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## GWE JOINT COMMITTEE 15/09/20

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**Present:**

**Councillors:** Phil Wynn (Chair – Wrexham County Borough Council), Julie Fallon (Conwy County Borough Council), Meirion Jones (Ynys Môn County Council), Huw Hilditch-Roberts (Denbighshire County Council), Ian Roberts (Flintshire County Council) and Cemlyn Williams (Gwynedd Council).

**Non-voting Co-opted Members:** Claire Armitstead (Secondary Schools Representative), Richard Collet (Primary Schools Representative) and Jonathan Morgan (Special Schools Representative).

**Non-voting Officers:** Dr Lowri Brown (Conwy County Borough Council), Claire Homard (Flintshire County Council), Garem Jackson (Gwynedd Council), Rhys Howard Hughes (Ynys Môn County Council), Karen Evans and Dafydd Ifans (Wrexham County Borough Council) and Geraint Davies (Denbighshire County Council).

**Officer present:** Arwyn Thomas (GwE Managing Director), Dafydd L. Edwards (Head of Finance, Gwynedd Council, Host Authority), Iwan Evans (Monitoring Officer, Gwynedd Council, Host Authority – item 7), Sion Huws (Senior Solicitor – Corporate, Gwynedd Council, Host Authority), Susan Owen Jones (GwE Business Manager), Annwen Morgan (Chief Executive, Ynys Môn County Council), Alwyn Jones (GwE Assistant Director), Gareth Williams (Chair of GwE Advisory Board), Hywyn Jones (Group Accountant, Gwynedd Council, Host Authority), Gwion Jones (Senior Accountant, Gwynedd Council – Host Authority), Bethan Roberts (Performance Management Manager, GwE), Anwen Gwilym (Personal assistant GwE) and Eirian Roberts (Democracy Services Officer, Gwynedd Council, Host Authority).

**Also present:** Ian Howse (Deloitte UK) – for item 5

Richard Collet (Primary Schools Representative), Geraint Davies (Denbighshire County Council) and Ian Howse (Deloitte UK) were welcomed to the meeting.

**1. APOLOGIES**

No apologies were received.

**2. DECLARATION OF PERSONAL INTEREST**

There were no declarations of personal interest by any member present.

**3. URGENT MATTERS**

No urgent issues arose.

**4. MINUTES**

The minutes submitted were received as a correct record of the meeting on July 15, 2020.

**5. JOINT COMMITTEE FINAL ACCOUNTS FOR THE YEAR ENDING MARCH 31 2020 AND RELEVANT AUDIT**

**DECISION**

- (a) To receive, note and approve the information contained in the report, namely –
- ‘ISA260’ Report by Deloitte on behalf of the Wales Auditor General;
  - Statement of Accounts 2019/20 (following the audit), with the late adaptations noted in the meeting at the request of the external auditors, following the release of the Statement of members of the Joint Committee.
- (b) Authorise the meeting Chair, together with the Gwynedd Council Head of Finance (as GwE’s Statutory Finance Officer), to sign the Letter of Representation (Appendix 1 to the Wales Auditor General’s report) after the Joint Committee has considered the information contained in the report.

## Discussion

A report was submitted by the Gwynedd Council Head of Finance explaining that GwE’s Statement of Accounts for 2019/20 submitted to the Joint Committee meeting on 15 July, 2020 was subject to an audit by Deloitte, external auditors appointed by the Wales Auditor General. Further, that this meeting of the Joint Committee needs to consider the information contained in the Wales Auditor General’s ‘ISA260’ report, detailing Deloitte’s main findings, together with the final version (following audit) of the Statement of Accounts for 2019/20.

After the Joint Committee considered the above, the Chair of the meeting, together with the Gwynedd Council Head of Finance (as GwE’s Statutory Finance Officer), electronically signed the Letter of Representation (Appendix 1 to the Wales Auditor General’s report).

