

**MINUTES OF BRECON BEACONS NATIONAL PARK AUTHORITY AUDIT AND
SCRUTINY COMMITTEE HELD AT CONFERENCE ROOM, PLAS Y FFYNNON,
CAMBRIAN WAY, BRECON LD3 7HP ON FRIDAY, 3RD MAY, 2019**

PRESENT:

Blaenau Gwent

Cllr J Hill

Carmarthenshire

Cllr A James
Cllr K Madge

Rhondda Cynon Taff

Cllr G Thomas

Members appointed by the Welsh Government

Mr Ian Rowat (Deputy Chair), Mr James Marsden and Mrs Sue Holden

In Attendance

Sean O'Connor, Monitoring Officer
Stephen Gray, Delivery Director
Mr Julian Atkins, Chief Executive
Elaine Standen, Finance Manager
Mr Paul Funnell, IT and Systems Manager
Mrs Julia Gruffydd, Democratic Services Manager

Apologies

Cllr A Webb and Cllr McIntosh

14/19 Correspondence

In the absence of the Chair, Cllr A Webb, the Deputy Chair, Ian Rowat, introduced himself as the Chair of this meeting and welcomed all to the meeting. He introduced Nick Selwyn, Steve Frank, Deryck Evans and Euros Lake from the Wales Audit Office, and Clive Fitzgerald from TIAA, standing in for Helen Cargill.

Apologies were noted.

15/19 Declarations of Interest

There were no declarations of interest.

16/19 Minutes

One minor amendment was noted in relation to the nomenclature of attendees.

RESOLVED: that the minutes of the meeting held on 25 February 2019 be approved and the Chair authorised to sign them as a correct record.

17/19 Public Speaking Scheme

There were no requests to speak.

18/19 Action Tracking

Members reviewed outstanding actions from previous Authority and committee meetings. The Chief Executive clarified how the work on reviewing boundary encroachments was being carried out and agreed to advise members of the timescale for this. It was noted that officers in the field would shortly be able to gather information on their hand held devices through GIS.

19/19 Wales Audit Office Reports

The Chair advised that this and the next agenda item would be dealt with together and invited Wales Audit officers to present their reports.

Review of compliance with Wellbeing of Future Generations Act/Partnerships Audit

Members welcomed the positive report and the areas where some improvements could be made and made the following comments:

- The criticism that the Authority was spending too much of its resource on short term prevention was unfair given the level of resources and the uncertainty of future funding levels. This was acknowledged but Wales Audit was required to ask such question of public bodies in line with the requirements of the Act. The CEO advised that the Authority had already started to put in place the priority setting and strategic partnerships review, recognising resource constraints.

- A member felt that the Authority should be audited on how it delivers the first purpose. The officer advised that legislation determined how the Authority was audited and there was a clearly defined remit.
- Referring to the recommendation that the Authority could do more in its use of data a member commented that the Authority's choice of indicators was not sound but that it was working this. He would like to see Wales Audit working with the Authority on a shorter, smarter, evidence based list of indicators. The Authority had agreed the need for an evidence protocol but this needed to be defined.
- The CEO referred to slide 32 and commented that reviews of, for example, partnerships, could only be done periodically because of resources, but that officers were developing better processes for engaging with the Local Development Plan and the National Park Management Plan. WAO officers advised that the Authority needed to involve people from diverse backgrounds.
- A member queried the focus on the Welsh Language and crime prevention, which he felt fell within the local authority remit. It was noted that the Authority was subject to the Welsh Language Standards but these were aligned to the National Park Authority rather than a local authority
- The Delivery Director advised that officers were carrying out an outcome based review of partnerships to be completed by the end of May and linked to workforce planning. A member commented that this would probably mean fewer, more focused partnerships in future
- A member commented on the scale, depth and cost of audit, including the cost of staff participating, and advised that this activity should be appropriate to the size of the organisations as there was a critical mass of flexibility; she also queried how the recommendations in the audit could be prioritised and implemented when operating at a constrained level. She asked whether good practice elsewhere could be highlighted, as she struggled to see how the Authority could improve in some areas. Wales Audit officers advised that the level of fees was equal to those in other Welsh National Park Authorities and the Fire and Rescue Authorities, and that a national report would be published next year highlighting good practice, with the three National Park Authorities referenced within that;
- A member queried the prioritisation of the Wellbeing of Future Generations Act and asked if it was more important than the Authority's purposes and duty; the officer responded that the Act had been built into the planning system in Wales
- The CEO commented that while the Welsh Government would look at how the Authority delivered its purposes against the five ways of working, it was not yet clear where it should focus most effort. The Wales Audit officer advised that it was up to the Authority to demonstrate where its priorities lay.
- The point was made that the use of the word 'council' was used in the presentation and that proper reference should be made to the National Park Authority

