

Wednesday, 11 October 2023

**Notice of Meeting****Governance and Audit Committee****Thursday, 19th October, 2023 at 2.00 pm,  
County Hall, The Rhadyr, Usk, NP15 1GA and Remote Attendance*****Please note that a 30 minute pre-meeting will take place at 1.30pm for  
Committee Members and Audit Officers*****AGENDA**

Item No	Item	Pages
1.	<b>Apologies for Absence</b>	
2.	<b>Declarations of Interest</b>	
3.	<b>Public Open Forum</b>  <b>Governance and Audit Committee Public Open Forum Guidance</b>  Our Governance and Audit Committee meetings are live streamed and a link to the live stream will be available on the meeting page of the Monmouthshire County Council <a href="#">website</a>  If you would like to share your thoughts on any matters being discussed by Governance and Audit Committee, you may attend the meeting in person (or join remotely via Microsoft Teams), or submit written representations (via Microsoft Word, maximum of 500 words).  The deadline for submitting representations to the Council is 5pm three clear working days in advance of the meeting. All representations received will be made available to the committee members prior to the meeting.  The amount of time afforded to each member of the public to speak is at the Committee Chair's discretion. We ask that contributions are no longer than 4 minutes.  If you would like to attend one of our meetings to speak under the Public Open Forum at the meeting, you will need to give three working days' notice by contacting	

[GACRegistertoSpeak@monmouthshire.gov](mailto:GACRegistertoSpeak@monmouthshire.gov)

If you would like to suggest future topics for consideration by Governance and Audit Committee, please do so by emailing [GACRegistertoSpeak@monmouthshire.gov.uk](mailto:GACRegistertoSpeak@monmouthshire.gov.uk)

<b>4.</b>	<b>To note the action list from the previous meeting</b>	<b>1 - 2</b>
<b>5.</b>	<b>Counter Fraud, Corruption and Bribery Policy</b>	<b>3 - 22</b>
<b>6.</b>	<b>Audit Wales Work Programme and timetable quarter 1 update</b>	<b>23 - 38</b>
<b>7.</b>	<b>Audit Wales Work Programme: Council Progress update</b>	<b>39 - 50</b>
<b>8.</b>	<b>Audit Grants report</b>	<b>51 - 62</b>
<b>9.</b>	<b>Annual Audit Plan 22-23 Welsh Church Funds</b>	<b>63 - 76</b>
<b>10.</b>	<b>CPR Exemptions upto 30th September 2023</b>	<b>77 - 96</b>
<b>11.</b>	<b>Internal Audit quarterly progress report</b>	<b>97 - 112</b>
<b>12.</b>	<b>Governance and Audit Committee Forward Work Plan</b>	<b>113 - 118</b>
<b>13.</b>	<b>To confirm minutes of the previous meeting held on the 20th September 2023</b>	<b>119 - 124</b>
<b>14.</b>	<b>Date of Next meeting: 23rd November 2023</b>	

**Paul Matthews**  
**Chief Executive**

MONMOUTHSHIRE COUNTY COUNCIL  
CYNGOR SIR FYNWY

THE CONSTITUTION OF THE COMMITTEE IS AS FOLLOWS:

Andrew Blackmore

Colin Prosser

Martin Veale

Rhodri Guest

County Councillor Sara Burch

*Cantref; Labour and Co-Operative  
Party*

County Councillor John Crook

*Magor East Welsh Labour/Llafur Cymru  
with Undy;*

County Councillor Tony Easson

*Dewstow; Welsh Labour/Llafur Cymru*

County Councillor David Jones

*Crucorney; Independent Group*

County Councillor Malcolm Lane

*Mardy; Welsh Conservative Party*

County Councillor Phil Murphy

*Caerwent; Welsh Conservative Party*

County Councillor Peter Strong

*Rogiet; Welsh Labour/Llafur Cymru*

County Councillor Ann Webb

*St Arvans; Welsh Conservative Party*

## Public Information

### Access to paper copies of agendas and reports

A copy of this agenda and relevant reports can be made available to members of the public attending a meeting by requesting a copy from Democratic Services on 01633 644219. Please note that we must receive 24 hours notice prior to the meeting in order to provide you with a hard copy of this agenda.

### Watch this meeting online

This meeting can be viewed online either live or following the meeting by visiting [www.monmouthshire.gov.uk](http://www.monmouthshire.gov.uk) or by visiting our Youtube page by searching MonmouthshireCC.

### Welsh Language

The Council welcomes contributions from members of the public through the medium of Welsh or English. We respectfully ask that you provide us with 5 days notice prior to the meeting should you wish to speak in Welsh so we can accommodate your needs.

# Aims and Values of Monmouthshire County Council

## Our purpose

Building Sustainable and Resilient Communities

### Objectives we are working towards

- Giving people the best possible start in life
- A thriving and connected county
- Maximise the Potential of the natural and built environment
- Lifelong well-being
- A future focused council

## Our Values

**Openness.** We are open and honest. People have the chance to get involved in decisions that affect them, tell us what matters and do things for themselves/their communities. If we cannot do something to help, we'll say so; if it will take a while to get the answer we'll explain why; if we can't answer immediately we'll try to connect you to the people who can help – building trust and engagement is a key foundation.

