

Minutes

Name of meeting	AUDIT COMMITTEE
Date and time	TUESDAY, 4 NOVEMBER 2008
Venue	COMMITTEE ROOM 1, COUNTY HALL, NEWPORT
Present	Cllrs Colin West (Chairman), Ivan Bulwer, Vanessa Churchman, Mike Cunningham, Jonathan Fitzgerald-Bond, Erica Oulton,
Officers Present	Mr Jonathan Baker, Mr Dave Burbage, Mr Ged Richardson, Mrs April Ross, Mr Richard Williams
Apologies	Cllr Anne Bishop, Mr George Hook

38. Minutes

RESOLVED:

THAT the Minutes of the meeting held on [16 September 2008](#) be confirmed.

39. Declarations of Interest

There were no declarations received.

40. Public Questions Time

There were no questions from the public.

41. Internal Audit Outcomes Report – First Half Year

41.1 The Chief Internal Auditor provided members with a summary of the report that advised on the Internal Audit performance for the first half year of 2008/09.

41.2 The Committee was advised the total loss of 72 days productivity was due to two members of staff leaving the Council. This in turn created an opportunity to consider alternative methods of service practice.

41.3 Productive time was therefore time spent on activity that would be chargeable if the service was provided by an external contractor and examples given of such activity was audit planning, performing audits as well as offering advice.

41.4 Such external expertise would provide better flexibility and value for money as services would be used on an ad hoc basis.

- 41.5 The Committee was also advised that overall the Productive Ratio (ratio of productive days to total days) was 62% which was two percent over target.
- 41.6 It was however noted that in the area of 'identifying and allocating ICT costs', current arrangements did not meet the best practice requirements as defined by The Control Objectives for Information and Related Technology (COBIT) Version 4.
- 41.7 Members were advised that the table of Audits Planned and Completed only reflected those audits that had started, hence the anomalies in some of the figures. It was agreed that any future tables would have an additional column that would reflect such anomalies. It was also stated that overall, 81% of the Audit Plan was completed.
- 41.8 The Chief Internal Auditor was also confident that Capital Programme Management, approved by a meeting of the Cabinet in March 2008, was being carried out in an effective manner and a robust procedure led by the Director of Finance was helping to deliver the programme.
- 41.9 The Director of Finance however accepted that issues still needed addressing and a further report would be presented to a meeting of the Cabinet in December 2008.
- 41.10 Whilst there were no real serious recommendations that were outstanding, the Committee were assured that all those that were would be rigorously pursued.

RESOLVED:

THAT the report be noted

42. Annual Governance Statement 2007/8 – Progress Report

- 42.1 The Director of Finance provided the Committee with a progress report that outlined the various issues and actions planned and undertaken as well as the progress that had been achieved up until 30 September 2008.
- 42.2 Members were advised that generally, substantial progress had been made although some minor issues still needed addressing.
- 42.3 The issues surrounding the Procurement procedure had been largely improved with the implementation of a weekly Procurement Board Meeting as well as training for stakeholders and staff which had been largely completed.
- 42.4 Whilst there did appear to be a lot of procedures, Members were assured that such processes were essential in achieving a more efficient Procurement process, value for money and meeting legal and financial duties.
- 42.5 The Committee were advised that the control of Project Management included a need to develop the right capabilities and capacities in order to meet the Council's needs. There was also a requirement to build the correct expertise and framework as well as be realistic about what can be achieved.
- 42.6 It was also stated that Correct Project Management was a specialised discipline and all projects, irrespective of size, needed to be controlled efficiently and effectively.

- 42.7 Whilst overall Members felt that the Report highlighted a lot of progress made, the possibility of an additional column that would prioritise actions was discussed. It was however advised not to adopt the Red, Amber, Green scheme.
- 42.8 The Director of Finance reported that the Strategic Property Review that was prepared by Bruton Knowles was to be reported to the Cabinet Meeting on 2 December 2008. The report indicated that there was limited opportunity to generate Capital Receipts and additional income but that properties held needed to be rationalised in line with a strategic asset management plan.
- 42.9 One of the main recommendations of the Bruton Knowles report was for the Council Head Quarters at County Hall in Newport to remain and be made more cost effective and fit for purpose. Such a move to a central HQ with Council partners was not regarded as being economically viable.
- 42.10 Working methods would also be reviewed and alternatives that reduced the need for fixed accommodation such as flexible working and working from home would be investigated.

RESOLVED:

- i. THAT the Annual Governance Statement 2007/8 – Progress Report be approved.
- ii. THAT the progress made be noted.

43. Members Question Time

A written question was received from Cllr Fitzgerald-Bond (MQ 18/08) regarding the monitoring of the systems of communication between the Planning and Council Tax Department's ensuring that correct Council Tax revenue for holiday let properties that had been converted to permanent accommodation had been accurately collected. The Chief Internal Auditor provided a response.

CHAIRMAN.....DATE.....