

## MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT COUNTY HALL, LLANDRINDOD WELLS ON WEDNESDAY 13<sup>TH</sup> JANUARY 2011

**PRESENT:** County Councillor Mrs S. C. Davies (**Chair**)  
County Councillors Mrs D. Bailey, G. R. Banks, Mrs L. V. Corfield, A. W. Davies, D. Davies, Mrs E. R. Davies, L. R. E. Davies, Ms M. J. B. Davies, E. A. Jones, J. G. Morris, K Pathak, Mrs D. G. Thomas and A. M. C. Weale.

**Portfolio Holders in Attendance:** County Councillors Mrs R. Harris (Adult Social Care and Health Social Care and Well-being) and W. A. Fitzpatrick (Corporate Policy and Performance).

**Officers in attendance:**

Mr G. Petty (Strategic Director – Finance and Infrastructure), Mr S. Cameron (Accountancy Manager), Ms J. Nicholas-Humphreys (Customer Services Manager), Ms C. Byrt (Interim Strategic Director – Care and Well-Being), Ms B. Smith (Interim Contracts and Commissioning Manager) Mr G. Davidson (Senior Partnership Manager).

**Attending:** Mr M. Jones (Wales Audit Office)

<b>1.</b>	<b>APOLOGIES</b>	<b>A1-2011</b>
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Apologies for absence were received from County Councillor G. P Vaughan and Portfolio Holder County Councillor A. G. Thomas (Finance).

<b>2.</b>	<b>MINUTES</b>	<b>A2-2011</b>
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The Chair was authorised to sign the minutes of the previous meeting held on 27<sup>th</sup> September 2010 as a correct record.

<b>3.</b>	<b>DECLARATIONS OF INTEREST</b>	<b>A3 - 2011</b>
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No declarations of interest were received.

<b>4.</b>	<b>CORRESPONDENCE</b>	<b>A4 -2011</b>
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No correspondence had been received.

<b>5.</b>	<b>WALES AUDIT OFFICE</b>	<b>A5 -2011</b>
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### **5.1 Annual Audit Letter – Powys County Council and Pension Fund Accounts.**

The Wales Audit Office (WAO) presented the Annual Audit Letter on the Powys County Council and Pension Fund Accounts.

The Annual Audit letter was presented in a briefer format than previous years with the remaining information being included in the Annual Improvement Report. This would be presented to Audit Committee in March 2011.

It was confirmed that the Audit for 2009/10 was complete subject to one outstanding item relating to a public disclosure matter. Should the issue raised be found to be of substance it will be presented to a future Audit Committee.

<b>RESOLVED that</b>	<b>REASON FOR RECOMMENDATION</b>
<b>The report be noted</b>	<b>To comply with Statutory requirements</b>

<b>6.</b>	<b>GENERAL REGISTER OFFICE</b>	<b>A6 - 2011</b>
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The Customer Services Manager presented a report on the General Register Office First Registration Service Review (copy filed with signed minutes).

The Registration Service moved from Legal Services to Customer Services in 2008. It was necessary to seek approval from the General Register Office to allow for Powys to be dealt with as a unified authority which was of benefit to customers who were now able to register events anywhere in the county.

The next change related to the organisations the Registration Service must inform on registration of a death. At present the Registration Service may only inform the Council Tax Office from May 2011 the Registration Service will be able to inform other organisations such as the DVLA, Bus Pass issues etc.

A further change would allow customers to make bookings online to be introduced in March 2011.

It was confirmed that the service which was running in deficit since 2000 is not now loss making. The service is however monitoring the usage of the smaller offices and it may be the case that these could be closed as part of the efficiency agenda. Any such proposals would be taken through the Board.

Members congratulated the Customer Service Manager on the positive report and the detailed Action Plan drawn up to address the findings of the Review.

<b>RESOLVED that</b>	<b>REASON FOR RECOMMENDATION</b>
<b>The report be noted.</b>	<b>To monitor the findings of the General Register Office.</b>

<b>7.</b>	<b>GRANTS TO VOLUNTARY BODIES</b>	<b>A7 - 2011</b>
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The Portfolio Holder for Adult Social Care and Health Social Care and Well-Being introduced the newly appointed Interim Contracts and Commissioning Manager who presented an update on the Management of Grants to Voluntary Bodies (copy filed with signed minutes).

Grants to Voluntary Bodies had first been subject to Internal Audit in April 2007 where an *unsatisfactory* opinion was given. A further detailed Internal Audit review was undertaken and in June 2010 and a *low assurance* opinion was given.