**Fairness.** We provide fair chances, to help people and communities thrive. If something does not seem fair, we will listen and help explain why. We will always try to treat everyone fairly and consistently. We cannot always make everyone happy, but will commit to listening and explaining why we did what we did.

**Flexibility.** We will continue to change and be flexible to enable delivery of the most effective and efficient services. This means a genuine commitment to working with everyone to embrace new ways of working.

**Teamwork.** We will work with you and our partners to support and inspire everyone to get involved so we can achieve great things together. We don't see ourselves as the 'fixers' or problem-solvers, but we will make the best of the ideas, assets and resources available to make sure we do the things that most positively impact our people and places.

**Kindness:** We will show kindness to all those we work with putting the importance of relationships and the connections we have with one another at the heart of all interactions.

**Role of the Pre-meeting**

1. Why is the Committee considering this agenda item? (relevance and materiality)
  2. What is the Committee’s role and what outcome do Members want to achieve?
  3. Is there sufficient information to achieve this? If not, who could provide this?
  4. What are the confidential views of the auditors on relevant matters?
- Discuss members' views/ key concerns with the papers and agree priorities

**Potential Questions/Considerations for the Meeting**

Internal Audit (IA)

1. What is the IA functional model and is it fit for purpose?
2. Does IA have sufficient authority and influence across the Authority?
3. Is IA suitably resourced and empowered? Is the annual IA plan appropriate? On what do we make this judgement?
4. Do Chief Officers demonstrably accept and champion the role of IA? How do they do this?
5. Are IA findings acted upon energetically by Officers? How is this demonstrated? Do we effectively challenge and hold officers to account for implementing IA findings?
6. How can we be confident that the internal control environment remains appropriate?
7. Do we have confidence in overall IA effectiveness? On what do we base this?
8. Is the annual/ periodic IA opinion plausible?
9. Do we have sufficient visibility over the work, output and effectiveness of allied IA teams, e.g. TCBC?

External Audit (EA)

1. Is the EA team (financial and performance) credible?
2. Are we confident over the arrangements for developing the EA annual work plan/ timetable and is it aligned to our understanding of key risks?
3. Do Chief/ senior officers engage appropriately with EA? How is this demonstrated?
4. Is there a constructive relationship between IA, EA (and other inspectorates)? How is this evidenced?
5. Have relevant officers demonstrably considered the results/ conclusions of EA national and specific reports?
6. Do we have good visibility over emerging issues identified by EA?
7. In respect of ISA260 and equivalent EA financial reports, do officers clearly demonstrate understanding of issues raised and have a credible plan to resolve issues for next financial year?
8. Does EA have confidence in MCC’s Officers and governance arrangements?

### Governance

1. Is there a codified and cohesive description of MCC's overall governance arrangements? Is it fit for purpose?
2. Is there clarity over the governance of the various oversight and scrutiny arrangements for (and effectiveness of) material partnerships and collaborations?
3. Is there clarity over the apportionment of responsibilities and decision making authorities?
4. How are governance/ control breaches identified and reported?
5. Are we confident that the arrangements for material expenditure (tendering, contracting and capital procurement) are robust?
6. Do we have confidence in whistleblowing (and similar arrangements) for raising concerns?

### Corporate Risks

1. Have key accountabilities for the identification, assessment, monitoring and management of risks been adequately defined and implemented?
2. Has the approach to risk management been designed and implemented effectively?
3. How can the Committee be confident that the Corporate Risk Register captures all significant risks facing the Authority?
4. Are the risk mitigation action plans credible and sufficient so as to achieve the desired outcomes?

### Budgeting/ Financial Risk/ Reserves

1. Is there a clearly defined, governed and checkpointed process and timetable for developing the Authority's budget?
2. Is there an appropriate suite of financial risk related policies? Are they suitable?
3. Are the key financial/ operational assumptions understood, credible, documented and stress tested?
4. Does the Finance function have suitable capabilities and capacity to manage financial risk/ meet statutory requirements and obligations to the Council?
5. Do we have confidence that the budgetary process is likely to produce a plausible budget/ MTFP?
6. Are there suitable arrangements in place to manage and report on overall financial performance?

### Financial Statements/ Misstatement Risk

1. Is there a shared understanding as to the purpose of the Committee in reviewing draft financial statements?
  - a. Are the Notes to the Accounts reasonable?
  - b. Are the narrative reports, including the Annual Governance Statement reasonable and accord with the committee's view?
2. Are we comfortable with EA's work and audit opinion?

**Questions for the Committee to conclude...**

Do we have the necessary information to form conclusions/make recommendations/ escalate matters to the executive, council, relevant scrutiny committee?

Do we need to follow up? If so, how?

