

AUDIT AND CORPORATE SERVICES REVIEW COMMITTEE

15th May, 2013

Present: Councillor M Williams (Chairman)
Councillor JA Brinsden, Mrs G Hayward and Councillor DWM Rees.

(NPA Offices, Llanion Park, Pembroke Dock: 10.00am – 12noon.)

The Chairman welcomed Mr Terry Lewis from the Wales Audit Office to the meeting.

1. Apology

Apologies for absence were received from Mr A Archer and Councillor RM Lewis.

2. Disclosure of interest

None

3. Minutes

The minutes of the meeting held on the 27th February, 2013 were presented for confirmation and signature.

It was **RESOLVED** that the minutes of the meeting held on 27th February, 2013 be confirmed and signed.

4. Health and Safety Group: report of meeting

The report of the meeting of the Health and Safety Group held on the 18th April, 2013 were presented to the Committee

It was **RESOLVED** that the report of the meeting of the Health and Safety Group held on 18th April, 2013 be received.

5. Wales Audit Office – Financial Audit Outline

Mr Terry Lewis from the Wales Audit Office introduced the Annual Financial Audit Outline which set out the roles and responsibilities of Appointed Auditor and Authority, the audit approach that would be taken, the planned reporting output with key milestones and the audit fee.

Members welcomed the fact that the fee had been held from 2011/12, but queried how additional charges might arise. Mr Lewis explained that this could be due to the need for any unplanned work due to questions from members of the public or other issues that arose.

Members wished to thank the Finance Team for the way in which Members were kept informed on financial matters.



It was **RESOLVED** that the Financial Audit Outline be accepted.

6. Performance Report for the period to March 2013

The report of the Business and Performance Manager presented Members with progress made to date in respect of the relevant actions and measures feeding into Corporate Outcome 8 and parts of the other Outcomes for the period to the end of March 2013. Each of the actions reported on were shown as red, amber or green, depending on the level of progress that had been made.

It was noted that of the 32 actions, 19 were coded green, 9 amber indicating that the project was underway but behind target. Four actions were coded red and the reasons for these were set out in the report.

Outcome 2 (Action d) – The Report to Welsh Government on Recreation Strategy (SGL) had been completed and sent to the Minister.

Outcome 3 (Action c) – It was reported that the Authority had held a very successful Sustainable Development Fund (SDF) meeting on 8th May, 2013 in which all the funding had been allocated. Members wished to compliment Officers on the work they had done to promote the scheme. The Chief Executive reported that it was expected that a significant review of SDF was expected over the coming year.

Outcome 3 (Action d) It was reported that the new biomass boiler had resulted in a £6,400 payback in the first quarter with roughly one third of that amount being profit.

Outcome 8 – The Business and Performance Manager advised that there were a lot of sections with an amber rating and that some of these were work in progress while others were awaiting specific information from the Welsh Government. However this section was marked red as work on the Customer Satisfaction Surveys had not progressed due to the high workloads of the officers involved.

Members enquired about progress on Enforcement issues and were advised that the backlog had been reduced significantly and work was continuing to reduce it further. Members wished to express their thanks to the Enforcement Team for their hard work in achieving this.

Finally, Members considered the Risk Register and were informed that there had been no changes in the level of risk although two new risks had been included covering potential damage from climate change and failure to allocate and spend all of the Sustainable Development Fund although the latter could now be deleted.

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



7. Risk Management Strategy

The Business and Performance Manager informed Members that the Authority had maintained a Risk Register for several years and monitored and reported on risks to Member at frequent intervals. However a clear risk management strategy setting out the roles and responsibilities, reporting and monitoring had never been presented to the Authority. A draft Strategy was presented to Members for consideration and comment before being formally adopted. It was hoped that this could then be brought to the National Park Authority meeting in June 2013.

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

8. Proposals for the Wales Audit Office 2013-14 Performance Audit Work

The Chief Executive informed Members that the Authority had received a letter from the Auditor General for Wales, outlining "Proposals for the Wales Audit Office 2013-14 Performance Audit Work".

The letter had requested a response by 17th April and this had been sent within the deadline. This reply however had highlighted that the timescale had not enabled consultation with Members of the Authority and therefore had reserved the right to provide further comment following discussion with this Committee.

Members were happy with the response overall however they felt that the issue of the Authority not being represented on the Pembrokeshire Local Service Board could have been worded more strongly.

Members **NOTED** the response and **CONFIRMED** their agreement.

9. People Strategy 2012-15: Annual Report

The Personnel Manager advised Members that this was a review of the first years' actions relating to the 3 Year People Strategy which Members approved in March 2012. The strategy identified 5 main HR Objectives including Engagement, Learning, Personnel Service, Management Competencies and Equalities and the report set out progress on each of these.

