



# Buckinghamshire Council

## Audit and Governance Committee

### Minutes

**MINUTES OF THE MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE HELD ON WEDNESDAY 27 SEPTEMBER 2023 IN THE OCULUS, BUCKINGHAMSHIRE COUNCIL, GATEHOUSE ROAD, AYLESBURY HP19 8FF, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.36 PM**

#### **MEMBERS PRESENT**

R Newcombe (Chairman), L Clarke OBE (Vice-Chairman), D Anthony, P Brazier, R Carington, M Dormer, S Rouse, N Thomas and S Wilson

#### **Agenda Item**

##### **1 APOLOGIES**

Apologies for absence had been received from Councillors N Hussain, D King and W Raja.

##### **2 DECLARATIONS OF INTEREST**

Councillor N Thomas declared a personal and prejudicial interest in items 8 and 9, Farnham Park Sports Fields Charity Annual Report and Financial Statements 2022/23 and Higginson Park Trust Fund Accounts 2023/23 respectively, as a Member of the Leisure Board which discharged the Council's responsibilities as corporate Trustee for the two Trusts whose responsibilities included the preparation of annual accounts and budgets. Councillor Thomas would not participate during the meeting whilst those items were discussed.

##### **3 MINUTES**

###### **RESOLVED:**

**That the minutes of the meeting held on 5 July 2023 be approved as a correct record.**

##### **4 BUCKINGHAMSHIRE COUNCIL STATEMENT OF ACCOUNTS UPDATE**

The Committee received an update on the 2020/21 and 2021/22 Statement of Accounts. Mr Mark Stocks, Audit Partner, Grant Thornton, External Auditor was in attendance for this item. Mr David Skinner, Section 151 Officer introduced the item.

Key points raised during the update and in discussion included:

- The continued hard work and efforts of council staff on the preparation of the accounts was recognised. Information requested had been submitted to the external auditor as planned to satisfy outstanding queries and provide sampling evidence.
- The consultation from the Department for Levelling Up Housing and Communities was highlighted. The focus of this was to address the significant backlog of local audits in

England and proposed a set of backstop statutory dates where accounts would either need to be approved or receive some kind of qualification. This could cause an issue with the 2021/22 accounts for the council, although at this stage it was still expected that the proposed timeline would be met dependant on any legislative change being formalised.

- The 2020/21 accounts remained on track with belief remaining that the December 2023 target would be met for their sign off. As there was no definitive outcome from government yet, the plan was that the external audit team would continue their work in to 2024 on the 2021/22 accounts.
- It was noted that should a set of accounts be disclaimed this would create additional work and it remained important to get as much assurance from the auditing of the accounts as possible to carry forward to subsequent years audits.
- The Chairman requested that at the next meeting a brief written paper be produced to provide an explanation of the consequences of disclaiming a set of accounts, were it to occur, or likewise the consequences of other adverse effects of timescales being brought forward.

**ACTION: Mr D Skinner to produce paper as above for the next meeting of this Committee.**

- The Committee was assured that there was adequate staff resource within the finance team at the current time and consideration would be given, as required, to sourcing further staff, whether it be through an external audit firm or recruiting/redeploying staff.

**RESOLVED:**

**That the update be noted.**

## **5 BUCKINGHAMSHIRE PENSION FUND – 2022/23 AUDIT PLAN & FEE LETTER**

The Committee considered a report which set out the Buckinghamshire Pension Fund audit plan for the year ending 31 March 2023. The document provided an overview of the planned scope and timing of the statutory audit of Buckinghamshire Pension Fund for those charged with governance. The scope of the audit was set in accordance with the Code and International Standards on Auditing. The report detailed the significant risks identified; progress against prior year audit recommendations; the approach to materiality; IT audit strategy; audit logistics and the audit fees. Mr Mark Stocks, Audit Partner, Grant Thornton, External Auditor presented the report.

The Committee heard that the 2022/23 audit of the Buckinghamshire Pension Fund was now nearing completion. A Member requested that the references to 'Audit Committee' throughout the document be updated to 'Audit and Governance Committee' to reflect the council's current committee and governance arrangements.

