

MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE

DATE OF MEETING: 8TH MARCH 2023

PRESENT: Councillor MacNae (Chair)
Councillors Powell, Procter, M Smith (sub for Cllr McMahon),
S Smith & Woods
Mr S McManus, Co-opted member

IN ATTENDANCE: Ms K Spencer, Chief Finance Officer (S151 Officer), RBC
Mr A Allen, Director of Communities, RBC
Mr A Dalecki, LCC Internal Auditors
Mr A Newall, Mazars External Auditors
Ms K Kingston, Mazars External Auditors
Miss G Ashton, Committee Officer, RBC

ALSO PRESENT: Councillor Walmsley and 1 member of the public

1. APOLOGIES FOR ABSENCE

1.1 Apologies were received from Councillor McMahon (Cllr M Smith subbing).

2. MINUTES OF THE MEETING HELD ON 30TH NOVEMBER 2022

RESOLVED:

The minutes of the meeting held on 30th November 2022 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

3.1 There were no urgent items of business.

4. DECLARATIONS OF INTEREST

4.1 There were no declaration of interests.

5. PUBLIC QUESTION TIME

5.1 There were no public questions.

6. CHAIR'S UPDATE

6.1 The Chair re-emphasised the Committees responsibilities for Audit & Accounts and asked that input be fact based and non-political.

7. CORPORATE RISK REPORT Q3 2022/23

7.1 The Chief Finance Officer presented the report, which asked members to note the Corporate Risk Register, the risk consequence, mitigation action and level of risk as detailed in Appendix 1. Of the 11 risks, 2 were red and the red risk owners were in attendance to provide an update and answer questions.

7.2 The following comments were made and clarifications provided:
Risk 1 – Sustainability of the Medium Term Financial Strategy

- Budgets are monitored monthly and a quarterly report is provided to the Management Team and members. This highlights any drifts and the remedial action to be taken.
- The Council is facing difficult times and any savings are likely to affect service delivery.

Risk 4 – Sustainability of the County Council budget

- Budget cuts made by the County Council had an effect on the Council e.g. changes to the recycling centre opening times had led to an increase in fly tipping in the borough.
- The County Council were working on a solution for the disposal of waste so the risk to the Council remains. The Risk Register will be re-worded to make the risk specific to waste.
- It was noted that following the County Council's February 2023 budget process, the budget gap was now £9m.

Risk 11 – Financial Sustainability of Council Owned Leisure Assets

- Following Council approval, Grant Thornton had been appointed to complete an independent review of Rossendale Leisure Trust (RLT). Their scope is to review the Council and RLT's projections for the next 3-4 years, articulate the options available and identify the risks and any mitigation. Their findings will help the Council plan a way forward. A report will be presented to members in late May.

RESOLVED:

- The Audit and Accounts Committee noted the Corporate Risk Register as detailed in the report.
- Members noted the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

8. INTERNAL AUDIT PROGRESS REPORT Q4 2022/23

8.1 The Head of Internal Audit, LCC outlined the report, which asked members to consider the internal audit progress report for quarter 4 2022/23.

8.2 The following comments were made and clarifications provided:

- In relation to Health & Safety, it was noted that the Council have working procedures in place but Internal Audit were concerned about the capacity to deliver the action plan in the published timeframes.
- The Head of Internal Audit agreed to add a column to item 2.2 which showed the date of the final audit.

RESOLVED:

- The Audit and Accounts Committee considered the internal audit progress report for quarter 4 2022/23.

9. INTERNAL AUDIT PLAN APRIL – SEPTEMBER 2023/24

9.1 The Head of Internal Audit, LCC outlined the report, which asked members to consider and approve the six month internal audit plan covering the period April – September 2023. After consultation with the new Chief Executive, a plan for the remaining 6 months would be presented to the Committee.

RESOLVED:

- The Audit and Accounts Committee considered and approved the six month internal audit plan for the period April – September 2023.

10. EXTERNAL AUDIT STRATEGY 2018/19

10.1 The Director of Public & Social Sector and the Audit Manager from Mazars, outlined their report, which asked members to consider the external audit strategy for 2018/19.

10.2 The following clarifications were provided:

- The auditors and finance team would work together to plan how the accounts will be brought up-to-date. It was hoped this could be accomplished over the next 2 years.
- It was noted that some parts of the previous years' audit could be completed concurrently but one audit year would need to follow another.

RESOLVED:

- The Audit and Accounts Committee considered the external audit strategy for 2018/19.

11. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

- That the public and press be excluded from the following items of business under Section 100(A)(4) of the Local Government Act 1972 since the items involved the likely disclosure of exempt information under Paragraphs 1 and 2 of Schedule 12A to the Local Government Act 1972.

12. STANDARDS COMPLAINTS UPDATE (VERBAL)

12.1 An update was provided in relation to Standards Complaints.

RESOLVED:

- That the update was noted.

13. WHISTLEBLOWING UPDATE (VERBAL)

13.1 An update was provided in relation to Whistleblowing.

RESOLVED:

- That the update was noted.

The meeting concluded at 7.15pm

Signed (Chair)

Date