

**Committee** PROSIECT GWYRDD JOINT COMMITTEE

**Meeting Number:** 01/2021

**Date and Time** TUESDAY, 18 MAY 2021, 11.00 AM

**Venue** MS TEAMS

**Membership** Councillor Michael Michael, Cardiff Council (Chair)  
 Councillor Chris Weaver, Cardiff Council  
 Councillor Nigel George, Caerphilly County Borough Council  
 Councillor Colin Gordon, Caerphilly County Borough Council  
 Councillor Phil Murphy, Monmouthshire County Council  
 Councillor Jane Pratt, Monmouthshire County Council  
 Councillor Roger Jeavons, Newport City Council  
 Councillor Ray Truman, Newport City Council  
 Councillor Peter G King, Vale of Glamorgan Council  
 Councillor Eddie Williams, Vale of Glamorgan Council

## AGENDA

No	Item
1	<b>Apologies for Absence</b> To receive apologies for absence.
2	<b>Declarations of Interest</b>  To be made at the start of the agenda item in question, in accordance with the Members' Code of Conduct.
3	<b>Minutes</b> <i>(Pages 3 - 10)</i>  To approve as a correct record the minutes of the previous meeting.
4	<b>Matters Arising</b>
5	<b>JC Update Report</b> <i>(Pages 11 - 16)</i>
6	<b>Unaudited Annual Financial Return for Year Ended 31 March 2021</b> <i>(Pages 17 - 30)</i>

No	Item
7	Date of next meeting - TBC

### WEBCASTING

**This meeting will be filmed for live and/or subsequent broadcast on the Council’s website. The whole of the meeting will be filmed, except where there are confidential or exempt items, and the footage will be on the website for 6 months. A copy of it will also be retained in accordance with the Council’s data retention policy. Members of the public may also film or record this meeting. If you make a representation to the meeting you will be deemed to have consented to being filmed. By entering the body of the Chamber you are also consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you do not wish to have your image captured you should sit in the public gallery area. If you have any queries regarding webcasting of meetings, please contact Committee Services on 02920 872020 or email Democratic Services**

Partnership of Councils



Supporting partner



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

<p style="text-align: center;"><b>PROSIECT GWYRDD JOINT COMMITTEE MEETING</b> 1 December 2020, 10.00 am</p>
<p style="text-align: center;"><b>LOCATION: Remote Meeting</b></p>
<p><b>Present:</b></p>
<p><b>Elected Members:</b></p> <p><b>Councillor Michael Michael, Cardiff Council (Chair)</b> <b>Councillor Chris Weaver, Cardiff Council</b> <b>Councillor Nigel George, Caerphilly County Borough Council</b> <b>Councillor Colin Gordon, Caerphilly County Borough Council</b> <b>Councillor Phil Murphy, Monmouthshire County Council</b> <b>Councillor Jane Pratt, Monmouthshire County Council</b> <b>Councillor Ray Truman, Newport City Council</b> <b>Councillor Peter G King, Vale of Glamorgan Council</b> <b>Councillor Eddie Williams, Vale of Glamorgan Council</b></p>
<p><b>Officers:</b></p> <p><b>Sian Humphries, Cardiff Council</b> <b>Andrew Williamson, Prosiect Gwyrdd</b> <b>Marc Falconer, Cardiff Council</b> <b>Silvia Gonzalez Lopez, Newport County Council</b> <b>Colin Smith, Vale of Glamorgan</b> <b>Emma Reed, Cardiff Council</b> <b>Carl Touhig, Monmouthshire County Council</b> <b>Hayley Jones, Caerphilly County Borough Council</b></p>

No	Item	Action
<b>23</b>	<b>Apologies for Absence</b> Apologies were received from Councillor Roger Jeavons.	
<b>24</b>	<b>Declarations of Interest</b> None received.	
<b>25</b>	<b>Minutes</b> The minutes of the meeting held on 19 May 2020 were agreed as a correct record.	
<b>26</b>	<b>Matters Arising</b> None received.	
<b>27</b>	<p><b>Update Report</b></p> <p>Members were advised that as reported at the May meeting, Pennon Group's anticipated sale of Viridor to KKR was concluded in July this year.</p> <p>During July the PG Partner authorities delivered their one millionth tonne of waste to the facility. Some of this was delivered under an interim contract which was in place prior to waste being delivered under the PG Contract. July also marked the two millionth tonne of waste being processed at Trident Park ERF.</p> <p>The annual maintenance outage for Trident Park was carried out during September and October. During this period a proportion of the Partnership's waste was diverted for treatment at Viridor's Ardley and Avonmouth Energy Recovery Facilities in line with the contract. All works were completed as per the outage schedule and both lines at the facility were returned to service.</p> <p>On 4th September Extinction Rebellion set up a protest outside of Trident Park ERF preventing access to the facility for the delivery of Contract Waste. As a result of this the Contingency Plan was put into action and Contract Waste was diverted to two Contingency Delivery Points, within Cardiff. The waste from the contingency delivery points was transferred to either Trident Park or Ardley ERF. Following the disruption to deliveries on the 4<sup>th</sup> September there was no further protestor action or interruption to deliveries.</p> <p>During April to September 2020 a total of 93,999 tonnes of residual waste was sent to the Prosiect Gwyrdd Contract, with all of the residual waste being treated at Trident Park.</p> <p>Proportion of Contract Waste Delivered April – September 2020 by Partner Authority: Cardiff 50%; Caerphilly 19%; Vale of Glamorgan 10%; Newport 14%; Monmouthshire 7%.</p> <p>From the waste delivered 16,866 tonnes of the Incinerator Bottom Ash was recycled, 508 tonnes of the Air Pollution Control Residue was recycled, 1,804 tonnes of metals was recycled.</p>	

