

AUDIT COMMITTEE

Date and Time: Tuesday 24 October 2023 at 7.00 pm

Place: Council Chamber

Present:

Axam (Chairman), Blewett, Davies, Engström (Virtual), Hale, Southern and Thomas

In attendance:

Officers: Graeme Clark, Executive Director, Corporate Services & S151 Officer
Emma Evans, Committee and Member Services Officer

10 MINUTES OF THE PREVIOUS MEETING

The minutes of 25 July 2023 were agreed and confirmed and signed as a correct record.

11 APOLOGIES FOR ABSENCE

No apologies received. Cllr Engström joined the meeting virtually.

12 DECLARATIONS OF INTEREST

No declarations made.

13 CHAIRMAN'S ANNOUNCEMENTS

No announcements.

14 EXTERNAL AUDITOR'S ANNUAL REPORT 2021/22

Mr Suter from Ernst and Young presented members with the final Audit Results report for the year ending 31 March 2022.

Members queried the valuation of property, plant and equipment conclusion. Mr Suter explained that incorrect income figures led to several assets being misstated. These have now been corrected.

Members queried the training of Councillors finding, it was noted that this finding pre-dates this Committee's current membership but training also assists Members to fully understand the roles and functions of the Committee to enable it to achieve its objectives.

The report of the External Auditors was noted.

15 INTERNAL AUDIT PROGRESS REPORT QTR 2, 2023-24

The Committee received a report from Southern Internal Audit Partnership on the work undertaken at each of their meetings. The report covers the second quarter of 2023-2024. Mr Pitman highlighted strong progress made since the report was submitted and expressed confidence in their ability to complete the work on time.

Members queried progress in relation to IT controls, procurement and planning and performance, highlighting the importance of these areas of work. It was explained that these audits were undertaken by the previous auditors and were incomplete. Work is being undertaken to evidence the implementation of the recommendations in relation to planning and performance to a level that provides assurance to the Auditor. The Auditor has agreed to finish IT Controls and Procurement in quarter 3.

The issue of planning performance generally was raised, it was stated that this should and is being reported through Overview and Scrutiny Committee. The importance of the Committee remaining within remit was emphasised.

DECISION

The Committee noted the report.

16 CONSULTATION ON 2023/24 SCALE OF AUDIT FEES

The Committee reviewed the Consultation on 2023/24 Scale of Audit Fees.

Mr Clark explained the background to the consultation and the main areas included in the response he submitted. This included the impact of a 151% increase in costs, further hidden costs deriving from additional audit requirement beyond our control.

Members discussed:

- the scale of the issues within the Audit field
- the level of audit scrutiny
- the tender process
- the complex network of auditing bodies and differing requirements
- potential use of internal resource for valuations.

17 AUDIT COMMITTEE WORK PROGRAMME 2023/2024

The Committee considered the Audit Committee Work Programme. Mr Clark emphasised that additional work can be added to the programme by the Committee.

The meeting closed at 7.34 pm