

Concise Minutes – Senedd Commission Audit and Risk Assurance Committee

Meeting Venue:

4B Tŷ Hywel/Teams

Meeting date: Friday, 9 May 2025

Meeting time: 10:00–12:30

Attendance

Category	Names
Members of the Committee:	Bob Evans, Independent Adviser and Committee Chair Menai Owen– Jones, Independent Adviser and Committee Member Dr Mark Egan, Independent Adviser and Committee Member
Others:	Dr Aled Eirug, Independent Advisor Professor Uzo Iwobi, Independent Advisor
Commission Staff:	Manon Antoniazzi, Chief Executive and Clerk of the Senedd, and Accounting Officer Ed Williams, Director of Senedd Resources Arwyn Jones, Director of Communications and Engagement Lisa Bowkett, Chief Finance Officer Lee Glover, Chief Audit Executive Clare Thomas, Audit Wales Leanne Baker, Chief People Officer



	<p>Phil Boshier, Head of Governance & Strategic Planning</p> <p>Kathryn Hughes, Committee Clerk, and Risk, Business Continuity and Governance Manager</p> <p>Buddug Saer, Deputy Committee Clerk</p> <p>Bedwyr Jones, Senior ICT Project Manager (item 15)</p> <p>Anna Daniel, Head of Strategic Transformation (item 21)</p>
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1 Introductions, apologies and declaration of interests

1.0 Item 1 – Introductions, Apologies, and Declaration of Interests

1.1 The Chair welcomed everyone to the meeting.

1.2 Three apologies were noted from Hefin David, MS and Commissioner; Matthew Richards, Interim Director of Senedd Business; and Eve Jennings, Senior ICT Project Manager.

2 Minutes of 10 February, actions and matters arising

2.0 Item 2 – Approval of Minutes of 10 February, Actions, and Matters Arising

ARAC (25-02) Paper 1 – Draft Minutes of 10 February 2025

ARAC (25-02) Paper 2 – Summary of actions

2.1 The minutes of the 10 February meeting were approved. The action schedule had been updated with outstanding actions either completed or included on the agenda.

2.2 The Chair noted that a number of papers had been circulated out of committee for information.

3 Internal Audit Progress Update

Internal Audit

3.0 Item 3 – Internal Audit Progress Update

ARAC (25-02) Paper 3 – Internal Audit Progress Report May 2025

3.1 Lee Glover reported that the internal audit plan was progressing as expected, with a number of audits planned towards the end of the financial year. Three reports had been finalised, and Lee confirmed that sufficient work had been completed to support his annual opinion.

3.2 A number of reports were awaiting management responses, and others were due to be completed imminently. The Chair emphasised the importance of ensuring all reports were finalised by the next meeting.

Action

Lee Glover and Lisa Bowkett to ensure all internal audit reports were finalised as soon as possible.

4 Internal Audit Strategy 2025–28, Plan and IA Charter

4.0 Item 4 –

Internal Audit Strategy for 2025–26 to 2027–28

Internal Audit Plan for 2025–26

Internal Audit Charter (including compliance with GIAS)

ARAC (25–02) Paper 4 – Internal Audit Strategy 2025–28, Annual Plan and Internal Audit Charter

4.1 Lee presented the internal audit strategy which had been updated in consultation with management. He highlighted some minor changes as a result of the new Global Internal Audit Standards (GIAS), which came into force on 1 April 2025. The GIAS required organisations to have a strategy in place and that it made reference to the importance of the independence of internal audit and included an Internal Audit Strategy. These were already in place for the Commission. There was also a change in terminology, with his title changing from Head of Internal Audit to Chief Audit Executive, as part of the effort to champion internal audit across organisations.

4.2 Lee described the integration of the Internal Audit Charter into the strategy document. He also outlined the proposed audit areas for 2025–26, including risk management, dignity and respect, financial regulations, and business continuity.

4.3 In response to questions from the Committee about the strategy, Lee explained that the description of the cyber security audit would be updated and that the estates management audit had been scheduled for 2027–28 due to balancing the plan with resources. The Committee also noted that the review of KPI management would now take place in 2027–28 and to bring that forward would impact on other reviews in the strategy. Lee also noted that the strategy would be kept under review to respond to emerging risks.