No	Item	Action	
	In April to September 2020 Viridor achieved all of the five Key Targets:		
	<b>Key Target</b>	<b>Target %</b>	<b>Actual %</b>
	The Contractor's Guaranteed Unprocessed Landfill Target Percentage	0.0%	0.0%
	The Contractor's Guaranteed Maximum Percentage of Contract Waste to Landfill	2.1%	0.34%
	The Contractor's Guaranteed IBA Recycling Target Percentage	100.0%	100.0%
	The Contractor's Guaranteed BMW Diversion Target Percentage	100.0%	100.0%
	the Contractor's Guaranteed Un-reprocessed IBA Target Percentage	0.0%	0.0%
	<p>As a requirement of revenue support from WG the facility is required to be CHP ready and to achieve and maintain R1 Status. Trident Park submitted the final stage 3 report to Natural Resources Wales confirmed with an annual figure of 0.76 which is in excess of the 0.65 requirement.</p> <p>The Incinerator Bottom Ash is currently being recycled by Days Aggregates at their facility in Avonmouth.</p> <p>The Air Pollution Control Residue is currently either being recycled by O.C.O. Technology Ltd previous called Carbon8 Aggregates at their facility in Avonmouth or landfilled by Grundon (Waste) Ltd at their Gloucestershire facility.</p> <p>Further to the June 2019 Joint Committee presentation on the proposed Cardiff Heat Network, we understand discussions between Cardiff and Viridor have progressed. We are in the progress of managing any change this may present in line with the established contract processes.</p>		
	<p>The Incinerator Bottom Ash is currently being recycled by Days Aggregates at their facility in Avonmouth.</p>		
	<p>The Air Pollution Control Residue is currently either being recycled by O.C.O. Technology Ltd previous called Carbon8 Aggregates at their facility in Avonmouth or landfilled by Grundon (Waste) Ltd at their Gloucestershire facility.</p>		
	<p>Further to the June 2019 Joint Committee presentation on the proposed Cardiff Heat Network, we understand discussions between Cardiff and Viridor have progressed. We are in the progress of managing any change this may present in line with the established contract processes.</p>		
	<p><b><u>Community and Community Benefit Fund</u></b></p>		
	<p>During 2020 to date the Prosiect Gwyrdd Community Benefits Fund Panel has met three times, where a total of £14,882 was awarded between eight community initiatives based with the Prosiect Gwyrdd Partnership Local Authority areas, the panel will be meeting once more this financial year. A breakdown of the projects supported this year to date, is detailed in the table below.</p>		
	<p><b>Breakdown of 2020/21 Prosiect Gwyrdd and Viridor Community Fund Awards</b></p>		
	<b>April 2020</b>		

No	Item	Action	
	<b>Cardiff Central Youth Club – gymnastics equipment</b>	Cardiff	£2,904.00
	<b>Fairwater Social Juniors FC</b>	Cardiff	£1,075.69
	<b>Newport Litter Pickers - equipment</b>	Newport	£841.80
	<b>Pentwyn - Llanederyn Litter Pickers</b>	Cardiff	£954.45
	<b>Berllan Deg PTA – equipment for new school activities</b>	Cardiff	£2,295.62
	<b>September 2020</b>		
	<b>Cardiff Rivers Group – cleaning equipment and training</b>	Cardiff	£1,210.00
	<b>Ministry of Life – audio equipment</b>	Cardiff	£2,700.00
	<b>VOG Brass Band – stands and instrument</b>	Vale of Glamorgan	£2,900.00
	<p>Details of the funding criteria and how to apply can be found at: <a href="https://viridor.co.uk/our-operations/energy/energy-recovery-facilities/cardiff-erf/community">https://viridor.co.uk/our-operations/energy/energy-recovery-facilities/cardiff-erf/community</a></p> <p>The Chairperson invited questions and comments from Members;</p> <p>Members referred to Extinction Rebellion and asked if there were contingency plans in place for incidents like these. Officers advised that there are contingency plans, they were implemented and alternative delivery points were used.</p> <p>RESOLVED: To note the report.</p>		
28	<p><b>2020/21 Projected Outturn Month 7 Monitoring Position and 2021/22 Budget</b></p> <p>Members were advised that the Joint Committee’s budget approval process is set-out in the Joint Working Agreement 2 (JWA2). In addition, the JWA2 also provides that the budget is reviewed on a regular basis during the financial year and where appropriate, action taken to ensure sufficient resources are available to the project in order to deliver the agreed outcomes.</p> <p>The Prosiect Gwyrdd Joint Committee approved the original 2020/21 Budget at its meeting on the 26<sup>th</sup> November 2019, which recommended the 2020/21 Revenue budget to the partner councils for consideration as part of their respective annual budget setting processes.</p> <p><b>2020/21 MONITORING</b></p>		

No	Item	Action		
	<p>Table 1 below provides an update on the Joint Committee’s Month 7 financial position for the 2020/21 financial year. In summary the current position shows a projected gross expenditure outturn of £192,064 which represents a decrease of £58,445 over the original 2020/21 gross expenditure budget of £250,509.</p> <p><b><u>TABLE 1: 2020/21 Summary Monitoring Position</u></b></p>			
		2020/21 Budget  £	2020/21 Projected Outturn  £	2020/21 Variance  £
	Project Team	185,332	167,401	(17,931)
	Supplies & Services	18,050	17,850	(200)
	Committee & Support Services	9,700	10,000	300
	Organics Contribution	(40,103)	(36,688)	3,415
	<b>Expenditure funded by Partner Contributions</b>	<b>172,979</b>	<b>158,564</b>	<b>(14,415)</b>
	External Advisors	57,530	23,500	(34,030)
	Contingency	20,000	10,000	(10,000)
	<b>Expenditure funded by Reserve Account</b>	<b>77,530</b>	<b>33,500</b>	<b>(44,030)</b>
	<b>Gross Expenditure</b>	<b>250,509</b>	<b>192,064</b>	<b>(58,445)</b>
	<b>Partner Contributions</b>	<b>(185,000)</b>	<b>(135,000)</b>	<b>50,000</b>
	<b>Net Expenditure</b>	<b>65,509</b>	<b>57,064</b>	<b>(8,445)</b>
	<b>Appropriations (from) / to Joint Committee Reserve A/c</b>	<b>(65,509)</b>	<b>(57,064)</b>	<b>8,445</b>
	<b>Projected Balance of the Joint Committee Reserve A/c as at 31.03.2021</b>		<b>266,799</b>	

