

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT NEUADD
MALDWYN, WELSHPOOL, ON TUESDAY 8 APRIL 2015**

Present: County Councillor A W Davies (Chair)
County Councillors L Fitzpatrick, F Jump P J Medicott, R H Mills, J G Morris, D A Thomas, R G Thomas, G P Vaughan and Mr J Brautigam (Independent Member)

In attendance: County Councillor W T Jones, Portfolio Holder, Finance

Officers: Mike Jones, WAO, David Powell, Strategic Director Resources, Jane Thomas, Professional Lead Finance and Wyn Richards, Scrutiny Manager

1.	APOLOGIES	A16– 2015
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Apologies for absence were received from County Councillors E R Davies, S C Davies, L R E Davies, Mrs E M Jones, H Lewis, G Price and T J Van Rees

2.	DECLARATIONS OF INTEREST	A17– 2015
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There were no declarations of interest.

3	DECLARATION OF PARTY WHIPS	A18 – 2015
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There were no declarations of party whips.

4.	MINUTES	A19– 2015
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The Chair was authorised to sign the Minutes of the last meeting held on 29 January 2015 as a correct record.

5.	FINANCIAL REGULATIONS	A20 – 2015
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Documents Considered:

- Revised Section 16 of the Constitution, Financial Procedure Rules

Issues:

- A corporate Working Group was set up to review Financial Regulations
- Key areas needed to be updated
- The document has been modernised and developed to be more corporate
- Role of S151 Officer appears to have been strengthened
- Resources
- Budgets must be accurate in the first instance
- Medium Term Financial Strategy (MTFS)
- Capital

Responses:

- The role of the S151 Officer had been implicit in the previous Regulations
- Greater challenge ahead and closer consultation with the S151 Officer is required
- Statutory Officers are required to comment on reports within the Authority

- S151 Officer must have adequate resources to carry out functions effectively
- Service areas on target will be incentivized. Although the outturn is corporate, some areas regularly overspend and rely on underspends in other services. It was stressed that there would be no personal incentives for budget holders.
- Flexibility is required
- The Portfolio Holder confirmed his intention to ensure that the MTFs is populated
- There should be tighter controls on rolling forward capital expenditure and the affect this might have on both the Authority and the wider economy. Closer links with revenue budgets are required

Outcomes:

The following amendments were agreed for consideration by the Democratic Services Committee:

- 16.35 - ...and capital on a *rolling* three yearly basis
- 16.65 - Definition of size of debt to be included and cross referenced to section 16.381
- 16.147 - sufficiently frequently to be replace with *monthly*
- 16.160.3 - budget managers *are* accountable.....
- 16.201 - Add *where appropriate a post completion audit will be Undertaken*
- 16.325 - Issuing *purchase*
- 16.391 - Cash of cheques held in a locked safe or strongroom must not exceed *£50000 during business hours and £10000 outside of business hours. Other money in the premises out of business hours, and not in a locked safe must not exceed £250 The money held within a safe must never exceed the value recommended by the Euro grade rating of the safe as follows:*

It was noted that the Professional lead, Finance, had been designated Deputy 151 Officer

6.	CLOSURE OF ACCOUNTS	A21 – 2015
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Documents:

- Report of the Professional Lead, Finance

Issues:

- Phase 1 of the Project had been completed
- Phase 2 will be completed by the end of April
- Phase 3 will be the Statement of Accounts
- New coding structures are in place
- Authority is acting more corporately
- Timescales have been tightened to allow greater review with the expectation that Phase 2 will be completed two weeks earlier
- Vacancies have not yet been filled at a qualified level but additional support has been secured in more junior posts
- A useful workshop had been held with the WAO which had led to a greater understanding of the role of the WAO and had highlighted both good and bad practice

- Date of Audit Committee on 30 September to be reviewed
- Level of staffing in the section – some staff had left in addition to those who had been made redundant
- Whole authority must accept that the closure of accounts is a corporate function

The next meeting is scheduled for 22 April 2015 at 10 am.

**A W DAVIES
Chair**

Audit Committee
08.042015 14.00 – 15.40