

TO: JOINT WASTE DISPOSAL BOARD
7th July 2011

JOINT WASTE DISPOSAL BOARD
REPORT ON AUDIT 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 result of the recent audit of the re3 Joint Waste PFI.

2. RECOMMENDATIONS

- 2.1 **To endorse the audit report relating to the re3 Joint Waste PFI (appended to this report).**
- 2.2 **To approve the Management Responses, and associated actions, included within the audit report.**

3. SUPPORTING INFORMATION

Audits Findings

- 3.1 The audit report concludes that there is substantial assurance as to the adequacy and effectiveness of the control framework put in place by the re3 councils.
- 3.2 The audit makes 15 recommendations. There are no high priority recommendations. Seven are medium priority and eight are low priority.
- 3.3 The re3 Management Team have responded to the audit recommendations and both are included within the Management Action Plan section of the audit report (page 7).

Audit Process

- 3.4 A 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.
- 3.5 As a result, it was agreed that the PFI would, 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.
- 3.6 It was also specified that the Audit process be carried out in accordance with the usual standards of such a procedure - Terms of Reference to be agreed in advance and in liaison with appropriate officers at each of the three councils. The findings and recommendations were to be reported to the JWDB in order that the adoption of measures to address the recommendations, particularly those which relate to the Joint Working Agreement between the re3 councils, could be agreed and addressed fully at the partnership level.
- 3.7 In accordance with the above, the report is presented to Members for their information and endorsement.
- 3.8 Members are asked to approve the responses and the associated actions in order that the recommendations of the audit can be addressed.

BACKGROUND PAPERS

Reports to JWDB (1st July and 21st September 2010)

CONTACTS FOR FURTHER INFORMATION

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