No	Item	Action
	<p>The Project Team is currently reporting an underspend of £17,931. This variance is a consequence of the Budget being based on top of the pay scale costings and full employee on-costs. The 2020/21 Budget was prepared before the results of the tri-annual Pension Fund review were available with the subsequent decrease in the Employers contribution rate for Cardiff Council with effect from 1<sup>st</sup> April 2020.</p> <p>The underspend of £34,030 with external advisors includes the assumptions that further advisor expenditure in the rest of the financial year will be pro-rata to the original budget provision. The actual spend to date on advisors is nil and there are no current commitments to engage advisors in this financial year.</p> <p>The other significant expenditure variance identified in Table 1 is with the contingency provision which, in a similar manner to projected Advisor's expenditure, has also had a pro-rata reduction to reflect that there has been no requirement to use this budget in the financial year to date. Again there are no current commitments to use the contingency budget in this financial year.</p> <p>Based on the projected Reserve Account position at Month 7 a £10,000 rebate per partner is proposed for 2020/21. This position will be kept under review in future monitoring reports for the remainder of this financial year and appropriate adjustments made to this projected rebate if required. The projected balance for the Reserve account as at 31<sup>st</sup> March 2021 is £266,799 and this resource will be available to continue the principle of funding non-recurring Prosiect Gwyrdd expenditure in future financial years.</p> <p>A reasonable balance in the Reserve Account will be necessary to ensure that the Joint Committee has the financial flexibility to respond to unforeseen events without the need to ask Partner Councils to increase their in-year partner contributions. Against this background it is proposed that Partner contributions will continue to primarily fund the recurring regular expenditure of the Joint Committee, with the Reserve Account funding any ad-hoc non-recurring expenditure, specifically External Advisors and the contingency provision. Any in-year additional resource requirements such as an upturn in external advisor activity would be funded from further drawdowns from the Joint Committee Reserve Account. The projected balance for this account for the end of 2021-22 financial year assuming a full drawdown of the budgeted funding is £203,441.</p> <p>Table 2 below provides a summary of the proposed Budget for 2021-22 as well as a comparison with the current 2020-21 budget. A pay award of 2% from 1<sup>st</sup> April 2021 has been assumed for uplifting employee costs with an indexation assumption of 2% being applied to the other non-employee budget headings.</p>	



No	Item	Action	
<b>TABLE 2: Summary Budget Position 2021-22</b>			
		<b>2020-21 Original Budget £</b>	<b>2021-22 Propose d Budaet</b>
	Expenditure		
	Contract Management Team	185,332	182,607
	Supplies & Services	18,050	18,450
	Support Services	9,700	10,200
	Cardiff & Vale Organics Contribution	(40,103)	(40,429)
	Expenditure – funded by Partner contributions	<b>172,979</b>	<b>170,828</b>
	External Advisors	57,530	57,530
	Contingency	20,000	20,000
	Expenditure – funded by Reserve Account	<b>77,530</b>	<b>77,530</b>
	Gross Expenditure	<b>250,509</b>	<b>248,358</b>
	Partner Contributions	<b>(185,000)</b>	<b>(185,000)</b>
	Appropriations from Joint Committee Reserve	<b>(65,509)</b>	<b>(63,358)</b>
	Projected Balance of the Joint Committee Reserve A/c as at 31.03.2022		<b>203,441</b>
<p>A full year spend for the Contract Management team is assumed in the above budget along with a full year assumptions for External Advisors and contingency expenditure. The other budgets heads remain broadly unchanged with the proposed partner contributions unchanged at £185,000, which is £37,000 per partner.</p>			
<p>The projected drawdown from the Reserve account is £63,358 to leave a projected balance on the account of £203,441 as at 31<sup>st</sup> March 2022.</p>			
<p>Table 3 below provides a summary of indicative Joint Committee budgets and partner contributions for the financial years 2022-23 to 2024-25 which have also been indexed by inflation assumptions of 2% for both pay awards and other non-pay expenditure per annum. The projections are based on the continuation of a funding position adopted elsewhere in this report with the Reserve Account funding non-recurring expenditure. Any significant in-year drawdown from the Reserve may need to be subsequently replenished by the Partners but there would be sufficient early warning of this requirement to avoid in-year increases in Partner contributions.</p>			
<p>An upper threshold of £275,000 and a lower threshold of £150,000 have been previously proposed for managing the Joint Committee Reserve Account but the account balance has been consistently above this threshold in recent years.</p>			
<b>TABLE 3: Summary 2022-23 to 2024-25 Indicative Resource</b>			

