

AUDIT COMMITTEE

(Port Talbot Civic Centre, Committee Rooms 1/2)

Members Present: **18 March 2016**

Chairperson: **Councillor Mrs.L.H.James**

Vice Chairperson: **Councillor J.D.Morgan**

Councillors: Ms.C.Clement-Williams, J.S.Evans, M.Harvey,
D.Keogh, A.R.Lockyer and Mrs.K.Lloyd

Officers In Attendance Miss A.O'Donnell, H.Jones and
Mrs.J.Woodman-Ralph

Representing the Wales Audit Office: Mrs.G.Gillett

Voting Lay Member: Mrs.J.Jenkins

1. MEMBERS' DECLARATIONS OF INTEREST

The following Members' made declarations of interest at the commencement of the meeting:-

Councillor Mrs. C.Clement-Williams	Report of the Head of Financial Services – re: Internal Audit Service – Progress Report to End of February 2016 – as her niece works in Hillside Secure Centre.
Councillor A.R Lockyer	Report of the Head of Financial Services – re: Internal Audit Service – Progress Report to End of February 2016 – as he is a Board Member of the Hillside Recovery Board.
Councillor A.R Lockyer	Private Report of the Head of Financial Services – re: Special Investigation Report - as his grandchildren attend Alderman Davies Church in Wales Primary School.

2. **MINUTES OF THE PREVIOUS AUDIT COMMITTEE HELD ON 11 DECEMBER, 2015**

Officers confirmed that the Corporate Risk Action Plan would be a standing item on the agenda for future meetings of the Audit Committee. It was also queried whether the action plan was complete. Officers explained that this was contained within Agenda Item 5 on the item Risk Management Policy.

RESOLVED: that the Minutes of the meeting held on the 11 December 2015, be noted.

3. **2016 AUDIT PLAN NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

Wales Audit Office gave Members an overview of the Neath Port Talbot County Borough Council 2016 Audit Plan as detailed in the circulated report.

Members noted that the Wales Audit Office had to submit their response to the Welsh Government in regard to the Well-being of Future Generations (Wales) Act 2015 by Spring 2016 and would be consulting and updating the Audit Committee at future meetings.

Members were concerned at the number of grant claims that needed to be qualified and amended by Wales Audit Office. Officers explained that the Head of Financial Services had set up a working group to look at these issues and to develop procedures and guidelines to reduce these numbers in future. It was noted that other Local Authorities were experiencing similar issues and that the loss of experienced staff and the complicated grant conditions were a contributor to these numbers.

RESOLVED: that the report be noted subject to the additions as stated above.

4. **TREASURY MANAGEMENT MONITORING 15/16**

Members received an overview of the Treasury Management Action and information reported to the Policy and Resources Cabinet Board on the 18 February 2016, as detailed in the circulated report.

Also a verbal update was received at the meeting in that since producing the circulated report the treasury management investment income generated on investments had increased and was currently at £593,000.

RESOLVED: that the report be noted.

5. **INTERNAL AUDIT SERVICES - PROGRESS REPORT TO END OF FEBRUARY 2016**

The following Members' made a declaration of interest at this point in the meeting:-

Councillor J.Evans	Report of the Head of Financial Services re: Internal Audit Services Progress Report to end of February 2016 as he is a governor at YGG Rhos Afan Primary School.
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Councillor J.D.Morgan	Report of the Head of Financial Services re: Internal Audit Services Progress Report to end of February 2016 as he is Chair of governors of YGG Cwmnedd.
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Members were provided with details of the work undertaken for the period from Mid-November 2015 to 29 February 2016 together with an update on progress against the 2015/16 Internal Audit Plan.

Members noted that as agreed in the last meeting in December 2015 a review of the ratings/categories had taken place and as a result amendments had been made primarily with Category 4 and 5, as detailed within the circulated report.

Members were advised that the Council's Risk Management Policy (presented to Members at December Committee) was approved by Cabinet on 15 July 2015. A training session would be held after or before the June committee meeting to assist Audit Committee Members to carry out their role in respect of the policy.

RESOLVED: that the report be noted.

6. **INTERNAL AUDIT PLAN FOR THE PERIOD 1 APRIL 2016 AND 31 MARCH 2017**

Members received an overview of the Internal Audit Plan for the period 1 April 2016 – 31 March 2017, as detailed in the circulated report.

Members were concerned at the pressure on staff within the Audit Team with the additional work due to maternity/paternity leave. Officers explained that mitigating measures had been put in place but recruiting additional staff was not an option due to the level of audit experience needed by the staff covering the posts.

It was also noted that during 2016/17 the service would be externally assessed. Officers explained that this would be undertaken by one of the neighbouring Authorities in line with the Public Sector Internal Audit Standards and the report would be brought to the Audit Committee.

RESOLVED: that the Internal Audit Plan for the period 1 April 2016 – 31 March 2017, be approved.

7. **ACCESS TO MEETINGS**

RESOLVED: that pursuant to Section 100A(4) and (5) of the Local Government Act 1972, the public be excluded for the following items of business which involved the likely disclosure of exempt information as defined in Paragraphs 14 of Part 4 of Schedule 12A to the above Act.

8. **SPECIAL INVESTIGATION REPORT**

Members received a verbal update on all reports issued since December which had a risk rating of 3 or 4 and special investigations recently completed and on-going.

Members asked that further consideration be given to having an additional signature to the signing off for Disclosure and Barring Service checks for employees. It was agreed that this would be discussed with the Head of Human Resources.

RESOLVED: that the report be noted subject to the above.

CHAIRPERSON