

AUDIT COMMITTEE

Meeting held in the Committee Room, Council Offices, Urban Road, Kirkby-in-Ashfield,
on Thursday, 18th July, 2024 at 7.00 pm

Present: Councillor David Walters (as substitute for Will Bostock), in the Chair;

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

Apology for Absence: Councillor Will Bostock.

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

In Attendance: Hannah McDonald (CMAP).
Councillors Dave Shaw and John Wilmott.

AC.1 Appointment of Chairman

RESOLVED

that Councillor David Walters be appointed as Chairman for the duration of the meeting.

AC.2 Declarations of Disclosable Pecuniary or Personal Interests and/or Non-Registrable Interests

No declarations of interest were made.

AC.3 Minutes

RESOLVED

that the minutes of the meeting of the Committee held on 21 March 2024, be received and approved as a correct record.

AC.4 Corporate Risk - Year End Position 2023/2024

The Assistant Director for Policy and Performance presented the report and advised that seven risks had been removed from the Corporate Risk Register during 2022/23, as previously reported, with only two new additional risks being added in April 2024. All of the remaining corporate risks had been effectively managed without an increase in risk assessment rating during the preceding 12 months. In addition, 38% of the Council's corporate risks had also been effectively managed and mitigated with a reduction in risk assessment rating over the last year.

Corporate risks that had remained significant were in relation to gas servicing at Council owned properties, compliance with the new regulatory regime set out by the Regulator of Social Housing and workforce planning. Two new risks had been added to the Register in relation to the implications in the event the Council failed to comply with the provision of the Procurement Act 2023 and the condition of the buildings at the Northern Depot.

Councillor John Smallridge asked a question in relation to the risks associated with the statutory obligations to carry out gas servicing on, and the installation of Carbon Monoxide alarms at, Council House properties. Following a response to this query by officers, it was agreed that an invitation would be extended to the relevant Assistant Director to attend the next meeting of the Committee to provide information and assurance.

RESOLVED that

- a) the current significant items on the Corporate Risk Register, as presented, be received and duly noted;
- b) an invitation be extended to the Assistant Director of Housing Operations, to attend the next meeting of the Audit Committee, to present an update in respect of the difficulties being experienced in relation to meeting the statutory obligation process timescales for gas servicing in the Council's housing stock.

AC.5 Treasury Management & Borrowing Activity 2023/24

The Financial Services Manager presented the report providing information on the Council's treasury management activities over the previous year including performance during 2023/24 against the prudential indicators approved by Council on 2 March 2023, as part of the Treasury Management Strategy.

RESOLVED

that the 2023/24 Treasury Management performance, as set against approved prudential indicators outlined in the report, be received and noted.

AC.6 Internal Audit Annual Report 2023/24

Hannah McDonald, CMAP's Group Auditor, presented the Internal Audit Annual Report for 2023/24 on behalf of the Audit Manager, Mandy Marples.

Committee were reminded that CMAP had undergone a 5-year Quality Assurance and Improvement Programme (QAIP) assessment in 2022 which on conclusion, had determined that the organisation had generally conformed with standards and remained fit for purpose.

In respect of the Council's Audit Opinion for 2023/24 based on the work undertaken during the year, an overall conclusion/opinion had been reached that there was currently a Satisfactory System of Governance, Risk and Internal Control at the Council. Findings had indicated that on the whole, arrangements were satisfactory and Members considered and acknowledged the range of audit work/coverage for the year.

RESOLVED

that the Internal Audit Annual Report for 2023/24 including the supporting Internal Audit Opinion, be received and noted.

AC.7 Audit Progress Report

Hannah McDonald, CMAP's Group Auditor, presented the report and summarised audit progress as at 4 July 2024.

An audit change had been agreed by the Executive Director for Governance for the Contract Procedure Rules audit to be withdrawn from the 2023/24 Audit Plan and replaced by an audit of High Pavement House. Three pieces of work had been finalised since the last update and a synopsis of each of the completed assignments was presented regarding the following:

Finance System Implementation
Trade Waste 2023/24
Performance Management 2023/24.

An overview of the current position with regard to recommendation tracking was given to Members and the Executive Director for Governance advised on how the Senior Leadership Team (SLT) and the Performance Board were part of the process for monitoring progress against completion of the outstanding recommendations. Some key issues were discussed in respect of Fraud Risk, installation of Fire Safety Doors and Future High Streets Fund & Towns Fund progress.

RESOLVED that

- a) audit assignment progress as at 4 July 2024, as presented to Committee, be received and noted;
- b) an update in respect of progress against outstanding recommendations regarding the Future High Streets Fund & Towns Fund, be submitted to the next meeting of the Committee for consideration.

AC.8 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.9 Investment Properties Performance 2023/24
(exempt by virtue of paragraph 3)

The Council's Financial Services Manager gave Members an update regarding performance and monitoring of the Council's Investment Property portfolio during the 2023/24 financial year.

RESOLVED

that performance in relation to the Council's Investment Property portfolio during the 2023/24 financial year, as presented, be received and noted.

The meeting closed at 8.22 pm

Chairman.