No	Item	Action																									
	<p data-bbox="336 304 552 338"><b><u>Requirements</u></b></p> <table border="1" data-bbox="336 394 1457 680"> <thead> <tr> <th data-bbox="336 394 488 539">Financial Year</th> <th data-bbox="496 394 775 539">Indicative Gross Expenditure Budget</th> <th data-bbox="783 394 999 539">Contributions per Partner</th> <th data-bbox="1007 394 1206 539">Reserve A/c funding</th> <th data-bbox="1214 394 1457 539">Projected Reserve A/c balance</th> </tr> <tr> <td></td> <td data-bbox="496 551 775 584">£</td> <td data-bbox="783 551 999 584">£</td> <td data-bbox="1007 551 1206 584">£</td> <td></td> </tr> </thead> <tbody> <tr> <td data-bbox="336 595 488 629">2022-23</td> <td data-bbox="496 595 775 629">253,000</td> <td data-bbox="783 595 999 629">37,800</td> <td data-bbox="1007 595 1206 629">64,000</td> <td data-bbox="1214 595 1457 629">139,000</td> </tr> <tr> <td data-bbox="336 640 488 674">2023-24</td> <td data-bbox="496 640 775 674">259,000</td> <td data-bbox="783 640 999 674">38,600</td> <td data-bbox="1007 640 1206 674">66,000</td> <td data-bbox="1214 640 1457 674">73,000</td> </tr> <tr> <td data-bbox="336 685 488 719">2024-25</td> <td data-bbox="496 685 775 719">264,000</td> <td data-bbox="783 685 999 719">39,400</td> <td data-bbox="1007 685 1206 719">67,000</td> <td data-bbox="1214 685 1457 719">6,000</td> </tr> </tbody> </table> <p data-bbox="336 752 536 786"><b>RESOLVED:</b></p> <ol data-bbox="440 831 1441 1301" style="list-style-type: none"> <li>a. That the Joint Committee notes the 2020/21 projected outturn forecast including the projected year-end balance for the Joint Committee Reserve Account.</li> <li>b. That the Joint Committee recommends the 2021-22 budget, including the proposed drawdown and closing balance of the Reserve Account, to the Partnering Councils for approval as part of their respective budget planning frameworks for 2021-22.</li> <li>c. The Joint Committee asks the Partnering Councils to note the indicative budgets, and associated partner contributions, outlined for the financial years 2022-23 to 2024-25.</li> </ol>	Financial Year	Indicative Gross Expenditure Budget	Contributions per Partner	Reserve A/c funding	Projected Reserve A/c balance		£	£	£		2022-23	253,000	37,800	64,000	139,000	2023-24	259,000	38,600	66,000	73,000	2024-25	264,000	39,400	67,000	6,000	
Financial Year	Indicative Gross Expenditure Budget	Contributions per Partner	Reserve A/c funding	Projected Reserve A/c balance																							
	£	£	£																								
2022-23	253,000	37,800	64,000	139,000																							
2023-24	259,000	38,600	66,000	73,000																							
2024-25	264,000	39,400	67,000	6,000																							
<b>29</b>	<p data-bbox="336 1373 647 1406"><b>Urgent Items (if any)</b></p> <p data-bbox="336 1417 552 1440">None received.</p>																										
<b>30</b>	<p data-bbox="336 1451 807 1485"><b>Proposed Date of next meeting</b></p> <p data-bbox="336 1496 576 1518">To be confirmed.</p>																										



**THE BOROUGH, CITY AND COUNTY COUNCILS OF CAERPHILLY, CARDIFF,  
MONMOUTHSHIRE, NEWPORT AND THE VALE OF GLAMORGAN**

**PROSIECT GWYRDD JOINT COMMITTEE**

**REF: 01-21**

**DATE: 18/05/21**

**PROSIECT GWYRDD UPDATE REPORT FOR JOINT COMMITTEE**

**REPORT OF: SENIOR RESPONSIBLE OFFICER**

**AGENDA ITEM: 5**

**Background**

1. At previous Joint Committee meetings Update Reports on the Prosiect Gwyrdd Contract have been provided, this report provides a further update in relation to this contract.

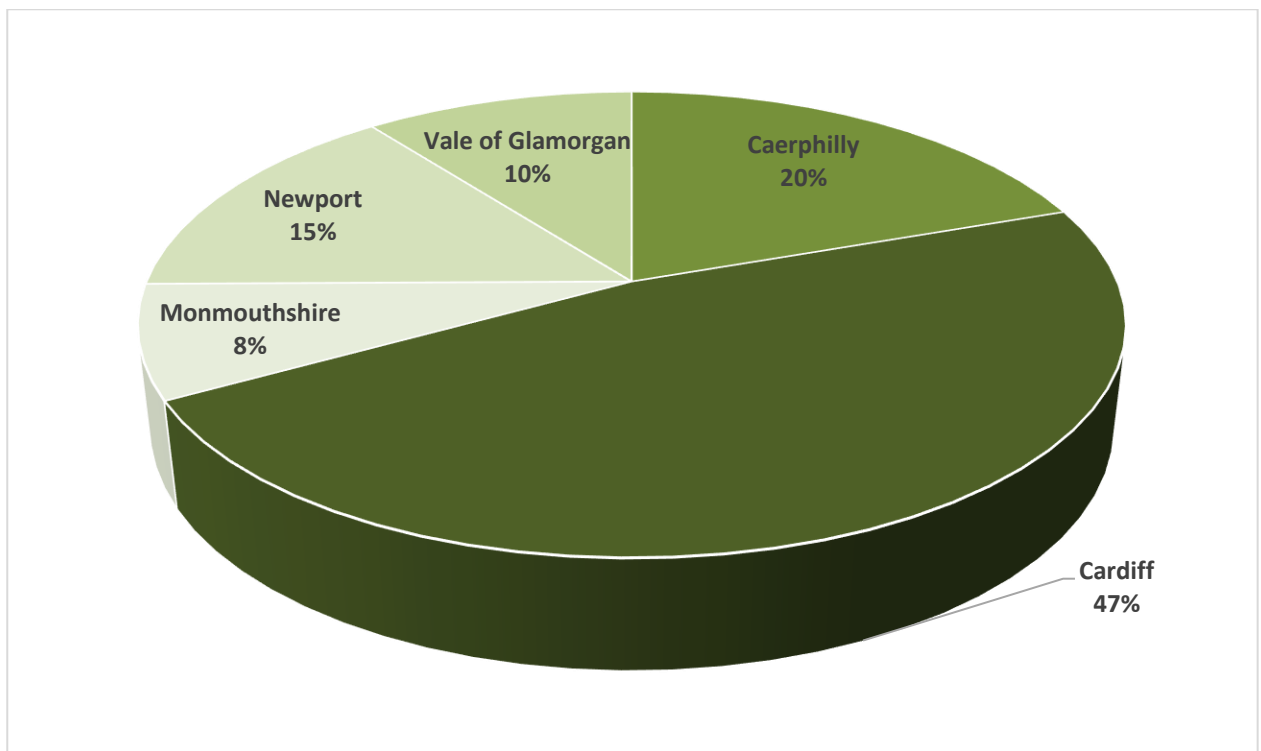
**Contract Update**

2. At the June 2019 Joint Committee meeting a presentation was provided by Cardiff Heat Network in relation to the proposed heat network for Cardiff that would utilise Trident Park ERF as the main supply of heat for the network. Since the presentation, Cardiff Council have been successful in obtaining some funding for delivery of the heat network; £6.628m for Phase 1 of the heat network from the Department of Business, Energy and Industrial Strategy and an £8.6m interest free loan from Welsh Government. As part of the heat supply, Viridor and Cardiff Council have been working together to develop a heat supply agreement. This resulted in Viridor presenting the Prosiect Gwyrdd Partnership with a Combined Heat and Power (CHP) Contract Change to enable them to supply heat to the network. Having considered the information provided the Contract Management Board have agreed to the change and confirmed they wish to take the option to change a proportion of the excess income electricity gain share to an excess income gain share based on supply of heat.
3. During 2020/21 a total of 179,812.70 tonnes of residual waste was sent to the Prosiect Gwyrdd Contract, this was against a projected profile of 168,560 tonnes. The Partnerships Contract Waste represented 47% of the facility's total input.

