

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

Minutes of the meeting of the Audit Committee held at the County Borough Council Offices, The Pavilions, Cambrian Park, Clydach Vale on Wednesday 20th November, 2013 at 5 pm.

Present:

R.Hull – in the Chair

County Borough Councillors:

(Mrs) J Bunnage	R Smith
(Mrs) A Calvert	B Stephens
M Griffiths	J Watts
S Lloyd	P Wasley
M Norris	E Webster
	D Weeks

Officers in Attendance:

Mr P Griffiths – Service Director, Performance & Resources
Mr M Crumbie – Operational Audit Manager
Mr C Jones – Service Director, Legal & Democratic Services

Wales Audit Office:

Ms H Holt – Financial Audit Team Leader

33. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Borough Councillor L M Adams, C Davies and J Davies.

34. DECLARATIONS OF INTERESTS

In accordance with the Members' Code of Conduct there were no declarations of interest pertaining to the agenda.

35 MINUTES

RESOLVED – to approve as an accurate record, the minutes of the meeting of the Audit Committee held on the 15th October, 2013.

Following a query by a Member, the Operational Audit Manager confirmed that the field work for the Rhondda Heritage Park was in its

final stages, and would be reported to Audit Committee when completed.

36 MATTERS ARISING

- a) Minute 31 (b) – the Operational Audit Manager advised that the concerns of the Committee had been conveyed to Management and the Operational Audit Manager advised that Management were working with the service to make the necessary improvements to the internal control environment.
- b) Minute 31 (c) – The Operational Audit Manager referred the Committee to agenda item 3 ‘summary of Establishment Audit Reviews’.
- c) Minute 32 (b) – The Committee were advised that the wording of the Anti Fraud, Bribery and Corruption strategy had been amended.
- d) Minute 32 (c) – The Service Director, Legal and Democratic Services advised the Committee that the amendment to the Council’s ‘Member Code of Conduct’ would be presented at a future Council meeting.
- e) Minute 32 (d) – The Operational Audit Manager provided the Committee with a brief overview of the processes used to monitor the performance of appointed contractors.

REPORTS OF THE GROUP DIRECTOR, CORPORATE SERVICES

37 SUMMARY OF ‘ESTABLISHMENT’ AUDIT REVIEWS

The Operational Audit Manager provided his report to the Committee which presented a summary of audit assignments for the previous four financial years for ‘Establishment Reviews’ as requested at the Council’s Audit Committee on 15th October 2013.

The Committee were reminded of the reason for the request, following the Committee’s previous consideration of the Cynon Valley Museum audit assignment. It was advised that the majority of audit opinions reported during the past four years for similar type establishments to that of the Cynon Valley Museum have concluded that the overall standards of financial administration to be of a satisfactory / good standard.

Following discussions the Committee **RESOLVED:**

- a) To note the contents of the Report;
- b) To reaffirm that a follow up audit be undertaken at the Cynon Valley Museum and that the Rhondda Heritage Park review be reported to Audit Committee when completed;
- c) That the Operational Audit Manager confirms the status of bank accounts in relation to Youth Centres.

38 PROGRESS AGAINST THE 2013/14 AUDIT PLAN

The Operational Audit Manager referred Members to the report before them, which provided an update on the progress made by the Internal Audit Service in delivering the Audit Plan 2013/14, together with performance against targets for the service up to 31st October 2013.

It was reported that at 31st October 2013, 42% of the Audit Plan had been completed to report stage and that the performance indicators for the service did not raise any concerns.

A query was raised in relation to staffing resources within the service due to the noted increase in days taken between the completion of fieldwork to drafting of reports. The Operational Audit Manager commented that this was a cumulative figure which was showing an improving trend compared to earlier in the year.

Following discussions the Committee **RESOLVED** to note the contents of the report.

39. FINALISED AUDIT ASSIGNMENTS 2013/14

The Committee were presented with a summary of audit assignments completed between 1st October 2013 and 11th November 2013. The report outlined a summary of the reviews undertaken and the audit opinions for each assignment.

The Committee considered the summarised audit assignments in respect of:

- Leisure Establishment Review – Cynon;
- Leisure Establishment Review – Rhondda;
- Penrhys Primary School;
- Penywaun Primary School;
- Glantaf Infants;
- Brynnau Primary;
- Tonypandy Primary;
- Gwaunmeisgun Primary;
- Supporting People;
- Homes for the Elderly – Systems Review.

Following consideration of the above mentioned summaries, it was **RESOLVED:**

- a) To note the contents of the report;
- b) That a presentation in relation to pre-employment checks in schools be provided to the next meeting of the Audit Committee.

40 FINANCIAL PROCEDURE RULES.

With the aid of a PowerPoint presentation the Service Director, Performance and Resources provided the Committee with an overview of the Council's Financial Procedure Rules, raising awareness of its content to assist the Committee to effectively fulfil its terms of reference.

The Committee were provided with details in relation to the Scheme of Delegation, Financial Management, Financial Planning, Risk Management and Control of Resources, Financial Systems and Procedures and External Arrangements. Throughout the presentation the Service Director, Performance & Resources highlighted the importance of the Financial Procedure Rules as an integral part of the Council's governance arrangements, which enable compliance with proper practices to be checked. It was also reiterated that the outcome of any compliance work would be a fundamental consideration for the Audit Committee in discharging its responsibilities.

The chairman thanked the officer for his detailed presentation and following discussions the Committee **RESOLVED:**

- a) To note the content of the presentation;
- b) That the Committee be provided with copies of the presentation;
- c) That a brief update be provided at the next Committee in relation to the base case return from the Icelandic Banking Sector.

**MR.ROGER HULL
CHAIRMAN**

The meeting closed at 6.25 p.m.