An action plan had been produced in response to the second Internal Audit report which had been considered in the September 2010 meeting of the Audit Committee. The report presented gave a narrative update on the action plan. Members requested that an updated Action Plan be circulated.

Concern was expressed at the findings of the Internal Audits and the lack of progress to date in addressing these findings.

Members expressed support for the individual voluntary organisations which provided much valued services in the community and noted the difficulty that these organisations experience with uncertainty relating to their grant funding. However, it was noted that the Council was also subject to budgetary uncertainty and this would inevitably have a knock-on effect on the voluntary organisations.

Concern was expressed regarding the duplication of administrative services within the voluntary sector which took resources away from frontline delivery. It was necessary to ensure that all organisations receiving grant funding were able to demonstrate value for money.

Members particularly looked for assurance that the processes under which the Contracts and Commissioning unit worked were robust.

Concern was also expressed that the department had failed to act on the initial Internal Audit report and confirmation was sought that processes were in place to ensure that Internal Audit reports throughout the Care and Well-Being Directorate are subject to appropriate management and portfolio holder attention.

It was noted that neither the Interim Strategic Director nor the Interim Contracts and Commissioning Manager had been in post during the period covered by the Internal Audit reports and Members welcomed the Officers' work in addressing the issues raised by Internal Audit. To monitor progress Members requested that a further report be brought to the June Audit Committee.

<b>RESOLVED that</b>	<b>REASON FOR RECOMMENDATION</b>
<b>i) the updated action plan be circulated to Members within 2 weeks of this meeting</b> <b>ii) that a further report on progress be brought to the June 2011 meeting of Audit Committee including budgetary control</b>	<b>i) to inform Members of the progress made on the action plan</b>  <b>ii) to monitor progress</b>

<b>8.</b>	<b>WAO REVIEW NEW MODELS OF HEALTH AND SOCIAL CARE - UPDATE</b>	<b>A8 - 2011</b>
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The Interim Strategic Director introduced this item outlining that the report had been written and the action plan drawn up as a result of the report at a time when the Council was looking jointly appoint a postholder as Strategic Director for Care and Well-Being for the Council and Chief Executive of the Powys Teaching Health Board (PTHB). The

interviews for this post had been held in December and it had not been possible to make an appointment. Both organisations would continue to pursue joint working.

The Senior Partnership Manager presented a report on the updated Action Plan as a result of the WAO review into New Models of Health and Social Care (copy filed with signed minutes).

It was confirmed that a number of the target completion dates had already passed or were imminent but these related to setting in place arrangements for undertaking further work and it was expected that these target completion dates would be met.

Concern was expressed that the report included a number of acronyms and should be written in straightforward terms in a similar way to the initial Wales Audit Office report. However, the inclusion of an updated action plan was welcomed.

It was confirmed that whilst financial benefits could be realised for both partners by working jointly on pooled budgets, Officers would be ensuring that the County Council fully insulated their contribution from any potential effect of the PTHB's deficit.

It was essential when working with partners that the Council was fully aware of the costs of the services that were to be provided, that the partners were clear regarding the aims of the partnership, and that they were able to meet their agreed obligations.

It was confirmed that the initial challenges to integration between Powys County Council and the Teaching Health Board remained namely different governance arrangements, respective financial positions, that the Welsh Health Estates own the capital assets and the NHS in Wales has a no redundancy policy. These issues remain to be addressed through any partnership working.

The WAO Officer offered to request a view on the action plan from the Officer who had produced the original report.

<b>RESOLVED that</b>	<b>REASON FOR RECOMMENDATION</b>
<b>i) the view of the author of the original WAO report on the action plan be sought</b>	<b>i) to give Members an professional view on the Action Plan</b>
<b>ii) that a further report on progress be brought to the June 2011 meeting of Audit Committee</b>	<b>ii) to monitor progress</b>

<b>9.</b>	<b>MINUTES FROM CORPORATE GOVERNANCE COMMITTEE</b>	<b>A9 - 2011</b>
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The minute from the Corporate Governance Committee relating to their consideration of Treasury Management on the 25<sup>th</sup> November 2010 was received.

<b>10.</b>	<b>NOTES FROM JOINT CHAIRS MEETING</b>	<b>A10 - 2011</b>
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The notes from the meeting held on 28<sup>th</sup> October 2010 and 6<sup>th</sup> December 2010 were received.

<b>11.</b>	<b>WORK PROGRAMME</b>	<b>A11 - 2011</b>
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The Forward Work Programme was received.

Meeting closed.

**MRS S. C. DAVIES  
CHAIR**