4.4 Committee members also asked about references in the strategy to the effectiveness of risk controls and Lee elaborated on this, noting the audit of risk management would now take place in 2025–26. Phil Boshier added that, as a result of mapping risk controls as part of the assurance mapping process, there had been further alignment of the audit strategy with some key risks and that a review of the risk controls, which would map these across the three lines of assurance, was planned.

5 Consider latest Internal Audit report

5.0 Item 5 – Consider latest Internal Audit report

ARAC (25–02) Paper 5 – Procure to Pay Internal Audit Report

5.1 Lee Glover reported that the Procure to Pay audit had received an adequate level of assurance.

5.2 In response to questions from Committee members, Phil Boshier confirmed that the Procurement Strategy had been updated shortly after the audit had been completed in order to reflect the new Procurement Act recently introduced, and that a contracts register was in place (available on the Senedd website) and actively managed. He also provided assurance on the administration of contract signatures which had been highlighted during the audit.

5.3 The Committee welcomed this report and were encouraged by the systems and checks in place.

6 Internal Audit Annual Report and Opinion 2024–25

6.0 Item 6 – Internal Audit Annual Report and Opinion 2024–25

ARAC (25-02) Paper 6 – Internal Audit Annual Report and Opinion for 2024-25

6.1 Lee presented his Internal Audit Annual Report and Opinion for 2024-25, confirming that the Commission maintained adequate and effective governance, risk management, and internal control processes. He highlighted conformance with professional standards, including the new Global Internal Audit Standards (GIAS) which came into force on 1 April 2025, and the suitability of arrangements to ensure the independence of the Chief Audit Executive role.

6.2 The Committee expressed satisfaction with the report and the assurance provided.

7 Audit Wales update

External Audit

7.0 Item 7 – Audit Wales Update

ARAC (25-02) Paper 7 – Audit Wales Plan 2025

7.1 Clare Thomas described the Audit Plan with planning materiality set at 1% of gross expenditure and the reporting threshold set at 5% of materiality.

7.2 Clare highlighted the intended responses to a standard significant risk around management override, as required by auditing standards, and other areas of focus including: remuneration report disclosures; valuation of property assets; valuation of pension fund net liability/surplus; related party disclosures; and transfer to a new payroll provider.

7.3 The Chair sought assurance around the independent valuation and auditing of pension information given the delays that were experienced during last year's audit. Audit Wales assured the Committee that processes were in place as part of the contract to ensure this would not cause an issue this year.

7.4 The audit team remained unchanged, and the audit would begin on 12 May as scheduled. Clare noted that the timeline for reporting by 9 June and to the Committee on 23 June was tight but achievable.

7.5 Clare outlined the estimated audit fee, which reflected a modest increase due to salary costs and additional areas of focus for the audit. She confirmed that the final fee would be based on actual work completed.

7.6 The Committee were encouraged by the plan, especially as the team remained unchanged from the previous year.

8 Joint working protocol

8.0 Item 8 – Joint working protocol

ARAC (25-02) Paper 8 – IA-EA Joint Working Protocol (as presented in May 2024)

8.1 The joint working protocol was noted by the Committee.

9 Commission's draft Annual Report and Governance Statement for 2024-25

Commission Governance

9.0 Item 9 – Commission's draft Annual Report and Accounts and Governance Statement for 2024-25

ARAC (25-02) Paper 9 – Draft Annual Report and Accounts 2024-25 – cover paper

ARAC (25-02) Paper 9 – Annex A – Draft Governance Statement

ARAC (25-02) Paper 9a – Draft Annual Report and Accounts 2024-25 – ARA narrative cover paper

ARAC (25-02) Paper 9a – Annex A – Draft Narrative

9.1 Arwyn Jones introduced the narrative section, explaining the process for gathering and editing articles. He also noted that the methodology and format

remained consistent with the previous year. The Committee praised the clarity and thematic coherence of the draft content and commended the design and layout.

9.2 Committee members had minor comments on the narrative of the KPIs, suggesting this could be more explicit for some, and agreed to share their feedback with officials.

9.3 It was suggested that the Committee revisit the KPI framework in due course, potentially feeding into any future review of the measures ahead of the Seventh Senedd.

Accounts section

9.4 As the audit was yet to commence, no figures were presented to the Committee. However, based on draft figures, Lisa reported an anticipated 1.1% underspend on the operational cap which was within the established KPI target.

