

TO: JOINT WASTE DISPOSAL BOARD
21st September 2010

JOINT WASTE DISPOSAL BOARD
REPORT ON AUDITS OF THE re3 JOINT WASTE PFI
(Report by the Project Director)

1. INTRODUCTION

1.1 The purpose of this report is to inform Members of the process to be adopted for future audits of the re3 Joint Waste PFI.

2. RECOMMENDATIONS

2.1 To note the process proposed by the Audit Teams of the re3 councils and the re3 Management Team for future audits.

3. SUPPORTING INFORMATION

Audits To Date

3.1 There have, since the commencement of the PFI contract at the end of 2006, been three internal audits which have either focussed on the re3 PFI or touched on it.

3.2 The recommendations of those audits were detailed in a report to the Joint Waste Disposal Board on 1st July 2010.

Future Audit Process

3.3 It is proposed that the re3 councils work together to audit their shared PFI contract.

3.4 The reason for this proposal is to avoid inconsistency, utilise resources effectively and to ensure a robust and coherent audit process.

3.5 The previous report on this matter (1st July 2010) highlighted how different approaches across the three councils may have contributed to some issues which could make it difficult to address audit recommendations across the partnership.

3.6 Following the last Board meeting, Officers across the partnership have discussed future audits. It is therefore proposed that the PFI henceforth be audited as follows:

1. The re3 joint waste PFI to be audited biennially, starting in 2011.
2. With both the council partnership and our ongoing contractual arrangements with WRG in mind, each audit will look at:

Finance

Facilities

Governance

Relationships

3. Reading Borough Council to carry out audits (in its role as administering authority) liaising with the Audit Teams at Bracknell Forest Borough Council and Wokingham Borough Council as appropriate.
- 3.7 The Audit process will be carried out in accordance with the usual standards of such a procedure. Terms of Reference will be agreed in advance and in liaison with appropriate officers at each of the three councils.
- 3.8 As future audits will be carried out across the partnership, their findings and recommendations will be reported to the JWDB. The adoption of measures to address the recommendations, particularly those which relate to the Joint Working Agreement between the re3 councils, can also be achieved at a partnership level.

BACKGROUND PAPERS

Report to JWDB (1st July 2010)

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