Members commented on the high level of recruitment over the previous year with 20 staff being recruited however the Personnel Manager advised that some of these were internal promotions.

Members also congratulated the Personnel Team for the work they had done especially as they had been short staffed for some time.



10. Trading Strategy 2013-2018

The Finance Manager informed Members that a Trading Strategy had been outlined for the National Park Authority for the five year period 2013-2018. The core objectives of the strategy would be to interpret and communicate National Park purposes through merchandise and packaging; to convey a sustainability ethic; to provide an innovative, exciting and quality produce range; to back up and complement free information; to ensure an appropriate mix of products; to exceed customer expectations and requirements; to ensure that the Authority did not operate with unfair advantage over other local outlets; to generate income to meet National Park financial targets and to offer sales space to support local suppliers and crafts people.

These objectives were to be achieved with consideration to communication of National Park Purposes; purchasing; pricing policy; product range; stock control; support to local craftspeople; competition with local retailers; sales to other retail outlets and catering.

Members **APPROVED** the Trading Strategy for 2013-2018.

11. Virements over £20k in 2012/13

Members were presented with a list of virements undertaken in the financial year 2012/13 and asked to approve them under Paragraph 42 of the Authority's Financial Standards governing the approval for virements.

Members **APPROVED** the virements undertaken in the financial year 2012/13.

12. Report of Finance Manager on Quarterly Accounts

The Finance Manager reported that the end of year accounts had not yet been finalised as several Invoices were awaited. Once these had been received, the 2012/13 accounts would be closed.

Four sheets were presented to Members – one for Capital Program 2012/13, Major Capital Projects, Income Versus Budget & Prior Year and Usable Reserves.

In relation to Historic Towns Grant Schemes the Finance Manager explained that the Authority was in receipt of an extra £30,000 grant funding from Cadw and that was the reason the figure had gone from £100,000 to £130,000.

Members enquired about the £5,000 allocated for smart phones and whether this had been spent. The Chief Executive explained that the Discovery Team were piloting iphones and tablets and would put together an evaluation in the autumn. The idea was that outside staff would have



access to e-mails on their phones to avoid them having to travel to Centres to access the internet.

The main points to note were that staffing costs were down; with regard to merchandising sales all Centres with the exception of Tenby were below budget and school visits were significantly down. Also car park income was slightly down against budget. There followed some discussion about the possible reasons for the reduction in school visits. The CEO noted that additional marketing of the sites would take place in the next couple of months.

With regard to the Management Accounts Members were informed that the first column should read “Revised Budget” rather than “Original Budget”. The main points to note were that Centres had come in under budget despite having low revenue generation however “Coast to Coast” had still produced a surplus.

With regard to the Usable Reserves Members were informed that the most significant reserve had been the purchase of the South Team Depot.

NOTED

13. Update from Finance Manager on Financial Systems

The Finance Manager informed Members that the software for the new system had been installed on the Authority’s server and training would be carried out at the end of May. There was a slight problem with the way in which the software interfaced with the EPOS System but it was hoped that it could be up and running by the target date of 1st November.

NOTED

14. Update from Finance Manager on Creditor Bank Details

The Finance Manager explained to Members that this issue had arisen from an Internal Audit Report. The Authority had been advised that when a change of supplier bank details was received each one should be checked to ensure it was genuine and the details were correct. Officers suggested that the Finance Team would only ring on those occasions where the details were changed and there was a large payment due as suppliers were not always willing to confirm their bank details over the phone.

NOTED

15. Update on provision of a training workshop on the Annual Governance Statement



The Finance Manager advised Members that a workshop on this issue was due to be held on 7th June 2013 in conjunction with Brecon Beacons National Park Authority, Snowdonia National Park Authority and John Roberts from the Wales Audit Office. Cllr Mike James, Mr Richard Griffiths and Mr Tegryn Jones would attend this meeting.

There would then follow in the autumn a course run by CIPFA which would also be in conjunction with Brecon Beacons National Park Authority and Snowdonia National Park Authority which all Members of the Committee were invited to attend.

NOTED

16. Delegate any issues of concern to the Continuous Improvement Group for consideration

It was reported that the Authority had been asked by the Welsh Government to consider the impact of budget cuts on the work of the Authority and it was suggested that Members could be involved in such scenario planning through the Continuous Improvement Group.

Members agreed that this would be a good idea.

It was **RESOLVED** that the issue of scenario planning be delegated to the Continuous Improvement Group.

NOTED

