



Cyngor Bwrdeistref Sirol
MERTHYR TUDFUL
MERTHYR TYDFIL
County Borough Council

MINUTES OF MEETING

AUDIT MEETING

MONDAY, 12TH OCTOBER, 2020

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

Councillors: D Chaplin, J Davies, T Rogers, 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) and M Thomas (Head of Regional
Audit Service)

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

M Morgan* (Democratic Services Officer) and M Phillips
(Democratic Services Officer)

ITEM NO.	AGENDA MATTER	DECISION
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Welcome

The Chair welcomed Councillor D Chaplin and Councillor T Rogers to their first Audit Meeting.

102	Apologies for absence	No apologies for absence were received as all Members were present.
103	Declarations of Interest	No Declarations of Interest were made.

104	Wales Audit Office - Financial Sustainability Assessment - Merthyr Tydfil County Borough Council and Audit Wales National Financial Sustainability Report	<p>The Chair welcomed H Goddard, I Phillips and N Hollis of Audit Wales to the Meeting.</p> <p>Helen Goddard then led the Committee in detail through the 'Financial Sustainability Assessment – Merthyr Tydfil County Borough Council' and 'Financial Sustainability of Local Government as a Result of the COVID- 19 Pandemic' reports.</p> <p>The following questions were then raised on the reports and were responded to in detail by Audit Wales and the Officers:</p> <ul style="list-style-type: none"> • Timetable for presentation of the Medium-Term Financial Plan • Medium-Term Plan – Length of time to assess Risks, Strategic and Corporate • Settlement figures • The effect of Coronavirus on the economy – Paragraph 5 – 'The Council needs to identify and deliver recurrent efficiency savings which will help to reduce the budget gap over the medium to long term' – How can this be achieved – Reliance on UK and WG Funding • Paragraph 27 – Council Tax Collection – What steps are being deployed to recover this money • Borrowing to fund commercial activities – Is it recommended to have commercial activities– Are there Councils who do this – Are there any good examples of this <p>Ian Phillips then referred to a 'Commercialisation in Local Government' report that was available via the Audit Wales Web site and he would also forward a link for this report.</p> <ul style="list-style-type: none"> • Are recommendations made to Welsh Government in relation to the Settlement for Merthyr Tydfil <p>A Member then suggested that Mark Thomas, the appropriate Officers and Wales Audit gave a Presentation to Members in relation to the financial situation.</p> <p>Helen Goddard advised that she would discuss this with the Engagement Director.</p> <p>After further consideration by the Committee it was</p> <p>Resolved that:</p> <p>The report be received.</p> <p>The Chair then thanked Helen Goddard and Ian Phillips for the report to the Committee.</p>
105	Audit Wales Presentation - Raising our Game: Tackling Fraud in Wales	<p>Ian Phillips made a Presentation to the Committee on 'Raising our Game: Tackling Fraud in Wales' and gave details in relation to:</p> <ul style="list-style-type: none"> • The Scale of Fraud – Phases I and II

		<ul style="list-style-type: none"> • Counter Fraud Phase I and Phase II Study • Key National Findings • Phase I Overview of Sector: Local Government: • Resources, Work and Collaboration, Scrutiny, Impact • Key National Findings: Local Government <p>The Chair then requested a report to Committee on where we are and are going in relation to Fraud.</p> <p>Mark Thomas and Steve Jones confirmed that a report would be brought to a future Committee Meeting.</p> <p>The following questions were then raised on the Presentation and were responded to by Ian Phillips and the Officers:</p> <ul style="list-style-type: none"> • Has there been fraudulent activity as a result of for example Flooding, Coronavirus – What are the checks and balances • What is the current level of investigations – Changes to operation procedures – Are they being risk assessed • Is there a cost benefit analysis in relation to the resources needed • Different ways of working – One Department looking at another Department <p>The Chair then requested that ‘Key National Funds’ referred to in the Presentation be included in the future programme for agenda items.</p> <p>Resolved that:</p> <p>The Presentation be received.</p> <p>The Chair then thanked Ian Phillips for the Presentation to the Committee.</p>
106	Internal Audit Plan 2020/21	<p>Mark Thomas led the Committee in detail through the ‘Annual Internal Audit Plan 2020/21’ and together with Steve Jones responded to the following questions raised:</p> <ul style="list-style-type: none"> • Ffos y Fran – Contract and Royalty Payment • Is Appendix 1 based on Risk Assessment and is it in priority order • Are there sufficient staff resources <p>Reference was then made to the Audit Manager and best wished were conveyed for a speedy recovery.</p> <p>Resolved that:</p> <p>The Annual Internal Audit Risk Based Plan for 2020/21 be approved.</p>
107	Internal Audit Information Reports	<p>The Chair referred the Committee to the ‘Information Report - Issued Internal Audit Reports’ and asked if the Committee</p>

		<p>wished any of the reports to be considered in more detail.</p> <p>No referrals were requested by the Committee.</p> <p>Resolved that:</p> <p>The report be received.</p>
108	Reflection and Evaluation of Meeting	The Chair and the Committee reflected on the issues that had been considered in the Meeting.
109	Any other business deemed urgent by the Chair	The Chair advised that there was no business deemed urgent.