

Report of the Chairman on the work of the Audit Committee

The Audit Committee held a meeting on 28 July 2022 and considered the following business:

1. Corporate Project Management Update

- 1.1 The Committee received an update from the Group Head Commissioning and Transformation, on work being carried out on the new Corporate Project system that will allow members to view each report to see what progress has been made.
- 1.2 The Committee resolved to note the update.

2. Risk Appetite Framework

- 2.1 An update was provided on progress made in the implementation of a Risk Appetite Framework.
- 2.2 The Committee requested that a further verbal update be provided at the next meeting of the Committee on 24 November 2022.
- 2.3 The Committee resolved to note the report.

3. The Council's Risk Exposure to Wider Externalities and Impact

- 3.1 The Committee received a report which outlined the Council's risk exposure to wider externalities and impact.
- 3.2 The Committee requested the Council Tax collection and arrears figures in light of the cost of living crisis.
- 3.3 The Committee resolved to note the report.

4. Corporate Risk Management

- 4.1 The Committee received a report setting out the risks faced in achieving corporate objectives and how these were managed, monitored and reported.
- 4.2 The Committee resolved to recommend to the Corporate Policy & Resources Committee that they note the significant strategic risks and issues highlighted in the report.

5. Annual Review of Internal Audit Effectiveness

- 5.1 The Committee received a report on the annual review of internal audit effectiveness.
- 5.2 The Committee resolved to note the report.

6. Internal Audit Annual Report 2021/22

- 6.1 The Committee received a report from the Internal Audit Manager that set out her independent audit opinion for the 2021/22 period.
- 6.2 The Committee resolved to note the report and the annual audit opinion on the Council's internal control environment, risk management and governance arrangements.

7. Internal Audit Annual Plan 2022/23

- 7.1 The Committee considered the proposed plan for 2022/23.

- 7.2 The Committee was concerned that the lack of resources within the Audit Team could impact on their ability to address all the audit/business needs identified in the report.
- 7.3 The Committee resolved to note the plan based on the level of audit resource continuing to operate throughout 2022/12 and that the incoming Group Head of Corporate Governance would be advising the Committee on any future additional resourcing.

8. Annual Governance Statement 2021/22

- 8.1 The Committee were advised that the report had to be submitted the following day.
- 8.2 The Committee resolved to approve the draft Annual Governance Statement and endorse the improvement actions identified in the statement.

9. Draft Unaudited Accounts 2021/22

- 9.1 The Committee considered the report that outlined the unaudited financial statements for 2021/22.
- 9.2 The Committee were advised that the draft accounts for the year ended 31 March 2022 needed to be published by 31 July 2022.
- 9.3 The Committee resolved to note the report and the draft unaudited financial statements.

10. Draft Unaudited Accounts for Knowle Green Estates

- 10.1 The Committee received a verbal update from the Chief Accountant.
- 10.2 The Committee were advised that the final accounts would be brought before the Corporate Policy and Resources Committee.
- 10.3 The Committee resolved to note the update.

11. Draft Unaudited Accounts for Spelthorne Direct Services

- 11.1 The Committee received a verbal update from the Chief Accountant.
- 11.2 The Committee resolved to note the update.

12. Budget Setting Process for Additional Staff

- 12.1 The Committee received a verbal update from the Chief Accountant.
- 12.2 The Committee resolved to note the update.

13. Committee Forward Plan

- 13.1 The Committee considered the Forward Plan and requested that the following be added:

Value for Money Task Group Update – March 2023

- 13.2 The Committee resolved to note the Forward Plan.

14. Re-constitution of Value for Money Task Group

- 14.1 The Committee considered whether they wished to reconvene the Value for Money Task Group.
- 14.2 The Committee were advised that any Committee could potentially convene a Task & Finish Group and that membership of the group would be decided by the Committee. In order for this to happen the Council's Constitution would need to be revised to reflect this.
- 14.3 The Committee asked that the Committee Manager write to the Chair of the Committee System Working Group to request that this be considered at their next meeting.
- 14.4 The Committee resolved to note the update

15. Value for Money Update

- 15.1 The Committee were advised that the external auditors, KPMG were still compiling a final draft opinion following receipt of additional information. It was unknown when their final opinion would be received.
- 15.2 The Committee resolved to note the update.