Further noted, following the publication of the Joint Committee’s programme, that the external auditor stated that the accounts of GwE, as an employer in the Gwynedd Pension Fund, reflected the general valuation uncertainty associated with investments in property funds in the Pension Fund’s assets portfolio as at 31 March 2020, as follows:-

**NARRATIVE REPORT (paragraph 3) [p. 2]**

*“The accounts have been prepared on an operational business basis.”*

**NOTE 1 – ACCOUNTING POLICIES [p. 12]****1.1 General Principles**

*“The accounts have been prepared on an operational business basis.”*

**NOTE 5 – ASSUMPTIONS REGARDING THE FUTURE AND OTHER SOURCES OF UNCERTAIN ESTIMATE [p. 18]**

*“The Coronavirus (COVID-19) pandemic has affected the global finance and property markets. In the wake of the markets’ volatility, end of year valuation reports provided for the Gwynedd Pension Fund include a statement that there is valuation uncertainty associated with the UK property funds managed on behalf of the Fund. The total value of the UK property funds as on 31 March 2020 is £191m and £1.7m is to be attributed to GwE. As a result, the property fund valuations as on 31 March 2020 could be subject to a higher level of uncertainty.”*

Ian Howse from Deloitte UK was invited to present Deloitte’s ‘ISA260’ report on behalf of the Wales Auditor General. He noted that:-

- The proposal to publish an unconditional opinion on this year’s accounts, once the Letter of representation has been signed

- No significant risks had been highlighted.
- The COVID situation had affected this year's work timetable.
- No uncorrected misstatements were found in the accounts.
- There was no need to correct any statements as a result of the audit work. Amendments to the accounts as a result of the audit work related to minor disclosure issues only.
- No significant issues arose in the accounts for the year.
- He approved the report and asked the Joint Committee to confirm that they were not aware of any fraud.

The Chair confirmed that the Joint Committee was not aware of any fraud, and thanked the Head of Finance and the Team for presenting the accounts so that they could be signed with minor amendments only.

GwE's Managing Director thanked the Head of Finance, the Group Accountant and Senior Accountant and the whole Team for their continuing robust support, noting that the standard of the Statement of Accounts and Deloitte's positive opinion on it confirmed that the Finance service received by the host authority is particularly good.

The Chair gave formal thanks for the financial support, and also thanked Ian Howse for his input and for the assurance given to the Joint Committee.

The Head of Finance thanked Ian Howse, Lauren Parsons and the rest of the Deloitte team for their co-operation during the audit.

## **6. BUDGET – QUARTER 1 MONITORING**

### **DECISION**

**To accept the report.**

Discussion

Submitted – the report of GwE's Managing Director and Gwynedd Council's Head of Finance updating Joint Committee members on the latest financial review of GwE's budget of the 2020/21 financial year, explaining also the reasons behind the main variations foreseen.

The Head of Finance noted that, although COVID had had an impact on GwE, that it had not been as bad as the effect on some other services, such as leisure. He thanked the Group Accountant, Senior Accountant and the team for preparing the budget.

With reference to the loss of income, the Chair noted that some councils had received Government assistance, and asked whether the consortia has been disregarded. In response, the Head of Finance confirmed that GwE was entitled to claim, but this had not occurred because the Welsh Government would not compensate authorities for any reduction in internal income, such as GwE's income from the authorities and schools.

## **7. INTERNAL AUDIT REPORT –GWE TRAVELLING COSTS**

### **DECISION**

**(a) That the Joint Committee confirms its assurance that GwE:-**

- **Has followed the Gwynedd Council policy change since July 2018;**
  - **Supports the requirement for GwE managers to review travel expense claims.**
- (b) Requests GwE's Managing Director, in consultation with Gwynedd Council's Monitoring Officer and Head of Finance, to review the governance arrangements and to report back to the Joint Committee.**

#### Discussion

Submitted – the report of GwE's Managing Director giving the Joint Committee assurance that GwE has complied with Gwynedd Council's policy on travel expense reimbursement only for the number of business miles travelled in addition to the number of miles travelled between home and work / work and home. The Managing Director explained that GwE acted following consultation with Gwynedd Council's Human Resources Department and came to full agreement with that department. Further, the report provided assurance that GwE had dealt with the mitigation measure arising from the Internal Audit Report, namely 'Remind managers to review travel expense claims'.

