

Audit Committee

Wednesday, 25 May 2022

Present: K Robinson (Chair)
M Wilkinson
Councillors Mrs L Arkley OBE, G Bell, L Bell, D Cox, L Ferasin and T Mulvenna

AC/1/22 Apologies for Absence

An apology for absence was submitted on behalf of Councillor J O'Shea.

AC/2/22 Appointment of Substitute Members

There were no Substitute Members reported.

AC/3/22 Declarations of Interest and Notifications of any Dispensations Granted

There were no Declarations of Interest or Dispensations reported.

AC/4/22 Minutes

Resolved that, subject to the removal of M Wilkinson from the list of Councillors present, the minutes of the meeting of the Committee held on 23 March 2022 be confirmed as a correct record and signed by the Chair.

AC/5/22 Annual Statement of Accounts 2021/22

Consideration was given to a report which provided an update in respect of the closure of the 2021/22 accounts.

It was explained at the 23 March 2022 meeting (minute AC38/21 refers) that the Authority had been working towards a deadline of the end of May 2022 to have a draft set of the accounts available. The deadline had changed to the end of June 2022 due to:

- a delay in the receipt of service lead debtors and creditors information due to the Easter break and delays in receiving information from schools;
- Covid-19 grant funded areas of the accounts had taken longer than anticipated to process due to the volume of transactions and the need to ensure that grant funding was applied correctly in accordance with the Accounting Code of Practice; and
- Delays in the receipt of information from central government.

Clarification was sought in relation to the measures in place to ensure that the revised deadline was met. It was explained that the process was being risk managed and regular updates were provided to the Director of Resources. It was also suggested that the lessons

learned would be incorporated into the planning for the earlier closure date of the 2022/23 accounts.

Resolved that the work outlined in respect of the closure of the 2021/22 accounts be noted.

AC/6/22 2021/22 Opinion on the Framework of Governance, Risk Management and Control

Consideration was given to a report which set out the Chief Internal Auditor's opinion on the overall adequacy and effectiveness of the organisation's Framework of Governance, Risk Management and Control.

It was explained that, under the Public Sector Internal Audit Standards, the Chief Internal Auditor had a duty to provide an opinion on the organisation's framework of Governance, Risk Management and Control each year. The report detailed the work carried out by internal audit during the year, highlighted the main findings from the work and gave the opinion of the Chief Internal Auditor on the Authority's framework of control. The report had been designed to give the Authority a level of assurance in the preparation of its Annual Governance Statement.

It was explained that the opinion of the of the Chief Internal Auditor, at the time of preparing the report, was that the organisation's internal control systems in the areas audited were satisfactory, which was a positive assessment and reflected favourably on the Authority's governance arrangements.

Resolved that the Chief Internal Auditor's 2021/22 satisfactory opinion on the overall adequacy and effectiveness of the Framework of Governance, Risk Management and Control be noted.

AC/7/22 Key Outcomes from Internal Audit Reports issued between November 2021 and May 2022

Consideration was given to a report which presented the key outcomes of internal audit reports issued between November 2021 and May 2022. The report highlighted the findings from the reports, detailed the areas of good practice which had been identified and set out the action which had been taken by management in response to the findings of each audit. It was also explained that internal audit had supported several special investigations and management requests over the period of the report.

Resolved that the key findings, the good practice identified, and the management action taken in response to Internal Audit Reports issued between November 2021 and May 2022 be noted.

AC/8/22 Exclusion Resolution

Resolved that under Section 100A (4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 2 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the

grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 7 of Part 1 of Schedule 12A to the Act

AC/9/22 Corporate Risk Management Summary Report

Consideration was given to a report which provided an update on the latest position in relation to the Authority's corporate risks which had been reported to Cabinet on the 23 May 2022. The report provided detailed information on each of the corporate risks including the cause of the risk, the consequences for the Authority if the risk were to materialise, the existing and new controls in place to address the risks and an assessment of their likelihood and potential impact.

It was suggested that it would be helpful to the Committee in monitoring the Authority's risks for the appropriate lead officers in charge of specific risks to provide the Committee with an overview of the management of the risk, Members considered each of the risks in turn and agreed that the risks associated with both Economic Downturn and Supply Chain should be presented at the next meeting and Health Inequalities at a future meeting.

Resolved that (1) the report be noted;
(2) the appropriate lead officers for the Economic Downturn corporate risk and the Supply Chain corporate risk be invited to attend the next meeting to provide an update on the management of the risk; and
(3) the appropriate lead officer in respect of the health inequalities corporate risk be invited to attend a future meeting of the committee

AC/10/22 Counter Fraud Annual Report 2021-22

Consideration was given to a report which provided an update on the Counter Fraud work undertaken between 1 April 2021 and 31 March 2022. The report also set out the future opportunities and a refresh of the Counter Fraud Blueprint to ensure that the resources were directed at the areas of greatest risk.

It was suggested that consideration be given to adopting a more proactive approach to publicising the Counter Fraud successes to increase public awareness and potentially generate more referrals to be followed up.

Resolved that (1) the Counter Fraud performance and the significant savings generated from the targeted reviews in areas of greatest risk be noted; and
(2) the other key areas of Counter Fraud activity undertaken and the savings generated be noted

AC/11/22 Strategic Audit Plan 2021/22 - Final Monitoring Statement

Consideration was given to a report which set out the final monitoring statement in respect of the Strategic Audit Plan for 2021/22. Details of the programmed works which had been planned to be completed during the year were presented along with an update on those which had been completed or started and those which, following a further risk assessment, were no longer required at this stage. It was explained that a significant amount of internal

audit resources had been applied to the Authority's response to the Coronavirus Pandemic, in particular in relation to Covid Business Grant Schemes and certification of the various Covid related grants.

Resolved that the Strategic Audit Plan Final Monitoring Statement be noted.

AC/12/22 Chair's Announcement

The Chair announced that after eight and a half years he was stepping down as Chair of the Audit Committee and this was his last meeting of the Committee.

Members thanked Kevin for his service to the Committee and the Authority and wished him well for the future.