

# AUDIT AND CORPORATE SERVICES REVIEW COMMITTEE

14 February 2018

Present: Councillor M Williams (Chair)  
Mr A Archer, Councillor D Clements, Mrs G Hayward, Councillor M James and Councillor R Owens.

(NPA Offices, Llanion Park, Pembroke Dock: 10.00am – 11.15am)

## 1. Apologies

Apologies for absence were received from Councillor P Baker, Dr R Heath Davies and Councillor P Kidney.

## 2. Disclosures

Mr A Archer disclosed a personal interest in item 04/18 Annual Governance Statement, but he remained in the room and took full part in the discussion thereon.

## 3. Minutes

The minutes of the meeting held on the 22 November 2017 were presented for confirmation and signature.

It was **RESOLVED** that the minutes of the meeting held on 22 November 2017 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 12 October 2017.

It was **RESOLVED** that the report of the meeting of the Health and Safety Group held on 12 October 2017 be received.

## 5. Benchmarking of Pembrokeshire Coast National Park Authority's Planning Authority Performance

It was reported that the Welsh Government's All Wales Planning Annual Performance Report (APR) for the reporting period April 2016 to March 2017 had recently been published, and this provided a summary of key benchmarked planning performance indicators across the areas of efficiency, quality, engagement and enforcement. The report before the Committee summarised the Authority's performance in each of these categories, and concluded that it was performing well in terms of efficiency when benchmarked across a number of key planning performance indicators in this section. Where benchmarked data had highlighted areas for improvement in terms of quality, engagement and enforcement, actions had been put in place to address performance in these areas.



Members were pleased with the Authority's performance overall but expressed some concerns regarding the impact of staff vacancies across the team on performance indicators, and officers agreed to provide information on the measures being taken to cover absences. It was also reported that a workshop on enforcement would take place in March when these issues could be discussed further.

**NOTED.**

**6. Performance Report for the Period Ending 31 December 2017**

The Performance and Compliance Coordinator reminded Members that the structure of the Authority's Corporate and Resources Plan for 2017/18 reflected that of the Wellbeing of Future Generations Act, with seven well-being objectives. The performance report had also been modified to follow these objectives, with an additional section providing general governance information. The report presented the performance to 31 December 2017, and provided further details of those indicators where the RAG indicator was red.

The report highlighted the slight decrease in visitors to centres when compared to the previous year, however one Member noted that Oriol y Parc had hosted the Constable painting 'Salisbury Cathedral' in the summer of 2016 and suggested that this could provide an explanation for the reduction in visitor numbers and should be referenced in the report. Members went on to emphasise the importance of good quality exhibitions being hosted at the Centre, and the key role of National Museums Wales and more recently Tate Britain in achieving this. A new exhibition by the latter which included William Stott of Oldham's Le Passeur would open at Oriol y Parc on 23 February.

Under the section of the report dealing with governance and financial stability, Members asked for further information about the proposed alternative delivery mechanisms for tourism services following the closure of the Newport Visitor Centre and the likely reporting date for the work to gather the views of tourism businesses across North Pembrokeshire. They believed that the approach to be taken in the coming season needed to be made clear to the public in Newport in order to avoid reputational damage to the Authority.

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

**7. Annual Audit Letter 2016-17**

It was reported that the Auditor General for Wales' Annual Audit letter detailed his statutory responsibilities under the Public Audit (Wales) Act 2004 and the Code of Audit Practice. The letter had been received by the Authority in January and this confirmed that it had complied with its



responsibilities relating to financial reporting and use of resources and therefore a certificate confirming that the audit of the accounts had been completed was issued on 26 September 2017.

Members noted that the final paragraph referred to the financial audit fee for 2016-17 and expressed concern at the scale of fees paid by National Park Authorities in Wales. While this had been raised previously, they suggested that it could be raised again with the Minister at the next opportunity.