Governance Statement

9.5 Phil Boshier outlined a new methodology underpinning the Annual Governance Statement (AGS), including a cross-cutting Corporate Assurance Statement (CAS) which had replaced the Director statements previously produced. He referred to the diagram in the draft AGS outlining the supporting body of evidence to inform the CAS, which had been reviewed by Executive Board, the Chief Executive and Clerk, and was subject to independent scrutiny by Committee members in March.

9.6 Phil noted the positive progress reported against the areas for focus included in the previous year's AGS. He also referred to the levels of assurance on each element in the CAS and highlighted some of the areas for improvement that had been identified, which had informed the areas for focus included in the draft AGS.

9.7 Phil thanked Bob Evans and Menai Owen-Jones for their valuable contributions to the CAS challenge session in March.

9.8 Committee members provided some specific feedback on the AGS, which included suggesting the need for further clarity on how the new governance structures fit together, and to consider highlighting content which was different to previous years.

9.9 The Committee welcomed the strengthened assurance framework and were impressed with the work in this area, which provided strong assurance to the Accounting Officer.

10 Governance update report

10.0 Item 10 – Governance update report

ARAC (25-02) Paper 10 – Governance update

10.1 Phil Boshier presented his update report and highlighted the following:

the alignment of the Commission's risk register with the Internal Audit plan to ensure adequate audit exposure for key risks and plans to review risk controls, both as a result of the work undertaken on the assurance framework;

- the use of the recently approved risk appetite statements in decision papers and plans to ensure their use was embedded;
- progress on refreshing the Medium-Term Resourcing Framework (MTRF), the workforce plan and service plans which would feed into development of the 2026-27 budget, demonstrating this was all aligned;
- Executive Board approval of the portfolio of projects as part of the Portfolio Management Framework for which business cases would seek authority to spend and which would be monitored by the Portfolio Management Group; and
- administrative improvements for tracking and reporting on actions from the Change Strategy to the Senedd 26 Change Board, and to facilitate tracking of decisions and any changes to baselines in the strategy and how these were reflected in action plans.

10.2 In response to questions around the Commission's consideration of insourcing of contracts, Ed explained the MTRF included details of this work which would be taken forward in the Seventh Senedd.

10.3 The Committee requested access to the updated MTRF when it became available and suggested a separate briefing session on this in due course.

10.4 The Committee noted the update and thanked Phil for his contribution.

Action

Circulate updated MTRF when available

11 Finance and Budget Update

11.0 Item 11 – Finance and Budget Update

ARAC (25-02) Paper 11 – Finance and Budget update

11.1 Lisa confirmed that the 2024-25 budget had been effectively managed, with an anticipated underspend of 1.1% and savings of £315,000 achieved, aided by the effective operation of the Portfolio Management Group.

11.2 Committee members raised a number of questions relating to savings targets, whether savings were due to efficiencies as opposed to reduced demand, and decisions about staffing levels.

11.3 Lisa explained that future savings targets had not been set because of the step change in the next two budgets to support a larger Senedd, with the budget requests being as minimal as possible. In response to a question from Mark Egan on whether the savings represented volume reductions or efficiencies, Lisa agreed to provide further information to the Committee.

11.4 In relation to staff pay, Lisa outlined the ongoing discussions around a new staff pay deal which would be reflected in future budget proposals. The UK Government's 5% increase offer across the UK Civil Service had been reflected in the Commission's budget request for 2025-26 but the pay remit to inform future budgets had not been published.

11.5 Lisa and Phil explained that the establishment cap was set for delivery of business as usual activities, which excluded any new posts relating to the Seventh Senedd or Ways of Working programmes. They outlined how all recruitment was signed off by Directors before being submitted to Executive Board for approval. They provided assurance that the processes in place included appropriate challenge and discussions, as part of service planning, around affordability or any potential breach of the cap.

11.6 The Committee noted the losses and special payments contained within Lisa's update.

Action

Lisa Bowkett to circulate further details of the savings achieved.

12 Annual Report on Fraud

12.0 Item 12 – Annual Report on Fraud

ARAC (25-02) Paper 12 – Annual Report Fraud

12.1 Lisa presented the Annual Report on Fraud, noting no major concerns. A recent counter fraud health check had made minor recommendations, including one around increased fraud awareness training. The Commission bankers already provided regular training on fraud issues but Lisa would concentrate on progressing the recommendations when the audit of the accounts was complete.

