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## MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Audit Committee held  
at The Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th  
May, 2016 at 2.00 pm

**PRESENT:** County Councillor P White (Chairman)  
County Councillor J. Higginson (Vice Chairman)

County Councillors: D. Batrouni, A. Easson, D. Edwards, P. Jordan,  
P. Murphy, J. Prosser, B. Strong and V. Smith attended the meeting  
by invitation of the Chairman

### **OFFICERS IN ATTENDANCE:**

Joy Robson	Head of Finance/Section 151 Officer
Andrew Wathan	Chief Internal Auditor
Dave Walton	Audit Manager

### **APOLOGIES:**

Councillors P. Clarke and B. Hayward

#### **1. Election of Chair**

We elected Mr. P. White as Chair.

#### **2. Appointment of Vice-Chair**

We appointed County Councillor R.J. Higginson as Vice-Chair.

#### **3. Declarations of Interest**

There were no declarations of interest made by Members.

#### **4. Public Open Forum**

There were no members of the public present.

#### **5. Confirmation of minutes**

The minutes of the Audit Committee dated 26<sup>th</sup> May 2016 were confirmed and signed by the Chairman.

#### **6. Action list from the previous meeting**

We received the Action List from the meeting held on 21<sup>st</sup> April 2016. In doing so, the following points were noted:

- The Audit Committee will receive a progress report, on a six monthly cycle, in respect of unsatisfactory / unsound Audit opinions regarding reference to workforce planning arrangements within markets.

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- The Chair will report the Audit Committee Annual Report 2015/16, Annual Report 2014/15 to Full Council on 16<sup>th</sup> June 2016.
- The Chair had prepared a letter to be sent to a member of the public in response to issues raised regarding Chepstow School. It was proposed by County Councillor D. Edwards and seconded by County Councillor B. Strong that the letter be sent to the member of the public and that a copy be sent to the Audit Committee, for information.

Upon being put to the vote, the following votes were recorded:

In favour of sending the letter	-	5 votes
Against sending the letter	-	0 votes
Abstentions	-	1 vote

The proposition was carried.

We resolved that the letter be sent to the member of the public and that a copy be sent to the Audit Committee, for information.

One of the Audit Committee Members had abstained from voting as he had had reservations about some of the issues raised in respect of this matter. He agreed to speak to the Chair after the meeting regarding his concerns.

- In consideration of the draft Annual Governance Statement 2015/16 and the freedom of information requests, the Chief Internal Auditor informed the Committee of the following points:
  - Regarding the strategic risk assessment, it was noted that officers had taken into account the risk of this issue without mitigation on a year by year basis and then if the mitigation has been successful that is categorised in the second column which is post mitigation.
  - Regarding the Freedom of Information (FOI) requests, it was noted that 98% of FOI requests had been responded to within the expected timescale of 20 days. The ICO acceptable standard is 85%. A question remained why others had not been responded to in those time scales. There were a number of reasons in which more information was required from other departments across the Authority, there had been pressures on staff holding that particular information regarding current workloads, there was sickness and leave to contend with and from time to time there will be human error. 60% of the requests had been dealt with within 10 days, 70% of the requests were dealt with within 12 days, 80% of the requests were dealt with within 15 days, 85% of the requests were dealt with within 17 days, 90% of the requests were dealt with within 19 days and 95% of the requests were dealt with within 20 days.

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#### **7. Annual Governance Statement - final**

We received an early draft of the Council's Annual Governance Statement (AGS) prior to inclusion into the Statement of Accounts 2015/16. In doing so, the following points were noted:

- It was a comprehensive report which could have benefitted from having a summary. The Chief Internal Auditor explained that the document was a standard framework used by all authorities. However, he would incorporate a summary into the final version of the report.
- It was noted that the quality of the services provided by Monmouthshire County Council was higher than the Welsh average.

We resolved to endorse the Annual Governance Statement 2015/16.

#### **8. Internal Annual Audit report 2015/16**

We received the Annual Audit Outturn Report for 2015/16. Members were informed of the following:

- The Chief Internal Auditor has to give an overall opinion on the adequacy of the internal control environment operated within the systems and establishments of Monmouthshire County Council.
- 28 audit opinions were issued during 2015/16 ranging from Good to Unsatisfactory. The overall opinion was **Reasonable**, which indicates the systems were well controlled although some risk identified which needs addressing.
- No reviews were deemed to be Unsound.
- The Internal Audit team achieved 74% of the agreed 2015/16 audit plan against a target of 80%.

Having received the report, the following points were noted:

- In response to a Member's question regarding the three unsatisfactory Audit Opinions in 2015/16, it was noted that these were new reports and did not refer to last year's unsatisfactory Audit Opinions.
- The report was a good reflection of the work that that been carried out.

We resolved to endorse the Annual Outturn Report 2015/16.

#### **9. Internal audit 2016/17 Plan - final**

We received the draft Internal Audit Operational Audit Plan for 2016/17.  
Having received the report, the following point was noted:

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- It was hoped that a report on residential care at Mardy Park could be brought to the Committee later in the year. The Chief Internal Auditor stated that if it is within the plan with the days then the team would be looking at this matter. The opinion would be reported back to the Audit Committee and if there are any concerns, then this matter would also be reported back to the Committee.

We resolved to receive:

- (i) the report and noted its content;
- (ii) if the risk profile of the Authority changed during the year then a revised plan would be brought back to the Audit Committee during the year.

#### **10. Work Programme**

We resolved to receive and note the Audit Committee Work Plan for 2016/17.

#### **11. Exclusion of the Press and Public**

With regard to minute 12 – Update on Special Investigations, the Committee considered that it was likely that sensitive information might be revealed in respect of individuals. We therefore resolved to exclude the press and public from the meeting during consideration of the following item of business under paragraphs 12 and 13 of Part 4 of Schedule 12A to the Local Government Act 1972.

#### **12. Update on Special Investigations**

We received an update report on special investigations.

Having received the report, the following point was noted:

- In response to a Member's question regarding any deficiencies that have been identified, the Chief Internal Auditor informed the Committee that appropriate advice and training is provided. The Head of Service is informed of the findings and what has been identified with a view to this person disseminating the information down to all of his/her staff across the respective service area.

#### **13. Next Meeting**

The next Audit Committee meeting will be held on Thursday 30<sup>th</sup> June 2016 at 2.00pm.

**The meeting ended at 3.15 pm**