



MINUTES OF MEETING

AUDIT MEETING

MONDAY, 3RD AUGUST, 2020

PRESENT: Councillors C T Jones (Chair)
D Roberts (Vice-Chair)

Councillors: J Davies, D Sammon, C Tovey and J Thomas

Lay Member:
R Williams (Lay Member)

Other Councillors in Attendance:
A Barry (Cabinet Member)

Officers:
S Jones (Head of Finance), M Thomas (Head of Regional Audit Service), C Kennedy (Head of Legal and Governance Services - Monitoring Officer), A Owen (Interim Deputy Chief Executive) and A Lewis (Chief Accountant)

Outside Bodies:
H Goddard, N Hollis and I Phillips (Audit Wales)

M Morgan (Democratic Services Officer), M Phillips (Democratic Services Officer) and M Edmunds (Democratic Services Officer)

ITEM NO.	AGENDA MATTER	DECISION
817	Apologies for absence	Apologies for absence were received from Councillor G Lewis and Councillor T Rogers.
818	Declarations of Interest	No Declarations of Interest were made.
819	Audit Enquiries to those Charged with Governance and Management	The Chair referred the Committee to the 'Audit Enquiries to those Charged with Governance and Management' report. Steve Jones then led the Committee in detail through the

		<p>report and Appendices.</p> <p>Resolved that:</p> <p>The Council's response to the Wales Audit Office's request for information in respect of Management and Governance as set out in Appendices 1 to 3 of the report be noted.</p>
820	Draft Statement of Accounts 2019/2020	<p>The Chair referred the Committee to the 'Statement of Accounts 2019-20' report.</p> <p>Steve Jones then led the Committee in detail through the report and the Statement of Accounts for year ended 31 March 2020 and advised of a typographic error in Paragraph 7.2 Capital Outturn as it should read 2019/20 and not 2018/19.</p> <p>The following questions were then raised by the Committee on the report and were responded to in detail by the Officers:</p> <ul style="list-style-type: none"> • Were the costs of Storm Denis included in the net surplus • What was the claim threshold • Paragraph 7.1.2 – • <i>Children Looked After</i> – Are there any Residential Placements outside the County Borough – What are the costs for placements outside the area – Are the costs higher • <i>Independent External Care Provision</i> – • Will this continue into this financial year • <i>Independent External Care Provision</i> – • Is the surplus a one off or will there be savings from now on • <i>Supported and Accommodation Services</i> – • Is the loss of income likely to continue into this financial year • Paragraph 16.0 – Financial Instruments • Further details requested in relation to the Gellideg Co-operative loan • Paragraph 33.0 – Related Party Transactions • Further details requested in relation to Merthyr Valleys Homes <p>The Chair then thanked all the staff involved in the preparation of the report.</p> <p>Resolved that:</p> <p>The Provisional Statement of Accounts 2019/20 be noted.</p>
821	Annual Internal Audit Report for Financial Year 2019/2020	<p>The Chair referred the Committee to the 'Annual Internal Audit Report 2019/20'.</p> <p>Mark Thomas then led the Committee in detail through the report and outlined his reasons for his Opinion as contained in the report.</p>

		<p>A Member then referred to Paragraph 1.5 of the report and the unsatisfactory Opinion and requested evidence on how the overall Opinion could be Unsatisfactory.</p> <p>Mark Thomas then responded giving a detailed explanation for his Opinion.</p> <p>A Member then proposed that the recommendation be amended in that further evidence be brought forward to see how the Opinion was reached as he did not agree with the Unsatisfactory Opinion.</p> <p>Carys Kennedy then advised that the report could be deferred pending further information and evidence.</p> <p>Mark Thomas advised that this was his Opinion and that he had no further evidence to add.</p> <p>The Committee then considered the recommendation and advised that they had given due consideration to the Opinion of the Head of Internal Audit and had expressed their feelings on the Unsatisfactory Opinion to the Officer.</p> <p>Resolved that:</p> <p>Members give due consideration to the Annual Internal Audit Report for the Financial Year 2019/20 including the Head of Audit's Annual Opinion on the Council's Control Environment in relation to Governance, Risk Management and Internal Control.</p>
822	Draft Annual Governance Statement for Financial Year 2019/2020	<p>The Chair referred the Committee to the 'Draft Annual Governance Statement 2019/20' report.</p> <p>Mark Thomas then led the Committee in detail through the report.</p> <p>Resolved that:</p> <p>The draft Annual Governance Statement for 2019/2020 be recommended for adoption by the Leader and Chief Executive.</p>
823	Internal Audit Charter	<p>The Chair referred the Committee to the 'Regional Internal Audit Shared Service Charter 2020/21' report.</p> <p>Mark Thomas then led the Committee in detail through the report.</p> <p>Resolved that:</p> <p>The Regional Audit Shared Services Charter for 2020/21 be approved.</p>
824	Reflection and Evaluation of Meeting	<p>The Chair reflected on the items that had been considered at the Meeting and as this had been the first Audit Committee held via Teams he referred to technical issues</p>

		that had been experienced by some Committee Members that would be addressed.
825	Any other business deemed urgent by the Chair	The Chair thanked all the Committee Members and Officers that had been involved in the Meeting.