URGENT ITEMS

The Chief Executive of the Corporate Joint Committee (CJC) welcomed all Members to the first meeting of the North Wales CJC Governance and Audit Sub-committee, and the context of the CJC was presented.

Confirmation was requested as to what was a quorum for this Sub-committee, and it was asked whether it was possible to delegate. The Monitoring Officer explained that this was not possible, as the Terms of Reference had set a high quorum. It was confirmed that one member of each authority and one lay member were present today and consequently that there was a quorum.

The officers were introduced along with their roles to give the background and context to the Sub-committee.

6. FORWARD WORK PLAN OF THE GOVERNANCE AND AUDIT SUB-COMMITTEE

The report was presented by Claire Incedon, Deputy Monitoring Officer (interim).

RESOLVED:

There was no decision as there was no quorum.

DISCUSSION

The report was submitted stating that the Forward Work Plan provided the work programme, which allowed the Sub-committee to fulfil its statutory role as set out in the Establishment Regulations 2021. It was explained that it was a matter for Members and the Chair to set out what reports they wish to see before the Sub-committee and any training requirements they may need. These would be added to the Forward Work Plan, which will be a living document and will be circulated regularly to Members.

It was confirmed that the dates of the CJC meetings for 2025/26 were in the calendar until May 2026. It was noted that a new final calendar would be developed early next year. It was asked whether the dates of the Governance and Audit Sub-committee meetings had been submitted. It was expressed that there was a date in January to consider the Budget before it was presented to the CJC on 23 January.

It was confirmed that the meetings of the Sub-committees would be scheduled around the Forward Work Plan, to allow the work of the Sub-committee to be inputted appropriately into the CJC. It was noted that meeting dates for the end of 2025/26 would be dependent on resource capacity and the requirements of the items that will need to be submitted to the Sub-committee.

The importance of sharing dates in a timely manner for the meetings of the Governance and Audit Sub-committee, given the requirements of their respective authorities, and to secure a quorum was highlighted. It was confirmed that they would be circulated as soon as possible.

Concerns were raised about a shortage of items on the Forward Work Plan, particularly given that the Terms of Reference highlight items that should be included. They responded by explaining that the Forward Plan continues to be developed by working side by side with members to fulfil the statutory responsibilities of this Sub-committee. The need to consider capacity and the resources available to do the work was reiterated.

It was proposed that the decision be postponed until the end of the meeting to provide context before deciding on the priorities of the Sub-committee, and to highlight any additional items to be included on the Forward Work Plan.

There was no quorum at the end of the meeting and therefore no decision was made but the comments were noted for information.

A question was asked regarding the establishment of the Joint Overview and Scrutiny Sub-committee to ensure proper scrutiny of the CJC. It was asked whether the proposed structure needed to be considered. It was confirmed that the terms of reference of the Joint Overview and Scrutiny Sub-committee had already been established and agreed by the six local authorities.

The following list of items, as suggestions for the Forward Work Plan, was reported:

- Internal Audit / Audit Out Programme (Audit Wales)
- Audit action tracking report
- Annual statement of accounts 2024/25 and Audit Wales report
- Annual Governance Statement 2024/25
- Risk Register
- Asset management and capital disposal
- Treasury management
- Draft budget 2026/27
- Medium-term draft financial strategy
- CJC governance summary report
 - Corporate Planning
 - Financial Planning
 - Performance Management
 - Risk Management
 - Workforce Planning
 - Asset Management
 - Procurement

It was explained that officers would advise which items would go before the Sub-committee on what dates, in consultation with the Chair, with the expectation of three further meetings in 2025/26. It was elaborated that the Forward Work Plan following its update would be distributed as soon as possible to provide a framework for the Sub-committee.

The (interim) Chair was asked if he would retain the position of Chairperson until a Chair was officially appointed at the next meeting of the Sub-committee. This was confirmed to be a reasonable expectation.

7. TERMS OF REFERENCE FOR THE GOVERNANCE AND AUDIT SUB-COMMITTEE

The report was presented by Matthew Edwards (Audit Wales)

RESOLVED:

To note the Terms of Reference.