Annual Improvement Report

Wales Audit presented their retrospective report which looked at plans for improvement. Members welcomed the fact that there were no recommendations but some proposals for improvement. The CEO advised that the Authority's work with the Public Service Boards needed to be reflected in the Local Development Plan and National Park Management Plan.

Annual Audit Plan for 2019/20

This plan had been developed in consultation with the Finance Manager. Members' attention was drawn to the project brief for this work, included on the agenda.

Officers confirmed that there was no date yet for the Authority coming out of the Local Government Measure requirements. The CEO would raise this with Welsh Government officials at their meeting on 20 May.

RESOLVED: That the Wales Audit reports and plan be noted.

20/19 Internal Audit 2018/19 Summary Report and 2019/20 Plan

The Finance Manager and Internal Auditor presented a report on progress against audit actions in 2018/19, many of which had been implemented. The proposed audit programme for 2019/20 was also presented.

The Chair queried the process for determining the audit programme and the involvement of this committee, as well as the total number of days. The CEO advised that the contract with TIAA was for 20 days, reduced from 30 days under the previous auditors. The work was commissioned in the name of the committee and topics selected by himself, auditors and the Finance Manager, but he was happy to involve members in future.

A member proposed that if the contract terms could not be changes then this needs to be reviewed and reduced to 15 days in future in light of the unprecedented financial pressures. He queried the inclusion of Brexit in Block 1 as work was progressing on refocusing priorities, and Brexit was only a part of this. The auditor advised that this was not a specific audit on Brexit but part of a look at business continuity, of which Brexit was one risk. The audit would look at systems as well as risks.

The amount of time proposed for health and safety was queried but the CEO advised that there had been no independent assessment for some time.

A member advised of the need for regular audit as things could easily go wrong when under pressure. He congratulated officers on the audit outcomes.

The Chair asked whether it would be useful for the committee to have input to internal audit at an earlier stage as he felt this would build confidence in the role of the committee. The CEO supported this and said that the restructured Corporate Governance Team would enable the Authority to do this better in future by identifying issues during the year.

The auditor placed on record his thanks to all the staff who had assisted in the audits, which was much appreciated.

RESOLVED:

- a) That Members note the outstanding actions arising from the work of Internal Audit in 2018/19 and the contents of the report on Internal Control for the year.**
- b) That Members review the draft Internal Audit Plan and three-year strategy 2019-2022.**

21/19 Q4 Performance Report

The IT and Systems Manager advised that this was the last report in the current format as future reports would be an integrated assurance framework. A final performance report for the year would be brought via the Annual Report in the autumn.

A member stated that the Authority was still measuring the wrong things and it must commit to change this, and also to link this better to its prioritisation. For this reason he felt that the reports were truthful as they reported against what was measured, but not honest.

A member congratulated officers on the positive performance report.

RESOLVED: That the report be noted.

22/19 Risk Register - quarter 4 high risks

Members noted a report on the highest level of risks on the risk register. In response to a question the IT and Systems Manager advised that scoring could be done before and after mitigating actions, with current and target scores. Other components could also be included and he would continue to discuss this with colleagues.

RESOLVED: To note the report

23/19 Compliments/Complaints/Freedom of Information

Members noted compliments, complaints and Freedom of Information requests received since the last meeting and noted the increase in compliments.

24/19 Draft Annual Governance Statement 2018/19

The Democratic Services Manager presented the draft Annual Governance Statement for 2018/19 and advised that this was very much a first draft based on advice from Wales Audit. The Governance and Member Development Working Group would be reviewing this on 7 May before the Authority was asked to approve a final version.

RESOLVED: That the draft Annual Governance Statement be recommended to the Authority for publication with the Annual Statement of Accounts subject to further comments from the Governance and Member Development Working Group, and final editing.

25/19 Other Business

There was no further business.

Signed as a correct record
Chairman of the Audit and Scrutiny Committee