4. Quantity of Contract Waste Delivered by Each Partner Authority in 2020/21

Authority	2020/21 Tonnage
Cardiff	85,050
Caerphilly	35,387
Monmouthshire	14,124
Newport	26,329
Vale of Glamorgan	18,921
<b>Total Prosiect Gwyrdd</b>	<b>179,813</b>

5. Proportion of Contract Waste Delivered 2020/21 by Partner Authority



6. From the Prosiect Gwyrdd Contract Waste delivered 30,226 tonnes of Incinerator Bottom Ash was recycled, 1,250 tonnes of the Air Pollution Control Residue was recycled, 3,779 tonnes of ferrous metals was recycled and a further 600 tonnes of other metals were recycled. During the year 9.69 tonnes of contract waste was sent to landfill and 836 tonnes of Air Pollution Control Residue was landfilled.

7. In 2020/21 Viridor achieved all of the five Key Targets:

Key Target	Target Percentage	Actual Percentage
The Contractor's Guaranteed Unprocessed Landfill Target Percentage	0.0%	0.0%
The Contractor's Guaranteed Maximum Percentage of Contract Waste to Landfill	2.1%	0.48%
The Contractor's Guaranteed IBA Recycling Target Percentage	100.0%	100.0%
The Contractor's Guaranteed BMW Diversion Target Percentage	100.0%	100.0%
the Contractor's Guaranteed Unreprocessed IBA Target Percentage	0.0%	0.0%

8. As a requirement of revenue support from WG, the facility is required to be CHP ready and to achieve and maintain R1 Status. Trident Park submitted the final stage 3 report to Natural Resources Wales confirmed with an annual figure of 0.86 which is in excess of the 0.65 requirement and 0.08 higher than last year. This classifies Trident Park as a recovery facility.
9. The Incinerator Bottom Ash is currently being recycled by Days Aggregates at their facility in Avonmouth. A proportion of the incinerator bottom ash continues to be transported by rail.
10. The Air Pollution Control Residue is currently either being recycled by O.C.O. Technology Ltd at their facility in Avonmouth or landfilled by Grundon (Waste) Ltd at their Gloucestershire facility.

#### Community and Community Benefit Fund

11. During 2020/21 the Prosiect Gwyrdd Community Benefits Fund Panel met four times where a total of £28,228.86 was awarded between 13 community initiatives based with the Prosiect Gwyrdd Partnership Local Authority areas.

#### **12. Breakdown of 2020/21 Prosiect Gwyrdd and Viridor Community Fund Awards**

Authority	Number of Projects	Total Value
Caerphilly County Council	1	£3,000.00
Cardiff Council	8	£17,040.06
Monmouthshire County Council	0	£0
Newport City Council	2	£2,773.80
Vale of Glamorgan Council	2	£5,415.00
Projects working across all areas	13	£28,228.86

### 13. Breakdown of 2020/1 Prosiect Gwyrd and Viridor Community Fund Awards

Organisation	Region	Contribution
<b>April 2020</b>		
Cardiff Central Youth Club	Cardiff	£2,904.00
Fairwater social Juniors FC	Cardiff	£1,075.99
Newport Litter Pickers	Newport	£841.80
Pentwyn Litter Pickers	Cardiff	£954.45
Berllan Deg PTA	Cardiff	£2,295.62
<b>September 2020</b>		
Cardiff Rivers Group	Cardiff	£1,210.00
Ministry of Life	Cardiff	£2,700.00
VOG Brass Band	Vale	£2,900.00
<b>January 2021</b>		
Barry Athletic FC	Vale	£2,515.00
BMMR Parish Trust	Caerphilly	£3,000.00
Llanmartin Scout Group	Newport	£1,932.00
<b>March 2021</b>		
Memorial Hall	Cardiff	£3,000.00
Welsh Hearts	Cardiff	£2,900.00

14. A total of £22,025 that was unallocated in 2020/21 will be rolled over into 2021/22 to be allocated in addition to the annual £50,000.

15. Details of the funding criteria and how to apply can be found at: <https://viridor.co.uk/our-operations/energy/energy-recovery-facilities/cardiff-erf/community>

16. During 2020/21 due to Covid-19 restrictions put in place the facility was unable to receive visitors. When it is possible to safely receive visitors again the visitor centre will be made available for groups again.

### Financial Implications

17. There are no direct financial implications arising from this update report. The financial arrangements between the Partnership and Viridor will operate in accordance with the Contract and in particular the Payment Mechanism.

### Legal Implications

18. There are no direct legal implications associated with this report. The obligations set out in the Contract will govern how it operates.

19. In respect of the CHP change, the contract allows Viridor to implement a CHP change at any time. The contract also allows for due diligence on the heat supply agreement and the Authority can either stick with the current electricity income sharing mechanism, or switch to a heat income gain share (along with a proportion of an electricity income gain share) (as set out in the report).

## Recommendations

To note the content of this report.

