



AUDIT COMMITTEE

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON WEDNESDAY, 7TH MARCH 2012 AT 2.00 P.M.

PRESENT:

Councillor Mrs. K.R. Baker - Chairman
Councillor J.B. Criddle - Vice Chairman

Councillors:

K. James, Mrs. G.D. Oliver, M.G. Parker, D.V. Poole

Cabinet Members - Councillors C. Hobbs and C.P. Mann

Together with:

N. Barnett (Director of Corporate Services, R.M. Harris (Manager Internal Audit), C. Jones (Head of Performance and Property), L. Howse (Performance Management Officer), H. Morgan (Senior Committee Services Officer)

Also present:

Ian Davies (PriceWaterhouseCoopers)

APOLOGIES

Apologies for absence were received from Councillors N. Dix, Mrs. V. Jenkins, Ms. J.G. Jones, Mrs. M.E. Sargent, K. Smallman and J. Taylor, Lynn Hine (PricewaterhouseCoopers), N. Scammell (Head of Corporate Finance) and G. Williams (Principal Solicitor).

1. DECLARATIONS OF INTEREST

There were no declarations of interest made at the beginning or during the course of the meeting.

2. MINUTES - 14TH DECEMBER 2011

RESOLVED that the minutes of the meeting of the Audit Committee held on 14th December 2011 (minute nos. 1 - 7 on page nos. 1 - 4) be approved as a correct record and signed by the Chairman.

REPORTS OF OFFICERS

Consideration was given to the following reports.

3. INTERNAL AUDIT SERVICES ANNUAL AUDIT PLAN

The report sought Members' approval of the Internal Audit Services Audit Plan 2012/13. The annual plan outlines the resources available and sets out the intended allocation of audit time for the forthcoming year. An outline of the plan, showing the audit days allocated to the main service areas, the schedule of planned visits and the computer audit planned coverage was attached to the report. In preparing the plan, due consideration had been given to the Five Year Strategic Plan/Risk Assessment, previously approved by the Committee.

Members were advised that during the coming year, and as the Authority continues to review its operations, its methods of delivery and its performance, the delivery of the internal audit service may have to alter to accommodate any subsequent changes and the proposed audits will be reassessed and prioritised. Those which are not able to be audited within the forthcoming year will be assessed for inclusion in future year plans. The Plan must therefore be viewed as a changing document which is able to respond to new or emerging issues.

During the course of the debate a request was made to include, within the planned permit charges audit, coverage of the specific procedures in relation to skip hire permits.

The Committee approved the Annual Audit Plan containing the summary of the Audit Plan 2012/13, the schedule of planned visits 2012/13 and the computer audit planned coverage 2012/13.

4. ANNUAL IMPROVEMENT REPORT BY WALES AUDIT OFFICE

The report advised of the results of the Annual Improvement Report for Caerphilly County Borough Council as issued by the Auditor General for Wales to the Council on February 2012. It summarises and responds to comments and proposals contained within the Annual Report as included as Appendix 2 of the report.

The Head of Performance and Property detailed the content of the report received from the Auditor General and highlighted the key issues contained therein and made particular reference to the action plan which addressed the proposals. He advised that the report is very positive and whilst the Auditor General has made no formal recommendations, proposals for improvement are made to the council to support improvement. Comments against each proposal were included within the action plan and it was confirmed that there are several points made within the body of the report that are not specific proposals but which ought to be considered by the council for future improvement which are also included.

During the course of the debate reference was made to areas of the report which require clarification if an action plan is to be developed for improvement and it was noted that these would be raised with the Wales Audit Office. For the future there will also be a need to take into account collaborative/governance arrangements, the setting of targets and multi agency approaches.

Members were pleased to note that the report does acknowledge good progress has been made in delivering the outcome agreements and that the national audit of the statutory indicators are 'substantially accurate'. The report also notes that members in performance management scrutiny meetings challenge and understand performance issues.

Members wished to record their appreciation to the Performance Management Unit and were pleased to note that it is acknowledged that the performance management scrutiny function plays an important role in the process.

5. PROGRESS UPDATE OUTCOME AGREEMENTS 2011/2012

The report advised of progress on the ten outcome agreements for the third quarter of the reporting year 2011/2012 and sought to identify any potential risks that could affect the receipt of the full grant allocation. Members were reminded that outcome agreements are worth £1,873,000 per annum and as such it is important to assess, before the end of the year, if we are on target to achieve what we committed to. In order to gain an award for 2011/12 the success of the agreements be must evidenced with a scoring mechanism for calculating the value of grant payable against performance.

Reference was then made to the progress to date on this year programme on the ten outcome agreements, the broad outcomes they cover and to the performance summary which detailed their progress. The Head of Performance and Property advised that for the third quarter the ten agreements are in the main on target to achieve their year-end performance. At this stage there are no agreements that have not achieved and whilst most agreements are on target there are inevitably a few emerging issues which need to be addressed as they are taken forward.

Members wished to record their appreciation to all those involved on the preparation of the data and were pleased to note the progress that has been made.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 27th June 2012 they were signed by the Chairman.

The meeting closed at 2.40 p.m.

CHAIRMAN