



Gareth Owens LL.B Barrister/Bargyfreithiwr
Chief Officer (Governance)
Prif Swyddog (Llywodraethu)

To: Councillor Eryl Williams (Chairman)

Councillors: Aaron Shotton, Kevin Jones, Dave Cowans, Michael Priestley, David Smith, John Wynn Jones, Richard Dew and J. Arwel Roberts

CS/NG

28 May 2015

Nicola Gittins 01352 702345
nicola.gittins@flintshire.gov.uk

Dear Sir / Madam

The Meeting of the **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE** will be held in the **COUNCIL CHAMBER, BODLONDEB, CONWY** on **FRIDAY 5 JUNE 2015** at **2.00PM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST**
- 3 **ELECTION OF CHAIRMAN AND VICE-CHAIRMAN TO THE JOINT COMMITTEE**
- 4 **APPROVAL OF PREVIOUS MINUTES**

County Hall, Mold. CH7 6NA
Tel. 01352 702400 DX 708591 Mold 4
www.flintshire.gov.uk
Neuadd y Sir, Yr Wyddgrug. CH7 6NR
Ffôn 01352 702400 DX 708591 Mold 4
www.siryfflint.gov.uk

The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

5 **MATTERS ARISING FROM PREVIOUS MEETING**

6 **ANNUAL RETURN**

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO
CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

The following item is considered to be exempt by virtue of Paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The contract process is still underway and would be prejudiced by making public at this stage.

7 **PROCUREMENT UPDATE**

8 **ANY OTHER BUSINESS**



NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

Tuesday, 17 March 2015 at 6.00 pm
Bodlondeb, Conwy

PRESENT:

Councillor Eryl Williams (Chair)	Denbighshire County Council
Cyng/Cllr Richard Dew	Isle of Anglesey County Council
Councillor Kevin Jones	Flintshire County Council
Councillor John Wynn Jones	Gwynedd County Council
Councillor Mike Priestley	Conwy County Borough Council
Councillor Aaron Shotton	Flintshire County Council
Councillor David Smith	Denbighshire County Council

ALSO PRESENT:

Flintshire County Council

Colin Everett (Lead Chief Executive), Gareth Owens (Monitoring Officer), David Webster (Internal Audit Manager)

Denbighshire County Council

Steve Parker (Head of Environment)

Conwy County Borough Council

Ken Finch (Strategic Director – Democracy and Regulation) and Andrew Wilkinson (Head of Neighbourhood Services)

Gwynedd Council

Medwyn Williams (Senior Manager – Waste Treatment)

Isle of Anglesey County Council

Meirion Edwards (Lead Technical Officer) and Dewi Williams (Head of Service – Highways and Waste Management)

Local Partnerships UK

Huw Roberts (Advisor)

1. APOLOGIES

Apologies for absence were received from Councillors Dave Cowans (Conwy County Borough Council) and J. Arwel Roberts (Isle of Anglesey County Council)

2. DECLARATIONS OF INTEREST

Councillor Aaron Shotton (Flintshire County Council) declared a personal interest in Minute No. 6 (Procurement update) as a result of comments he had made in the press in the past relating to the project.



3. **APPROVAL OF PREVIOUS MINUTES**

The minutes of the meeting of the North Wales Residual Waste Joint Committee held on the 29 January 2015 were submitted for approval.

It was noted that Councillor J. Arwel Roberts had been in attendance at the meeting.

RESOLVED *that the minutes of the meeting of the North Wales Residual Waste Joint Committee held on 29 January 2015 be approved as a correct record, subject to the above amendment.*

4. **MATTERS ARISING FROM PREVIOUS MINUTES**

None.

5. **EXEMPT ITEMS: LOCAL GOVERNMENT ACT 1972, SECTION 100A AND SCHEDULE 12A (ACCESS TO INFORMATION)**

RESOLVED *that the Public and Press be excluded from the meeting under the provisions of Section 100A of the above Act during consideration of the following item as it involves the likely disclosure of exempt information as defined in paragraph 14 of Part 4 of Schedule 12A to the Act and that in all the relevant circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

6. **PROCUREMENT UPDATE**

Colin Everett, Chief Executive (Flintshire County Council) gave a detailed presentation on the procurement position update, and responded to the questions and comments made.

Following the presentation, representatives of Wheelabrator Technologies Inc (WTI) were invited into the meeting, and responded to the questions and comments made.