**Mathew Wakelam**  
**Senior Responsible Officer, Prosiect Gwyrdd**  
**18 May 2021**



This page is intentionally left blank





**THE BOROUGH, CITY AND COUNTY COUNCILS OF CAERPHILLY, CARDIFF,  
MONMOUTHSHIRE, NEWPORT AND THE VALE OF GLAMORGAN**

**PROSIECT GWYRDD JOINT COMMITTEE**

**REF: 01-20**

**DATE: 18/05/2021**

**PROSIECT GWYRDD 2020/21 OUTTURN AND ANNUAL FINANCIAL RETURN**

**REPORT OF: TREASURER TO THE PROSIECT GWYRDD JOINT COMMITTEE**

**AGENDA ITEM: 06**

**PURPOSE OF REPORT**

1. To present to the Joint Committee the draft, unaudited Financial Annual Return for the year ended 31st March 2021 prior to the deadline of 31<sup>st</sup> May agreed with the Audit Wales. The Joint Committee will be asked to approve the unaudited Annual Return and following their approval, the document will be available for public inspection for the advertised period, and then submitted to the Audit Wales to undertake the external audit of this return.

**BACKGROUND**

2. Local Authorities and other relevant bodies (including Joint Committees) are required to prepare and publish their annual accounts in-line with the requirements of the Accounts & Audit (Wales) Regulations 2014 (as amended). Regulation 14 states that smaller local government bodies (those with annual income and expenditure below £2.5 million) can prepare their accounts in the form of an Annual Return replacing the obligation to produce a full Statement of Accounts.
3. The Joint Committee will now be asked to approve the unaudited Annual Return for submission to the external auditor in accordance with the Accounts and Audit (Wales) Regulations for small Local Government Bodies into which category Prosiect Gwyrdd now resides.
4. Following the audit of the Annual Return by Audit Wales, if there are no amendments then the certified Annual Return can be published without further reference to the Joint Committee. Any minor amendments proposed by Audit Wales will not require a further report to the Joint Committee but the amended audited Annual Return will be re-signed by the Treasurer and the Chair of the Joint Committee. If material



amendments are required by Audit Wales then a further meeting of the Joint committee will be required to approve the audited annual return.

- The draft, unaudited Prosiect Gwyrdd Annual Return for 2020/21 is attached to this report as Appendix A. Prior to the commencement of the external audit the Annual Return will be made available for public inspection as required by the Public Audit (Wales) Act 2004 and by the Accounts and Audit (Wales) Regulations 2014 (as amended).

## ISSUES

- Table 1 below provides a comparison of the 2020/21 outturn with the budget. This highlights a gross expenditure outturn of £147,378, a decrease of £103,131 compared to the original 2020/21 gross expenditure budget of £250,509. After including the Partner Contribution rebate of £50,000 (£10,000 per partner) the net underspend for 2020/21 is £53,131.

**TABLE 1: 2020/21 Summary Outturn Position**

	2020/21 Budget £	2020/21 Outturn £	2020/21 Variance £
Project Team	185,332	164,411	(20,921)
Supplies & Services	18,050	13,726	(4,324)
Committee & Support Services	9,700	4,595	(5,105)
Organics Contribution	(40,103)	(35,354)	4,749
Expenditure funded by Partner Contributions	<b>172,979</b>	<b>147,378</b>	<b>(25,601)</b>
External Advisors	57,530	0	(57,530)
Contingency	20,000	0	(20,000)
Expenditure funded by Reserve Account	<b>77,530</b>	<b>0</b>	<b>(77,530)</b>
Gross Expenditure	<b>250,509</b>	<b>147,378</b>	<b>(103,131)</b>
Partner Contributions	<b>(185,000)</b>	<b>(135,000)</b>	<b>50,000</b>
Net Expenditure	<b>65,509</b>	<b>12,378</b>	<b>(53,131)</b>
Appropriations (from) / to Joint Committee Reserve A/c	<b>(65,509)</b>	<b>(12,378)</b>	<b>53,131</b>
Projected Balance of the Joint Committee Reserve A/c as at 31.03.2021		<b>311,485</b>	

7. The variance reported in Table 1 is largely due to underspends previously reported to the Joint Committee in the Month 7 monitoring report. The most significant of these underspends are the lack of spend against the contingency and external advisors budgets, as well as savings associated with the Project Team. Consequentially the projected budgeted drawdown from the Joint Committee Reserve Account of £65,509 was reduced to £12,378. The balance of the reserve account as at 31<sup>st</sup> March 2021 now stands at £311,485 and the options for the utilisation of an element of this reserve will be presented firstly to Contract Management Board and then the Joint Committee as part of the 2022/23 budget report as has been the case in previous years.
  
8. The format of the Annual Return for 2020/21 is in line with previous years and is attached as Appendix A, it includes the following sections :
  - a. Section 1 (page 2 of the return) holds the Accounting Statements for 2020-21 including a comparison with the equivalent 2019/20 figures.
  - b. Section 2 (page 3) of the Annual Return is the Annual Governance statement which continues in the form of a questionnaire.
  - c. Section 3 (page 4) includes the certification of the annual return both by the Joint Committee, subject to its approval, and the Responsible Finance Officer.
  - d. This is followed by the Auditor General for Wales' Audit Certificate and report on page 5 which will be updated on completion of the 2020/21 Audit.
  - e. The next Section is the Annual Internal Audit report (pages 6 and 7) which comments on the adequacy of procedures and controls relevant to Prosiect Gwyrdd.
  - f. The last section (page 8) includes Guidance notes on completing the Annual Return

## FINANCIAL IMPLICATIONS

9. This report provides the Joint Committee with confirmation of the 2020/21 outturn position that reflects a gross expenditure underspend of £103,131 before the rebates of Partner Contributions of £50,000. The balance of the Reserve Account at the end of 2020/21 is £311,485 which will be available to assist in funding non-recurring Prosiect Gwyrdd expenditure and / or offsetting Partner Contributions in future financial years.
  
10. This report is presented to the Joint Committee who are due to approve the unaudited Prosiect Gwyrdd Annual Return at the meeting on 18<sup>th</sup> May before the deadline of 31<sup>st</sup> May 2021.
  
11. Options for the utilisation of the balance of the Joint Committee Reserve Account carried forward into 2021/22 are to be considered as part of the budget setting process for 2022/23.

