

AUDIT & GOVERNANCE COMMITTEE
Tuesday 24th September 2024

PRESENT – Cllrs Elaine Whittingham (in the Chair), Matthew Jackson (Vice-Chair), Liz Johnson, Matt Gibson, Waqar Hussain, Neil Slater, Jennifer Eastham (Co-Optee)(non-voting member)

OFFICERS – Simon Ross Head of Finance (Place & Corporate), Colin Ferguson, Head of Audit and Assurance, Jenna Russett-Knott Head of Safety, Planning & Resilience, Shannon Gardiner, Governance Lead and Charlotte Frazer, Governance Support Officer.

The Councils Auditors- Amelia Salford (Forvis Mazars)

RESOLUTIONS

1. Welcome and Apologies

The Chair welcomed everyone to the meeting. Apologies were received from Vicky McGurk and Dean Langton.

Cllr N Slater left the meeting at 6.25pm.

2. Declarations of interest

No Declarations of interest were made by Members of the Committee.

3. Minutes of Previous Meeting

The minutes of the last two meetings held on Monday 18th March 2024 and Tuesday 25th June 2025 were submitted for approval.

RESOLVED: – That the minutes of the meetings held on 18th March 2024 and 25th June 2024 be approved as a correct record and signed by the Chair.

4. 2023/24 Annual Reports and Annual Governance Statement

Various reports were submitted to provide the Members independent evidence to support the Audit and Governance Committee to fulfil its role and function of providing independent assurance to the Council on the adequacy of the governance, risk management, and internal control arrangements in place within the Council to support the Annual Governance Statement and to demonstrate that the Committee has fulfilled its roles and responsibilities.

The Head of Audit & Assurance provided the Committee with the following annual reports:

- i. Risk Management Annual Report 2023/24

The report informed the Committee Members of the risk management related activity which has taken place or been delivered during 2023/24. It provided an overall conclusion on the effectiveness of the risk management arrangements in place within the Council.

ii. Counter Fraud Annual Report 2023/24

The report presented to the Committee the work carried out during the past financial year to minimise the risk of fraud, bribery and corruption across the Council. It also set out planned work for 2024/25 and highlighted some of the current areas of fraud risk.

iii. Internal Audit Annual Opinion Report 2023/24

This report detailed the cumulative activities undertaken by the Council's Audit & Assurance (Internal Audit) section of the Finance Department during the period 1 April 2023 to 31 March 2024. It highlighted key issues and themes identified from the audit reviews of the Council's risk management, governance and internal control frameworks.

iv. BWD Annual Governance Statement

The preparation and publication of an AGS is a statutory requirement for local government bodies set out in the Accounts & Audit Regulations 2015. It is an accountability statement from the Council to stakeholders on how well the Council has delivered on governance over the previous year.

The Committee is required to consider the draft AGS before it is signed by the Leader and Chief Executive. It is then published alongside the Council's 2023/24 Statement of Accounts.

v. Audit & Governance Committee Annual Report 2023/24

This report provides a summary of the Committee's performance during the last financial year and is in accordance with the CIPFA guidance for Local Authority and Police Audit Committees. The details included provide evidence that the Committee has been effective in fulfilling its terms of reference and demonstrate that adequate the members have given consideration to all the core areas identified to enable the Committee to fulfil its role and responsibilities.

RESOLVED:-

- That the contents of the annual reports be noted, including the overall opinion of the Head of Audit & Assurance, which is that adequate assurance can be placed upon the Council's framework of governance, risk management and internal control;
- Noted and approved the 2023/24 Annual Governance Statement; and
- Approved the Committee Annual report and referred it to Full Council for endorsement.

5. Annual Report on Health & Safety 2023/24

The Head of Safety, Planning and Resilience provided the Committee with the Annual Report on Health & Safety 2023/24.

It was highlighted that there had been 626 reported incidents over the last year, a significant decrease on last year. Due to restructures and subsequent inter-divisional moves of departments and teams across the year, comparing like for like data isn't possible. However, the decrease in 23-24 is predominantly due to less 'near miss' reports. In 22-23 there were a significant number of near misses reported from Intermediate Care facility in Albion Mill; this facility is now reporting incidents via the NHS due to co-location and multi-agency working.

Councillor Matt Gibson questioned staff access to the online incident report form for those without access to IT. Jenna confirmed Face to Face training is being rolled out to assist staff with no IT equipment.

Councillor Gibson also questioned the high volume of incidents reported from Leisure. Jenna confirmed Leisure were very efficient at reporting and addressing incidents therefore the volume was high compared to possible under reporting in other areas.

Councillor Hussain questioned verbal abuse towards staff being on the increase and if there was necessary support available to staff. Jenna confirmed Health and Safety were working closely with Managers to support staff.