**ACTION: Mr M Stocks to amend the wording as above.**

**RESOLVED:**

**That the report be noted.**

## **6 PENSION FUND - 2022/23 AUDITED STATEMENT OF ACCOUNTS**

The Committee received a verbal update from Mr Mark Stocks, Audit Partner, Grant Thornton, External Auditor. Mr Stocks confirmed that the audit of the 2022/23 Buckinghamshire Pension Fund Statement of Accounts was well commenced, and it was anticipated that the final report would be sent to the council either later in the week of this committee meeting or early the following week, week commencing 2 October 2023. The Committee was pleased to note that there were no significant findings to report.

**RESOLVED:**

**That the update be noted.**

**7 HOUSING BENEFIT GRANT CLAIM CERTIFICATION 2021/22**

The Committee considered a report which provided a review of the Housing Benefit Subsidy Claim for 2021/22. Mr David Skinner, Section 151 Officer and Mr Mark Stocks, Audit Partner, Grant Thornton, External Auditor presented the item. For the 2021/22 financial year, the Housing Benefit Records remained on three separate legacy systems. In November 2021 Aylesbury and Wycombe were merged, therefore testing had been performed equally across all systems and cumulative audit knowledge and experience was carried out for ten areas in total. The outcome of all the testing resulted to no amendments to the headline cells, however, there were some small amendments required with the subpopulation cells and roll forward of six areas of CAKE testing into 2022/23 audit.

The Council was responsible for compiling grant claims and returns in accordance with the requirements and timescales set by Department for Work and Pensions (DWP). Grant Thornton, as the Council's external auditor, annually reviewed the grants the Council claimed through a grant certification process.

The nature and complexity of the Housing Benefit scheme linked to the volume of claims (163,676 during 2021/22) meant most local authorities had some errors identified through their annual subsidy claim audit. Additionally, the Council had three different systems operating during this year which brought its own risks and challenges. The Committee was advised that the report was very positive, housing benefit subsidy claims were a complex area to audit and there were no changes to be made or errors identified.

The Committee placed on record its thanks to the council team for the significant amount of work undertaken on such a complicated area of work, complicated further by the issue of their having been three legacy systems during 2021/22.

**RESOLVED:**

**That the report be noted**

**8 HIGGINSON PARK TRUST FUND ACCOUNTS 2022/23**

*Note: Councillor N Thomas left the Committee for the duration of items 8 and 9 having declared an interest.*

The Committee received the Higginson Park Charity Annual Report and Financial Statements for 2022/23. Ms Sophie Payne, Service Director for Culture, Sport and Leisure presented the report, along with Mr Mark Preston, Deputy Section 151 Officer and Ms Fiorella Mugari, Head of Finance.

The Annual Report and the Financial Statements for the year ended 31 March 2023 had been prepared in accordance with the requirements of the Charities Act 2011 and had adopted the provisions of Accounting and Reporting by Charities Statement of Recommended Practice and Financial Reporting Standards. The Higginson Park Charity Accounts had been audited by Seymour Taylor Audit Limited. The total net worth of Higginson Park Charity had decreased by £140k from £7,430k in 2022 to £7,290k in 2023. This was mainly due to depreciation costs of £194k on the tangible fixed assets. Offset by net operating profits of £55k.

Ms Payne summarised the responsibilities of the Trust and highlighted that attendance levels at the leisure centre had increased to a slightly higher level than they had been pre-covid pandemic and that there had been a strong return from events income. The children's play area

had been refurbished and was well used and the Park had been awarded Green Flag status. The Committee noted that all income from the Trust was re-invested to cover operating costs and repairs maintenance.