## LEGAL IMPLICATIONS

12. All Local authority accounts are required to be made up to 31<sup>st</sup> March. The Accounts and Audit (Wales) regulations set out the process for dealing with accounts and as set out in this report that will be the process for a 'smaller relevant body' i.e. approval of an Accounting Statement (including amendments thereof) which is referred to in this report as an Annual Return. The Regulations also sets out further provision in relation to publication.
13. The Joint Working Agreement 2 (JWA2) in respect of the PG contract makes provision in respect of monitoring of costs, approving annual budgets, council contributions, project expenditure and subsequent reimbursements to councils.
14. Currently the JWA2 deals with the process of approving accounts according to legislation which was in place at the time of drafting the JWA2. It is understood that any update in the process of what is approved by Joint Committee is due to the updates in the Regulations referred to above and in the body of the report. The JWA2 states that any reference to legislation within the agreement includes any amended legislation. Accordingly any process under the JWA2 would be read in conjunction with any amended legislation.

## RECOMMENDATIONS

15. That the Joint Committee notes the outturn position for the financial year ended 31<sup>st</sup> March 2021.
16. Subject to the approval by the Joint Committee of the Annual Return, the Joint Committee consequently authorises the Chair to sign the Annual Return on behalf of the Joint Committee, and its subsequent submission to Audit Wales to commence the 2020/21 audit.
17. If following the completion of the audit minor amendments are required by Audit Wales then, to authorise, the Audited annual Return to be signed by the Chair on behalf of the Joint Committee.

**Christopher Lee**  
**Treasurer to Prosiect Gwyrdd Joint Committee**

**18<sup>th</sup> May 2021**

The following Appendix is attached:

Appendix A - The Prosiect Gwyrdd Joint Committee's Unaudited Annual Return for financial year 2020/21.

# Minor Joint Committees in Wales Annual Return for the Year Ended 31 March 2021

## LANGUAGE PREFERENCE

Please indicate how you would like us to communicate with you during the audit. Note that audit notices will be issued bilingually.

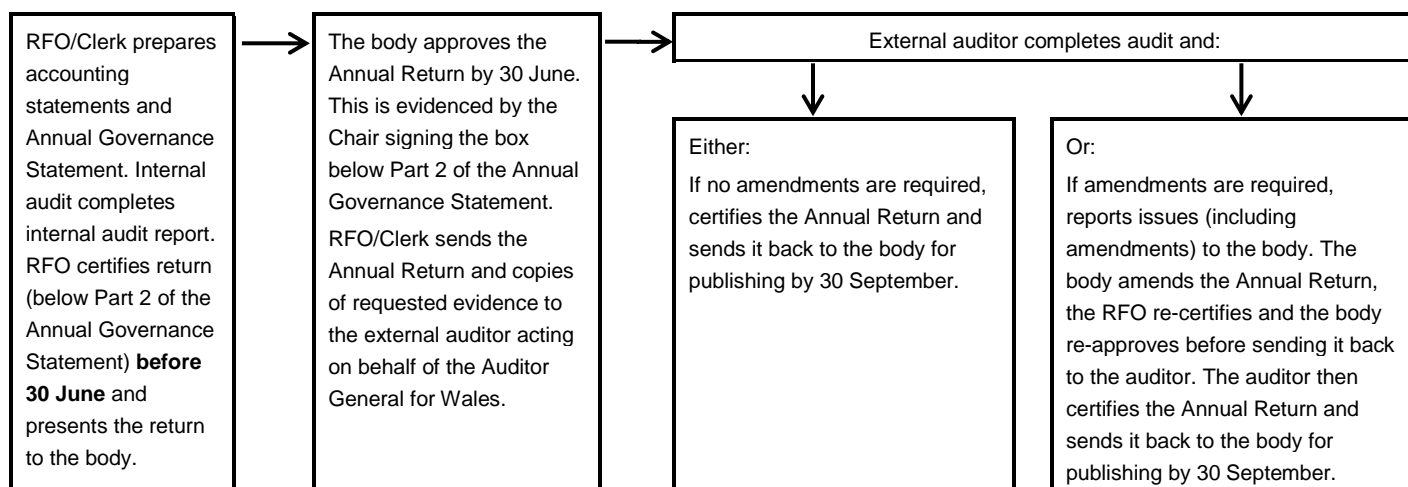
	<b>Yes</b>	<b>No</b>		<b>Yes</b>	<b>No</b>		<b>Yes</b>	<b>No</b>
<b>ENGLISH</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>WELSH</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>BILINGUALLY</b>	<input type="checkbox"/>	<input type="checkbox"/>

## THE ACCOUNTS AND AUDIT PROCESS

Section 12 of the Public Audit (Wales) Act 2004 requires local government bodies in Wales (including joint committees) to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For minor joint committees with income and expenditure below £2.5 million, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication, **Governance and accountability for local councils in Wales – A Practitioners’ Guide** (the Practitioners’ Guide). The Practitioners’ Guide requires that they prepare their accounts in the form of an Annual Return. This Annual Return meets the requirements of the Practitioners’ Guide.

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and **complete all sections highlighted pink** .

## APPROVING THE ANNUAL RETURN

The Committee must approve the Annual Return **BEFORE** the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

If it is unable to complete the approval process by 30 June 2021 or publish the audited return by 30 September, the Committee must publish notices as required by the Regulations.

The Auditor General for Wales’ Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It **MUST NOT** be completed by the Clerk/RFO, the Chair or the internal auditor.

Audited and certified returns are sent back to the body for publication and display of the accounting statements, Annual Governance Statement and the Auditor General for Wales’ certificate and report.

## Accounting statements 2020-21 for:

Name of body: PROSIECT GWYRDD

	Year ending		Notes and guidance for compilers
	31 March 2020 (£)	31 March 2021 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
<b>Statement of income and expenditure/receipts and payments</b>			
1. Balances brought forward	329,712	322,414	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. (+) Income from local taxation/levy	135,000	135,000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	31,682	35,354	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-119,052	-133,346	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 eg. termination costs.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-54,928	-51,423	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	322,414	307,999	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
<b>Statement of balances</b>			
8. (+) Debtors	108,000	216,000	<b>Income and expenditure accounts only:</b> Enter the value of debts owed to the body.
9. (+) Total cash and investments	218,152	97,774	<b>All accounts:</b> 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	-3,738	-5,775	<b>Income and expenditure accounts only:</b> Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	322,414	307,999	<b>Total balances should equal line 7 above:</b> Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

## Annual Governance Statement (Part 1)

We acknowledge as the members of the Committee, 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 accounting statements for the year ended 31 March 2021, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref
	Yes	No*		
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> <li>• effective financial management during the year; and</li> <li>• the preparation and approval of the accounting statements.</li> </ul>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
<p>2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
<p>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 Committee to conduct its business or on its finances.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	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
<p>4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
<p>5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
<p>6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	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 body.	6, 8
<p>7. 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 Committee and, where appropriate, have included them on the accounting statements.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
<p>8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

\* 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.

