



# **Governance, Audit, Risk Management and Standards Committee**

## **Minutes**

### **20 September 2023**

**Present:**

**Chair:** Councillor Kanti Rabadia

**Councillors:** Ghazanfar Ali  
Philip Benjamin  
Rashmi Kalu  
Yogesh Teli  
Antonio Weiss

**Apologies received:** Councillor Kuha Kumaran

**80. Attendance by Reserve Members**

**RESOLVED:** To note that there were no Reserve Members in attendance.

**81. Declarations of Interest**

**RESOLVED:** To note that no declarations of interest were declared by Members.

**82. Minutes**

**RESOLVED:** That the minutes of the meeting held on 5 July 2023, be taken as read and signed as a correct record.

**83. Public Questions**

**RESOLVED:** To note that no public questions were received.

**84. Petitions**

**RESOLVED:** To note that no petitions had been received.

**85. Deputations**

**RESOLVED:** To note that no deputations had been received.

**86. References from Council and other Committees/Panels**

**RESOLVED:** To note that no references were received.

**87. Exclusion of the Press Public**

**RESOLVED:** That in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for the following item(s) for the reasons set out below:

Agenda Item No	Title	Reason
9.	INFORMATION REPORT – CRR Update September 2023 Corporate Risk Register 2023/24	Information relating to the financial or business affairs of any particular person (including the authority holding that information).

**88. INFORMATION REPORT - CRR UPDATE SEPTEMBER 2023 Corporate Risk Register 2023/24**

The Committee received a confidential report which provided an update on the Corporate Risk Register as of September 2023.

The report was introduced by the Managing Director. Members were informed that risk register was overseen by the Corporate Leadership Team and contained the highest risks faced by the Council.

Following reviews by CLT, it was explained that some of the risks were either merged, transferred into directorate risk registers, or removed entirely. This was a process which was regularly undertaken.

Members were given the opportunity to ask questions, and these were responded to accordingly.

A Member queried whether training could be provided to Councillors to assist them in dealing with phishing emails. It was confirmed that this would be taken away to identify whether any updated training on cyber security for Members was required.

**RESOLVED:** That the Committee notes the INFORMATION REPORT – Updated Corporate Risk Register August 2023.

## 89. INFORMATION REPORT - Statement of Accounts 2021/22

The Committee received a report from the Interim Director of Finance & Assurance which provided an update on the 2021 – 2022 statement of accounts.

The Report was presented by the Interim Director of Finance & Assurance who informed Members that 2021-22 accounts were not yet finalised but were nearly ready to be published. It was explained that the covering report on pages 3-7 of the supplementary agenda set out the main changes to the accounts which have been made. It was also explained that pages 9 – 27 set out the Mazars audit progress update. The rest of the report set out the draft statements of accounts for 2021-22 which Members had already been presented to Members at an earlier Committee.

The Officer went on to clarify the main changes to the accounts which had been made including: on the balance sheet a re-valuation of the Council's value of buildings which had gone down by £71 million and an adverse impact on the pensions fund liabilities which had increased. The Officer drew attention to the fact that there had been no change to the outturn position of the Council as a result of the changes.

The Chair of the Committee sought clarification that the figures that were presented to the Committee were now the final figures and would not be changed and requested that if any changes were made that this would be disclosed to Members.

The External auditors from Mazars were then invited to present the audit progress report for 2021-22. The external auditor explained to Members that they were in the process of conducting the revised checks on the statement of accounts. Members were informed that this would be picked up next week.

The External auditor informed Members that he was hopeful that they would be in a position to wrap up the 2021-2022 statement of accounts by the end of September at the latest and is not anticipating any major changes to the accounts at this stage.

In response to questions from Members to Officers and Mazars it was clarified that:

- As a result of a windows software project, there was a £4m adjustment to re-classify some costs as PPE. It was initially assumed that these assets were intangible under the project. However, when looking through the invoices external auditors found some laptops which were tangible assets.
- External auditors were not anticipating issuing a qualified opinion.

The Chair of the Committee requested certainty as to when the accounts could be completely signed off. The External auditor stated that he was hopeful to be in this position by the end of September.

**RESOLVED:** That the Committee notes the attached 2021/22 Statement of Accounts for the Council.

**90. INFORMATION REPORT - Internal Audit Year-End Report 2022/23**

The Committee received a report which set out the details of the work completed by internal audit during the financial year of 2022 – 2023. The Officer drew attention to the fact that this report was drafted by the previous Head of internal audit before they left the Council.