During discussion, points raised included:

- Inflation costs had been a challenge throughout the 2022/23 financial year and there remained some vacant office space in Court Garden House which was proving difficult to let. Rent reviews were being undertaken with existing tenants to provide some mitigation against this and officers were seeking to maximise income from the site whilst remaining sensitive to the local context. Work was also ongoing to address the VAT position moving forward.
- The Committee was pleased to note that the Section 151 Officer was no longer signing the accounts off on behalf of the Trustee. The Committee received assurance that the Deputy S151 Officer, Mr Mark Preston, was independent from the Trust and had no management responsibilities which related to the Trust and thus there was satisfaction that his duties were unaligned to functions of the Trust.
- The figure of £18k for car park costs was queried and it was confirmed that this related to the role the council took in maintaining the car park and covered enforcement and associated costs.
- Members questioned how the market rate for income for events was calculated to ensure that value for money was achieved and the Council was not seen to be subsidising private ventures. The Committee was advised that the majority of events held at Higginson Park were community run, although there were exceptions such as the Christmas events in 2022. Benchmarking did take place with other local authorities in terms of income received from commercial operators. Further, it was highlighted that through hire agreements, event organisers had invested in the park, an example was given of turfing which benefitted all who use the park.
- It was clarified that the £120k balance referred to under related party transactions on page 80 of the reports pack related to support costs linked to staff salaries. The Trust employs no staff directly, as such Buckinghamshire Council officer time was recharged to the Trust. It would be checked as to where this amount sat within the accounts and reported back to the Member who posed the question.
- **ACTION: Ms F Mugari to establish where the above related party transaction was covered within the accounts and report back to Councillor R Carington.**

**RESOLVED:**

- That the Higginson Park Charity audited Annual Report and Financial Statements for the year ended 31 March 2023 (Appendix 1) be reviewed and noted.**
- That the Report to Management from Seymour Taylor (Appendix 2) be noted.**
- That the Letter of Representation (Appendix 3) in the capacity of those charged with Governance be approved.**
- That the Annual Report and Financial Statement for 2022/23 be approved.**

**9 FARNHAM PARK SPORTS FIELDS CHARITY ANNUAL REPORT AND FINANCIAL STATEMENTS 2022/23**

The Committee received the Farnham Park Sports Fields Charity Annual Report and Financial Statements for 2022/23. Ms Sophie Payne, Service Director for Culture, Sport and Leisure presented the report, along with Mr Mark Preston, Deputy Section 151 Officer and Ms Fiorella Mugari, Head of Finance.

The draft Annual Report and the Financial Statements for the year ended 31 March 2023 had been prepared in accordance with the requirements of the Charities Act 2011 and had adopted the provisions of Accounting and Reporting by Charities Statement of Recommended Practice and Financial Reporting Standards. The Farnham Park Sports Fields Charity Accounts had been audited by Azets Audited Services.

Ms S Payne summarised the operation responsibilities of the Charity and challenges faced throughout the 2022/23 financial year. The Council as sole trustee had introduced enhanced governance arrangements which included oversight on Trust activities by the Leisure Board and reports to the Corporate Management Team board meetings which covered financial management of the Trust.

The net worth of Farnham Park Sports Fields Charity had decreased by £188k from £480k in 2022 to £292k in 2023. The net operating loss for the year was £188k (after allowing for depreciation of £74k) compared to a net operating surplus of £3k in 2021/22 (£124k depreciation). The main reason for the movement was an increase in operating costs due to the impacts of high inflation (particularly prevalent in the hospitality and leisure sectors), employee costs and the application of VAT on payroll. As can be seen in the Trustees' report, income was also affected by extreme weather, requiring 50 days of full or partial closure for the golf course. The increased operating costs were mitigated via additional income achieved across the wider Culture, Sport and Leisure service.

Points raised during discussion included:

- The Committee heard that new expenditure costs in 2022/23 included the application of VAT on payroll and other supplies from the council which was not all recoverable. The management fee had been formalised by the council through budget provision within the MTFP and an SLA had been implemented setting out the arrangements of the Trust. Specialist advice was being sought on tax arrangements to achieve the best outcome for the charity. The irrecoverable VAT figure showing in the accounts for 2022/23 was significantly higher than it was in 2021/22.
- There had been a £45k increase to core staffing costs and a £38k increase to temporary staffing costs, an area where there had been difficulties recruiting bar and catering staff. Employees of the Trust were all employees of Buckinghamshire Council (BC) and had migrated onto the associated contract terms and conditions. The difference in grade between BC terms and conditions and the legacy terms was circa £2-3k per annum on base salary per post. The BC terms also included other allowances such as enhanced weekend and bank holiday pay, most of which the golf club was open for. Further, there were increased employer contribution rates on pensions and operating costs charged to the Trust relating to the apprenticeship levy.
- Inflation on supplies and services including utility bills, tree management costs and pitch treatments was significantly higher than the previous year and inflation significantly affected the interest the Trust paid to the council on the loan for the clubhouse.
- The Committee was advised that future operating arrangements were being explored, with an options paper, which covered potential development opportunities to increase sustainability having been presented to the Leisure Board, which was chaired by the relevant cabinet member.
- A Member noted that the site was the national sports centre for Baseball Softball UK, this made up two thirds of visitors to the site, and it was queried whether the benefit of this was being maximised with the facility attracting people from across the country. The Committee heard that discussions had been held with Baseball Softball UK and they were keen to work together with the council on master planning for the future of the site. The strategic importance of the site was recognised, and Baseball Softball UK also benefitted

from investment into the pitches as they also hired these over summer whilst the other sports seasons had concluded.

- The Chairman highlighted that over the past three years the Committee had been concerned around the decline of assets at Farnham Park. It was also recognised that the estate at Farnham Park was aging and becoming increasingly costly to maintain and repair. Were the situation not to improve there was the possibility of the charity being in a negative position in subsequent years and the Committee would like to understand proposals and plans to improve the situation. Advice was being sought from legal colleagues on the implications of the net worth becoming negative. Assurances were given, as noted above, that the Leisure Board were looking closely at options.
- The Committee was in agreement that on its behalf, the Chairman should write to the Cabinet Member for Culture and Leisure outlining the Committee's concerns around the ongoing sustainability of the charity, request an update report for six months' time to understand how plans were developing and when the impact of them would be realised so that when the subsequent year's accounts were presented there would be clear mitigating actions put forward.

**ACTION: Councillor R Newcombe, on behalf of the Committee, to write to the appropriate Cabinet Member outlining the Committee's concerns and to request an update report be presented to the Committee in approximately six months' time.**

- A Member queried when the land was last valued and requested to view the change in value since the last valuation.

**ACTION: Ms S Payne to provide details of the most recent land value valuation and the change in value since the previous valuation to Councillor R Carington.**

- It was questioned whether the Charity should be an item on the relevant risk register. The Chief Auditor would consider this and discuss it further with Ms S Payne and Mr D Skinner.

**ACTION: Ms M Gibb to consider whether this risk was captured in existing risk registers or warranted a new risk.**

- A Member requested details of a substantial payment understood to be made from a Wycombe based developer when Baseball Softball UK facility was included in the Charity. There was no information available on this during the meeting so this would be established and reported back to the member.

**ACTION: Ms S Payne to establish whether a payment had been made and if so, pass this information on to Councillor L Clarke OBE.**

## RESOLVED

- That the Farnham Park Sports Fields Charity audited Annual Report and Financial Statement for the year ended 31 March 2023 (Appendix 1) be reviewed and noted.**
- That the audit progress and findings report from Azets (Appendix 2) be noted.**
- That the Letter of Representation (Appendix 3) in the capacity of those charged with governance be approved.**
- That the Annual Report and Financial Statement for 2022/23 be approved.**

## 10 ANNUAL GOVERNANCE STATEMENT 2022/23

*Note: Councillor N Thomas returned to the meeting.*

The Committee received the Annual Governance Statement (AGS) for 2022/23 which was presented by Mr Glenn Watson, Principal Governance Officer. The AGS had been revised since the last meeting to incorporate comments from the Committee made in July 2023, as appropriate, and to put the Statement into a designed publication format consistent with the Council's other publications.

The revisions made to the AGS on the back of comments made by the Committee were outlined in the report appended to the agenda pack. The Committee noted the improved presentation of the document and thanked Mr Watson for producing a detailed document which accurately reflected the governance across the council.

A Member advised that he would contact Mr Watson separately to advise of some typing errors he had identified for correction.