DISCUSSION

It was submitted that the terms of reference reflected the role and function of the Sub-committee, and that these were set out in the Establishment Regulations 2021 and in the CJC constitution. A specific statutory function was highlighted to its Members.

It was elaborated that the Sub-committee will promote good practice. It was noted that statutory and non-statutory guidance supporting the principal Councils was just as relevant to the CJC.

It was recognised that the terms of reference of the Sub-committee were similar to those of local authorities. It was noted that stating a version number on the terms of reference would facilitate any subsequent amendments. It was agreed that any modifications would be clearly identified so that all amendments could be highlighted.

It was asked who the Lead Officer of the Sub-committee was, and the need to highlight this in the Terms of Reference. Clarification was sought on the relationship between the Sub-committee and the CJC, to gain a better understanding of where decisions are made and where reports are formally shared. It was expressed that the Section 151 Officer was the de-facto lead officer for the Council's Governance and Audit Sub-committee in Cyngor Gwynedd, but that further discussion was needed on the appointment of the Lead Officer for this Committee. It was reiterated that Lead Officers are not confirmed in the Constitution or the Terms of Reference in Cyngor Gwynedd.

It was explained that it was important to identify the correct lead officer, to ensure that timely and relevant information was provided about the CJC's work programme in the Sub-committee. Members were reminded that the CJC operates regionally rather than locally, and therefore it was important to recognise the differences between the CJC and local authorities. Furthermore, it was noted that this was an opportunity for the Sub-committee to draft and guide the work of the CJC appropriately, and therefore it had to be ensured that Members received the correct information.

Attention was drawn to the Local Elections Act 2021, and the role of governance and audit committees, which included aspects of performance and complaints. It was noted that the work of the Sub-committee would go across to other areas and as a result would likely to be broader than the contribution of the Section 151 Officer. The need to highlight a clear line of accountability was expressed to ensure that the Sub-committee knows who the point of contact was.

A concern was raised as to whether a representative from Audit Wales should be present at the meetings of the Sub-committee as there were no external audit issues before the Sub-committee at this meeting. It was confirmed that the CJC had agreed on a work programme with Audit Wales so they will be expected to be present for these items. A need to include this on the Forward Work Plan was identified.

The voting procedure for this meeting was confirmed, and that decisions would be published in the decision notice no more than five working days following the meeting.

8. PROGRESS REPORT OF THE CORPORATE JOINT COMMITTEE

The report was presented by Dave Hole, CJC Implementation Programme Lead

RESOLVED

To note the contextual position.

DISCUSSION

The report was presented stating that this was an opportunity to provide the context of the CJC along with an update on the work that had been done. It was explained that two reports had already been submitted to the Joint Committee, the first back in June, in the early days

of the programme following the transfer, which had identified an ambitious list of what needed to be done but it was a period where a Chief Executive had not been appointed. The second report was reported on in November, to update on the work that had been done and identify the challenges and resources needed to complete the work.

In terms of background, it was explained that the Growth Deal had transferred to the CJC back in April and now had full operational status and the ability to employ people. The need for the CJC to comply with the general duties of public sector organisations was expressed and it was noted that there was a statutory duty to produce a Strategic Development Plan and a Regional Transport Plan.

It was explained that significant progress had been made up to/and including the transfer with a very small team. Attention was drawn to the list presented in the report. It was reiterated that a programme of change had been developed based on priorities, and that the Chief Executive had been appointed in June 2025. It was noted that some factors had held matters back, such as the appointment of officers but they were working through the Service Level Agreements to receive the support needed.

Despite the challenges it was noted that work continued to develop and was in the duplication stages for areas such as the website. Challenges were highlighted such as delays in reviewing the Welsh Government's CJC prospectus, delays in the procurement and implementation of the Committee Management System and attracting applicants for positions such as Senior Procurement Officer. It was explained that there was still a need to implement two Sub-committees namely Standards and Overview and Scrutiny Committees. It was expressed that the development of a new ANW programme for 2026/27 and a roadmap for subsequent years was likely to push several projects forward.

