

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

AUDIT & ACCOUNTS COMMITTEE MEETING

Minutes

FRIDAY, 15 SEPTEMBER 2023

PRESENT: Councillor M Spooner (Chair)

Councillors J Cox, C Edwards, K Flunder, A Hart, A Parkes and N Yates

IN ATTENDANCE: Councillor C Wood

APOLOGIES: Councillors D Proudlove and M Worthington

11 **DECLARATIONS OF INTEREST**

There were no declarations made.

12 **MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the minutes of the meeting of the Audit & Accounts Committee held on 23 June 2023 be approved as a correct record and signed by the Chair.

13 **AUDIT COMMITTEE UPDATE**

It was reported that the external auditors had started the audit but would not be completed by the 30 November deadline which was a national issue. Interviews were due to take place for an Independent Person. Members were reminded to complete the knowledge and skills questionnaire by the next meeting.

RESOLVED:

That the update be noted.

14 **RISK MANAGEMENT STRATEGY**

The report presented for approval the updated Risk Management Strategy, which set the Council's risk tolerance threshold for both positive and negative risks.

The Committee discussed issues relating to cyber security/phishing emails and the review of risks within council controlled companies.

RESOLVED:

That the revised Risk Management Strategy as detailed at Appendix 1 of the report be approved.

15 **ANNUAL TREASURY MANAGEMENT SUPPLEMENTARY REPORT 2022-23**

The supplementary report now fulfilled requirements of the Annual Treasury Management report in accordance the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and generally accepted good practice, reporting elements which were not available at the time of its original writing and presentation. The supplementary report should therefore be read in conjunction with the Annual Treasury Management report 2022/23 presented to the Audit and Accounts Committee on 23 June 2023.

RESOLVED:

That the Supplementary Annual Treasury Management Report 2022/23 be recommended to Council for approval.

16 **TREASURY MANAGEMENT UPDATE**

The purpose of the report was to allow the robust scrutiny of the Council's Treasury Management performance in 2023/24 in compliance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and generally accepted good practice. Members raised issues relating to the benefits of internal/external borrowing.

RESOLVED:

That the treasury management position as at 31st August 2023 be noted.

17 **INTERNAL AUDIT PROGRESS REPORT**

The Accounts and Audit Regulations 2015 require the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”. In accordance with the Public Sector Internal Audit Standards, the Head of Audit must report periodically to the Audit Committee on the internal audit activity's performance relative to its plan.

The Committee considered the benefits of agile working and issues relating to reduced sickness, increased output, recruitment and mental health/social interaction implications. Discussion with regards to the progress of other audits that were taking place.

RESOLVED:

That the progress information contained within the report be noted.

18 **INTERNAL AUDIT ANNUAL REPORT**

The Accounts and Audit Regulations 2015 required the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”. In accordance with the Public Sector Internal Audit Standards, the Head of Audit must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

Audit & Accounts Committee - 15 September 2023

Councillors raised issues related to the implementation of audit recommendations which were followed up with Heads of Service and raised at monthly Alliance Management Team meetings.

RESOLVED:

1. That the Audit Service's 2022/23 year end performance information contained within the report be noted.
2. That the opinion on the overall adequacy and effectiveness of the Council's internal control environment be noted.

19 **ANNUAL REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT**

The Accounts & Audit Regulations 2015 require the Council to, each financial year, conduct a review of the effectiveness of the system of internal control, and that the findings of this review must be considered by a committee or by members of the authority meeting as a whole. An annual review of the effectiveness of Internal Audit to demonstrate conformance with the Public Sector Internal Audit Standards and Local Government Application Note forms part of this review.

The Committee commented on the good governance and systems in place within the authority and compared well with other authorities.

RESOLVED:

That the annual review of the effectiveness of Internal Audit for 2022/23 including the Quality Assurance and Improvement Programme and that Internal Audit is operating effectively and can be relied upon when considering the Annual Governance Statement for 2022/23 be noted.

20 **WORK PROGRAMME**

It was reported that the Annual Governance Statement would be presented at the same time as the statement of accounts.

RESOLVED:

That the work programme be noted.

The meeting closed at 11.23 am

_____ Chairman _____ Date