

AUDIT & REGULATORY COMMITTEE

Meeting: Wednesday, 10 February 2021 at 6.30 pm in Virtual Meeting

Present: Councillor E Thrane (Chair)

Councillors J Collins, O Cross, J Douglas, R Quinn, K Savage and S Young (substitute for G Wharmby)

Councillors A Barrow, A McKeown, Mr J Scampion and Mr M Thomas were also in attendance

Apologies for absence were received from Councillors D Kerr and G Wharmby

20/14 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING
(Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 24 November 2020 be approved as a correct record.

20/15 EXTERNAL AUDIT ANNUAL LETTER
(Agenda Item 4)

Councillors were presented with a summary of the results of External Audit work carried out for the year ending 31 March 2020. The auditors had issued an unqualified opinion on the Council's financial statements on 17 December 2020. The Council had proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. Discussion took place on fee variations, change in focus, local negotiations and future consideration of reviewed fees scale and property plant and equipment (ppe) valuations.

RESOLVED:

That the Annual Audit Letter for 2019/20 be noted.

20/16 RISK MANAGEMENT UPDATE
(Agenda Item 5)

The purpose of the report was to allow the robust scrutiny of the Council's risk management arrangements in accordance with generally accepted good practice.

Discussion took place on IT projects, accelerated housing, risks addressed, the Climate Change Declaration and reassessment of risks and opportunities.

RESOLVED:

1. That clarification be provided on control within the accelerated housing delivery project risk register against planning approvals.
2. That the Council's current risk position and the mitigation/fruition plans summarised within Appendix A (strategic risks), Appendix B (operational risks), Appendix C (project risks) and Appendix D (opportunity risks) be noted.

20/17 RISK MANAGEMENT STRATEGY
(Agenda Item 6)

The Committee was presented with the updated Risk Management Strategy that set out the Council's risk tolerance threshold for both positive and negative risks. Making the Strategy more widely known was discussed.

RESOLVED:

That the revised Risk Management Strategy attached as Appendix 1 to the report be approved.

20/18 TREASURY MANAGEMENT UPDATE
(Agenda Item 7)

The Council's Treasury Management performance in 2020/21 was scrutinised in compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management and generally accepted good practice. Discussion took place on changes in interest rates, negative interest, having a counter party spread and Environmental, Social and Governance (ESG) links.

RESOLVED:

That the Treasury Management position (as at 31st December 2020) be noted.

20/19 2021/22 TREASURY MANAGEMENT STRATEGY
(Agenda Item 8)

The purpose of the report was to allow members of the Committee to consider and endorse the Council's Treasury Management Strategy for 2021/22 to ensure that its capital and treasury activities for the next four years were affordable and properly managed. The decision making process, climate change and the inclusion of ethical investments in the Strategy were discussed.

RECOMMENDED:

That the Annual Treasury Management Strategy Statement (TMSS) 2021/22 be approved and the expansion of the policy on ethical investment welcomed.

20/20 **2020/21 INTERNAL AUDIT PERIODIC REPORT**
(Agenda Item 9)

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 Audit Manager must report periodically to the Audit Committee on the internal audit activity’s performance relative to its plan. Consideration was given to Audit recommendations, monitoring and revised management arrangements.

RESOLVED:

That the progress information contained within the report be noted.

20/21 **REGULATION OF INVESTIGATORY POWERS ACT POLICY AND PROCEDURE**
(Agenda Item 10)

The Council must have arrangements in place to ensure compliance with the Regulation of Investigatory Powers Act 2000 (RIPA) and those arrangements are subject to inspection by the Investigatory Powers Commissioner’s Office (IPCO). This is achieved through the adoption of a set of Policy and Procedures that ensure compliance with the requirements of the legislation. The Council has had arrangements and procedures in place for authorising and conducting necessary surveillance since 2002. Councillors should review the use of RIPA and set the policy at least once per year. They should also consider internal reports on use of RIPA periodically to ensure it is being used consistently with the policy and that the policy remains fit for purpose.

RESOLVED:

1. That the Council’s use of RIPA powers be noted.
2. That the updated Regulation of Investigatory Powers Act 2000 Policy and Procedures, attached as Appendix 1 to the report, be approved and adopted.

20/22 **WORK PROGRAMME**
(Agenda Item 11)

Consideration was given to the Committee work programme for 2021/22.

RESOLVED:

That the Committee Work Programme be noted.

The meeting concluded at 7.42 pm

CHAIRMAN