

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD IN COMMITTEE ROOM
2/3, CIVIC OFFICES, ANGEL STREET, BRIDGEND ON THURSDAY, 24 AUGUST 2006
AT 2.15PM

Present:-

Councillor J C Spanswick - Chairperson

Councillors

Councillors

D A D Brett
G Davies
R M Granville
W May

M L Simmonds
W H C Teesdale
M C Wilkins

Officers:

A Phillips - Assistant Director - Finance
N Meredith - Head of Internal Audit
I Pennington - KPMG
R Nancarrow - Head of Policy and Performance Management
R Harries - Trainee Cabinet & Committee Officer

Observers:

Councillor R D L Burns - (Agenda Item 8 only)
Councillor H David

122 APOLOGIES FOR ABSENCE

Councillor M Mathias - Work commitments
Councillor P A Evans - No reason given

123 NON-ATTENDANCE DUE TO OTHER COUNCIL BUSINESS

Councillor A E Davies - Longlisting for Assistant Director - Human Resources.

124 DECLARATIONS OF INTEREST

None.

125 MINUTES OF PREVIOUS MEETINGS

RESOLVED: That the minutes of the meeting held on 12 July 2006 be accepted as a true and accurate record.

126 AUDIT OF CORPORATE IMPROVEMENT PLAN (CIP)

In response to questions from Members, the Head of Policy and Performance Management clarified that the report related to the current CIP which was approved in 2005.

He outlined the eight recommendations made by KPMG in their audit of the CIP in September 2005 and the progress made in implementing those recommendations. Details of the progress made were attached at Appendix 1.

Members examined each of the recommendations in turn. In response to their comments and questions, the Head of Policy and Performance Management gave examples of the ways in which the recommendations were being addressed, such as:-

- The first annual conference of the Local Strategic Partnership (LSP) and quarterly reporting arrangements regarding the LSP;
- Improved notification and communication to managers regarding budget allocation, thereby reducing or even eliminating the time lag between a decision regarding budgets being made and that decision being fed down to individual budget holders;
- Further modification to Action Plans to incorporate additional information in a consistent and more transparent manner;
- Support from the Policy and Performance Management Unit to further develop the use of Performance Indicators;
- The 2006/09 Summary of the CIP will present a more balanced picture of both good and bad performance;
- Ongoing efforts to ensure that the CIP reaches a wider audience, such as the formal launch of the CIP on 12 October 2006, and 360° appraisals for senior managers which should help ensure they are communicating effectively with colleagues;
- Software and training solutions to ensure the delivery of the new Performance Management Framework;
- The modifications made to the identifying risks process to ensure clear prioritisation of risks.

It was noted that, due to timescales agreed by the Welsh Assembly Government, the CIP is currently produced separately from the budget. The Assistant Director advised that the Interim Chief Executive was currently working on a process by which the two could be linked.

Members particularly noted the importance of involving as wide an audience as possible in the CIP, in order to promote ownership of and engagement with the process. They queried whether there was a role for the Scrutiny Committees to examine the extent to which the information was reaching employees on the 'front line'. It was noted that the Forward Work Programme for the Scrutiny Committees had already been agreed, which might mean that it was not feasible for them to take on additional tasks.

Mr Pennington of KPMG noted that a follow up survey to last year's Corporate Culture Review would be sent out shortly to staff. The survey contained a question asking if staff were aware of the content of the CIP, which should give an indication of the extent to which the cascading of information regarding the CIP had been successful. It was agreed that it would be useful to await a report regarding the survey. The Head of Policy and Performance Management noted that the Interim Chief Executive was particularly focussed on ensuring that the relevant information reached all employees.

RESOLVED: That the report and its provisions be noted, subject to the above comments.

127 COMPLETED AUDITS

The Head of Internal Audit outlined the above report. He noted that the first two items in the report, 'School Uniform Grants' and 'Community Focused Schools Grants' related to relatively small sums, but changes to the conditions of grants from the Welsh Assembly Government had necessitated these audits being undertaken. He noted that further audits of this nature were anticipated, but as a result of discussions with the relevant authorities, a compromise had been reached which enabled the Authority's Internal Audit Section to complete them within existing resources. Regarding 'Community Focused Schools Grants', he confirmed that a strategy was now in place for Year 2 of funding.

In response to questions from Members, the Head of Internal Audit advised that in respect of Grants to Voluntary Bodies, four grants had been moved to directorates other than Corporate Services. Three grants were still being considered.

Certain Members expressed concern regarding the audit of the Main Accounting System, in that the issue of the financial management of capital contracts still required management attention. The Head of Internal Audit noted that, whilst progress was slower than the Corporate Finance department would have liked, improved procedures continued to be developed, even since the report had been written. In reply to questions on the same audit, the Head of Internal Audit confirmed that not all ordering that takes place goes via the main system. This is currently being addressed by the Procurement review. The Assistant Director - Finance confirmed that, whilst the Authority undertook on line bank transfers every day, approval had just been received from Cabinet to purchase a system that would allow members of the public to pay the Authority on-line, for example, for Planning Applications, which would be a more efficient method.

RESOLVED: That Members note completion and key messages arising from the audits, as detailed in the report of the Chief Internal Auditor.

128 BENCHMARKING INTERNAL AUDIT

The Head of Internal Audit submitted the above report, noting that it was a holding report only as all the relevant information had not been received in good time.

He suggested that, given that some information had not yet been received at all, it would be better to receive the report at the next scheduled meeting of the Committee in October, rather than call a special meeting in September. However, this might well result in a substantial agenda for the October meeting. Members agreed that they would not call a special meeting for September at this stage, but that the Head of Internal Audit would alert the Chairperson, should he feel that the next agenda is too large to be reasonably accommodated during the course of one meeting.

RESOLVED: That the report be noted.

129 ANY OTHER BUSINESS

Certain Members queried the amounts that were actually held in balances by each Directorate. The Assistant Director - Finance advised that the amounts were relatively small in terms of the overall budget and agreed to bring the exact figures to the next meeting.

130 EXCLUSION OF THE PUBLIC

RESOLVED: That under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business because of the likelihood that, if members of the public are present during this item there would be disclosure to them of exempt information of the description specified in Paragraph 12 of Part 4 of Schedule 12A of the said Act.

Minute No.	Summary of Item:
131	Electoral Services Investigation