

## **AUDIT COMMITTEE**

**Meeting held in the Committee Room, Council Offices, Urban Road, Kirkby-in-Ashfield,**

**on Thursday, 23rd November, 2023 at 7.00 pm**

**Present:** Councillor Sarah Madigan in the Chair;

Councillors Ian Briggs, Paul Grafton, Dawn Justice,  
Sarah Lewsey and John Smallridge.

**Apologies for Absence:** Councillors Will Bostock and Nicholas Parvin.

**Officers Present:** Lynn Cain, Ruth Dennis, Joanne Froggatt and  
Peter Hudson.

**In Attendance:** Hannah McDonald and Mandy Marples (CMAP).  
Mark Surrige (MAZARS).  
Councillors Dave Shaw and John Wilmott.

### **AC.9 Appointment of Chairman**

RESOLVED

that Councillor Sarah Madigan be appointed as Chairman for the duration of the meeting.

### **AC.10 Declarations of Disclosable Pecuniary or Personal Interests and/or Non-Registrable Interests**

No declarations of interest were made.

### **AC.11 Minutes**

RESOLVED

that the minutes of the meeting of the Committee held on 27 July 2023, be received and approved as a correct record.

### **AC.12 MAZARS: Audit Strategy Memorandum**

Mark Surrige presented the Audit Strategy Memorandum for the year ending 31 March 2023 to Committee which gave an overview of the audit's scope and responsibilities, timelines and methodology for the coming financial year.

In respect of the auditor's responsibilities for delivering the audit, these covered:

Audit opinion  
Value for Money  
Fraud  
Wider reporting and Electors' Rights.

Three significant audit risks in relation to Management override of controls, Valuation of the pensions net defined benefit liability and Valuation of property, plant and equipment had been identified and outlined in the report. Members were asked to note that these were fairly standard risks across the board nationally and were not isolated risks, specific to the Council.

Committee acknowledged that the level of audit fees for the work carried out would materialise as the work and any additional requests from the Council became apparent throughout the year.

To conclude Members noted Mazars commitment to independence as required by the Financial Reporting Council's ethical standards.

RESOLVED

that the Audit Strategy Memorandum for the year ending 31 March 2023, as presented to Committee, be received and noted.

#### **AC.13 Corporate Risk - Quarter 2 Position 2023/24**

The Assistant Director for Policy and Performance presented the report and advised that seven risks have been removed from the Corporate Risk Register during the past twelve months with the remaining corporate risks being effectively managed without an increase in risk assessment rating. In addition, 54% of the Council's corporate risks had also been effectively managed and mitigated with a reduction in risk assessment rating over the last year.

There had been two increases in risk on the Register in respect of loss or delays in receiving income into the Authority and the ability to comply with the regulatory regime set out by the Regulator of Social Housing Compliance.

However, the following three risks had now dropped off the Register:

- HR Shared Service – new Service Level Agreement to be approved shortly with Mansfield District Council.
- Procurement Support - new Service Level Agreement now in place with Nottinghamshire County Council.
- Changes arising from the Elections Act.

RESOLVED

that the current significant items on the Corporate Risk Register, as presented, be received and duly noted.

#### **AC.14 Treasury Management Mid Year Report 2023/24**

The Council's Corporate Resources Director and Section 151 Officer presented the Treasury Management mid year report and advised that there had been some changes to the prudential indicators following in year changes to the 2023/24 Capital Programme. The details of the one-day counterparty breach were also explained to the Committee, which had briefly arisen due to the late arrival of funds repaid to the Council from another counterparty.

RESOLVED that

- a) changes to the 2023/24 Prudential Indicators following in year changes to the 2023/24 Capital Programme, be approved;
- b) the counterparty breach, as outlined in 5.2.2 of the report, be noted;
- c) the contents of the report, as presented, be also noted.

#### **AC.15 Financial Management Code Self Assessment Update**

The Corporate Resources Director and Section 151 Officer updated Members in respect of the Council's performance against the CIPFA Financial Management Code (the FM Code) Self-Assessment and action plan.

RESOLVED

that the Council's position against the CIPFA Financial Management Code Self-Assessment and action plan, as presented, be received and noted.

#### **AC.16 Audit Progress Report**

Mandy Marples, CMAP's Audit Manager, presented the report and summarised audit progress as at 23 November 2023.

Three pieces of work had been finalised during that time and a synopsis of each of the completed reviews was presented regarding the following:

Health & Safety Lifts  
Information Governance 2023/24  
Outdoor Recreation – Equipment Safety.

With regard to Recommendation Tracking, Members were advised that a revised implementation date had been set to 31 March 2024 for the outstanding Fire Safety recommendation. The Council were due to enter into a new contract with a company whose works would include completing the residual replacement of fire doors. In addition, a revised implementation date had also been set to 31 January 2024 for recommendations 1, 2 and 5 of the Housing Data Quality 2022-23 audit.

RESOLVED

that audit assignment progress as at 23 November 2023, as presented to Committee, be received and noted.

**AC.17 Review of Local Code of Corporate Governance**

The Executive Director for Governance and Monitoring Officer presented the report and asked the Audit Committee to review and approve the amended Local Code of Corporate Governance as appended to the report.

RESOLVED

that the minor amendments to the Local Code of Corporate Governance, as highlighted in Appendix 1 and detailed in the report, be approved.

**AC.18 Section 100A Local Government Act 1972: Exclusion of the Press and Public**

RESOLVED

that in accordance with the provisions of Section 100A of the Local Government Act 1972, the press and public be now excluded from the meeting during the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and in respect of which the Proper Officer considers the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**AC.19 Investment Property Performance as at 30th September 2023**

The Council's Corporate Resources Director and Section 151 Officer gave Members an update regarding performance and monitoring of the Council's Investment Property portfolio as at 30 September 2023.

RESOLVED

that performance in relation to the Council's Investment Property portfolio as at 30 September 2023, as presented, be received and noted.

The meeting closed at 8.10 pm

Chairman.