

# Minor Joint Committees in Wales

## Annual Return for the Year Ended 31 March 2024

### Accounting statements 2023-24 for:

Name of  
Committee:

Growing Mid Wales Joint Committee

	Year ending		Notes and guidance
	31 March 2023 (£)	31 March 2024 (£)	
<b>Statement of income and expenditure/receipts and payments</b>			
1. Balances brought forward	0	0	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	61,179	200,000	Total amount of income received/receivable in the year from levy/contribution from principal bodies.
3. (+) Total other receipts	0	232,677	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-14,836	-161,571	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-46,343	-142,616	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	0	128,490	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
<b>Statement of balances</b>			
8. (+) Debtors	15,753	115,753	<b>Income and expenditure accounts only:</b> Enter the value of debts owed to the Committee at the year-end.
9. (+) Total cash and investments	-15,753	3,916,969	<b>All accounts:</b> The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	0	-3,904,232	<b>Income and expenditure accounts only:</b> Enter the value of monies owed by the Committee (except borrowing) at the year-end.
11. (=) Balances carried forward	0	128,490	<b>Total balances should equal line 7 above:</b> Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

## Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2024, that:

	Agreed?		'YES' means that the Committee:	PG Ref
	Yes	No*		
<b>1.</b> We have put in place arrangements for: <ul style="list-style-type: none"> <li>• effective financial management during the year; and</li> <li>• the preparation and approval of the accounting statements.</li> </ul>	✓		Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
<b>2.</b> We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	✓		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
<b>3.</b> We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.	✓		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
<b>4.</b> We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	✓		Has given all persons interested the opportunity to inspect the committee's accounts as set out in the notice of audit.	6, 23
<b>5.</b> We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		Considered the financial and other risks it faces in the operation of the Committee and has dealt with them properly.	6, 9
<b>6.</b> We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	✓		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Committee.	6, 8
<b>7.</b> We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.	✓		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
<b>8.</b> We have taken appropriate action on all matters raised in previous reports from internal and external audit.	✓		Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

\* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

## Additional disclosure notes\*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1.

2.

3.

\* Include here any additional disclosures the Committee considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

## Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<b>Certification by the RFO</b> I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2024.	<b>Approval by the Committee</b> I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:
	<b>Minute ref:</b>
<b>RFO signature:</b>	<b>Chair signature:</b>
<b>Name:</b>	<b>Name:</b>
<b>Date:</b>	<b>Date:</b>

# Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with, guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2024 of:

**Growing Mid Wales Joint Committee**

## Auditor General's report

### Audit opinion - Unqualified

On the basis of my review, in my opinion no matters have come to my attention giving cause for concern that in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislation and regulatory requirements have not been met;
- is not consistent with the Committee's governance arrangements; and
- that the Committee does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

### Other matters arising and recommendations

There are no further matters or recommendations that I wish to draw to the Committee's attention.

**External auditor's name:**

**External auditor's signature:**

**Date:**

**For and on behalf of the Auditor General for Wales**

## Annual internal audit report to:

Name of Committee:

Growing Mid Wales Joint Committee

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2024.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	X				The accounts have been analysed and no concerns were raised.
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	X				An audit was conducted to review a ledger records; all payments were found to be accurate.
3. The Committee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	X				A Risk Register is maintained that identifies key programme risks and mitigating actions. The register is presented to the board on a quarterly basis. It last shared with the committee at the meeting on the on the 19 <sup>th</sup> April.
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	X				The budget and items of expenditure incurred were reported to the Joint Committee.
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	X				Additional interest was received from reserves within the bank, this was accounted correctly.
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			X		No petty cash is held
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	X				Salary payments were made in accordance with requirements.
8. Asset and investment registers were complete, accurate, and properly maintained.			X		No assets are held

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.			X		The financial transactions are maintained in the accounts of the partners. There is no specific bank account for this income and expenditure and as a result no requirement to do a bank reconciliation. Bank reconciliations are undertaken by the Partners
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	X				Financial statements are supported by an audit trail. Debtor and Creditor payments were recorded correctly.

