

AUDIT COMMITTEE

6.10 P.M.

24TH MAY 2023

PRESENT:- Councillors Paul Stubbins (Chair), Ruth Colbridge, Colin Hartley, Peter Jackson, Shelagh McGregor and David Whitaker

Apologies for Absence:

Debra Chamberlain (KPMG)

Also in Attendance

Councillor Tim Hamilton-Cox
Paul Hewitson, (Deloitte)

Officers in attendance:

Paul Thompson	Chief Officer - Resources and Section 151 Officer
Louise Cobain	Head of Internal Audit
Fiona Hill	Engagement Manager
Claire Helme	Democratic Support Officer
Claire Dubelbeis	Programme Manager

1 APPOINTMENT OF VICE-CHAIR

The Chair requested nominations for the position of Vice-Chair of the Audit Committee for the municipal year 2023/24.

It was proposed by Councillor Whitaker and seconded by Councillor Colbridge:

“That Councillor Colin Hartley be appointed Vice-Chair of the Audit Committee for the municipal year 2023/24”.

There being no further nominations, the Chair declared the proposal to be carried.

Resolved:

That Councillor Colin Hartley be appointed Vice-Chair of the Audit Committee for the municipal year 2023/24.

2 MINUTES

The minutes of the meeting held on 22 March 2023 were signed by the Chair as a correct record.

3 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIR

There were no items of urgent business.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 RISK MANAGEMENT UPDATE

The Projects and Performance Manager presented a report which updated the Committee on the Strategic Risk Register. Since the previous report received on 22 March two further strategic risks have been added. Both have control measures and action plans in place to manage the risks. The new risks were:

- SR20 – Non-compliance with Building Safety Executive for LCC owned high-rise buildings.
- SR21 – Non-compliance with Regulator of Social Housing Standards.

Audit Committee members were asked to note Appendix A. All risks had action plans listed against them with a due date and comments. Appendix A was the position as of 12 May and it would be updated at the end of Q1. Members raised queries on the following:

- When items labelled as in the 'green risk category' drop off the register; the risk owner makes the decision when to remove the listing, but it remains on the register whilst further actions are still being taken.
- On Appendix A, SR11 members questioned the lack of actions listed and it was agreed that more details would be added in future.

Resolved:

- (1) That the Risk Management Update report be noted.

6 INTERNAL AUDIT PROGRESS REPORT

The Engagement Manager presented a report advising Members of the latest position regarding the Internal Audit Plans 2021/22 and 2022/23.

Three reports had been finalised on the 21/22 Audit Plan. The HR assurance review had 35 recommendations as some policies were out of date, but good progress had been made. Substantial assurance had been given for management of external events with some improvement needed on templates for business continuity plans. Substantial assurance had been given for management of the Highest Point Festival.

The date of the MIAA Audit Committee Members Event (21st June 2023) was noted by Members.

Resolved:

- (1) That the latest monitoring position in relation to the 2021/22 and 2022/23 audit plans be noted.

7 STATEMENT OF ACCOUNTS UPDATE

The Chief Finance Officer presented a report which provided the Committee with an updated position on the progress of the audit of the 2019/20, 2020/21 and 2021/22 Statement of Accounts and the position regarding the 2022/23 Statement of Accounts.

The Statement of Accounts 2019/20, 2020/21 and 2021/22 were subject to formal objections by a local Council Taxpayer. The External Auditors requested information to help conclude the audit and this was provided in December. A meeting had been arranged in June with the external third party to discuss what was still required to finally resolve the matter. The Infrastructure Assets Restatement which had caused significant delays appeared to have now been resolved and would be presented to the auditors for review at the earliest opportunity.

An introductory meeting will take place with the incoming External Auditors, KPMG. They will require both the 2021/22 and 2022/23 audits to be concluded before commencing work in 2023/24. Following Audit Committee approval at the last meeting to delay submission of the 2022/23 Draft Financial Statements for 2 months the closedown of these Financial Statements was progressing with the aim of publishing them on the Council's website by 31st July 2023.

Resolved:

- (1) That the progress of the audit of the 2019/20, 2021/22 and 2021/22 Statement of Accounts be noted.
- (2) That the state of preparation in closure and production of the 2022/23 Statement of Accounts be noted.

8 TRAINING AND WORK PROGRAMME

The Chief Finance Officer presented a report on the Audit Committee Proposed Work Programme for 2023/24. The Work Programme was appended to the report for the Committee's consideration.

The Chair proposed that the Risk Management Training should be a separate event, not a pre-event, as it may take around 2 hours and all members and officers should be invited to attend. Enquiries would be made with the Office of the Chief Executive to arrange and facilitate this training. The date of the training is subject to change and can be moved around to fit the work schedule as necessary.

Resolved:

- (1) That the Audit Committee note the proposed Training and Work Programme, as detailed in Appendix A.

Chair

(The meeting ended at 7.10 p.m.)

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Democratic Services - email democracy@lancaster.gov.uk**