The Chief Executive added that the CJC had reached where they were as a result of the support of staff from partners such as Cyngor Gwynedd and they were thanked for their work. It was emphasised that the Joint Committees across Wales were new and therefore it took time to navigate through the prioritisation process trying not to put extra pressure on North Wales Authorities but to ensure they meet the Government's requirements.

The Monitoring Officer noted that work was being and had been done to establish the CJC as a fairly small entity in scale, according to the size requirements of Local Government. Over and above its establishment, he noted that programmes had been developing in the background regionally and nationally. It was reiterated that the transfer of the Growth Deal had been a catalyst to move forward but that resources had been challenging due to the need to respond to statutory plans and requirements while justifying resources.

The Chief Finance Officer expressed that the resources pressure had been a challenge and that a lot of work had been done. It was explained that another meeting of the Governance and Audit Sub-committee would take place in mid-January as the CJC would need to accept the budget, as per law by January 31.

Attention was drawn to the Overview and Scrutiny and Standards Sub-committees, and it was asked whether there were dates now in place and concern was noted that scrutiny arrangements were not in place. The committee responded by noting that there was no further date as priorities need to be discussed in detail and discussed further with Local Authorities. The hope was expressed of holding the first meetings during the spring. It was elaborated to note that the Overview and Scrutiny journey was a long one as it was the North Wales Local Authorities who set up the scrutiny system and not the CJC. It was reiterated that the decision had gone through all Councils in July and that a programme of how the model will work needed to be created. The importance of scrutiny in terms of governance was emphasised.

In terms of the budget, it was noted that this process felt very late as Authorities were further ahead, and it could disrupt Local Authority budgets if levies rise. It was noted that this year's meeting was going to be a little late, but hopefully it would be possible to have it earlier next year. As for the levy, it was noted that discussions were taking place at officers and Leaders' level and that any adjustment to the levy would not shock them.

Attention was drawn to the financial arrangement, asking whether reports sent to the CJC and members could be shared here to give fiscal context along with the main messages given in terms of the 2024/25 spending. This was agreed with the emphasis that consistent reporting in terms of expenditure would come to this committee. In terms of key messages, it was highlighted that there was a lot of underspend despite the work that had been done and put into reserves and that it would be against the levy for this year and next year. Obviously, it was explained that as there were developments this year, expenditure would increase which would lead to less underspend.

A slowness in decision-making was discussed as the membership of this Sub-committee had decided back in January with no formal meeting until December, and it was asked whether there was a way to increase the speed of decisions. They responded by noting that resources had been a problem in ensuring quality decisions were made, and that it had been difficult to appoint to positions. In relation to other issues, it was clarified that there were litigation implications for some areas in the CJC and as a result areas such as the Strategic Development Plan and Regional Transport Plan needed to be prioritised and speeded up.

It was highlighted that the CJC was a new body with great responsibilities and that it needed to be ensured that the role of the Governance and Audit Sub-committee was embedded to what needed to be done. There was a request to see the risk register as soon as possible, along with further information on staffing and resources.

9. INTERNAL AUDIT MANDATE AND CHARTER

The report was presented by Luned Fôn Jones, Cyngor Gwynedd's Audit Manager.

RESOLVED:

To accept and approve the content of the Internal Audit Mandate and Charter and support the Internal Audit in its operations.

DISCUSSION

It was explained that since April 2025, when the Global Internal Audit Standards came into force in the UK Public Sector, it was essential that the Audit Service comply with these Standards. It was explained that an Application Note had been submitted which provided a practical framework on how implementation and application could be carried out, provided guidance and explained how the Global Internal Audit Standards on governance – Domain III – apply to the oversight and duties of the Governance and Audit Sub-committee. One of the essential steps was to approve a charter that includes a mandate and scope and types of Internal Audit work.

It was added that CIPFA had developed a Code of Practice for Internal Audit Governance in Local Government in the UK to interpret and ensure compliance with statutory duties.

