

**Minutes of the Audit Committee
30 November 2023**

Present:

Councillor J. Button (Chair)
Councillor K. Howkins (Vice-Chair)

Councillors:

M. Arnold	M. Bing Dong	P. Briggs
S. Bhadye	L. E. Nichols	

In Attendance: Councillors C. Bateson and M. Beecher

31/23 Apologies and Substitutes

There were no apologies received.

32/23 Minutes

The minutes of the meeting held on 27 July 2023 and the Extraordinary meeting on 02 November 2023 were approved as a correct record.

33/23 Disclosures of Interest

Councillor Nichols declared that he was a member of Knowle Green Estates Limited Board.

34/23 External Audit Update

The Deputy Chief Executive provided an update on the work of the external auditors (BDO) and advised the Committee that BDO were awaiting DLUHC to issue a ministerial directive which would likely set out a deadline for all outstanding audits to be cleared or for qualifications/disclaimers to be issued. As BDO had not commenced work on the audits they had advised they would issue qualification opinions/disclaimers for the relevant years. They would also complete the Value for Money opinions for the outstanding years.

The Committee stated that the Corporate Risk Register did not include any mention of risk related to the unaudited accounts. The Deputy Chief Executive

advised that a statement outlining the risks could be compiled and provided to the Committee.

The Committee queried whether BDO would present their opinions to the Committee once finalised and were assured that BDO would be invited to report to the Members upon completion of the audits.

The Committee queried whether there would be any contractual pressure that could be applied to BDO to encourage them to commence work on the audits and were advised that there was no direct contract between the Council and BDO, the contract is between BDO and the PSAA (Public Sector Audit Appointments).

The Committee **resolved** to note the update.

35/23 Corporate Risk Register (Corporate Risk Management)

The Committee received a report from the Audit Manager on the significant strategic risks to the Council in delivering its priorities and highlighted five new actions across four risk categories.

The Committee discussed the impact of externalities on the various risk categories and queried the risk areas which related to recovery from Covid. The Audit Manager advised that the Risk Register reflected the corporate priorities and that the corporate plan was in the process of being updated, once that work had been completed the risk areas would change to reflect the new corporate priorities.

The Committee requested clarification on the number of Ukrainian families that had approached the Council for housing. The Deputy Chief Executive advised that the specific number would be identified and communicated to the members outside of the meeting.

The Committee expressed concern that the Corporate Risk Register was too long and that some risk owners may not understand the difference between a 'control' and a 'mitigation'. The Audit Manager suggested that the creation of service-level Operational Risk Registers would help to reduce the size of the Strategic Risk Register.

The Committee requested that the concerns over the size of the Risk Register were communicated to the Corporate Policy and Resources Committee.

The Committee **resolved** to consider the significant strategic risks and issues highlighted in the report and present these to the Corporate Policy and Resources Committee, ensuring continued wider reporting of the Corporate Risk register and Risk Action plan across other Committees.

36/23 Interim Internal Audit Report

The Committee received a report from the Audit Manager summarising the work undertaken by the Internal Audit Service from April to October 2023 and highlighted key areas of the report.

The Committee expressed concern over Corporate Procurement and requested that the Head of Procurement attend the Audit Committee in January 2024 to provide an update on actions taken to address audit recommendations.

The Committee queried whether the Council would meet the expected standards for audits at the next external quality assessment. The Audit Manager advised that a reciprocal review was currently being conducted to assess conformance with Public Sector Internal Audit Standards (PSIAS) with a report to be presented to the Committee in January 2024.

The Committee **resolved** to note the Interim Internal Audit Report including Appendix A summarising the work undertaken by the Service during the period April to October 2023.

37/23 Reprioritisation of Internal Audit Plan 2023/24

The Committee received a report from the Audit Manager on the reprioritisation of the Internal Audit Plan for 2023/24 and were advised that Some priority B audit work could not be delivered in 2023/24.

The Committee queried whether the 74 contractor days set out in the report were an increase on what had been originally planned. The Audit Manager advised they were additional days to be bought in to support delivery of the audit programme, funded from the vacant post.

The Committee **resolved** to note the reprioritisation of the Internal Audit Plan for 2023/24.

38/23 Review of the Confidential Reporting Code (Whistleblowing policy)

The Committee received a report from the Monitoring Officer on the review of the Whistleblowing Policy and were advised that the current code was deemed fit for purpose. An internal audit of the policy was carried out and several improvements were made.

The Committee had no questions or comments.

The Committee **resolved** to:

1. Note that the review of the Confidential Reporting Code by the Monitoring Office had taken place, and;
2. Agree to retain the current policy.

39/23 Committee Forward Plan

The Committee considered its Work Programme for the remainder of the 2023 - 2024 Municipal year.

The Committee queried whether a review of the expiry dates of Council policies could be added to the Forward Plan. The Group Head – Corporate Governance advised that a master list of policies, including expiry dates, was being created. The Committee agreed that the Master List of Policies, once completed, would be presented to the Committee for noting.

The Committee queried whether a report on Operational Risk Registers could be presented at the next committee. The Audit Manager advised that it would be a significant piece of work to put service level risk registers in place and that maintaining operational risk registers forms part of the responsibility of Group Heads and Managers as Risk Owners. It was agreed that the Chair of Audit Committee and Audit Manager would discuss the nature of the report further and that a progress report would be presented to the Committee at a future date.

The Committee agreed to add an item on Procurement Follow-up, with an invite to attend to be extended to the Head of Procurement.

The Committee agreed to add an item on CIPFA Financial Management Code Self-Assessment to the March 2024 meeting.

The Committee **resolved** that the Work Programme for the remainder of the 2023 - 2024 Municipal year, be approved with the addition of the agreed items.

Meeting ended at 20:44