#### Comments arising from the discussion:-

- Reference was made to the public discussion at the meeting of Gwynedd Council's Audit and Governance Committee on 30 July, 2020, regarding GwE's conditions of work and travel expense claims, and GwE's Managing Director was asked to provide members with assurance should a misleading perception have arisen therefrom. In response, GwE's Managing Director explained that GwE staff followed the same procedure as Gwynedd Council, and was in accord with what was agreed with Gwynedd Council Human Resource Department.
- A member noted, following discussion at the Audit and Governance Committee, that he had read in the press on matters of which he was unaware, and expressed his disappointment with the host authority for not bringing these matters before the Joint Committee before the press got hold of the story. In response, the GwE Managing Director acknowledged that there were lessons to be learnt, had discussed how to communicate in future, and would report back to the Joint Committee.
- In response to an enquiry as to the host authority's perception of the situation, the Head of Finance noted that lessons had been learnt by everyone. While no notice had been given to the Joint Committee, he noted that the report had been presented to GwE management in March 2020, and that he had not expected for details of the matter to arise in the Audit and Governance Committee. Obviously, it would have been better governance had the Joint Committee had received the information, but the first step taken after being given to understand that the matter would be put to the Audit and Governance Committee was to arrange for the item to be placed on the agenda of this meeting.
- It was noted that GwE's Management Board had been consulted on the issue and that they were satisfied with the proposed arrangements at the time, and had been assured that GwE was in compliance with Gwynedd Council's policy, and that travel expense claims would be monitored.
- It was noted that it was questions raised by members at the meeting of the Audit and Governance Committee had made the headlines, rather than the audit report itself. GwE had addressed the matters raised in the report, and were co-operating closely with the host authority on the agreements and governance between the authorities going forward.
- It was suggested that lessons learned from this matter, and also the fact that GwE was developing and changing, could mean that it was now time to consider a review of GwE's governance arrangements.

- It was noted that it was important that relevant matters should come before the Joint Committee in future. In response, it was noted that this would emerge from the review of the current governance arrangements.
- The proposal to report back on the governance arrangements was welcomed, with a view to seeing what improvements could be made.

## **8. RISK ASSESSMENT: OFFICES, VISITS TO SCHOOLS AND STAFF**

### **DECISION**

- (a) To approve the contents of the Risk Assessments.**
- (b) To authorise GwE's Management Board to approve any amendments to the Risk Assessments in response to the Covid-19 situation, to comply with the Coronavirus Regulations, Welsh Government guidelines and Health and Safety legislation, including the management of returning to offices, schools and face-to-face training, in a safe manner**

### Discussion

Submitted – the report of GwE's Managing Director presenting GwE's Risk Assessments to the Joint Committee (COVID-19 – Safeguarding Wales at Work).

It was explained that GwE has a legal duty to manage risks in the workplace, including COVID-19 risks, in accordance with Welsh Government Coronavirus Regulations for businesses who are allowed to operate, or locations allowed to open which can do so safely, in addition to other legal requirements on employers (such as Health and Safety).

Since the risk assessments are live documents which are regularly reviewed, the Joint Committee were asked to authorise the GwE Management Board to approve any changes, so as to ensure that the measures remained effective and in response to the COVID-19 situation. It was also noted that the Board would provide information and report back to the Joint Committee on the main changes when it is timely to do so.

The Chair was grateful for the thoroughness of the risk assessments. It was noted that elected members would wish to receive an update on the situation when this is appropriate. The GwE Managing Director noted that this would occur through the Local Authorities' statutory officers in order to ensure clear lines of communication. It was noted that the Management Board has already begun to discuss the best way of reporting back to the wider membership.

Similarly, when it is timely to restart school visits, the Joint Committee was asked to authorise the GwE Management Board to approve this. It was noted that situations in schools' are complex in trying to control the crisis, and that remote discussions should continue for the time being. It was agreed to have an open discussion when it is timely.

## **9. 2020 RESULTS – THE EDUCATION MINISTER'S INDEPENDENT REVIEW**

### **DECISION**

- (a) To note the contents of the paper and ensure input into the independent review.**
- (b) That the Chair should send a letter as a matter of urgency to Qualifications Wales, WJEC, the Education Minister and the Welsh First Minister highlighting the Joint Committee's concerns regarding the 2021 exam term, stating that a decision should be made now to use centres' assessment grades for the 2021 term, rather than be subject to further delay.**

## Discussion

Submitted – a report by the GwE Managing Director to raise the Joint Committee's awareness of the Independent Review of awarding Qualifications in Wales in 2020.

The GwE Managing Director noted that concerns regarding the 2021 exam terms had been conveyed to Qualifications Wales as far back as April. Although the Review of awarding 2020 qualifications will take place, lessons learned from this by December will be too late to be put in place for the 2021 exam term.