**RESOLVED:**

**That the Annual Governance Statement for 2022/23 be approved.**

**11 LOCAL CODE OF GOVERNANCE**

The Committee considered a report which invited the Committee to adopt a Local Code of Governance for Buckinghamshire Council. The report was presented by Mr Glenn Watson, Principal Governance Officer. The adoption of a code was not a statutory requirement, however was recognised as national best practice. This would be the first Local Code of Governance adopted by the council. The Code was a description of the governance already in place, itemising evidence to demonstrate how the council complied with the seven principles of good governance as outlined by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) Delivering Good Governance Framework.

The Code was a single source of information to enable the public, councillors, partners, stakeholders and officers to better understand the council's governance arrangements.

During discussion, points raised included:

- A Member raised that in addition to publishing the Local Code of Governance to the council's website, as it was a key aspect of governance and was important to embed and drive improvements across the authority, having it form part of a briefing for Members would be beneficial.  
**ACTION: Mr G Watson to look to arrange an all Members briefing on the Local Code.**
- In terms of testing each governance arrangement, the Chief Auditor advised that the Local Code could be incorporated into the internal audit activity on a rolling programme to test areas of its effectiveness and feed into the wider assurance framework.  
**ACTION: Ms M Gibb to include the Local Code of Governance in the Internal Audit Activity programme.**
- It was noted that the Local Code contained several hyperlinks which directed to documents and pages contained on the council's website and it was queried how those residents who were not IT literate could access these. The Committee was advised that where the document was deposited in council buildings it would be supported by a covering note which contained details of who to contact and how to obtain further information.
- On page 186 of the reports pack, within *section 3 – Overview of governance*, under *Councillors and Decision making* it was requested that the reference to 'audit' be amended to 'audit and governance' and under *partnership working* that the unparished area of Wycombe be referenced. Further on page 198 of the reports pack under *3.1 Defining outcomes* it was suggested that risk management be included to reflect that risks are reviewed and managed.  
**ACTION: Mr Watson to review the above points and amend as necessary.**
- The Committee agreed that whilst approving the Local Code, a two-week period for Committee Members to contact Mr Watson with factual amendments would be granted.

**RESOLVED:**

- 1. That the Local Code of Governance for Buckinghamshire Council, as at Annex 1 be approved.**
- 2. That the Service Director for Legal and Democratic Services maintain the Local Code throughout the year.**
- 3. That the Local Code be reviewed annually.**
- 4. That an all Members briefing be arranged on the Local Code of Governance.**
- 5. That the Chief Auditor add the Local Code of Governance to the rolling Internal Audit Plan.**

**12 ANNUAL RIPA REPORT**

The Committee considered a report which provided oversight of the use of Regulation of Investigatory Powers Act 2000 (RIPA) powers and policies which formed part of the governance arrangements in relation to exercise of the Council's functions. The report was presented by Mr Nick Graham, Director of Legal and Democratic Services. As noted in the report, since the creation of Buckinghamshire Council, RIPA powers had been used twice. These details were provided to the investigatory powers commissioner's office inspector who was satisfied with the processes used, although did suggest further details could be added to authorisation applications when the criteria for different types of surveillance may apply. This was a follow-up inspection to the initial inspection undertaken shortly after the creation of the unitary authority.

Moving forward, the Committee was advised that an annual report on the uses of RIPA powers would be factored into the Committee's work programme. The Chairman noted that the acquisition of communications data was now dealt with under the Investigatory Powers Act 2016 and was not covered within the report, and as such it was agreed that this warranted a further annual report to the Committee.

