



MINUTES OF GOVERNANCE COMMITTEE

MEETING DATE **Wednesday, 24 May 2023**

MEMBERS PRESENT: Councillor Alan Platt (Chair), Councillor Mark Clifford (Vice-Chair) and Councillors Dedrah Moss and Neville Whitham

OFFICERS: Louise Mattinson (Director of Finance), Chris Moister (Director of Governance), Dawn Highton (Head of Audit and Risk), Jacqui Murray (Senior Auditor), Waddington (Principal Financial Accountant), Chris Walmsley and Coral Astbury (Democratic and Member Services Officer)

APOLOGIES: Councillor Gordon France

OTHER MEMBERS: Councillor Charlotte Fitch (Independent Person) and Peter Ripley (Independent Person)

1 Minutes of meeting Wednesday, 15 March 2023 of Governance Committee

Resolved: (Unanimously)

The minutes of the last meeting held Wednesday, 15 March 2023 were agreed as a correct record for signing by the Chair.

2 Declarations of Any Interests

None.

3 External Audit Annual Report 2021/22

This item was withdrawn.

4 External Audit Progress Report

Georgia Jones of Grant Thornton PLC presented a report which provided an update on progress in delivering their responsibilities as the Council's External Auditor.

Members were advised that the External Auditors were aiming to have signed off the financial statements by November.

The External Auditor advised work was ongoing to certify the Authority's annual Housing Benefit Subsidy claim and they were expecting to complete this work by 31 May 2023.

The External Auditor gave an update on the proposed and actual fee's and explained there could be some additional fees charged for 2021/22 as the work on the value for money audit had not yet concluded.

Resolved: (Unanimously)

1. Committee approve the actual audit fee of £78,772 for 2021/22.
1. Committee approve the proposed audit fee of £75,684 for 2022/23.

5 External Audit Plan 2022/23

Georgia Jones of Grant Thornton PLC presented a report that provided an overview of the planned scope and timing of the statutory audit for the Year ending 31 March 2023.

The External Auditor explained that three risks had been identified as significant and these would be subject to a full scope audit.

Resolved: (Unanimously)

That the report be noted.

6 Management Response to External Audit Planning Queries 2022/23

The Director of Finance presented a report that provided the management responses provided to the planning enquiries made by the External Auditors, Grant Thornton, as part of their audit of the 2022/23 statutory accounts.

Members were advised the questions were asked every year and included general questions on significant events, assessments of policies and an assessment of how changes to legislation could impact the financial position of the authority.

Resolved: (Unanimously)

The committee review and approve the management responses to the auditor's enquiries.

7 CIPFA Resilience Index 2021/22

The committee considered a report of the Director of Finance that presented the latest CIPFA Resilience Index (2021/22) compared to the previous published indices.

The Principal Financial Accountant explained the index gave assurance of financial health and highlighted opportunities and weaknesses. It also shows the position of the authority in a comparative group of similar authorities.

Members noted the indicators continue to highlight the Council is in a strong position.

Resolved: (Unanimously)

Committee note the index and the continued strong position of the Council.

8 Charities & Trust Funds Final Accounts 2022/23

The Principal Financial Accountant presented a report of the Director of Finance that presented, for approval, the accounts for the year ended 31 March 2023 for the charities and trusts for which the Council is the sole trustee.

Resolved: (Unanimously)

That the accounts presented in Appendices A to E be approved.

9 Internal Audit Effectiveness Review

The Head of Audit and Risk presented a report that provided the results of the self-assessment carried out by Internal Audit against the requirement of the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN).

The Head of Audit and Risk explained that a self-assessment needed to be undertaken annually so the service could demonstrate how it complies with PSIAS and assures members they can place reliance on the opinions given by Internal Audit. Of 135 aspects the service had confirmed compliance with 125 in full, five were non applicable and 1 partial performance which was included in the Annual Governance Statement. External assessment of the review would start in June.

Resolved: (Unanimously)

Committee notes the results of the self-assessment recently undertaken as part of the Governance Committee's consideration of the system of internal control.

10 Internal Audit Annual Report and Opinion 2022-23

The Head of Audit and Risk presented a report that summarised the work undertaken by the Internal Audit Service during 2022/2023 giving an opinion as required by the Public Sector Internal Audit Standards (PSIAS) on the adequacy and effectiveness of the Council's framework of governance, risk management and control.

The report also gave the results of the Quality Assurance and Improvement programme.

The Head of Audit and Risk advised the authority had adopted a three line defence model and internal audit would test to ensure systems are operating as they should be, it was noted there had been a number of limited reports issued.

In response to a member enquiry, it was explained that the issues relating to GDPR were a mix of data retention and data handling. The Director of Governance explained there had been a series of findings and management actions agreed. Policies would be updated and aligned across both authorities and Service Leads would be asked why their staff had not completed their mandatory training as, the completion rate of 71% was not adequate.

Resolved: (Unanimously)

Committee note the report for the year ended 31st March 2023.

11 RIPA Application Update

The Director of Governance gave a verbal update and explained there was no applications to report.

12 Governance Committee Work Programme 2023/24

The work programme 2023/24 was noted.

13 Any urgent business previously agreed with the Chair

The Chair advised he had accepted two urgent items of business and they would be considered in order of acceptance.

14 Closure of Bank of Scotland Account

The Director of Finance presented a report that sought approval of the updated bank signatories and the subsequent closure of a dormant Bank of Scotland Bank Account.

The Director of Finance explained in the 2021/22 External Audit recommendations, it was requested that the Council improve its approach to reconciliation of bank accounts. A full review was undertaken, and it highlighted that as the Bank of Scotland account had been dormant for several years, it would be appropriate to close the account and transfer the funds to an active account.

Resolved: (Unanimously)

1. Committee approve the addition of signatories as follows: Louise Mattinson (Director of Finance) and Jean Waddington (Principal Financial Accountant)
2. Committee approve the subsequent closure of this dormant bank account.

15 Draft Annual Governance Statement

Members considered a report of the Director of Governance that sought to present the draft Annual Governance Statement (AGS) for 2022/23.

The Director of Governance advised the AGS was split into five sections and was based on the seven principles outlined within CIPFA and SOLACE frameworks.

Members noted the AGS made reference to a number of limited assurance Internal Audit reports issued this year and noted the table within the AGS that highlighted the areas for improvement, suggested improvements and progress made.

The Director of Governance explained the AGS was for the years 2022/23 and the document would be updated.

Resolved: (Unanimously)

Committee approve the Annual Governance Statement in draft form for inclusion with the draft statement of accounts.

Chair

Date