Resolved:

That the Health & Safety Annual Report 2023/24 be noted

6. Use of Waivers

The Head of Finance (Place & Corporate) provided the Committee with a report on the use of Waivers to update Committee Members on waivers from the Contract and Procurement Procedure Rules.

It was noted that 60 waivers were approved in 2023/24 which was lower than in 2022/23 when 89 waivers were approved but in line with previous years (which were typically around about 60 per year). The total value of waivers approved over the period stood at £5.6mil it should however be noted that £3m of the waivers were in relation to 4 contracts covering Adults and Public Health.

Councillor N Slater indicated the numbers of waivers was too high – Simon Ross confirmed that they would bring back the waiver report to a future committee meeting for monitoring purposes.

Councillor Gibson questioned whether we can compare to other councils. Simon confirmed no figures are published.

Jennifer Eastham questioned who signs off the waivers. Colin confirmed the Head of Procurement reviews every waiver request and gives their recommendation to the Department Director for sign off.

Action – the committee have requested more of a breakdown of the figures and reasons for waivers for future reports.

RESOLVED :-

- a) That the contents of the report be noted and
- b) That the Committee requested a further report be submitted later in the year to provide the overall number of waivers for 2024/25.

7 Clearing the Audit Back Log

The Head of Finance (Place & Corporate) provided the Committee with a report that provided an update on the Government's proposals to clear the national backlog of unaudited Statement of Accounts (which included the Council's own Statement of Accounts for 2022/23 and 2023/24).

The report set out the options for the type of audit opinion available to the two sets of External Auditors and the likely approach that each of them will take regarding providing an audit opinion on each of the two years Accounts.

It is likely that they may both issue a disclaimer of opinion on each year's Statements of Accounts given the limited time that would be available to them to undertake any meaningful audit work. However, this remains a matter for each of the External Auditors to decide and has yet to be confirmed.

Simon confirmed all Local Authorities were in the same position with the likelihood of auditors issuing disclaimers and that this would not affect how banks would assess the Council as it is a national issue.

RESOLVED:

That the contents of the report be noted.

8 External Audit – Progress Report and Sector Update Year ended 31 March 2024

Forvis Mazars, the Council's External Auditors, provided the Committee with an update on the Government's proposals to 'reset' the local government audit regime and clear the audit backlog, together with their plans regarding the completion of the audit of the Statement of Accounts for the year ended 31 March 2024.

The External Auditors highlighted that they expect to issue a disclaimed audit opinion on these accounts given the short timeframes available for them to complete the audit of these accounts.

The Council's audit for the year ended 31 March 2023 was not yet complete. It is understood from the Council that a disclaimed audit opinion was expected to be received in due course and not later than 13 December 2024. As a result, Forvis Mazars confirmed that given the short timeframe available to them to complete the

audit of the accounts for the year 31 March 2024, they expect to issue a disclaimed audit opinion on those accounts no later than 28 February 2025.

RESOLVED:

That the contents of the report be noted.

9. Treasury Management Report – April to June 2024

The Head of Finance (Place & Corporate) provided the Committee with a summary of the treasury management activity and performance for the period 1st April 2024 – 30th June 2024.

The Council had borrowed and invested substantial sums of money and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's Treasury Management Strategy.

It was noted that Interest rates were held at 5.25% throughout the period. The Council had approximately £117.7m invested at 30th June 2024, and no short-term borrowing.

RESOLVED:

That the contents of the report be noted.

10. Audit & Assurance – Progress & Outcomes to August 2024

The Head of Audit & Assurance reported on the achievements and progress made by Audit & Assurance in the period from 1 June 2024 to 31 August 2024.

The report set out the progress on the internal audit work during the period. It included the counter fraud and internal audit activity, along with other audit related work carried out by Internal audit staff since the previous meeting.

RESOLVED:-

- That the report be noted.

11. Risk Management – 2024/25 Quarter 1 Review

The Head of Audit & Assurance provided the committee with details of the risk management activity that has taken place in the period from 1st April 2024 to 30 June 2024.

RESOLVED –

- That the risk management activity that has occurred during the period be noted; and
- That Corporate Risk Ref 26 (The Council's reputation will be affected and may be subject to special measures as a result of a failure of Adult Social Care to satisfactorily meet statutory or regulatory requirements and CQC Inspection readiness) is reviewed in a briefing session directly before the next Committee meeting.

12. Date of Next Meeting

Subject to Council approval an additional meeting of the Committee will be arranged provisionally for Wednesday 11th December 2024. The meeting will be to consider

and approve the draft 2022/23 Statement of Accounts, in accordance with the relevant backstop date proposed to clear the audit backlog referred to in the report at Item 7 above.

13. AOB

The deadline for the Council to publish the audited accounts for this year is 13th December 2024. It is anticipated that the Council’s External Auditors for this year’s accounts, Grant Thornton, will disclaim their audit opinion.

Signed:

Date:

Chair of the meeting
at which the minutes were confirmed