During the discussion, it was noted that:-

- It's difficult to support a system which will depend on exams in 2021 when issues at the beginning of the school year are of concern as regards ensuring equal opportunities for all pupils.
- Immediate action was required to reduce the impact on those pupils losing periods of their education through having to self-isolate at home while waiting for a COVID test.
- GwE and the 6 authorities had released a series of press releases over the summer.
- Young people had lost the opportunity to go to university this year because of the situation, and that they should not miss out on life opportunities because of the pandemic.
- Next year will be even more challenging, since the young people who should take exams in summer 2021 will have suffered two years of confusion in their education.
- Young people should be central to the discussion, and that they should not be penalised for the situation.
- It appeared that defence of the brand was important.
- Despite the criticism of grade inflation by teachers this year, a fair system of assessment was necessary, and now is the time to act so as to avoid facing the same confusing and chaotic situation next year.
- GwE and the 6 authorities should respond robustly to this.

The GwE Managing Director noted that:-

- There was no clarity to date as to what will happen in 2021.
- Qualifications Wales tend to follow what is happening in England.
- Schools have to plan in the dark, and need to know immediately what will happen next year, so that they are in a situation to prepare.
- The only solution was to use the centres' assessment grades again next year, and noted his willingness to draw up a letter to this effect.

It was also suggested that the Education Cabinet Members should raise the matter at their meetings with the Welsh Local Government Association, and the Gwynedd Education Cabinet Member, as a member of the Board of the WJEC, agreed to convey the strong feelings of the Joint Committee.

The Managing Director was asked to draw up and share a draft letter with Joint Committee members.

## 10. GWE'S WORK PROGRAMME AND SERVICE PRIORITIES

### DECISION

**To approve the content of the report, GwE's work programme and the draft priorities which will be subject to continuous review in response to the Covid-19 situation and government regulations.**

Discussion

Submitted – a report by GwE's Assistant Director, updated for Joint Committee members, on GwE's work programme during the 2020 Summer Term, and outlining the priorities going forward.

The Managing Director suggested, since the situation is so different this year, that a workshop be held with members of the Joint Committee to discuss the next steps regarding short-term priorities and the Welsh Government's requirements in this context. He added that one element to be built into the priorities was how to support the welfare of headteachers, and education heads, during this confusing and uncertain period.

## **11. PROFESSIONAL LEARNING – GWE'S OFFER TO SCHOOLS IN THE 2020 SUMMER TERM**

### **DECISION**

**To approve the report and GwE's Professional Learning Offer in response to Covid-19.**

Discussion

Submitted – a report by GwE's Assistant Director offering Joint Committee members information on GwE's Professional Learning Offer to schools during the Covid-19 pandemic.

The staff were thanked for the excellent work achieved during this period in assisting heads and teaching staff.

## **12. ACCELERATING LEARNING PROGRAMME**

### **DECISION**

**To note and accept the content of the report and support the regional approach and model in relation to the Accelerated Learning Programme for North Wales.**

Discussion

Submitted – report by GwE's Managing Director sharing further information with members of the Joint Committee on the Accelerated Learning Programme for North Wales, further outlining the Accelerated Learning Resources in the region, which includes evidence of Informed Teaching and Learning Materials.

It was noted that the Management Board had received a presentation on this and approved this valuable resource.

A question was asked how the impact on learners was monitored. In response, the Managing Director explained that, of all the grants, this would be scrutinised from a political perspective. Close co-operation with schools was necessary, which means re-engaging with learners continuously. It was noted that GwE are co-operating closely with specialists in the field. However, it was emphasised that extra pressures should not be placed on children.

Reference was made to the provision across the region, and it was asked whether schools were required to provide a plan explaining how they would use the money. In response, the Managing Director explained that GwE kept a spreadsheet noting all grants and schemes for each school, and noted that he would be happy to share this through the County Quality Board, or through the workshop to be organised to discuss priorities.

### **13. ESTYN THEMATIC REVIEW**

#### **DECISION**

##### **To note the contents of the report.**

##### Discussion

Submitted – a report by the GwE Managing Director presenting information to Joint Committee members on Estyn's proposed Thematic review, as outlined in Appendix 1 of the report presented.

Questions were raised about the timing of the review, since this would place additional unnecessary pressures on heads and schools, who are already under unprecedented pressure.

It was noted that there will be a meeting with Estyn shortly – Members can raise this issue at that time.

The meeting commenced at 10.30 am and concluded at 12.25 pm

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**CHAIR**