The Code was aimed at those responsible for effective governance arrangements – namely this Sub-committee.

The Charter sets out the arrangements for an internal audit function to fulfil its purpose. The role of an internal audit included:

- Supporting the achievement of strategic objectives by providing objective risk-based assurance,
- Promoting good practice in governance and
- Advising on governance, risk management and internal control arrangements.

To ensure compliance with the Standards, it was noted that it was the responsibility of this Sub-committee to review and approve the Charter ensuring that there was a clear definition of

- Purpose, authority and responsibility of Internal Audit,
- Independence and reporting lines of the Internal Audit function,
- Scope of work and access rights of Internal Audit,
- That the mandate confirms that Internal Audit has the legal and institutional authority to operate effectively and provides details of the role and responsibilities of the Internal Audit function,
- Verify that the Charter and mandate ensure the independence of Internal Audit and protect Internal Audit from undue influence,
- Supervise and monitor Internal Audit activities to review compliance with the Charter and mandate.

It was asked what was the CJC's internal audit capacity. It was explained that Cyngor Gwynedd provided an internal audit service through a service level agreement, and it was noted that Cyngor Gwynedd's internal audit team consists of an Audit Manager, two Audit Leads, and four Senior Auditors.

It was asked how the current work programme for internal audit would be determined. It was detailed that the annual plan for Ambition North Wales would be drawn up with input from the Chief Executive and Chief Finance Officer. It was confirmed that the Annual Plan will come before this Sub-committee in the future for approval. It was noted that an Annual Plan had not been drawn up at this time as an Audit Charter was first required to produce a Strategy and the Annual Plan. It was explained that a risk assessment was being discussed and that any internal audit work would be drawn up in line with the main risks.

The Sub-committee had been assured that Ambition North Wales was in the process of developing their Corporate Risk Strategy, and a draft had been circulated to officers, and would be submitted to the Sub-committee in due course. It was stressed that it remained early days since the handover of the CJC but that forming a regional Corporate Risk Strategy was a priority and a vital requirement.

It was asked what steps Ambition North Wales and the CJC had taken in terms of publicity, particularly in relation to the intention of keeping residents aware of the functions of the CJC. It was explained that the public interface was the established website of Ambition North Wales and contained information and the statutory duties of the CJC. It was noted that the work that the CJC does was complex and would take time to gather all the information and reach the right audiences.

It was explained that once the funding agreement for the Flintshire and Wrexham Investment Zone was agreed, Ambition North Wales would manage the administration of an investment of approximately £400 million for the promotion and improvement of the North Wales economy. It was noted that the intention was to reach as many communities as possible with the investment. It was highlighted that their long-term ambition was to create new jobs within the economy and encourage future generations to stay in North Wales in high-value jobs. It was added that the intention was to attract talent back to the region and target investment that provides opportunities across key sectors. It was noted that Ambition North Wales was currently in year five of delivering the Growth Deal, which was a 15-year plan and was therefore still in its early days.

Concerns were expressed about how internal audit was being used as a tool that reflects a systematic approach. It was noted that the Charter and the Sub-committee's requirements set out expectations as to what the internal audit should cover and report on, to provide assurance to the Sub-committee regarding the operations of the CJC. It was suggested that, alongside the Corporate Risk Strategy, a Risk Register should be developed to allow the CJC to focus on its priorities. It was expressed that the Sub-committee needs to move towards a systematic approach to implementation. The Section 151 Officer assured that a systematic approach was part of the CJC's rules of financial procedure, and therefore the matters were completed. It was noted that the risk register was part of the CJC's governance requirements and will be developed.

It was noted that members of the local authorities would need a better understanding of how Local Authority contributions were used.

It was elaborated that the Sub-committee must move forward quickly to ensure that they do not fall behind with Audit and to report back to their local authorities appropriately.

It was agreed that the Internal Audit would be on the agenda for the next meeting.

The meeting commenced at 10.00 and concluded at 12.00.

(Chair)