

## **AUDIT COMMITTEE**

### **MINUTES OF MEETING HELD ON MONDAY, 15 APRIL 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:**

L Hickin	Managing Director - Head of Paid Service
J Dethick	Director of Finance and Resources & (Section 151 Officer)
J Williams	Head of Internal Audit Consortium
J Wells	Corporate Finance Manager / Deputy S151 Officer
L Kerry	Senior Auditor - Internal Audit
T Scott	Governance and Scrutiny Officer
N Magwaza	Engagement Lead - Mazars

#### **AC/40/ 23-24** **Apologies for Absence**

No apologies for absence were received.

#### **AC/41/ 23-24** **Declarations of Interest**

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.

#### **AC/42/ 23-24** **Minutes of Last Meeting**

**RESOLVED** – That the Minutes of the Audit Committee held on 22 January 2024 be approved.

#### **AC/43/ 23-24** **External Audit Update**

The Director of Finance and Resources and the Engagement Lead – Mazars presented the Council's Audit Progress Report.

Members discussed how inspections were happening in other parts of the Council. And they were concerned that the work of External Audit could impact this. The Engagement Lead – Mazars allayed these concerns by stating the External Audit annual report was close to being signed off.

**RESOLVED** – That the update be noted.

**AC/44/  
23-24**     **Risk Management Strategy**

The Managing Director presented a report updating the Committee on the review of the current Risk Management Strategy, and seeking endorsement of the Council's new/reviewed Risk Management Strategy and Action Plan. The key amendments to the Strategy were the opening section, the Risk Appetite and Applying Risk Appetite and Tolerance Thresholds, and the Action Plan.

Members discussed instances of flooding in areas such as Clay Cross, and asked which steps had been taken to manage flood risks. The Managing Director explained that a Strategic Flood Group had been formed to address this, and preventative measures were taken including cleaning drains.

Members referred to the Action Plan in Appendix 3 of the Strategy, and felt it was too brief. The Managing Director explained that the version in the document was a summarised plan, and there was a more in-depth version of it. Members requested to receive the in-depth version of the Action Plan as part of the next Risk Management update. Members also requested that this Action Plan should include the RAG (red, amber and green) statuses next to each action.

Members discussed the risk register. The Managing Director stated that the register was presented to the Committee regularly, but not on this occasion. He added that once the Risk Management Group meets next week, a risk register will be prepared for a future Audit Committee meeting.

**RESOLVED** - That Audit Committee endorsed the new/reviewed Risk Management Strategy and Action Plan.

**AC/45/  
23-24**     **Monitoring the Implementation of Internal Audit Recommendations**

The Head of the Internal Audit Consortium presented a report which set out a summary of the internal audit recommendations made, implemented and outstanding for the financial years 2020/21 to date.

**RESOLVED** - That the Committee noted the update.

**AC/46/  
23-24**     **Internal Audit Plan 2024/25**

The Head of the Internal Audit Consortium presented a report which sought agreement of the Internal Audit Plan for 2024/25.

Members enquired why the Member Allowance case in Appendix 1 only had 10 days dedicated to it. The Head of the Internal Audit Consortium pointed out that it was a low priority audit and that 10 days was sufficient to ensure that appropriate controls are in place and operating.

Members asked why there were no days dedicated to Safeguarding in Appendix 1. The Head of the Internal Audit Consortium explained that Safeguarding is reviewed on a cyclical basis and not every year.

The Committee referred to the payroll area in Appendix 1 and queried what ghost

employees were. The Head of the Internal Audit Consortium explained that if appropriate controls were not in place and there was a lack of separation of duties, then the risk was that it may be possible to set up and pay fictitious employees.

RESOLVED –

- (1) That the Committee agreed the Internal Audit Plan for 2024/25 be agreed.
- (2) That the Committee noted that the plan is provisional and may need adjusting and prioritising in the light of any emerging risks / staff shortages etc.

**AC/47/  
23-24**

**Annual Review of the Effectiveness of Internal Audit**

The Director of Finance and Resources presented a report for the Committee to consider a review by the S151 Officer for the effectiveness of the Council's Internal Audit arrangements, and consider whether the conclusion set out within this report represents a reasonable evaluation of the Internal Audit service and its effectiveness as part of the Council's Governance arrangements.

RESOLVED - That the Audit Committee endorsed the S151 Officer's assessment of the Internal Audit Service as detailed in 1.3 of the report.

**AC/48/  
23-24**

**Corporate Debt**

The Director of Finance and Resources presented a report with a summary of the corporate debt position at 31 January 2024.

RESOLVED - That the Audit Committee noted the report concerning the Council's corporate debt position as at 31 January 2024.

**AC/49/  
23-24**

**Anti-Fraud and Corruption Strategy**

The Director of Finance and Resources presented a report to approve the refreshed Anti-Fraud and Corruption Strategy.

Members referred to the mentions in the Strategy about "zero tolerance" and asked who this was referring to. The Director of Finance and Resources explained that this was in terms of employees.

RESOLVED – That the Committee approved the refreshed Anti-Fraud and Corruption Strategy.

**AC/50/  
23-24**

**Work Programme**

The Director of Finance and Resources presented the draft Work Programme 2023/24 for Member approval. Members were informed that this brought to an end the 2023/24 Work Programme, and a draft Work Programme 2024/25 would be prepared for the Committee to approve at its next meeting.

Members asked that when the 2024/25 Work Programme is drafted, it should include specific dates and times for every meeting so the Committee can discuss

the time and date of each one.

RESOLVED - That the Committee noted and approved the proposed Audit Committee Work Programme for the remainder of the 2023/2024 municipal year as set out in the attached Appendix 1.

**AC/51/  
23-24**      **Urgent Matters (Public)**

None.

**AC/52/  
23-24**      **Exclusion of Public**

RESOLVED - That the public be excluded from the meeting during the discussion of the following item of business to avoid the disclosure to them of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006).

**AC/53/  
23-24**      **Internal Audit Progress Update**

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

Councillor A Dale and Councillor M Thacker declared interests in the part of the report about the Coney Green Business Centre. Both Councillors declared they would not participate in a vote during this agenda item.

Members did not believe they could consider the Coney Green Business Centre part of the report without the attendance of the Assistant Director of Property, Estates & Assets.

RESOLVED –

- (1) That the Committee noted the progress report in respect of the 2023/24 Internal Audit Plan (except for the part about Coney Green Business Centre).
- (2) That the Assistant Director of Property, Estates & Assets be invited to the next Committee meeting to present the Coney Green Business Centre portion of the report.

**AC/54/  
23-24**      **Urgent Matters (Private)**

None.

**AC/55/  
23-24**      **Date of Next Meeting**

The next meeting of the Audit Committee is scheduled to take place in the new Municipal Year.