RESOLVED-

- (a) *That the revised offer from WTI be accepted, subject to the conditions set as part of the negotiations (prices being held; no new lender-led commercial changes; the compensation event terms limited as set out by the partnership previously) and continue to financial close.*
- (b) *That the North Wales Residual Waste Team conclude on any remaining issues.*
- (c) *That a further meeting of the North Wales Residual Waste Joint Committee be convened following the meeting of the Planning Committee.*



(d) *That the approvals process with Welsh Government be concluded.*

7. **ANY OTHER BUSINESS**

None.

(The meeting ended at 7.10 pm)



NWRWTP

North Wales Residual Waste Treatment Project

AGENDA ITEM NO: 6

REPORT TO: NWRWTP JOINT COMMITTEE

DATE: 5 JUNE 2015

REPORT BY: CORPORATE FINANCE MANAGER (FCC)

SUBJECT: ANNUAL RETURN YEAR ENDED 31ST MARCH 2015

1.00 PURPOSE OF REPORT

1.01 To present to Members of the Joint Committee the Annual Return Year Ended 31st March 2015 for the North Wales Residual Waste Partnership (NWRWP) for their approval.

2.00 BACKGROUND

2.01 The Accounts and Audit (Wales) Regulations require all Joint Committees to prepare year-end accounts. The Regulations were updated in 2014; as a result the type of accounts, and the accounts and audit arrangements for the Joint Committee has changed this year.

2.02 The Joint Committee is classed as a smaller relevant body as its gross income and expenditure is less than £2.5m in the year of account. The type of accounts that a smaller body is required to produce is an Annual Return provided by the Wales Audit Office. In 2013/14 the Joint Committee was classed as a larger body, and was required to produce a comprehensive set of accounts similar to a Councils set of accounts.

2.03 The Annual Return must be signed by the Responsible Finance Officer and approved by the Joint Committee before the deadline of 30th June. The audit commences after the Joint Committee has approved the Annual Return.

2.04 The audit must be completed and the Annual Return published by no later than 30th September. If no amendments are made to the Annual Return during the audit there will be no requirement for the Joint Committee to approve the amended Annual Return before publication.

3.00 CONSIDERATIONS

3.01 The Annual Return for 2014/15 is attached at Appendix A.



NWRWTP

North Wales Residual Waste Treatment Project

4.00 RECOMMENDATIONS

4.01 Members are requested to approve the Annual Return for the year ended 31st March 2015.

5.00 FINANCIAL IMPLICATIONS

5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 None as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 None as a result of this report.

12.00 APPENDICES

Appendix A – Annual Return

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Contact Officer: Dave Ledsham
Telephone: 01352 704503
Email: dave.ledsham@flintshire.gov.uk

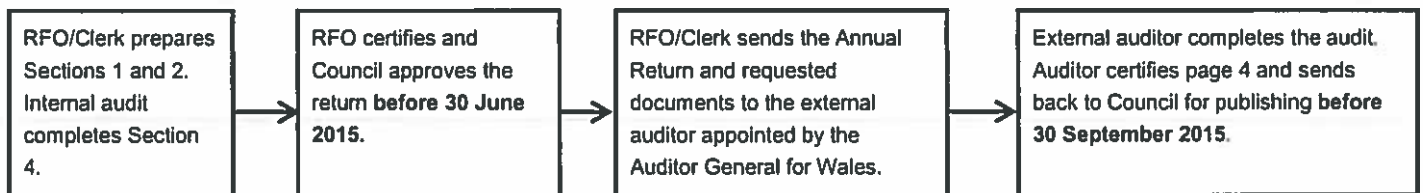


Local Councils in Wales Annual Return for the Year Ended 31 March 2015

Local councils in Wales (town councils and community councils) and their joint committees may complete an Annual Return summarising their annual activities at the completion of each financial year. **Please complete all sections highlighted in red.** Incomplete or incorrect returns may require additional external audit work and incur additional costs.

Further guidance is included in Section 5 and in the One Voice Wales/SLCC Guidance publication *Governance and accountability for local councils in Wales – A Practitioners' Guide (2011)* (the Practitioners' Guide). Section 2 includes references to where the guide has further information.

The new Accounts and Audit (Wales) Regulations 2014 mean that the accounts and audit arrangements have changed this year. Councils must now follow the process as set out below.



YOU MUST SEND THE ORIGINAL COPY OF THE ANNUAL RETURN TO THE APPOINTED AUDITOR TOGETHER WITH ANY ADDITIONAL INFORMATION THE AUDITOR HAS ASKED YOU FOR.

You must do this before the date that auditor has appointed for the exercise of local electors' rights.