12.2 The Committee approved the report, noting it was an important piece of assurance.

13 Whistleblowing and Fraud policies

13.0 Item 13 – Whistleblowing and Fraud policies

ARAC (25-02) Paper 13 – Whistleblowing Policy and Fraud Policy 2025 – Updates

ARAC (25-02) Paper 13 – Annex A – Whistleblowing policy

ARAC (25-02) Paper 13 – Annex B – Fraud Corruption and Bribery Policy

ARAC (25-02) Paper 13 – Annex C – Fraud Response Plan

13.1 The Committee noted the updated policies and members highlighted the suggestion in the recent audit on counter fraud, of introducing an independent reporting line to enhance confidence in the whistleblowing process. Lee Glover offered Validera's services for such a mechanism and Lisa agreed to consider this.

13.2 The papers were noted and the Committee thanked Lisa for her update.

14 Corporate Risk

14.0 Item 14 – Corporate Risks

ARAC (25-02) Paper 14 – Corporate Risk

ARAC (25-02) Paper 14 – Annex A – Summary Corporate Risk Register

ARAC (25-02) Paper 14 – Annex B – Corporate Risks plotted

14.1 The Committee noted the updated risk register and raised a number of questions.

14.2 In response to questions related to the cyber security risk, Arwyn provided the following updates: cyber security awareness training for Members would be high on the agenda at the start of the new Senedd term; a review of Members' use of personal devices was ongoing; the procurement process for renewal of an email protection platform was proceeding; a new Customer Relations Management (CRM) system would be in place by September; a review of vetting relating to constituency offices would be taken forward; and plans for the proposed network segmentation project would be taken forward.

14.3 The Committee noted the addition of the risk around supporting Members to implement the outcome of the Independent Remuneration Board's review of pay and grading structures for Members' support staff.

Action

Arwyn Jones to provide an update on the review of Members' personal devices

15 Critical examination of one identified corporate risk or topical issue – HR/Payroll system (PAR project)

15.0 Item 15 – Critical Examination of One Identified Corporate Risk or Topical Issue – HR/Payroll system (PAR project)

Oral item (referring to the update in the Corporate Risk Register – item 14)

Some details have not been captured in these minutes due to commercial confidentiality

15.1 Ed introduced this item, noting that it had not been possible to present the project closure report as there were some issues outstanding, which had been escalated.

15.2 Bedwyr Jones shared an update with the Committee in Eve's absence. The main elements of the system had gone live in time for January's payroll. He praised the efforts of the project team in addressing the challenges faced during the project, including those relating to personnel changes. The timeline for phase 1 of the project had been extended until the pension interface (MyCSP) issue was resolved. When resolved, a closure and lessons learned report for Phase 1 of the project could then be produced.

15.3 In terms of reporting on progress, Bedwyr presented monthly updates on the risks and issues to the project board and to the Executive Board. He elaborated on the live risks and issues for the Committee.

15.4 Bedwyr also outlined progress on developing the main elements of phase 2 of the project. These included flexi recording, an interactive directory, performance reporting (PDRs), a learning management system, data archiving and management reports.

15.5 The Committee sought assurances on management of the impact on the well-being of staff involved in this project and its extended timeline, and praised the team's efforts. Officials agreed to keep the Committee updated on progress, and the management of key risks.

15.6 The Chair emphasised the importance of resolving the pensions (MyCSP) issues before the July deadline to avoid financial penalties for the Commission.

16 SIRO Annual Report

16.0 Item 16 – SIRO Annual Report

ARAC (25-02) Paper 15 – SIRO Annual Report

16.1 The Committee noted the report, which formed an important part of the assurance framework, and thanked Matthew Richards for the assurance it provided.

17 Departures summary

17.0 Item 17 – Departure Summary

ARAC (25-02) Paper 16 – Departure summary

17.1 The Committee noted three departures from normal procurement procedures. Committee members asked for further details about the archiving project which Matthew agreed to share.

Action

Matthew Richards to provide an update on the archiving project.

18 Committee's Annual Report to the Commission and Accounting Officer

Committee Business

18.0 Item 18 – Committee's Annual Report to the Commission and Accounting Officer

ARAC (25-02) Paper 17 – Draft ARAC annual report 2024-25

18.1 The Chair thanked Kathryn Hughes for her work on the Committee's draft Annual Report to the Commission. It was agreed to finalise the report outside of the meeting and the timetable for receipt of comments would be circulated.