**For any risk areas identified by the Committee (below), determine whether effective risk mitigation measures have been outlined:**

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	Yes	No*	N/A	Not covered**	
11. Private Sector/Public Sector Finance Match Funding is not as forthcoming aftereffects of Covid/Brexit/higher inflation on economy and other competing draws on limited funds i.e. from Levelling Up Funds.	X				The Joint Committee have identified the following mitigating actions: # Engagement with Programme and Project Boards. # Sharing knowledge of other public sector funding streams # Engagement with Economic Advisory Group (EAG) # Private Sector Investment Strategy (PSIS) # Early discussion with local 'contacts' and consultants to explore interest/appetite # Clear Financial Strategy to exploit other public sector and private sector funding, with MWGD as fund of last resort
12. Detailed delivery profile not yet known therefore difficult to ascertain GD funding requirements, funding sufficiency and potential implications for financing (e.g. borrowing).	X				The Joint Committee have identified the following mitigating actions: # Regular review of Strategic Portfolio Business Case to incorporate updated information from projects and programmes. # Change Control Protocol to consider SWOT of individual proposals to prioritise/appropriately target GD spend in short, medium and long term # Detailed Programme and Project planning – in close consultation with Accountable Body on priorities.

<p><b>13. Supply-side engagement at a Portfolio level - notice of potential opportunities would support feasibility of SMEs and diverse range of delivery partners being able to put forward proposals.</b></p>	X				<p>The Joint Committee have identified the following mitigating actions:</p> <ul style="list-style-type: none"> <li># Early engagement with private sector suppliers.</li> <li># Support from organisations such as CEW.</li> <li># Procurement workshops for project sponsors to highlight/discuss issues. # Close liaison with PCC as lead for procurement</li> <li># Optimising procurement routes for best value - supply chain benefits and opportunities</li> <li># Support from trade and other organisations such as Construction Line</li> <li># Consultations with principal contractors and suppliers to engender support for local spend and investment in local SME network</li> <li># Build a pipeline of opportunities for SMEs to engage in</li> </ul>
<p><b>14. Failure to agree a suitable work programme for the new EAG to be an effective strategic challenge and support function for the Growth Deal throughout its implementation phase.</b></p>	X				<p>The Joint Committee have identified the following mitigating actions:</p> <ul style="list-style-type: none"> <li># Induction process to be arranged by Growth Deal Adviser with input from PoMO</li> <li># Ensure EAG Role and individual responsibilities are understood by Members, as GD Champions</li> <li># Work programme to be developed</li> <li># Ensure EAG meet regularly to progress Portfolio aims and objectives</li> </ul>
<p><b>15. Construction and professional services costs continue to increase in an already challenging financial market. Sponsors/budgets may be unable to achieve project goals. This could in turn lead to reduced programme output and lower economic growth outcomes</b></p>	X				<p>The Joint Committee have identified the following mitigating actions:</p> <ul style="list-style-type: none"> <li># Raise issue with Government.</li> <li># Regular communication with project sponsors.</li> <li># Ensuring the business case process accounts for this.</li> <li># Liaison with other public sector bodies and sponsors to understand inflationary pressures</li> <li># Improved cost forecasting based on available cost indices data, ideally backed by WG/UKG</li> <li># Build a pipeline of opportunities for contractors and consultants to engage in</li> </ul>
<p><b>16. The scope of the Portfolio cannot be adjusted (due to project failure or financial restrictions etc) with an objective method of agreeing the merits/demerits of a desired change</b></p>	X				<p>The Joint Committee have identified the following mitigating actions:</p> <ul style="list-style-type: none"> <li># Change Management Protocols agreed and communicated</li> <li># Change Register established</li> </ul>
<p><b>17. The benefits of the GD investment cannot be assessed without profiling, evaluating and</b></p>					<p>The Joint Committee have identified the following mitigating actions:</p>