Unless requested, please **do not** send any original financial records to the external auditor.

Audited and certified returns are sent back to the Council for publication or display of Sections 1, 2 and 3.

	Year ending		Notes and guidance for compilers				
	31 March 2014 (£)	31 March 2015 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the Council's underlying financial records for the relevant year.				
1. Balances brought forward	0	0	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to Line 7 of the previous year.				
2. (+) Annual precept	0	0	Total amount of precept income received in the year.				
3. (+) Total other receipts	790,160	418,694	Total income or receipts recorded in the cashbook minus the precept. Includes support, discretionary and revenue grants.				
4. (-) Staff costs	189,821	167,970	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses.				
5. (-) Loan interest/ capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the Council's borrowing (if any).				
6. (-) Total other payments	600,339	250,724	Total expenditure or payments as recorded in the cashbook minus staff costs (Line 4) and loan interest/capital repayments (Line 5).				
7. (=) Balances carried forward	0	0	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).				
8. (+) Debtors and stock balances	473,574	333,510	Income and expenditure accounts only: Enter the value of debts owed to and stock balances held at the year-end.				
9. (+) Total cash and investments	0	0	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.				
10. (-) Creditors	473,574	333,510	Income and expenditure accounts only: Enter the value of monies owed by the Council (except borrowing) at the year-end.				
11. (=) Balances carried forward	0	0	Total balances should equal Line 7 above: Enter the total of (8+9-10).				
12. Total fixed assets and long-term assets	0	0	The recorded current book value at 31 March of all fixed assets owned by the Council and any other long-term assets – eg, loans to third parties, other investments to be held for the long term ie, more than 12 months.				
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).				
14. Trust funds disclosure note	Yes	No	N/A	Yes	No	N/A	The Council acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions).
		X			X		

Annual Governance Statement

We acknowledge as the members of the Council our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the Council's accounting statements for the year ended 31 March 2015, that:

	Agreed?		'YES' means that the Council:	PG Chap.	
	Yes	No*			
1. We have approved the accounting statements which have been prepared in accordance with the requirements of the Accounts and Audit (Wales) Regulations and proper practices.	YES		Prepared its accounting statements in the way prescribed by law.	6, 12	
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	YES		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7	
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Council to conduct its business or on its finances.	YES		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6	
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations.	YES		Has given all persons interested the opportunity to inspect and ask questions about the Council's accounts.	6, 23	
5. We have carried out an assessment of the risks facing the Council and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES		Considered the financial and other risks it faces in the operation of the Council and has dealt with them properly.	6, 9	
6. We have maintained an adequate and effective system of internal audit of the Council's accounting records and control systems throughout the year and have received a report from the internal auditor.	YES		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Council.	6, 8	
7. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	YES		Has responded to matters brought to its attention by internal and external audit.	6, 8, 23	
8. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Council and, where appropriate, have included them on the accounting statements.	YES		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6	
9. Trust funds – in our capacity as trustee we have: <ul style="list-style-type: none"> Discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. 	Yes	No	N/A	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	3, 6
			X		

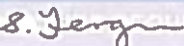
* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Certification and approval

Council approval and certification following the audit

The Council is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and for the preparation of an Annual Return which:

- summarises the Council's accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to the external auditor's responsibilities.

Certification by the RFO Certificate under Regulation 8 Accounts and Audit (Wales) Regulations 2005 (Regulation 8B (1), 8B (2) and 8B(3)) I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2015.	Approval by the Council Approval of accounting statements under Regulation 9 (3) Accounts and Audit (Wales) Regulations 2005 (as amended) and the Annual Governance Statement I confirm that these accounting statements and Annual Governance Statement were approved by the Council under council minute reference: INSERT MINUTE REFERENCE
RFO signature:  SIGNATURE REQUIRED	Chair signature: SIGNATURE REQUIRED
Name Gary Ferguson	Name: NAME REQUIRED
Date: 28/05/2015	Date: DD/MM/YYYY

External Audit Certificate

The external auditor conducts the audit in accordance with guidance issued by the Auditor General for Wales. On the basis of their review of the Annual Return and supporting information, they report whether any matters that come to their attention give cause for concern that relevant legislation and regulatory requirements have not been met.

We certify that we have completed the audit of the Annual Return for the year ended 31 March 2015 of:

Council

External auditor's report

[Except for the matters reported below]* On the basis of our review, in our opinion, the information contained in the Annual Return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

[[These matters along with]* Other matters not affecting our opinion which we draw to the attention of the Council/meeting are included in our report to the Council dated _____.]