Members were informed that the original plan covered 684 days; this had to be revised down to 479 days as a result of 2 vacant audit posts. It was explained that 90% of the revised plan was achieved.

The Officer informed Members that the direction of travel was improving in terms of the internal control systems.

Members were given the opportunity to ask questions and it was clarified that:

- Stag Lane School was missing from the report. The auditor had left the Council and it had been overlooked that the report had not been issued in final. It was confirmed that the Headteacher had now been contacted and the report was now going to be finalised and this would be issued a follow up.

**RESOLVED:** That the Committee notes the Internal Audit Year-End Report 2022/23.

**91. Corporate Anti-Fraud Team Year-End Report 2022/23**

The Committee received a report which set out the performance of the Corporate Anti – Fraud team in 2022 / 2023.

Members were informed that of the 12 workstreams contained in the plan 6 were fully achieved, one was substantially achieved, 3 were partially achieved, one was carried over to 2023/2024 and 1 was not achieved.

The Officer then went onto explain that all 5 key performance indicators were achieved by the team.

In response to questions from Members it was clarified that:

- There were no ongoing fraud investigations in relation to COVID 19 grants.
- Important work was undertaken to prevent and detect the Council from fraud and this work was carried out on a regular basis by the Corporate Anti – Fraud team.
- It would be identified if there was a particular pattern of services who failed to act upon the recommendations issued by the Corporate Anti – Fraud Team.

**RESOLVED:** That the Committee considered the report and appendix and note its contents.

## **92. GARMS Committee Annual Report 2022/23**

The Committee received a report to be presented to Full Council which outlined the Committees achievements throughout the year. Pages 97-101 of the report provided detail of each of the Committees responsibilities and the reports received. The Officer explained that the purpose of the report was to provide Council with assurance that the Committee had complied with its terms of reference.

A Member queried whether some form of wording could be added in to express the fact that the 2021-2022 statement of accounts had not yet been signed off was undesirable to the Committee as both Officers and Members of the Committee had worked hard and pushed to ensure that this was signed off. The Officer stated that a comment could be added to paragraph 25 that the Committee strenuously pushed the external auditors to ensure that the 2021-22 statement of accounts were signed off.

**RESOLVED:** That the Committee

- (1) considered the draft report attached at Appendix 1;
- (2) provided any comments/changes required to the report;
- (3) agreed any recommendations the Committee may wish to make as part of the report;
- (4) agreed, subject to the above, for the report to be presented to Council for noting.

## **93. Internal Audit Annual Plan 2023/24**

The Committee received a report which outlined the proposed internal audit plan for 2023/2024.

The Officer explained that since June 2023 there had only been one auditor in place and a temporary member of staff had now been recruited until the end of the financial year. As a result of this, Members were informed that this has impacted upon the number of operational days available to the plan and there were now 336 operational days in the revised plan.

The Chair of the Committee expressed his desire for work to be carried out into the workings of the Council's Insurance as well as HB Public Law. It was confirmed that this would be investigated as part of next year's plan.

**RESOLVED:** That the Committee

- (1) reviewed and approved the Internal Audit Annual Plan 2023/24 and the Internal Audit Charter 2023/24 in accordance with the Public Sector Internal Audit Standard 2020 Communication and Approval;

- (2) notes the annual plan process, the Internal Audit Strategy, the service's organisational independence, the resources available to complete the plan, audit techniques to be used and other sources of assurance, as covered within this report.

**94. GARMS Workplan 2023/24**

Following a discussion between Officers, a decision was made to set up a workplan for the GARMS Committee for 2023/ 2024.

The Officer introduced the report stating the GARMS Committee does not currently have a workplan in place. It was agreed that the introduction of a workplan would be useful to help manage the Committees workload and also assist Officers in managing their time accordingly.

The Chair of the Committee commented that he believed this was a comprehensive plan and would be of assistance to both Members and Officers.

**RESOLVED:** That the Committee notes the workplan for the period November 2023 – April 2024.

**95. Any Other Urgent Business**

The Chair of the Committee wished to thank the Chief Accountant who was leaving her role for her contributions to the Council and to the GARMS Committee. The Chair also wished to welcome the new Officer who was taking over this role to the Committee.

The Chair of the Committee explained to Members the new follow up process whereby Officers will be sent a list of actions if any from each meeting which will then be shared as a response to Members if required. A similar list is to be set up for the external auditors if required. It was noted that following the last meeting Members received the list of actions and responses via email.

(Note: The meeting, having commenced at 6.30 pm, closed at 7.57 pm).

(Signed) Councillor Kanti Rabadia  
Chair