

**MINUTES OF THE GRANTS PANEL MEETING HELD ON  
6<sup>th</sup> JANUARY 2016 IN THE RESOURCES CONFERENCE ROOM,  
COUNTY HALL**

**DATE: 7<sup>th</sup> January 2016**

**PRESENT:** Owen Bowen, Interim Head of Financial Services  
Helen Morgan, Interim Economic Development Manager  
Helen Pugh, Audit & Risk Manager  
Delyth Thomas, Grants Compliance Officer (GCO)  
Simon Davies, Chair of PWG – Education & Children’s Services  
Les James – Chair of PWG – Community Services

**APOLOGIES:** Geraint Norman, Audit Manager, Wales Audit Office (WAO)  
Stuart Walters, Interim Economic Development Manager  
Alan Howells, Chair of PWG - Environment

	<b>SUBJECT</b>	<b>ACTION</b>
1.0	<p><b><u>Minutes of the last meeting</u></b></p> <ul style="list-style-type: none"> <li>The minutes were agreed.</li> </ul>	
2.0	<p><b><u>Matters Arising</u></b></p> <ul style="list-style-type: none"> <li>The draft report regarding the lessons learnt exercise on Carmarthenshire Local Service Board (LSB) projects is still to be finalised. The final report will be presented in the next Grants Panel meeting.</li> <li>A review is currently being undertaken at a corporate level on procurement arrangements across the Authority. Email to be sent to all officers as a reminder/awareness of the procurement processes.</li> <li>A working group is to be set up to review the current third party grants process and to implement improvements where needed.</li> <li>A welcome was made to the Chairs of the PWGs who are now members of Grants Panel.</li> </ul>	<p>HM</p> <p>HP</p> <p>OB/SW</p>
3.0	<p><b><u>Wales Audit Office - Update</u></b></p> <ul style="list-style-type: none"> <li>There are currently 6 project claim audits that are still yet to be finalised: <ul style="list-style-type: none"> <li>Sustainable Waste Management – the authority is waiting for WAO to forward the qualification letter</li> <li>Coast Protection – audit completed. Qualification letter to be agreed by Director of Environment</li> <li>Communities First – qualification letter agreed by Assistant Chief Executive</li> <li>SRA Crosshands East – qualification letter</li> </ul> </li> </ul>	

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	<p>received from WAO. VAT query has been resolved. Information relating to the payment for 'off-site habitat conservation &amp; management', as a requirement of planning permission, is due to be forwarded to WAO</p> <ul style="list-style-type: none"> <li>○ SRA Kidwelly – qualification letter with the authority to be agreed by Assistant Chief Executive</li> <li>○ Regional Transport Fund – audit queries still ongoing</li> </ul> <ul style="list-style-type: none"> <li>● Grants Panel had been previously informed by WAO that Welsh Government (WG) had introduced a £10k threshold for any issues that need to be reported to WG as part of the grants auditing process. Any issues identified under the £10k threshold are reported internally to the local authority.</li> </ul> <p>WG has since clarified that only individual issues over £10k should be reported to WG unless the auditor believes the issue is systemic. However there have been teething problems and an element of confusion about this which has resulted in a few issues under the £10k threshold being reported to WG</p> <ul style="list-style-type: none"> <li>● A number of qualification letters had been sent by WAO to WG without sign off by the appropriate Head of Service or Director.</li> </ul>	
4.0	<p><b><u>Internal Audit Office (IA) - Update</u></b></p> <ul style="list-style-type: none"> <li>● All 2014/15 grant certification work by IA has been completed.</li> <li>● As a requirement by ERW, IA, undertake a claim review for the Education Improvement Grant. The third quarterly claim for 2015/16 is due to be returned w/e 8<sup>th</sup> January 2016. The project is deemed high risk and there is a minimum audit requirement to check 20% of transactions.</li> <li>● The 2014/15 audit of Supporting People has been completed and has identified the same issues as the previous year. There is a requirement to provide quarterly updates on progress to Audit Committee. Review of the project is on-going and improvements have been noted.</li> </ul>	

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	<ul style="list-style-type: none"> <li>• Summary report has been sent to the project manager on the audit of the LSB projects.</li> <li>• As part of the grants review to be undertaken by IA for 2015/16 the following projects have been selected: <ul style="list-style-type: none"> <li>○ Pooled Budgets</li> <li>○ Major Repairs Allowance</li> <li>○ NRW Grants</li> <li>○ Foundations in Heritage</li> </ul> </li> <li>• Grants Panel reviewed training to project staff when a new grant is awarded. An email to be sent to the Accountancy Sections to request where new financial codes are set up for grant schemes that the GCO is informed in order to assess training needs for those officers involved.</li> </ul>	OB
5.0	<p><b><u>Project Working Groups – Update</u></b></p> <ul style="list-style-type: none"> <li>• Minutes from the Project Working Groups for Education &amp; Children Services (Cap) 24/11/15 were received.</li> </ul>	
6.0	<p><b><u>Convergence</u></b></p> <ul style="list-style-type: none"> <li>• All Convergence projects have now ended.</li> <li>• An up to date schedule of grant income outstanding to the Authority for Convergence and RDP schemes was presented to the meeting: <ul style="list-style-type: none"> <li>○ Grant income in respect of all of the RDP projects has been received</li> <li>○ Convergence projects where the Authority is lead - approximately £10.4m is still outstanding</li> <li>○ Convergence projects where the Authority is a partner – approximately £514k outstanding</li> </ul> </li> </ul> <p>The Authority’s understanding is that WEFO will need to make these payments by 31/3/2016. Where there are issues outstanding the Authority is working to resolve these as soon as possible.</p>	

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7.0	<p><b><u>New Funding Programmes</u></b></p> <ul style="list-style-type: none"> <li>• During an annual event held by WEFO, it was announced that for the Wales &amp; The Valleys Programme over half of the grant monies have been committed. The majority of the monies have been allocated to schemes where WG are the lead body.</li> <li>• A number of these projects will be rolled out to the local authorities as delivery partners but progress is slow. WEFO will need to report a certain level of spend by an agreed date. If this is not achieved then this could result in WEFO returning some of its funding to the European Commission.</li> </ul>	
8.0	<p><b><u>AOB</u></b></p> <ul style="list-style-type: none"> <li>• WEFO recently conducted a review of the audit trails in respect of the Authority's payroll system for the new European Structural &amp; Investment Fund Programme (ESI). WEFO confirmed full audit trail were in place and satisfactory for the quarterly verification checks and future audits undertaken on the ESI Programme. A letter received from WEFO was circulated to members of Grants Panel, detailing the evidence the Authority will need to provide as part of the verification checks undertaken by WEFO.</li> </ul>	
9.0	<ul style="list-style-type: none"> <li>• Date of next meeting – 10<sup>th</sup> March 2016 9:30am Resources Conference Room, County Hall</li> </ul>	