



City and County of Swansea

Minutes of the Special **Audit Committee**

Committee Room 5 - Guildhall, Swansea

Tuesday, 26 June 2018 at 10.00 am

Present: Paula O'Connor (Independent Chair) Presided

Councillor(s)

P M Black
P K Jones
L V Walton

Councillor(s)

P R Hood-Williams
M B Lewis

Councillor(s)

O G James
S Pritchard

Officer(s)

Nick Davies	Principal Auditor
Sally-Ann Evans	Lawyer
Matthew Joyce-Brown	Lawyer
Jeremy Parkhouse	Democratic Services Officer
Sandie Richards	Principal Lawyer

Also Present: -

Gareth Lewis	Wales Audit Office
David Williams	Wales Audit Office

Apologies for Absence

Councillor(s): C Anderson, J W Jones, W G Thomas and T M White

16 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: -

Paula O'Connor – Agenda as a whole – Employee of Velindre NHS Trust – Providing Internal Audit Service as Head of Internal Audit to Abertawe Bro Morgannwg University Health Board – Personal.

17 Wales Audit Office - Audit Committee Review of Performance 2017/18.

Gareth Lewis and David Williams, Wales Audit Office facilitated a session to allow the Audit Committee to complete a review of its performance during 2017/18.

Members were asked to consider the areas of Committee work they felt had gone well and those they felt could be improved. The session was based around the 7 core functions of an audit committee established by CIPFA. The core functions discussed were: -

- 1) Be satisfied that the authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievements of the authority's objectives.
- 2) In relation to the authority's internal audit functions:
 - oversee its independence, objectivity, performance and professionalism;
 - support the effectiveness of the internal audit process; and
 - promote the effective use of internal audit within the assurance framework.
- 3) Consider the effectiveness of the authority's risk management arrangements and the control environment. Review the risk profile of the organisation and assurances that action is being taken on risk-related issues, including partnerships with other organisations.
- 4) Monitor the effectiveness of the control environment, including arrangements for ensuring value for money and for managing the authority's exposure to the risks of fraud and corruption.
- 5) Consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control.
- 6) Support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process.
- 7) Review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit.

The Wales Audit Office would feed back the results of the session for consideration.

The Chair thanked the Wales Audit Office representatives for leading the discussions.

Resolved that: -

- 1) The contents of the discussions be noted;
- 2) Richard Rowlands, Strategic Delivery & Performance Manager provides a link / access to the electronic Corporate Risk Register in order for the Committee to understand the nature of the 31 high level risks identified;
- 3) The Chair meets the Chief Executive to discuss the impact of the 31 high level risks identified and how the Authority is managing those risks;
- 4) The Annual Governance Statement be reported as a separate item to the Statement of Accounts;
- 5) The Committee discusses further the possibility of Members attending an Audit Committee of another public body;
- 6) Audit Committee Members meet with External Auditors without Officers;
- 7) Wales Audit Office recommendations be closely tracked by the Audit Committee in a timely manner;
- 8) The key findings of discussions be reported to the Audit Committee.

The meeting ended at 11.53 am

Chair