

INTERNAL AUDIT REPORT - RESOURCE RECOVERY CONTRACT
WDA/05/21

Recommendation

That:

1. Members note the contents of the report from the Internal Auditor.

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INTERNAL AUDIT REPORT - RESOURCE RECOVERY CONTRACT
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Report of the Treasurer

1. Purpose of the Report

- 1.1 The Authority is required to maintain an effective Internal Audit as a part of its statutory governance arrangements. The Authority's Internal Audit is provided by St Helens Council. The Auditor reviews the arrangements at the Authority and reports to Members on any weaknesses and recommends improvements. This report brings to Members attentions the outcome of the latest reviews.

2. Background

- 2.1 The agreed audit plan for the year 2020-21 included a review of:
- The Authority's Resource Recovery Contract (RRC) with Merseyside Energy Recovery Ltd (MERL).

3. The Resource Recovery Contract

- 3.1 The review considered the arrangements in place to ensure that payments made are in accordance with the contract and that contract monitoring and reporting mechanisms are robust. The annual reconciliation payment process for 2019-20 was also included in this review.
- 3.2 The Auditor's detailed report is attached at Appendix 1 to this report.
- 3.3 The auditor identified no key issues for Members to consider and there are no recommendations arising from the review.
- 3.4 The auditor concluded that in their overall opinion **High Assurance** could be taken from the system and the way that it is operated. This means that in the auditor's view:

“All expected controls are in place and being applied consistently or effectively and there is a sound system of control designed to ensure the achievement of the service or system’s business objectives.”

4. Risk Implications

4.1 There are no new risks arising from the auditor’s reviews.

5. HR Implications

5.1 There are no new HR implications

6. Environmental Implications

6.1 There are no new environmental implications

7. Financial Implications

7.1 There are no new financial implications.

8. Legal Implications

8.1 There are no legal implications associated with this report.

9. Conclusion

9.1 Internal Audit reviewed the arrangements for managing the Authority’s:

- Resource Recovery Contract

And concluded that High Assurance was provided and no recommendations for improvement have been made.

9.2 There are no Key Issues for Members.

9.3 Members are asked to note the report.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.