

DEMOCRACY AND BOUNDARY COMMISSION CYMRU

GOVERNANCE AND AUDIT COMMITTEE MEETING HELD ON WEDNESDAY 10 SEPTEMBER 2025 VIA MS TEAMS (10:00 – 13:00)

GAC Members Present: Andrew Blackmore (Independent Chair), Jassa Scott (Independent Member), Dianne Bevan (Member), Bethan Price (Member), Karen Jones (EMB Chair)

Audit Wales Representative Present: Julie Rees

MIAA Representative Present: Gary Baines

DBCC Officers Present: Shereen Williams (Chief Executive), David Burley (Head of Business), Mark Pascoe (Head of Democratic Health), David Carr (Finance Manager)

1. Meeting between GAC Members and Auditors (In-Camera)

2. Apologies for Absence

2.2 Apologies for absence were received from Kalwant Grewal who was unable to attend.

3. Declarations of Interest

3.1 There were no declarations of Interest.

4. Minutes of Meetings held on 28 July 2025

4.1 The minutes of the Committee meeting held on 28 July 2025 were agreed and adopted.

5. Issues Arising from Previous Meetings.

5.1 The Committee noted that most of the issues arising from the meetings held on 28 July 2025 had been actioned.

5.2 The only outstanding issues were the ICT Security training for members which was in the process of being arranged with Qualifications Wales, and the drafting of Standing Financial Instructions which was due to be implemented by the end of September.

5.3 The issue of Indemnity Insurance had been recorded as completed as it had been raised with Welsh Government and a response was expected soon. The Committee considered that this action point should remain open until the response from Welsh Government had been received and considered by the DBCC. It was **agreed** that the status of the action point regarding indemnity Insurance would be

changed from completed to outstanding until all advice had been received and considered.

Action: Finance Manager **By:** 28/11/25

- 5.4 The Committee noted that the Internal Audit plan had been updated to move the EMB audit work into 2026-27.
- 5.5 The Committee noted the update on the ICT and Cybersecurity and the current levels of certification the Commission held. It was reported that Welsh Government requires all sponsored bodies to attain IASME Level 2, but the Commission had only currently achieved IASME Level 1. The Commission was currently in discussion with Welsh Government regarding whether it would be appropriate for an organisation the size of the DBCC to attempt to obtain IASME Level 2 and was awaiting a response.
- 5.6 As it had been confirmed that MIAA would not be able to provide additional assurance beyond the certifications currently held by the DBCC, it was proposed that no ICT Cyber Security internal audit work be included in the Internal Audit Plan. However, the Chair considered that the option for separate ICT Cyber Security certification should be kept open in case the DBCC's circumstances changed.

6. DBCC Draft Annual Report and Accounts 2024-25.

- 6.1 The Committee noted the DBCC's Draft Annual Report and Accounts which had been previously circulated by email. These were agreed subject to the findings of the audit of the financial statements and accounts.
- 6.2 The Chair said that, in future, the draft annual report and accounts should be formally tabled at a Governance and Audit Committee meeting before being formally tabled at a DBCC meeting and it was **agreed** that this procedure would be followed for subsequent years.
- Action:** Finance Manager **By:** 31 May 2026

7. External Audit Internal of DBCC Annual Report and Accounts 2024-25

- 7.1 Julie Rees reported that the audit of the DBCC's draft accounts had still not been completed. This was due to backing information for a Welsh Government invoice, which was required to calculate the accommodation Right of Use asset costs, being still outstanding despite numerous requests to Welsh Government Facilities for it. Once this information was received, it would cover the DBCC's Right of Use asset calculations for the duration of the current five-year accommodation lease and would therefore not cause a similar problem in subsequent years. It was noted that the deadline for signing off the DBCC's annual accounts was 25 October 2025.
- 7.2 It was considered that post project learning report would be useful, and it was **agreed** that one should be drafted and presented to the Committee at a future meeting.
- Action:** Finance Manager **By:** 28 November 2025

Audit Wales Consultation on Fee Scales 2026-27

- 7.3 The Committee considered the Audit Wales consultation of fee scales for 2026-27 report.
- 7.4 Julie Rees explained that Audit Wales consulted on their fee rates annually with the rates based on estimates. Each organisation's fees also depended on any additional audit work undertaken on audit risks identified. The Chair noted that the uplift for 2026-27 was 5.5% and pointed out that this was more than the current rate of inflation. Julie Rees said that it did not automatically follow that full average increase to the fees rate would be applied in all cases and that the need for any additional costs would have to be demonstrated to show that it reflected the actual requirements of the audit work.
- 7.5 It was agreed that the DBCC should submit a response to the consultation pointing out that the increase in the fees rates exceeded the current rate of inflation.
Action: Finance Manager **By:** 12 September 2025

