

Minutes

Audit & Governance Committee

Venue:	Council Chamber - Civic Centre, Doncaster Road, Selby, YO8 9FT
Date:	Wednesday, 29 March 2023
Time:	4.00 pm
Present:	Councillors K Arthur (Chair), G Ashton (Vice-Chair), K Franks, J Duggan and N Reader
Officers present:	Karen Iveson (Chief Finance Officer), Abi Medic (Audit Manager, Mazars LLP), Ed Martin (Audit Manager, Veritau), Andy Nutting (Audit Manager, Veritau); and Dawn Drury (Democratic Services Officer)
Public:	0
Press:	0

35 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillor J Mackman.

36 DISCLOSURES OF INTEREST

There were no declarations of interest.

37 MINUTES

The Committee considered the minutes of the Audit and Governance Committee meeting held on 25 January 2023.

RESOLVED:

To approve the minutes of the Audit and Governance Committee meeting held on 25 January 2023.

38 CHAIR'S ADDRESS TO THE AUDIT AND GOVERNANCE COMMITTEE

The Chairman stated that it had been a privilege to serve on the Audit

and Governance Committee for the last eight years, with five of those as Chairman, and he offered his thanks to the Members and to the officers who had supported him over those years.

39 AUDIT AND GOVERNANCE WORK PROGRAMME 2022-23

The Committee considered the current Audit and Governance Work Programme.

RESOLVED:

To note the Work Programme.

40 EXTERNAL AUDIT PROGRESS REPORT (A/22/17)

The Manager, Mazars LLP presented the report which set out a summary of external audit work completed to date on the 2021-22 financial statements along with the progress made on the 2022-23 audit planning process.

The Committee were informed that in terms of the Audit Certificate for 2020-21, the National Audit Office (NAO) had issued its auditor instructions for the 2020-21 Council's Whole of Government Accounts (WGA) process. However, the NAO had not communicated the arrangements for the sample of authorities where they would require additional audit procedures to be carried out. It was noted that once the NAO had confirmed the requirements, and any further requested work had been completed the Audit Certificate for 2020-21 would be issued, and the 2020-21 audit would be formally closed.

Members heard that work in respect of the Housing Benefit Subsidy return 2021-22 was complete, and the return had been submitted to the Department for Work and Pensions (DWP) on 3 March 2023.

In terms of the financial statements audit for 2022-23, Members were informed that risk assessments and planning work was being completed and the Audit Strategy Memorandum would be presented to the Audit Committee of the NYC in due course.

The Officer explained to the Committee that there had been a revision made to one of the auditing standards for identifying and assessing the risks of material misstatement: ISA 315 and highlighted that the key points in respect of this revised standard were summarised in Section 3 of the report.

RESOLVED:

To note the report.

**41 ANNUAL REPORT OF THE HEAD OF INTERNAL AUDIT 2022-23;
ANNUAL COUNTER FRAUD REPORT; ANNUAL INFORMATION
GOVERNANCE REPORT (A/22/18)**

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The Committee received the report, presented by the Audit Manager, Veritau, which provided a summary of the internal audit work undertaken in 2022-23, along with an opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and internal control. The report also included the annual reports setting out the counter fraud activity and performance and information governance work carried out during the year 2022-23.

The Audit Manager, Veritau confirmed that the overall opinion of the Head of Internal Audit on the governance, risk management and control framework operated by the Council was that it provided Reasonable Assurance.

Members noted that the financial year 2022-23 had been dominated by the preparations for Local Government Reorganisation (LGR), and therefore the audit had been concentrated on areas of key financial risk.

It was highlighted that during 2022-23 issues had been identified in relation to homeworking and housing repairs and maintenance, but Members heard that the issue related to homeworking had been satisfactorily addressed and that progress had been made to ensure that sound systems of control were being put in place to effectively manage the Council's housing assets.

In relation to a query regarding the live database for the housing repairs system, it was confirmed that the system had been implemented, and progress was being made in collating all the information, which had already been available, but in different formats. It was noted that this work would continue into the new Council to ensure that the information was embedded into the housing system.

The Audit Manager, Veritau presented the section of the report related to the Council's counter fraud activity in 2022-23, which highlighted that actual savings of £29.7k had been achieved through fraud investigation.

The Members heard that there had been an increase in the number of referrals received by the Council, and that during the year 26 investigations had been completed with nine investigations ongoing. Members were assured that these investigations would continue and transfer to NYC after vesting day.

The Committee were informed that an e-learning package for employees had been produced and was available on the Council's e-learning portal. Veritau had also provided staff training to raise awareness of fraud issues on subjects such as whistleblowing, cyber risks, anti-bribery and anti-money laundering.

The Information Governance Manager, Veritau presented the section of the report related to the information governance work carried out during 2022-23, which highlighted that a comprehensive review of the Council's

Privacy Notices had been completed, and work on a review of the Information Asset Register would begin post vesting day as part of the new unitary authority.

Members noted that staff training on Information Incident Management had taken place in November and December 2022, and that 95% of staff had completed the mandatory Information Governance training.

Finally, Veritau continued to support the Council with work on information requests and information incidents.

RESOLVED:

To note the reports.

42 ANNUAL GOVERNANCE STATEMENT (AGS) 2022-23 (A/22/19)

The Committee received the draft Annual Governance Statement (AGS) presented by the Chief Finance Officer, who explained that the AGS 2022-23 would form part of the Statement of Accounts which would be presented to the new North Yorkshire Council Audit Committee in September 2023.

It was highlighted to Members that there were no actions on the associated action plan to be carried forward into the new Council.

Members voted to approve the draft AGS for signature by the Chief Executive and The Leader of the Council.

RESOLVED:

To approve the draft Annual Governance Statement (AGS) for signature by the Chief Executive and The Leader of the Council.

43 AUDIT & GOVERNANCE COMMITTEE ANNUAL REPORT 2022-23 (A/22/20)

The Committee received the report from the Democratic Services Officer, which asked Members to approve the annual report for 2022-23; and to delegate authority to the Democratic Services Officer, in consultation with the Chair, to update the final version of the annual report 2022-23 following the inclusion of details from the current meeting.

Members noted that the Annual report provided an update on the topics considered and the subsequent findings of the Audit and Governance Committee over the last municipal year.

RESOLVED:

- i. To approve the Annual Report of the Audit and Governance Committee for 2022-23, submitted by the Chair of the Committee.**

- ii. **To delegate authority to the Democratic Services Officer, in consultation with the Chair of the Committee, to update the final version of the Annual Report 2022-23, following the inclusion of details from the meeting on 29 March 2023.**

The meeting closed at 4.33 pm.