(* Delete as appropriate)

External auditor's signature:	
External auditor's name:	Date:

Annual internal audit report to:

The Council's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2015.

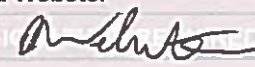
The internal audit has been carried out in accordance with the Council's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council.

	Agreed?			
	Yes	No*	N/A	Not covered**
1. Appropriate books of account have been properly kept throughout the year.	Yes			
2. The Council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	Yes			
3. The Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes			
4. The annual precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.			N/A	
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.			N/A	
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			N/A	
7. Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.			N/A	
8. Asset and investment registers were complete and accurate, and properly maintained.			N/A	
9. Periodic and year-end bank account reconciliations were properly carried out.	Yes			
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	Yes			
11. Trust funds (including charitable trusts). The Council has met its responsibilities as a trustee.			N/A	

For any risk areas identified by the Council (list any other risk areas below or on separate sheets if needed) adequate controls existed:	Agreed?			
	Yes	No*	N/A	Not covered**
13.				
14.				

* If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

Name of person who carried out the internal audit: David Webster
Signature of person who carried out the internal audit: 
Date: 28/05/2015

Section 5 – Guidance notes on completing the 2015 Annual Return

1. For guidance please read the Practitioners' Guide (*Governance and accountability for local councils: A Practitioners' Guide 2011 (Wales)*) – available from One Voice Wales and SLCC. It contains everything you need for the financial year-end and the statutory audit.
2. The Wales Audit Office Good Practice Exchange (<http://www.wao.gov.uk/good-practice/finance/community-council-money>) provides further information on the accounts and audit process along with guidance on governance matters.
3. Please make sure that pages 2, 3 and 4 are completed (ie, no empty red boxes) by the appropriate person and the certificates on page 4 are properly signed and dated. Avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are properly initialled and an explanation for them is provided to the auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited.
4. Use the checklist provided below. Use a second pair of eyes, perhaps your internal auditor or the Chair, to review your Annual Return for completeness before sending a copy to the auditor.
5. Make sure that the copy of the bank reconciliation you send to your auditor with the copy Annual Return covers all your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. If your council holds any investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to Line 9 in the accounting statements. More help on bank reconciliation is available in the Practitioners' Guide*.
6. Please **explain fully** any significant variances in the accounting statements. The auditor wants to know that you understand the reasons for the change. Please include a relevant and quantified analysis as shown in the Practitioners' Guide examples and not just a copy of your detailed accounts.
7. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful. Please ensure that you enclose all the information that the auditor has asked for. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances this may incur additional costs for which the auditor is entitled to charge additional fees.
8. Please make sure that the accounting statements add up! Also please ensure that the balance carried forward from the previous year (Line 7 of 2014) equals the balance brought forward in the current year (Line 1 of 2015).
9. **Do not complete the External Audit Certificate on page 4.** The external auditor completes this after the concluding the external audit.
10. **Please deal with all correspondence with the external auditor promptly.** This will help you to meet your statutory obligations and will minimise the cost of the audit to the Council.

Completion checklist – 'No' answers mean that you may not have met requirements		Done?	
Before submission to the appointed auditor		Yes	No
Accounts	Has the RFO and Council certified page 4 (Regulation 8B (1) no later than 30 June 2015)?		
	Do the papers to be sent to the external auditor include an explanation of significant variations from last year to this year?		
	Does the bank reconciliation as at 31 March 2015 agree to Line 9?		
	Have all red boxes in Sections 1 and 2 been completed and explanations provided where needed?		
All sections	Have all red boxes in Sections 1 and 2 been completed and explanations provided where needed?		
	Has all the information requested by the external auditor been sent with this Annual Return? Please refer to your notice of audit and any additional schedules provided by your external auditor.		

On receipt of the annual return when certified by the external auditor		Yes	No
Publish Accounts	Has the Council made arrangements to publish or display the audited annual return?		
Audit report	Has the Council received and considered the external auditor's report and any recommendations?		

Note on Section 4 – Internal Audit

During the time covered the NWRWTP did not have its own separate books of account, bank accounts, etc. They were all part of the Flintshire accounts.

As such they were subject to the Flintshire Financial Procedure Rules and the same level of control as the rest of the Flintshire financial systems.

During 2014/15 the Flintshire financial systems were audited by Internal Audit, however the NWRWTP risk register was not covered.

The Annual Internal Audit report relies on the overall work completed at during the year.