**NOTED.**

#### **8. Annual Governance Statement 2017/18**

The Finance Manager reminded the Committee that the Authority was required to produce an Annual Governance Statement. The draft 2017/18 statement had been circulated to Members and they were invited to contribute to and shape its content. It was anticipated that the Statement would be considered by the National Park Authority on 28 March and Members were therefore asked to provide officers with any issues by early March.

One Member noted that while the Authority had set up a Scrutiny Committee, and this had undertaken some useful reviews, the work programme for the Committee had not been revised and no reviews were currently being carried out. Likewise no items had been referred to the Continuous Improvement Group and there were currently no Working (task and finish) Groups meeting. He therefore suggested that the Authority had structures in place that it was not using.

Officers replied that if any Member was uncomfortable with any aspect of the Authority's performance, they had the opportunity to refer items to the Continuous Improvement Group at each Review Committee meeting. It was suggested that future arrangements regarding scrutiny and the Working Groups could be discussed at a Members' workshop that would take place in the next few months.

**NOTED.**

#### **9. Budget Performance Report – 9 months to December 2017**

The report of the Finance Manager showed that the net revenue expenditure was £3,388,000, £307,000 (8.3%) under the profiled budget for the 9 month period, and the main reasons for the variance were set out. These were largely due to increased income from planning fees, car parks, merchandise sales and admission fees at the Centres. Members asked about the slow take up in advertising in Coast to Coast and whether this was likely to be recovered. Officers replied that some operators had withdrawn their advertising this year and therefore income



was likely to be down and was likely to come under greater pressure in future years due to the economic climate.

Details of the Capital Programme and Usable and Earmarked reserves were also given.

Members wished to congratulate officers on the way the budget had been managed, however they questioned whether the Authority could be criticised for the level of its reserves. It was explained that the levels had been discussed with the Audit Office which was happy with them, however reserves could fall quickly if there were significant budget reductions in future.

#### **NOTED.**

#### **10. Virements over £20k in Financial Year 2017/18 & Contract Variation**

Members were reminded that the Authority's Financial Standards governing the approval for virements over £20,000 required specific approval of the Chief Financial Officer and Audit & Corporate Services Review Committee or National Park Authority. Members were therefore requested to approve the virements undertaken in the financial year 2017/18 as set out.

It was also reported that a contract to repair the paths at Carew Castle had initially been anticipated to cost between £7k - £9k, however this had grown during the course of the work so that it went over the threshold for the tendering rules as set out in Section 73 of the Authority's Financial Standards. To prevent the path not having been in place for the summer season, it was decided to continue with the contractor. The revised cost was circa £14k.

Members were reassured that the contractor had been used previously and officers had been satisfied with the work they had undertaken.

It was **RESOLVED** that the virements in excess of £20,000 undertaken in the financial year 2017/18 and the variation on Contract Standing Orders for the repair work on the paths at Carew Castle be approved.

#### **11. Internal Audit Provision**

It was reported that in 2015 the Authority, in conjunction with Brecon Beacons National Park Authority, had gone out to full market joint tender for the provision of internal audit for a three year period. As a result of this exercise Gateway Assure were appointed as the Authority's internal auditors for the financial years 2015/16, 2016/17 and 2017/18.



Members were requested to consider whether an extension of the contract for internal audit provision with Gateway Assure was merited or whether the Authority should go out to retender.

While acknowledging that regularly changing auditors was of benefit, Members felt that the service provided by Gateway Assure had been effective and the reports produced were clear and accessible.

It was **RESOLVED** that the contract with Gateway Assure for the provision of internal audit services be extended for a further two years.

## **12. Risk Register**

The Finance Manager presented the latest risk register which had recently been reviewed by both the Authority's Management and Leadership Teams when progress and changes had been noted. There were no significant changes in risks which had been identified or removed in the quarter.

**NOTED.**

## **13. Legislative Changes in Data Protection**

It was reported that it had unfortunately been necessary to postpone this presentation again until the next meeting of the Committee.

**NOTED.**

## **14. Delegation of any issues for consideration by 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.

