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Standards & Audit Sub Board  
28 March 2024

## **A MEETING OF THE STANDARDS & AUDIT SUB BOARD WAS HELD ON 28 MARCH 2024**

Councillors Mrs Cully, Hutchison, Hylands, Pepper and Raffaelli

### **84. APOLOGIES FOR NON ATTENDANCE**

### **85. DECLARATIONS OF INTEREST**

### **86. MINUTES OF THE MEETING OF THE SUB BOARD HELD ON 11 JANUARY 2024**

RESOLVED: That the minutes of the meeting held on 11 January 2024 were signed as a true and correct record.

### **87. DEPUTATIONS- STANDING ORDER 3.4**

There were none

### **88. PUBLIC QUESTIONS - STANDING ORDER 3.5**

There were none

### **89. EXTERNAL AUDIT PLANNING**

Consideration was given to a report by a partner at Ernst Young providing the Standards and Audit Sub Board with an overview of the current status of the Council's 2022/23 audit and the proposed audit approach and scope for the 2023/24 audit.

The Partners from external auditors Ernst Young (EY) introduced their report by advising that the whole external audit market is not in an ideal place, and there is a backlog of audits for Local Authorities, and an absence of guidance from central government.

Members were advised that there are currently three consultations taking place by the NAO, DLUHC and CIPFA that will address such issues as changes in legislation and audit regulations, changes to the code of audit practice and measures to simplify process. All stakeholders can inform the consultations and members were advised that the Head of Finance had recently been involved in a CIPFA webinar.

EY advised that in order to catch up, and get audits for 23/24 back on track it is likely that the 22/23 audit will have to be disclaimed, and this is a mechanism that every audit firm will have to consider and apply to 22/23 and any audits outstanding from before that year.

In answer to a Members question EY advised that changes to the audit scope and potential reductions in areas non-vital to the readers of the accounts may help in ensuring the current situation would not arise again.

Members expressed their dissatisfaction at the lack of external view of the performance of the Council, and felt that tax payers were not getting the service they expected or paid for.

Members hoped that with full work being carried out on the Value for Money element of the audit, key procedures on financials as part of that work are designed to flush out red flags, and any control weaknesses identified by the Internal Auditors could be raised with EY depending on the nature of the issue identified.

EY advised that the audit services are contracted by group procurement, and the Council decides to opt in or out of the framework.

In answer to a Members question, EY advised that it was hoped that the 2023/24 report could be finalised by October 2024 with final output in November. The regular timetable for audits remains, planning up to June, work in summer and outputs in Autumn.

Members wished to record that the 2022/23 Audit Update referred to in the status and purpose of the report had been noted and thanked EY for their useful and clear presentation of the situation regarding as yet unfinished audits.

RESOLVED: That the Sub Board:

- Reviewed the Audit Update Report and noted the risks and areas of focus identified for 2023/24, and the planned responses to them.
- Recommends the Audit Update Report to the Policy and Organisation Board as those charged with governance.

## **90. UPDATED AUDIT STRATEGY 2024**

Consideration was given to a report by the Chief Internal Auditor presenting the reviewed and updated Audit Strategy to the sub board for approval.

The Chief Internal Auditor (CIA) advised that there were no updates to the report, and that the Corporate priorities were the only real change,

RESOLVED: That the Members approved the updated Audit Strategy as set out in Appendix A

## **91. INTERNAL AUDIT PLAN**

Consideration was given to a report by the Chief Internal Auditor presenting the proposed Internal Audit Plan for 2024/24 to the sub board for approval.

The Chief Internal Auditor (CIA) advised that there were no updates to the report and the plan would remain flexible throughout the year should priorities change.

In answer to a Member's question, the CIA advised that risk to reputation is taken into consideration when scoping the audits.

RESOLVED: That the Members approved the proposed Internal Audit Plan for 2024/24 as set out in Appendix A.

## **92. WHISTLEBLOWING**

Consideration was given to a report by the Chief Internal Auditor (CIA) updating Members regarding the Whistleblowing Policy and any referrals made from March 2023 to the end of February 2024, and to update members that the policy has been reviewed and no changes were required.

The Chief Internal Auditor advised that there were no updates to bring, and this was the report that is brought on an annual basis. He advised that the policy was reviewed in April 2023 and this was followed by publicity for staff in the July. In future the annual staff survey would include a question to monitor the understanding of the process.

In answer to Members questions, the CIA advised that there was an email address that could be used and that he could be phoned anonymously. He felt it was important that staff had the confidence and felt comfortable having those conversations, and hoped that colleagues and line managers would be supportive.

Members were advised that the majority of leavers take advantage of the exit interview.

The Chief Executive felt that staff did raise issues informally, and that perhaps a more formal route could be offered which would provide a record of the issues and the outcomes, and that an internal process may be required.

RESOLVED: That the Standards & Audit Sub Board:

- Noted that no referrals had been made under the Whistleblowing Policy between March 2023 to the end of February 2024
- Noted that the Whistleblowing Policy had been reviewed and no updates were required.

## **93. ANY OTHER ITEMS**

Members wished to offer a vote of thanks to the Chairman and recognise his individual but effective style.

The Chairman wished to put on record his thanks to the members of the Sub Board and to the Monitoring Officer, Chief Executive, CIA and Democratic Service Officer for their help and support during his chairmanship.

**CHAIRMAN**

Concluded at 6.49 pm

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