## Additional disclosure notes\*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1.

2.

3.

\* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

## Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<p><b>Certification by the RFO</b></p> <p>I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2021.</p>	<p><b>Approval by the Committee</b></p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
<p><b>RFO signature:</b></p>	<p><b>Minute ref:</b></p>
<p><b>Name:</b></p>	<p><b>Chair of meeting signature:</b></p>
<p><b>Date:</b></p>	<p><b>Name:</b></p>
	<p><b>Date:</b></p>



## Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with, guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2021 of:

--

### Auditor General's report

**Audit opinion**

**Other matters arising and recommendations**

**External auditor's name:**

**External auditor's signature:**

**Date:**

**For and on behalf of the Auditor General for Wales**

## Annual internal audit report to:

Name of body: PROSIECT GWYRDD 2020-2021

The Committee'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 2021.

The internal audit has been carried out in accordance with the Committee'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 Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	☐	☐	☐	☐	<p>Appropriate books of accounts has been kept through Cardiff Councils main accounting ledger, SAP and all supporting evidence was checked.</p> <ul style="list-style-type: none"> <li>Income- Expenditure</li> <li>Statement of balances</li> <li>Highlight Report and Meeting minutes</li> </ul> <p>Regular progress against budget is maintained and monitored by the Accountant and discussed at the PG Project Board Management Meetings and Contract Management Board, the meetings are held approximately bi-monthly.</p>
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	☐	☐	☐	☐	<p>Financial regulations have been met, payments were supported by invoices and VAT has been appropriately accounted for under the accountable body: Cardiff Council's VAT registration with the necessary disclosures and permissions sought from HMRC.</p>
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	☐	☐	☐	☐	<p>The body has assessed and mitigated significant risks in order to achieve its objectives. Risks are considered at the Contract Management Board meetings and also on the highlight reports to the Board.</p> <p>Prosiect Gwyrdd inherent risks are also subject to a quarterly risk management review process.</p>

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Regular progress against budget is maintained and monitored by the Accountant and the Monitoring Position and the Projected Outturn is discussed regularly at Prosiect Gwyrdd's Joint Committee Contract Management Board Meetings.</p> <ul style="list-style-type: none"> <li>• SAP - Income- Expenditure</li> <li>• Statement of balances</li> <li>• CMB Meeting Minutes</li> <li>• CMB01-18.11.2020 Highlight Report v1.0</li> </ul>
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>An income contribution of £27,000 for both 19/20 and 20/21 is expected, from each of the joint contributing Councils. There has been a delay in obtaining some purchase orders numbers, this issue has now been resolved and invoices covering both years has been raised.</p> <p>This expected income is reflected in the Debtors figure £216,000 on the statement.</p>
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Analysis of KSB1 for the overall cost / profit centre position DA051 did not identify any Imprest account reimbursements.</p> <p>Prosiect Gwyrdd does not have any Petty Cash or Imprest Accounts.</p>
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Salaries to employees were paid through Cardiff Council's main accounting ledger, SAP and the internal payroll process including DigiGOV.</p> <p>Prosiect Gwyrdd has three Permanent employees-.SAP checked.</p>
8. Asset and investment registers were complete, accurate, and properly maintained.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>No tangible fixed assets.</p> <p>Current assets include cash (held by Cardiff Council) and Debtors.</p>
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>It was verified that bank account reconciliations for inter companies are undertaken as part of the council's wider year-end bank reconciliations, any imbalances are rectified during the course of the year. Inter companies are not identified individually throughout the year.</p> <p>A suitably qualified person undertakes the bank reconciliations.</p>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Accounting statements were prepared from figures based in SAP on the correct accounting basis, they agreed with the cashbook and were supported by an adequate audit trail from underlying records.</p>

For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
11. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
12. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
13. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

### Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2019-20 and 2020-21. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit:	PERNILLE LARSEN
Signature of person who carried out the internal audit:	Pernille Larsen
Date:	30.04.2021

## Guidance notes on completing the Annual Return

1. You must apply proper practices when preparing this Annual Return. Proper practices are set out in the Practitioners' Guide.
2. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external 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 and may incur additional costs. Ask your auditor for an electronic copy of the form if required.
3. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
4. Make sure that your accounting statements add up, that the balance carried forward from the previous year (line 7 of 2020) equals the balance brought forward in the current year (line 1 of 2021). Explain any differences between the 2020 figures on this Annual Return and the amounts recorded in last year's Annual Return.
5. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the 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. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliations is available in the Practitioners' Guide.
7. **You must send to the external auditor, information to support the assertions made in the Annual Governance Statement.** Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records to the external auditor and not the original documents themselves.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
9. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
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.
11. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

Completion checklist – 'No' answers mean that you may not have met requirements		Done?	
Initial submission to the external auditor		Yes	No
<b>Accounts</b>	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 2021 agree to Line 9?		
<b>Approval</b>	Has the RFO certified the accounting statements and Annual Governance Statement (Regulation 15 (1)) no later than 30 June 2021?		
	Has the body approved the accounting statements before 30 June 2021 and has Section 3 been signed and dated by the person presiding at the meeting at which approval was given?		
<b>All sections</b>	Have all pink boxes in the accounting statements and Annual Governance Statement 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.		

If accounts are amended after receipt of the Auditor General's report on matters arising		Yes	No
<b>Accounts</b>	Have the amended accounting statements been approved and Section 3 re-signed and re-dated as evidence of the Committee's approval of the amendments before re-submission to the auditor?		

This page is intentionally left blank