

# **CITY AND COUNTY OF SWANSEA**

## **MINUTES OF THE AUDIT COMMITTEE**

**HELD AT COMMITTEE ROOM 5, GUILDHALL, SWANSEA ON  
TUESDAY, 3 JANUARY 2017  
AT 2.00 PM**

**PRESENT:** Mr A M Thomas (Chair) Presided

**Councillor(s)**

T J Hennegan  
P M Meara

**Councillor(s)**

P R Hood-Williams  
R V Smith

**Councillor(s)**

J W Jones  
T M White

**Also Present**

Councillor R C Stewart      Leader/Cabinet Member for Finance and Strategy

**Officer(s)**

Paul Beynon  
Simon Cockings  
Sandie Richards  
Jeremy Parkhouse  
Kate Jones

Chief Auditor  
Senior Auditor  
Principal Lawyer  
Democratic Services Officer  
Democratic Services Officer

**Also Present**

Geraint Norman      Wales Audit Office  
Steve Barry      Wales Audit Office

**Apologies for Absence**

Councillor(s): R A Clay, L James and L V Walton

52 **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interests were declared: -

Councillor T M White – Minute No. 55 – Wales Audit Office – Annual Audit Letter 2015/16 – Member and Benefactor of Council Pension Scheme – personal.

Councillor R V Smith – Minute No. 57 – Internal Audit Monitoring Report – Quarter 2 2016/17 – School Governor at YGG Pontybrenin and YG Gwyr – personal.

53 **MINUTES.**

**RESOLVED** that the Minutes of Audit Committee held on 25 October 2016 and Special Audit Committee held on 13 December 2016 were approved as correct records.

Paul Beynon, Chief Auditor, provided an update on the requested Councillor access to the Section 106 Database and Risk Register.

54 **CABINET ADVISORY COMMITTEES - UPDATE. (VERBAL)**

Councillor R C Stewart, Leader, provided an update regarding Cabinet Advisory Committees and their purpose.

He outlined that the purpose of Cabinet Advisory Committees was to allow Members to have a greater contribution and input into policy making. He emphasised that it was a separate function to Scrutiny.

Discussions centred around the following: -

- Oceana project;
- Whether Cabinet Advisory Committees had led to an improvement in policy making;
- The need to ensure that there were not overlaps between Cabinet Advisory Committees and Scrutiny in order to avoid duplication of work and officer time.
- Cabinet Advisory Committees provided Members with significant Information;
- Duality System
- Membership and greater involvement of Cabinet Advisory Committees
- Terms of Reference and need / requests for any changes
- Work coming through from the Cabinet Advisory Committees

The Leader thanked Members for the work that had been undertaken by the Cabinet Advisory Committees.

The Chair thanked the Leader for providing an update to the Committee on Cabinet Advisory Committees.

55 **WALES AUDIT OFFICE - ANNUAL AUDIT LETTER 2015/16.**

Geraint Norman, Wales Audit Office, provided the Committee with a summary of the Annual Audit Letter 2015/16 and highlighted the areas for improvement. It was confirmed that work on grant claims was continuing and a detailed report would be provided in early 2017.

It was noted that questions had been received from the Public, which had been resolved and the Wales Audit Office had managed to maintain the Audit Fee previously submitted.

The Committee queried the topics of the questions asked by the Public. It was confirmed that the questions received were on the issues of Gorseinon Primary School, Oceana and pay severance for a senior member of staff. There had recently been a further question in respect of the Liberty Stadium which was in the process of answered.

It was queried whether the Wales Audit Office had looked at the use of Cabinet Advisory Committees. Steve Barry, Wales Audit Office, confirmed that terms of reference and roles were clear and that there was no cause for concern.

**RESOLVED** that the contents of the letter and updates be noted.

56 **WALES AUDIT OFFICE UPDATE REPORT.**

Steve Barry, Wales Audit Office presented an update report on the Audit work undertaken by the Wales Audit Office.

The report detailed the Financial Audit Work 2015-16 – City and County of Swansea Pension Fund and the Financial Audit Work 2015-16 – City and County of Swansea.

The report also updated the Committee regarding the Performance Audit Work – City and County of Swansea. This included work on the following areas: -

- 2015-16 Improvement Assessment;
- 2015-16 Local Government Studies;
- 2016-17 Improvement Assessment;
- 2016-17 Local Government Studies.

The Committee asked questions of the Wales Audit office representatives, who responded accordingly. Discussions highlighted the strategic approach of councils to income generation and charging for services, governance and Regional Educational Consortia, particularly the recommendations from the Wales Audit Office examination of ERW in terms of value for money. A further report would be provided to the Committee in due course.

**RESOLVED** that: -

- 1) The contents of the update be noted;
- 2) The Wales Audit Office report regarding the key principles to a strategic approach to setting, increasing or introducing charges for local authority services be circulated to the Committee.

57 **INTERNAL AUDIT MONITORING REPORT - QUARTER 2 2016/17.**

The Chief Auditor presented the Internal Audit Monitoring Report – Quarter 2 2016/17.

He reported that all posts within the Internal Audit Section were now filled. However, a member of staff continued to be on long term sick but was expected to return to work shortly.

A total of 25 audits had been completed in Quarter 2 and the Chief Auditor reported that a large number of audits received a high level of assurance. He added that none of the audits received a Moderate or Limited level of assurance which was pleasing. It was also noted that the set target for audit recommendations which have been agreed had also been exceeded.

An update was provided on Primary School Self Assessments. 28 Questionnaires were issued in Quarter 1 and 22 questionnaires had been completed and returned. The Chief Auditor would continue to pursue the outstanding questionnaires and look at any improvements to improve the process for next year.

During the 2<sup>nd</sup> Quarter, 2 follow up visits were made. Both visits showed that there were recommendations still to be implemented, so further visits would be scheduled.

The Chair noted that overall it had been a positive Quarter.

**RESOLVED** that the update be noted.

58 **RECOMMENDATION TRACKER REPORT 2015/16.**

The Chief Auditor presented the Committee with the Recommendations Tracker Report 2015/16.

He noted that the general trend was positive with decreasing recommendations being made and the number of recommendations being implemented increasing. The Chief Auditor would continue to review the not implemented or partly implemented recommendations.

**RESOLVED** that the update be noted.

59 **AUDIT COMMITTEE ACTION TRACKER REPORT. (FOR INFORMATION)**

The Audit Committee Action Tracker report was provided for information.

60 **AUDIT COMMITTEE WORK PLAN. (FOR INFORMATION)**

The Audit Committee Work Plan was reported for information.

The meeting ended at 3.30 pm

**CHAIR**