**ACTION: Mr N Graham to produce an annual report on both RIPA powers and acquisition of communications data under the Investigatory Powers Act 2016 and factor these into the Committee's work programme.**

**ACTION: Constitution Members Working Group to consider amending the constitution to reflect the separate annual report covering the Investigatory Powers Act 2016.**

**RESOLVED:**

- 1. That the outcome of the review of the Council's arrangements for its use of its powers under the Regulation of Investigatory Powers Act 2000 (RIPA) by the Investigatory Powers Commissioner's Officer (IPCO) be noted.**
- 2. That the update on the use of powers available under RIPA be noted.**

**13 CHIEF AUDITOR ANNUAL AUDIT OPINION 2022/23**

The Committee received and considered the Chief Internal Auditor's annual assurance opinion on the adequacy and effectiveness of the Council's internal control environment, risk management and corporate governance arrangements in place during the year. The Chief Internal Auditor's annual internal audit opinion was based on an objective assessment of the framework of governance, risk management and control. Consulting services were advisory in nature and were generally performed at the specific request of the organisation, with the aim of improving governance, risk management and control, however still contributed to the overall opinion although each review did not deliver individual assurance opinions. Ms Maggie Gibb, Chief Auditor and Head of Business Assurance presented the report.



Based on the work performed during 2022/23, the Chief Auditor's experience, the cumulative knowledge gained through our ongoing liaison with officers, senior management, and the current climate in which the Council was operating, it was the Chief Auditor's opinion the adequacy and effectiveness of the Council's internal control, risk management and governance framework was of **reasonable assurance**. The detailed report which included commentary on all aspects of activity undertaken and details of the work completed throughout the year could be seen in the report appended to the supplementary agenda pack.

The overall system of internal control facilitated the effective exercise of the Council's functions and provided an **unqualified** opinion regarding the effective, efficient and economic exercise of the Council's functions for 2022/23.

During discussion, points raised included:

- The Committee heard that whilst just under 25% of the internal audit activity resulted in limited or nil assurance outcomes, whilst reaching an overall opinion, the Chief Auditor took into account how management responded to these audits, how robust their management actions were, and how these were implemented. These audits were discussed in detail by the Corporate Management Team who monitored the actions taken closely. Further, it was clarified that the one nil assurance report related to The Downley School.
- It was noted that whilst this report focused on 2022/23, that for 2023/24 in terms of where internal audit report findings were reported, this would also include the relevant Cabinet Member, Deputy Cabinet Member and Select Committee Chairman.
- The Committee requested that procedures be put in place and reported to the Committee on how it was proposed to deal with internal audits which revisited areas previously audited since the implementation of the unitary authority where actions previously identified as requiring improvement did not provide at least reasonable assurance on the subsequent audit. The Committee may wish to look at these cases in further detail and potentially question the relevant Cabinet Member and Service Director on the audit reports.

**ACTION: Ms M Gibb to consider methods for dealing with audits, where previous areas requiring improvement did not result in at least a reasonable assurance on the subsequent audit.**

**RESOLVED:**

**That the Chief Auditor's Annual Internal Audit report for 2022/23 and the overall 'reasonable' opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control environment for 2022/23 be noted.**

#### **14 2023/24 BUSINESS ASSURANCE STRATEGY UPDATE (INCL. INTERNAL AUDIT PLAN)**

The Committee received a Business Assurance Strategy update which contained the internal audit plan. The report provided an update on the internal audit work being undertaken by the Business Assurance Team against the 2023/24 plan. The 2023/24 Internal Audit Plan had been reviewed to identify the key audit activities to be delivered considering the priorities within the directorates and working around any key service priorities. Delivery of the overall Business Assurance work plans, including internal audit, helped ensure that there was an appropriate governance and control framework in place and that risk management was embedded across the Council to enable the achievement of set objectives. Ms Maggie Gibb, Chief Auditor and Head of Business Assurance presented the report.

During discussion, points raised included:

