

# AUDIT AND CORPORATE SERVICES REVIEW COMMITTEE

1<sup>st</sup> February 2012

Present: Councillor RM Lewis (Chair)  
Ms C Gwyther, Councillors JS Allen-Mirehouse, JA Brinsden and WL Raymond.

(NPA Offices, Llanion Park, Pembroke Dock: 12.10pm – 2.15pm)

## 1. Apologies

Apologies for absence were received from Mr A Archer.

## 2. Minutes

The minutes of the meeting held on the 26<sup>th</sup> October 2012 were presented for confirmation and signature.

It was **RESOLVED** that the minutes of the meeting held on 26<sup>th</sup> October 2012 be confirmed and signed.

## 3. Wales Audit Office Annual Improvement Report

It was reported at the meeting that as the report had only been received by officers on Monday of that week, it would be presented to the National Park Authority at its meeting on March.

**NOTED.**

## 4. Wales Audit Office 'Systems Letter'

Members were reminded that the Wales Audit Office (WAO) undertook a number of audits of the Authority's procedures and practices every financial year. As a result of their 2010/11 audit of the Authority's financial statements, an Action Plan was drafted which set out areas where WAO believed the Authority could improve its procedures. The document focused on financial systems and final accounts rather than governance arrangements which would be reported elsewhere. Officers had been given the opportunity to respond to the Action Plan's recommendations and these comments, together with the Audit Office's responses, were incorporated in the document, which was appended to the report.

The Chairman welcomed Mr John Dwight from the Wales Audit Office to the meeting who stated that there was nothing of concern within the report, but he was happy to answer any questions Members had.

**NOTED.**

## 5. Budget Performance Report 9 Months to December 2011

The Finance Manager reported that the detailed net revenue budget to 31<sup>st</sup> December 2011 was appended to his report, however in summary the net revenue expenditure was £3,966k, which was £616k under the profiled budget. The main reasons for the variance of actual expenditure against budget were



Sustainable Development Fund grants carried forward from 2010/11, increased Car Park income and support services savings, together with differences in profiling of the budget against actual expenditure. The report set out details of each service department. The forecast revenue position for the end of the financial year showed a surplus of £14k and this included funds allocated to the capital programme, as well as the creation of four earmarked reserves for HR, Finance systems and an Electronic Planning and Document Management System as well as one to fund the capital cost of integrating Car Park operations with Pembrokeshire County Council.

The 2011/12 Capital programme was provided and showed that expenditure had increased from £53k as at the end of the previous quarter to £164k at 31<sup>st</sup> December and included the purchase of another Land Rover and VW Caddy which were subject to long term hire agreements and which should yield revenue savings in the next few years. The latest forecast expenditure had increased from the original budget of £240,000 to £307,273 with the revised spend funded by earmarked reserves, a Cadw grant, the Welsh Government Capital grant with the balance from Capital Receipts or General Reserves.

Turning to the Authority's useable reserves, it was reported that due to the revenue forecast surplus of £14k, the balance on the General Reserve should increase to £498k by the end of 2011/12. Capital Receipts had also increased due to the sale of three parcels of land and compensation from the Welsh Government for the Authority's former Canaston Bridge car park.

It was **RESOLVED** that the budgetary performance report for the 9 months ended 31<sup>st</sup> December 2011 be endorsed.

## **6. Internal Audit Report for 2011/12**

It was reported that as part of the Authority's Corporate Governance Programme, an audit of all services was carried out on a five year rolling programme by Pembrokeshire County Council's Internal Audit service. The 2011/12 audit concentrated on Activities & Events; Creditors; Information Governance – Freedom of Information and Data Protection; Tenby and Newport Information Centres; Transport; and a review of the previous year's Agreed Action Plan.

No significant failings had been identified in the latest programme, although a number of minor improvements had been suggested, and the summary of findings and action plan were attached to the report.

With regard to recommendation R.6, the Finance Manager reported that it was suggested that a threshold of £5k be set above which a telephone call would be made to suppliers to ensure that change of bank details were legitimate. He believed that to check details with smaller suppliers would simply cause annoyance. However one Member disagreed, saying that the consequences of not contacting a small supplier when amended bank details had been fraudulently given could be catastrophic, and believed that a telephone call should be made in all cases.



