

CITY AND COUNTY OF SWANSEA

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE

**HELD AT THE CIVIC CENTRE, SWANSEA ON THURSDAY 9 JANUARY
2014 AT 5.00 P.M.**

PRESENT: Mr A M Thomas (Independent Chair) presided

Councillor(s):

R A Clay
P Downing
P R Hood-Williams

Councillor(s):

J W Jones
P M Meara
G Owens

Councillor(s):

J A Raynor
R V Smith
L V Walton

Officers:

P Beynon - Chief Auditor
S Heys - Principal Lawyer
J Parkhouse - Democratic Services Officer

57. **APOLOGIES FOR ABSENCE**

None.

58. **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTEREST**

In accordance with the Code of Conduct adopted by the City and County of Swansea, no interests were declared.

59. **MINUTES**

RESOLVED that the Minutes of the meeting of the Audit Committee held on 12 December 2013 be agreed as a correct record subject to the following amendment:

Minute No. 55 - Wales Audit Office - Annual Audit Letter

Insert "Statement of Accounts" prior to 2012/13 in the fourth paragraph.

The Committee were updated on the following:

Portmead Primary School

The Chief Auditor reported that the follow-up visit to Portmead Primary School would take place on 15 January 2014.

60. **FUNDAMENTAL AUDITS 2012/13 - RECOMMENDATIONS TRACKER**

The Chief Auditor presented a report which provided a summary of the recommendations made following the Fundamental Audits 2012/13 and identified whether the agreed recommendations had been implemented.

A list of systems which were considered to be fundamental and were subject to an annual audit were provided. Appendix 1 of the report showed the number of recommendations made following the 2012/13 audits and whether each recommendation had been implemented, partly implemented, not implemented or was not yet due. The position on 30 November 2013 on the 89 recommendations made were summarised as follows:

Recommendations	No.	%
Implemented	68	76
Partly Implemented	26	37
Not Implemented	6	7
Not Yet Due	9	10
TOTAL	89	100

The classification of recommendations which had not been implemented or only partly implemented was provided at Appendix 2. A list of the recommendations which had been partly implemented was attached at Appendix 3 and the recommendations not implemented in Appendix 4. It was added that the comments provided in Appendices 3 and 4 showed the action being taken by management to address the issues. However, further progress must be made during the remainder of the year in order to ensure that the recommendations were not raised again as findings in the fundamental audit for 2013/14.

It was concluded that overall, the results of the Recommendations Tracker Exercise were positive. 85% of agreed recommendations due for implementation were already implemented by the end of November 2013 and action was being taken by management to progress the remaining recommendations. It was felt that the action being taken by management in order to implement the remaining recommendations would ensure that they are in place before this year's fundamental audits are completed and they will not be repeated in this year's reports.

Key issues arising from discussions included:

- Debt recovery on a timely basis.

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- Timescale for completing actions.
- Payment of honorariums.
- The need for continuous good practice.
- Informing Directors of overdue recommendations.
- End dates being placed on the system for temporary contracts for all areas within Payroll.
- Unauthorised payments.
- Compliance with procedures within schools.
- School budgets and their accountability.
- The need for quicker ICT solutions to problems.
- Procedures involving timesheets/overtime forms.

The Chair stated that the Audit Committee expected all recommendations to be implemented within the allocated timescale. Good reasons must be provided for failure to adhere to the timescales.

RESOLVED that:

- (1) the contents of the report be noted;
- (2) the Chair write to the Heads of Service where recommendations have not been fully implemented to seek assurance that they will be addressed by the end of March 2014 and a further report be presented to the April meeting of the Committee on the status of all recommendations;
- (3) the Chair write to the Executive Board regarding the implementation of recommendations arising from both internal and external audits;
- (4) the Committee receive briefings on the governance arrangements for partnerships and the Council's ICT contract;
- (5) the Director of People and Chief Education Officer be invited to a future meeting of the Audit Committee to provide a briefing on the responsibility for implementing audit recommendations in schools.

61. **AUDIT COMMITTEE WORK PLAN 2013/14**

The Audit Committee Work Plan 2013/14 was provided.

The Chair stated that he proposed to draft a Work Plan for the forthcoming Municipal Year and would be looking at several areas within the Authority. These included Internal Audit Work Plan, External Audit Work Plan, Partnerships, Risk, how the Committee liaises with other Committees within the Authority, Projects and Fundamental Audits.

He added that an appropriate way was required to present the Work Plan of the Committee to the Chief Executive and Political Group Leaders.

RESOLVED that the contents of the report be noted.

62. **DATE OF NEXT MEETING**

RESOLVED that the next meeting be held at 5.00 p.m. on Thursday 27 February 2014.

The meeting ended at 6.00 p.m.

CHAIR