measuring/proving the benefits which will potentially lead to a withdrawal or claw-back of funding and undermine the credibility of the Portfolio	X				<p># Establish a Portfolio Benefits Realisation approach to recognise the pathway to targeted Investment Objectives (a Benefits Map)</p> <p># Devise Benefit Profiles to describe, explain the intended impact and how they will be measured, and who will be accountable for realising the benefit/s</p>
18. Potential duplication of effort between work of GMW and the Regional CJC, with risk that one undermines the integrity and authority of the other	X				<p>The Joint Committee have identified the following mitigating actions:</p> <p># Bring clarity to the respective spheres of operation of the GMW Board and Regional CJC</p> <p># Determine separate but complementary roles and responsibilities with non-completing resources</p>
19. Projects are unable to secure sufficient funding to develop projects and meet the requirements of the Growth Deal leading to a slow down on project pace or the need to withdraw from the Growth Deal completely.			X		<p>No mitigating actions were listed, however there was a comment that this was a new risk and was linked to another (11). The following comment was also recorded "Mid Wales Growth Deal is capital funding. We continue to explore potential solutions in support of Projects."</p>
20. Digital programme is continually scanning the digital landscape and monitoring how government and private sector are contributing to strategic objectives. This may result in delays to commissioning specific digital projects sponsored by the programme. Governance may be frustrated by this approach.	X				<p>The Joint Committee have identified the following mitigating actions:</p> <p># Continual engagement and discussion at programme board # Identify and report on key benefit indicators that measure progress against strategic programme objectives # Provide visibility of scanning and monitoring of government and private sector initiatives</p>
21. The continuing, challenging budget landscape for LAs, leading to a divergence of LA aims and objectives and compounded by electoral cycle administration changes	X				<p>The Joint Committee have identified the following mitigating actions:</p> <p># Current administrations committed to Growth Deal.</p> <p># Successful implementation of Growth Deal will secure commitment long term</p>
22. Lead Organisation fail to address information requirements for business case progression resulting in delays	X				<p>The Joint Committee have identified the following mitigating actions:</p> <p># Recruitment of Project and Performance Manager to provide strong link between projects and PoMO</p> <p># Provide clarity for projects with regards governance, process and appraisal criteria</p> <p># Endorsement of appraisal processes secured</p> <p># Establish monitoring protocols for regular updates</p> <p># Integrated Assurance &amp; Approval Plan (IAAP) regularly updated</p> <p># Develop basic toolkit to support</p> <p># Provide training and development support where appropriate</p>



<p><b>23.</b> Lack of understanding or requirements and timing of annual Performance Assurance Review leads to PoMO failure to adequately plan and prepare information required, jeopardising PAR outcomes</p>	X				<p>The Joint Committee have identified the following mitigating actions:  # 2023 PAR undertaken in February with Amber/Green outcome  # PoMO in dialogue with WGCIB regarding annual cycle for further PARs  # PAR planned for May 2024</p>
<p><b>24.</b> PoMO fails to coordinate overlaps between programmes and projects eg, where strong sectoral ties and geographic considerations exist, generating potential for overlap and/or missed opportunities</p>	X				<p>The Joint Committee have identified the following mitigating actions:  # Ensure close integration between Programme and Project staff working across the Portfolio  # Ensure interactions or interrelationships between all projects are understood and reported at Portfolio level where they occur (for decisions where necessary)</p>

#\* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\* If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

### Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the Committee (including preparation of the accounts) or as a member of the Committee during the financial years 2022-23 and 2023-24. I also confirm that there are no conflicts of interest surrounding my appointment.

<p><b>Name of person who carried out the internal audit: Kate Ryde and Ian Halstead</b></p>
<p><b>Signature of person who carried out the internal audit:</b></p>
<p><b>Date: 17/07/2024</b></p>