19 Terms of Reference

19.0 Item 19 – Terms of Reference

ARAC (25-02) Paper 18 – updated ToR April 2025

19.1 The Committee noted the terms of reference which had been updated to reflect the change in terminology to Chief Audit Executive and would be published on the website.

20 Forward work programme

20.0 Item 20 – Forward Work Programme

ARAC (25-02) Paper 19 – Forward Work Programme

20.1 The forward work programme had been discussed at length at the February meeting and there were no further changes suggested.

21 Seventh Senedd Programme – Corporate update

Corporate Updates

21.0 Item 21 – Seventh Senedd Programme

ARAC (25–02) Paper 20 – 7S Corporate Common Planning Assumptions

ARAC (25–02) Paper 21 – 7S Programme Timeline Oral item

21.1 The Chair welcomed Anna Daniel to the meeting. Anna presented the updated corporate planning assumptions and timelines for the Seventh Senedd Programme. She also outlined the consultation currently being undertaken by the Independent Remuneration Board in relation to the review of the Determination for Members' staff pay and grading. She reported that, following a recent recruitment exercise, the Board was now back to its full complement of five members.

21.2 Arwyn explained that external communications were being ramped up in preparation for the changes in the electoral system. The programme involved attendance at regional agricultural shows and a series of town hall events.

21.3 Anna explained that work was underway to consider the implications of the recently published Future Senedd Committee report which provided some useful reflections as well as recommendations for the Business Committee and Chairs' Forum. The Members' Business Support team were also preparing guidance on some issues related specifically to Members' support staff who may face redundancy at the end of this Senedd. Anna also outlined the commencement of work on a gender-sensitive parliamentary audit, which would be advised by an in-house global expert on the subject, proposals on which would be presented to the Commission.

21.4 Further discussion focused on committee room capacity, the Welsh language provision, and equality training.

21.5 Officials confirmed that there were no plans for additional committee rooms as it was possible for five committee meetings to run concurrently, with some Committees meeting virtually. An additional Committee room was also available for business continuity purposes, in case of technical problems or disruption.

21.6 At the beginning of every Senedd term, the Official Language Scheme (OLS) was reviewed and refreshed. The new Commissioners would be responsible for setting the ambition for the Seventh Senedd. Arwyn was happy to include Menai in future discussions.

21.7 Uzo Iwobi raised a specific question around the pan equality work, and how this might reflect concerns in the community around diversity and inclusion. In response, Anna provided assurance that this would be considered as part of the training programme for the Seventh Senedd, which was yet to be finalised, and offered to provide an update to the Committee.

21.8 As requested by the Chair, Anna provided an update on the capacity of the team to support the wider Programme. She provided assurance that resources continued to be appropriately deployed, including those released now that the Future Senedd Committee had published its report.

21.9 Mark Egan welcomed his involvement in the scenario planning which he described as impressive, professional and sophisticated, and from which the Committee could take assurance. The extent of this work would put the Commission in the best position possible.

21.10 In response to questions around the implications of this work for the budget, Ed provided assurance that a significant piece of work was underway to review service plans against the common assumptions and that any impact on budgets outside of those already captured would be escalated appropriately.

Action

Anna Daniel to share details of training provision as part of new Member induction, specifically for Diversity and Inclusion.

22 Ways of Working – Corporate update

22.0 Item 22 – Ways of Working

Oral item – some details have not been captured in these minutes due to commercial confidentiality

22.1 Ed reported on the following key progress for the four projects under the Ways of Working programme:

- Pierhead – officials were reviewing potential future uses of the building.
- Tŷ Hywel – the creation of new Member offices was ahead of schedule and the relocation of Welsh Government offices within Tŷ Hywel was underway.
- Siambr – the movement of formal proceedings from the Senedd Siambr to Siambr Hywel within Tŷ Hywel went well with some relatively minor issues which were being addressed. As committee meetings would continue in the Senedd, noise and disruption would be kept to a minimum whilst business was ongoing.
- Bay32 – the procurement process was progressing as expected, and dialogue was ongoing with potential suppliers. The Chair requested an update following the June 6 submission deadline for design proposals.

AOB

23.0 Item 23 – Any Other Business

Oral item

23.1 No other business was raised.

Clare Thomas, Audit Wales attended a private session with members of the Committee once formal proceedings had concluded. No other Commission officials were present, and no minutes were taken.

Next meeting is scheduled for 23 June 2025.

23 Addendum – IA report