8. Corporate Risk Register Deep Dive.

- 8.1 The Committee considered the updated version of the Corporate Risk Register which had been updated to make it more accessible and readable. It was noted that there would be a DBCC virtual Risk Review and Appetite Workshop held by the DBCC on 29 October and which would be open to all DNCC and GAC members.
- 8.2 The Committee conducted a deep dive on the risks owned by the Chief Executive, Risks CR1 and Risk CR3.
- 8.3 For Risk CR1 regarding communications and engagement with stakeholders, it was noted that the risk only mentioned the principal councils whilst the actions primarily focused on Welsh Government. Whilst it was noted that it was of primary importance for the DBCC maintain open dialogue with the principal councils, the Committee considered that the Risk needed to be expanded to cover all stakeholders. It should include, for example, the local authority councillors as well as the executive, as there was a risk of the DBCC and EMB losing the confidence of the political side of principal councils. The DBCC should also try to identify any areas that needed more communication and engagement regarding what the DBCC had already achieved to build and maintain confidence.
- 8.4 In respect of the EMB, Karen Jones said that current stakeholder engagement had been mainly focused on the parties currently in office, but this would be expanded to be more inclusive in future.
- 8.5 It was **agreed** that the risk description, controls and actions for Risk CR1 should be widened to include all stakeholders.
Action: Finance Manager **By:** 30/09/25
- 8.6 For Risk CR3 regarding DBCC and EMB Governance and internal controls, Shereen Williams said that, in view of all the work undertaken establishing the EMB

and DBCC sub-committees, additional DBCC and GAC members recruited, legal advice obtained with structured delegated functions and sharing of information, she was broadly content that the risk had been significantly mitigated. It was reported that the IRP function had transferred to the DBCC during a quiet period and therefore an IRP Risk Register would not need to be drafted immediately. It was **agreed** that the regular legal advice on establishing the EMB would be added to the existing controls for Risk CR3.

Action: Finance Manager **By:** 30/09/25

8.7 It was noted that the DBCC had missed their statutory Strategic Equality Plan reporting responsibility, and it was considered that the risk rating for CR3 may be too low in view of this. However, it was pointed out that this responsibility had not been actioned due to a lack of communication from WG Sponsor Department.

8.8 The Committee considered that, in view of the missed Strategic Equality Plan reporting responsibility, it would be useful if the internal audit of Governance could cover all statutory responsibilities to mitigate against the DBCC missing any future statutory requirements and that this should be included as a mitigating action for Risk CR3. It was **agreed** that internal audit of statutory responsibilities would be added to the mitigating actions for Risk CR3.

Action: Finance Manager **By:** 30/09/25

9. **EMB Review on Strategic Risk Register and Welsh Elections Information Platform (WEIP) Project Progress.**

9.1 Karen Jones gave the Committee a report on the Electoral Management Board (EMB)'s Strategic Risk Register together with an update on the status of the WEIP project. The Committee noted the EMB's progress in establishing governance and controls and the Strategic Risk register which was due to be approved in October 2025.

9.2 The EMB's current priorities centred around delivering the WEIP to specifications by March 2026 in time for the May 2026 elections. This was the EMB's main risk, Risk 6, which was currently red due to the high risk of reputational damage.

9.3 It was noted that the delivery of the WEIP was dependent on third party delivery and the Chair enquired how manageable this was. Karen Jones replied that it had proved to be more work than anticipated but that she was confident with the governance arrangements in place and that they were currently sufficient. A developer had been appointed to build the WEIP, and the work was underway. A review of EMB resources had identified that the platform had no ICT support so it had been agreed that the Welsh Government Chief Technical Officer would be provide the necessary support.

9.4 The Chair enquired whether the EMB considered that they had sufficient mitigating actions in place in meet all risks. Karen Jones said that there were still areas where some risk remained, such as data sharing issues and the need for continued third party IT operational support following the WEIP build, and these would need to be addressed going forward.

- 9.5 In respect of Risk 6 regarding the WEIP not being operational in line with regulations, the Chair enquired whether the mitigating actions were currently on track to be completed by the deadline dates. The Chief Executive confirmed that they were.
- 9.6 Regarding the WEIP Project Status report, Chair noted that the Project Status was 'Amber' and enquired what the basis for that status rating was. Karen Jones said that it did not really align with the EMB risk register and would need some further consideration.
- 9.7 It was noted that the EMB would be holding a training session on elections in the future and that GAC members would be welcome to join if they wished. The Chair considered that this would be expedient.

10. Internal Audit Plan 2025-26 update.

- 10.1 The Committee noted the updated Internal Audit Plan which had incorporated the agreed changes from the last meeting. The Committee approved the updated Internal Audit Plan.

11. Internal Audit Welsh Elections Information Platform Assurance Report

- 11.1 The Committee noted the report on the WEIP Assurance work undertaken by MIAA. Gary Baines said that criteria for Checkpoint 1 had been completed, and MIAA were confident that the issues audited had been addressed and that the necessary governance arrangements were in place.

12. Any Other Business.

- 12.1 It was **agreed** that the GAC Workplan would be included on all future meeting agendas at the end of the agenda items for noting.
Action: Finance Manager **By:** 28 November 2025

Date of Next Meeting

The date of the next meeting will be 28 November 2025 at 09:30 a.m.