It was **AGREED** that all requests for amended bank details be verified by telephone call, and that this be reviewed in six months to assess both the officer time expended and the response of businesses. The remainder of the report and recommendations were **NOTED**.

**7. Performance Report for the 3<sup>rd</sup> Quarter of the Year 2011/12**

The Head of Business Management reported on performance against the actions and measures for Corporate Outcome 8 for the period up to the end of 2011. Progress was set out in the report and illustrated at the meeting by means of a presentation using the Ffynnon system, showing the state of progress on the actions through red, amber and green symbols.

The Chairman and Vice-Chair noted that they had been given access to the system but asked that training be provided to help them use it to better effect. The Head of Business Management would arrange this.

**NOTED.**

**8. Strategic Grant Letter – Performance for the Third Quarter of the Year 2011/12**

The report considered the Authority's performance against the actions specified in the Strategic Grant Letter for the period to 31<sup>st</sup> December 2011.

**NOTED.**

**9. Risk Register – Report for the Third Quarter of the Year 2011/12**

It was reported that the Authority's Risk Register determined the level of risk by scoring the likelihood of an event happening together with the impact of the event should it occur. These two scores were multiplied to get the score risk. The register also included methods of monitoring and mitigation, noting that although it was possible to reduce the impact of a risk event, it was rarely possible to remove most risks entirely.

**NOTED.**

**10. Review of Car Park Operation during 2011**

Members were reminded that in February 2011, the Authority had approved new charges for all its car parks which it was estimated would increase revenue for the Authority by about £70,000 a year. The finance report considered earlier that day (Minute 5 refers) showed an increase of £93,000 compared to last year. Complaints about the increases were received from members of the public, Community Councils and some businesses, but the overall number of these was much lower than expected.

The Head of Business Management presented an analysis of tickets sales (by number, value and location) at the car parks. A list of those car parks where it was thought that charging was not currently economically viable due to a variety of reasons including size, busyness or location was also presented. It was noted that this list would be kept under review.



It was reported that with regard to the need to update the Authority's off-street parking order, a meeting had been arranged with officers from Pembrokeshire County Council to look at joint measures. It was also noted that a number of issues had arisen with regard to specific car parks and possible changes at these were outlined as follows. At Little Haven there had been a number of complaints with regard to the allocation of residents' parking spaces, however the Committee was reminded that the procedure for the forthcoming year had been agreed at the National Park Authority in December, although it was unlikely that everyone would be happy with the new arrangements.

At Newgale, complaints had been received over the charges and the differential to those in the adjacent Pembrokeshire County Council car parks. A number of 30 minute free parking spaces had been provided near to the café and officers considered that there was some scope to look at the charges in this car park in the forthcoming year.

Finally the businesses in Solva were unhappy both that only 30 minutes parking was free, and that charging did not cease in September but continued through October. It was noted that income at Solva had increased in 2011 and that extending the duration of free parking to 60 minutes would cause a significant loss in revenue. It was, however, noted that Solva Car Park was scheduled for refurbishment in September/October 2012 and it was therefore likely that charging would cease in early September this year. Further changes were not proposed until this work had taken place.

The Chief Executive noted that it would be necessary for decisions on these matters to be taken by the National Park Authority, probably at its next meeting in March.

#### **NOTED.**

#### **11. Presentation on the Personnel Service**

The Personnel Manager's presentation outlined the scope and role of the service, making comparisons with Human Resources teams in other National Parks where these were available. Data was also provided showing the impact of initiatives on areas such as absence and well-being, flexible working and healthy and safe working, including benchmarking data. Finally she set out the key future objectives for the team.

#### **12. Presentation on the Finance Service**

The Finance Manager gave a presentation on the work of the finance team including their main duties, together with the performance indicators against which the team recorded data. He also presented an analysis of invoices, debtors and the numbers of transactions completed using purchase cards held by Authority staff, together with payroll statistics.

#### **13. Presentation on the Democratic Services Team**

The Administration and Democratic Services Manager gave the final presentation of the day, on the work of the team, explaining the committee structure and outlining the costs of sending out agenda's and holding meetings.



She also reminded the Committee of the role of the Wales Charter for Member Development and how this fed into the Authority's Member Development Strategy.

The Chairman thanked all three officers for their presentations and for the contribution of their teams to the success of the Authority.

