

INTERNAL AUDIT REPORTS
WDA/13/21

Recommendation

That:

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

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INTERNAL AUDIT REPORTS**WDA/13/21****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 review.
- 1.2 Internal audit also follow up the progress made by the Authority in implementing any recommendations for improvements that they have made in earlier reports, so that Members are informed of the progress that has been made and whether any issues remain unresolved.

2. Background

- 2.1 The agreed audit plan for the year included a review of the Authority's arrangements for managing the Waste Management and Recycling Contract with Veolia ES (the Veolia Contract).
- 2.2 The plan also contained proposals for following up both in general terms for a number of reports and in specific terms for the Trade Waste review where there were a number of recommendations

3. The Veolia Contract

- 3.1 The review considered compliance with the payment mechanism for both income and expenditure and contract monitoring arrangements.
- 3.2 The Auditor's detailed report is attached at Appendix 1 to this report.
- 3.3 The Auditor concluded that in their overall opinion high assurance could be taken from the system and the way it was operated. This means that:

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

- 3.4 The auditor has confirmed there are no Key Issues arising from this review to bring to the attention of Members.
- 3.5 The auditor has made no recommendations for improvements to the arrangements.

4. Internal audit follow up of action plans

- 4.1 The internal auditor regularly follows up on the implementation of recommendations arising from action plans included in their reports. This follow up provides Members with an understanding of the progress that has been made in the implementation of recommendations for improvements and the relative strength of the overall control environment at the Authority.
- 4.2 For this update the Auditor has provided two reports, attached at Appendix 2 and Appendix 3.
- 4.3 The first update on recommendations (Appendix 2) provides members with updated over the implementation of recommendations for a number of reports:
 - The Resource Recovery Contract from 2019-19;
 - Waste Contract arrangements from 2019-20;
 - The Resource Recovery Contract from 2019-20;
 - Trade Waste Disposal from 2019-20;
 - Waste Contract arrangements for 2019-20;
 - The Resource Recovery Contract from 2020-21; and
 - Waste Contract Management from 2020-21.
- 4.4 The report re-states the original recommendations and as well it confirms the progress that has been made by the Authority in implementing the improvements. There have been no areas where recommendations have not been implemented.
- 4.5 The second report on recommendations (Appendix 3) examines the recommendations made to the Authority following the Investigation into the Waste Management Contract which was carried out following a number of allegations that had been made. Unusually there were a number of

recommendations made, which is why this report is separated from the summary in Appendix 2.

- 4.6 The report re-states for Members the original recommendations, the original response and provides an update to confirm that where improvements have been suggested the Authority has implemented the recommendations. No outstanding or incomplete recommendations have been identified.

5. Risk Implications

- 5.1 There are no new risks arising from the auditor's review

6. HR Implications

- 6.1 There are no new HR implications

7. Environmental Implications

- 7.1 There are no new environmental implications

8. Financial Implications

- 8.1 There are no financial implications associated with this report

9. Legal Implications

- 9.1 There are no legal implications associated with this report.

10. Conclusion

- 10.1 Internal Audit reviewed the arrangements for managing the Authority's Veolia Contract and concluded that they gave 'High Assurance'.
- 10.2 There are no Key Issues for Members.
- 10.3 Members are able to review the implementation of recommended actions at the Authority, there are no outstanding or incomplete actions.
- 10.4 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.