- The Committee queried counter fraud cases and the number of cases brought forward for prosecution. Members were advised that a confidential paper containing statistics on fraud, including fraud cases for prosecution would be prepared for a future meeting. At the present time it was understood that there were cases listed for a court hearing.
- It was confirmed that those audits rated red in the audit plan would be delivered and the resource was lined up to ensure that these were completed in the 2023/24 financial year.
- A Member questioned the relevance of delaying the IT infrastructure resilience audit and the Committee was advised that the audit was been planned to commence in January 2024 to allow the IT team to implement a number of actions that came out of the recent desktop exercise, operation Skynet that had taken place and had assessed how robust the IT system and framework was and how the Council would cope with a complete loss of IT systems.
- In relation to Reinforced Autoclaved Aerated Concrete (RAAC), the Committee heard that the issue was brought to the attention of all local authorities in late 2021 and the council's property services team undertook a lengthy structural audit of all the authority's operational buildings, not limited to only schools. The audit was undertaken in two phases, firstly a desktop exercise to review all archive material for any evidence of RAAC, and a second phase which involved a discrete site visit to buildings where there was insufficient evidence to say RAAC was not present. Phase one involved over 700 buildings, with all but 43 ok, phase two involved visits to the 43 buildings, these were all found to be clear of RAAC in January 2023 with findings submitted for Bucks maintained schools to the DfE in February 2023. No RAAC was present in any operational buildings and as such the issue was not a risk on any of the council's risk registers. The property services team were thanked for their swift action taken on the issue. A Member agreed to raise the issue with the Chairman of the Finance and Resources Select Committee to query whether the issue warranted an item or update at a future meeting of that Committee.
- Further to the above, it was confirmed that as part of the scoping work for the audit in respect of property maintenance and reactive works, proactive work the service area undertook to identify potential issues across the council's estate was factored in as was lessons learnt from issues such as RAC and asbestos. The audit opinion would then be formed on the processes in place.

**RESOLVED:**

**That the report be noted.**

**15 RISK MANAGEMENT GROUP UPDATE**

The Committee received an update from Ms Maggie Gibb, Chief Auditor and Head of Business Assurance on the Risk Management Group (RMG) meeting held on 17 July 2023. At the meeting the Head of Business Assurance presented the Strategic Risk Register along with Key Financial Risks from across all directorates. The strategic risks can be seen detailed in the report appended to the agenda pack. The risks were discussed at length by the RMG and the mitigating actions were robustly challenged.

A query was raised on the frequency of risks being reviewed, in particular the changes to local and national policy landscape risk. The Committee heard that the overarching risks were reviewed four to six-weekly, however directorates would react to changes sooner as and when they arose.

**RESOLVED:**

**That the update be noted.**

## **16 ACTION LOG**

The Committee considered the latest action log as attached to the agenda pack and agreed that the following actions could be closed:

- 2. Farnham Park Sports Field Charity and Higginson Park Trust.
- 13. Annual Audit Report 2021/22
- 14. Annual Governance Statement 2022/23
- 15. Internal Audit Charter

### **RESOLVED:**

**That the action log be noted.**

## **17 WORK PROGRAMME 2023/24**

The Committee considered the work programme which was appended to the agenda pack and noted its contents. The Committee agreed that dependant on whether the statement of accounts needed to be signed off prior to a scheduled meeting an alternative or additional meeting date should be arranged in good time.

### **RESOLVED:**

**That the work programme be noted.**

## **18 DATE OF THE NEXT MEETING**

Tuesday 7 November 2023 at 10 a.m.

## **19 EXCLUSION OF THE PUBLIC**

### **RESOLVED:**

**That pursuant to Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting during consideration of Minutes No 22, 23, 24, and 25 on the grounds that they involved the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act as defined as follows:**

**Minute 20 – Confidential Minutes of the Audit and Governance Committee held on 5 July 2023**

**Minute 21 – 2022/23 Chief Auditor Annual Audit Opinion – Summary of Completed Audits and Audit Action Tracker**

**Minute 22 – Action Log (confidential)**

## **20 CONFIDENTIAL MINUTES**

### **RESOLVED:**

**That the confidential minutes of the meeting held on 5 July 2023 be approved as a correct record.**

## **21 2022/23 CHIEF AUDITOR ANNUAL AUDIT OPINION – SUMMARY OF COMPLETED AUDITS AND AUDIT ACTION TRACKER (CONFIDENTIAL)**

The Committee held a detailed discussion on the audits completed during 2022/23 to support the Chief Auditor's Annual Audit Opinion. The report also provided an update on the status of audit actions including those which were overdue for implementation.

### **RESOLVED:**

**That the report be noted.**

**22 CONFIDENTIAL ACTION LOG**

The Committee considered the confidential action log and

**RESOLVED:**

**That the current Action Log (confidential) be noted.**