

AUDIT COMMITTEE

MINUTES OF MEETING HELD ON MONDAY, 22 JANUARY 2024

Present:

Councillor Christine Smith (Chair) (in the Chair)
Councillor David Cheetham (Vice-Chair)

Councillor Alex Dale

Councillor Gerry Morley

Councillor Martin E Thacker MBE JP

Also Present:

J Dethick	Director of Finance and Resources (Section 151 Officer)
J Williams	Head of Internal Audit Consortium
T Scott	Governance and Scrutiny Officer
N Magwaza	Engagement Lead - Mazars
M Hardwick	Senior Risk Consultant - Zurich Municipal
H Kaur	Trainee Risk Consultant - Zurich Municipal

AUD/ Apologies for Absence

28/2

3- No apologies for absence were received.

24

AUD/ Declarations of Interest

29/2

3-24 Members were requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interest, in any item on the agenda and withdraw from the meeting at the appropriate time.

No declarations of interest were received.

AUD/ Minutes of Last Meeting

30/2

3-24 RESOLVED – That the Minutes of the Audit Committee held on 4 December 2023 be approved.

AUD/ Report from Zurich Municipal

31/2

3-24 The Senior Risk Consultant from Zurich Municipal presented the Risk Management Health Check Review report. Zurich had been commissioned by the Council to review risk management arrangements across the organisation. The report came to the conclusion that the Council's risk management maturity was at Level 4 (Integrated).

Members were pleased that 'risk appetite' had been considered in the report as one of the six risk management categories, and felt the Council's risk appetite should be given further consideration by the Committee. The Director of Finance

and Resources advised Members that the Risk Management Update scheduled for the next Audit Committee meeting would cover this area.

Members were also pleased to read positive references to the Council's leadership culture and wished to place on record their thanks to the officers responsible for it. The Senior Risk Consultant for Zurich Municipal added that the way in which the Council integrates risk into everything it does is very good.

RESOLVED - That the Committee noted the update.

AUD/ External Audit Progress Report

32/2

3-24

The Engagement Lead of external auditor Mazars presented the Council's Audit Progress Report.

The Engagement Lead – Mazars explained that the Executive Summary section of the report included a breakdown of what was presented to the Committee at its previous meeting on 4 December 2023 and work that had been undertaken since then.

Members referred to the part of the report which stated Mazars were yet to receive the final report from the external auditors of the Derbyshire Pension Fund, and asked if this had been received yet. The Engagement Lead – Mazars confirmed that Mazars were still waiting for the report.

Members referred to the part of the report within the Executive Summary which stated Mazars had been unable to issue audit certificates, and asked if these would be issued by the end of the financial year. The Engagement Lead – Mazars explained that the National Audit Office was unlikely to sign them off by this time.

RESOLVED - That the Committee noted the update.

AUD/ Internal Audit Progress Update

33/2

3-24

The Head of the Internal Audit Consortium presented a progress report in respect of the 2023/24 Internal Audit Plan.

Members discussed housing benefit overpayments. The Director of Finance and Resources agreed to bring a position statement to the next meeting.

RESOLVED - That the Committee noted the report.

AUD/ Review of the Internal Audit Charter

34/2

3-24

The Head of the Internal Audit Consortium presented a report for both information and approval, which set out the results of a review of the Internal Audit Charter. The Public Sector Internal Audit Standards (PSIAS) stated that the Head of Internal Audit must periodically review the Internal Audit Charter and present it to the relevant Committee for approval.

RESOLVED –

- (1) That the Committee noted the outcome of the review of the Internal Audit Charter.
- (2) That the Committee approved the Internal Audit Charter.
- (3) That the agreed Internal Audit Charter be reviewed in a years' time or sooner in the event of any significant changes being made to the Public Sector Internal Audit Standards.

AUD/ Treasury Management Strategies 2023/24 - 2026/27

35/2

3-24

The Director of Finance and Resources presented a report to enable the Committee to consider the attached treasury strategies prior to them being taken to Council for approval.

Members suggested having interim reviews of the Capital Programme to be better prepared for global influences.

Members questioned the levels of debt shown in certain parts of the report. The Director of Finance and Resources provided an explanation of the Council's debt profile and explained that the majority related to the Housing Revenue Account.

RESOLVED - That the Committee noted the report.

AUD/ Proposed Accounting Policies 2023/24

36/2

3-24

The Director of Finance and Resources presented a report to request approval by the Committee of the accounting policies that it is proposed to adopt for the current financial year in the preparation of the Statement of Accounts 2023/24.

The Director of Finance and Resource stated that any significant change to the policies would be presented to the Committee at a later date.

RESOLVED -

- (1) That the Audit Committee approved the Accounting Policies detailed at Appendix 1 to the report.
- (2) Members noted that any proposed amendments or changes to these policies will be reported back to the Committee, together with an explanation for the reasons a change is considered to be appropriate and detailing any financial implications of the amendments.

AUD/ Audit Committee Work Programme

37/2

3-24

The Director of Finance and Resources presented the draft Work Programme 2023/24 for Member approval.

The Committee agreed to add an item to the Work Programme to reflect the earlier discussion about housing benefit overpayments.

Members enquired if Council Tax Debt was still a concern. The Director of

Finance and Resources stated that this area was on track to meet its targets at the end of the municipal year.

RESOLVED –

- (1) That the Committee agreed to add an item to the Work Programme about housing benefit overpayments.
- (2) That the Committee noted and approved the proposed Audit Committee Work Programme for 2023/2024 (with the one amendment) as set out in the attached Appendix 1.

AUD/ Urgent Matters

38/2

3-24 None.

AUD/ Date of Next Meeting

39/2

3-24 The next meeting of the Audit Committee was scheduled to take place on 15 April 2024 at 3.00 pm.