

## AUDIT AND CORPORATE SERVICES REVIEW COMMITTEE

21<sup>st</sup> May 2014

Present: Mr A Archer (Deputy Chairman in the Chair)  
Mrs G Hayward, Councillor RM Lewis, Councillor M James and  
Councillor DWM Rees.

(NPA Offices, Llanion Park, Pembroke Dock: 12.30pm – 1.25pm)

### 1. Apology

An apology for absence was received from Councillor M Williams.

### 2. Disclosures

Mr A Archer disclosed a non-pecuniary interest in the report on the Draft Annual Governance Statement. He remained in the meeting while the report was considered and took part in the discussion thereon.

### 3. Minutes

The minutes of the meeting held on the 12<sup>th</sup> February 2014 were presented for confirmation and signature.

It was **RESOLVED** that the minutes of the meeting held on 12<sup>th</sup> February 2014 be confirmed and signed.

### 4. Health and Safety Group: report of meeting

Members considered the report of the meeting of the Health and Safety Group held on the 10<sup>th</sup> April 2014.

It was **RESOLVED** that the report of the meeting of the Health and Safety Group held on 10<sup>th</sup> April 2014 be received.

### 5. Budget Performance Report 12 months to March 2014

The Finance Manager circulated a table to the Committee which set out the capital programme 2013/14. He noted that the spend was more significant than in previous years due to a number of major projects that were ongoing.

It was reported that the annual Audit Fee would be rising by 33% in the coming year with a further increase next year which would bring the fee to £52k. Members asked whether this increase could be challenged, and the Chief Executive explained that officers had asked the Wales Audit Office (WAO) to attend the next meeting of the Committee to explain the reasons for the increase, which were due to the impact of the Audit Act. He went on to say that the Authority's 2012/13 Audit report had only just been received, with no major issues raised, therefore the Authority represented a very low risk in terms of governance. However, the fees charged by the Wales Audit Office were extremely high in contrast.

He added that a number of other organisations, such as the Fire and Rescue, and Police Authorities, appeared to be similarly affected and meetings would be



held with them to discuss future WAO charges and a further report brought back to the Committee.

He had also raised the matter of the Audit Fee with Paul Davies, AM, who was on the National Assembly's Finance Committee.

Turning to the revenue budget, the Finance Manager explained that this showed a surplus of approximately £300k, due to increased income from Planning fees, sales at Cilrhedyn and estates income. There had also been significant savings on staffing and operational costs. He further explained there was a need to create an additional provision to cover the cost of a number of voluntary redundancies which in turn would offset the surplus. The Committee was assured that the redundancies would result in savings of some £145k per annum in future years.

It was **RESOLVED** that the budgetary performance report for the 12 months ended 31<sup>st</sup> March 2014 be received.

#### **6. Performance Report for the period April - December 2013**

The Business and Performance Manager presented progress for the key actions and measures set out in the team plans within Corporate Services and also performance against the four Improvement Objectives set out in the Improvement Plan Part 1. Appended to the report, and also presented at the meeting, were the key actions and measures within these areas of work.

It was reported that overall performance was generally good, with most actions completed as expected with some exceptions where the wet weather earlier this year had restricted and delayed practical work and a few instances where the Authority depended on other organisations for further progress.

Looking particularly at the red indicators, the first of these were related to the number of Health and Safety Incidents, however it was noted that there were no serious accidents reported with most records being of incidents and not of injury. Also under HR, it was reported that the number of days lost through sickness absence was greater than it had been in recent years due to four staff being on long term sick. The second red indicator related to the absence of the Coed Cymru Officer through extensive sick leave. As a result, Carmarthenshire County Council had undertaken management agreements on behalf of the Authority, which could not therefore be assigned to the latter. The final red indicator related to the area of land managed for conservation, which had reduced because a number of sites no longer required active management.

It was **RESOLVED** that the performance report be received.

#### **7. Draft Annual Governance Statement for 2013/14**

It was reported that the Annual Governance Statement provided the vehicle for demonstrating the Authority's success in delivering continuous improvement in performance, identified control systems and processes and highlighted significant governance issues to be addressed. The preparation of the draft statement had involved consideration of information from a number of sources



including the Risk Register, Internal Audit Report and Annual Improvement Report in order to review the effectiveness of the Authority. Members were invited to review the draft Statement and to make suggestions on additional issues to be included. The Statement would then be presented to a future meeting of the National Park Authority for further consideration and agreement.

Members questioned whether the Development Management Committee should be included within the list of decision making bodies within section III, the Governance Framework. Also they asked whether reference should be made to the Welsh Government's Planning Project regarding Joint Working of Pembrokeshire County Council and Pembrokeshire Coast National Park Authority Planning Services. It was also suggested that the document should more strongly reflect the uncertainties facing the Authority in the future, particularly in monetary and governance terms. Officers agreed that these issues could also be reflected in the document.

It was **RESOLVED** that the report be received subject to the amendments raised at the meeting.

#### **8. Virements over £20k in 2013/14**

The Finance Manager reported that in accordance with the Authority's Financial Standards, virements over £20,000 required approval of the Chief Financial Officer and Audit and Corporate Services Review Committee or National Park Authority. Accordingly Members were requested to approve the virements undertaken in the financial year 2013/14 which were appended to the report.

It was **RESOLVED** that the virements over £20,000 undertaken in the financial year 2013/14 and appended to the report be approved.

#### **9. Report from Wales Audit Office – Asset Management**

The Business and Performance Manager reported that the Wales Audit Office had included the Authority in a national study of asset management, and the resulting report was appended to his report. In respect of this Authority, there were only two recommendations: that the asset management policy be expanded to provide more detail and a broader picture of the scale, nature and performance of the portfolio; and that options for developing, possibly with others, appropriate performance information for asset management be explored, with a view to enabling effective benchmarking.

Officers considered that while the existing asset management policy was brief, it had recently been updated and clearly set out the aims of managing a small but diverse property portfolio. Further the diverse nature of the properties made bench-marking with other organisations largely impractical.

Members agreed that the current policy was fit for purpose and need not be changed as it had only recently been reviewed. Nevertheless, this did not preclude it from being reviewed again in the future.

It was **RESOLVED** that the Wales Audit Office report on the Review of Asset Management be received.



**10. Delegation of any issues of concern to the Continuous Improvement Group**

It was **RESOLVED** that there were no issues of concern that the Committee wished to delegate to the Continuous Improvement Group for consideration.

