

**MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE**

**DATE OF MEETING: 27<sup>TH</sup> SEPTEMBER 2023**

**PRESENT: Councillor Procter (Chair)  
Councillors S Barnes (sub), S Smith, Walmsley & Woods  
Mr S McManus, Co-opted member**

**IN ATTENDANCE: Karen Spencer, Chief Finance Officer (S151 Officer), RBC  
Andy Dalecki, LCC Internal Auditors  
Mark Baskerville, LCC Internal Auditors  
Katie Kingston, Mazars External Auditors  
Glenda Ashton, Committee Officer, RBC**

**ALSO PRESENT: Councillor Neal  
K Haworth, Head of Financial Services  
1 member of the public**

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**1. APOLOGIES FOR ABSENCE**

1.1 Apologies were received from Councillors M Smith (Councillor S Barnes subbing), MacNae and Powell.

**2. MINUTES OF THE MEETING HELD ON 26<sup>TH</sup> JULY 2023**

**RESOLVED:**

The minutes of the meeting held on 26<sup>th</sup> July 2023 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. The Chair agreed to take questions as each agenda item arose.

**6. CHAIR'S UPDATE**

6.1 It was noted that the term of office for Simon McManus, co-opted member, had been extended until September 2025.

6.2 Eight councillors are still to complete Cyber Security training. The Chair asked that contact be made with those members, highlighting the importance of completing the training.

**7. CORPORATE RISK REGISTER UPDATE Q1 2023/24**

7.1 The Chief Finance Officer presented the report, which asked members to note the risk consequence, mitigation action and level of risk as detailed in Appendix 1. It was noted

that there were two red risks. In relation to risk 9, Financial Sustainability of Council Owned Leisure Assets, it was reported that a Leisure Cross Party Working Group had been formed to take forward the recommendations from the Grant Thornton report.

7.2 The following comments were made and clarifications provided:

Risk 9 – Financial Sustainability of Council Owned Leisure Assets

- A report had been taken to Full Council which outlined the criteria to be met by Rossendale Leisure Trust before the Council would issue a Letter of Assurance. The criteria would be considered by the Leisure Cross Party Working Group together with any new information/figures.

Risk 5 – Sustainable Workforce

- All vacant posts were now assessed by the Corporate Management Team before going to advert.

Risk 6 – Insufficient Data and Cyber Security

- 78% of councillors had completed the Cyber Security training. 36% of these had completed the online training course.

**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. DRAFT ANNUAL GOVERNANCE STATEMENT 2022/23**

8.1 The Chief Finance Officer advised that the Annual Governance Statement would normally be presented to the Committee in July with the unaudited accounts, however due to delays, this was not possible so the statement had been brought separately. The accounts were now ready to publish however due to technical issues this had not been possible. It was anticipated they would be published by the end of the week.

8.2 The following clarification was provided:

- The Annual Governance Statement and Statement of Accounts would be brought back before the Committee once audited.

**RESOLVED:**

- The contents of the Draft Annual Governance Statement 2022/23 were noted.

**9. INTERNAL AUDIT PROGRESS REPORT JULY TO AUGUST 2023/24**

9.1 The Audit Manager, Lancashire County Council, outlined the report, which asked members to consider the Internal Audit Progress Report for July to August 2023/24.

9.2 The following clarification was provided:

- The CCTV audit looks at the technical and IT solutions and gives assurance over its effectiveness e.g. secure storage of recordings, checking system access and data security.

**RESOLVED:**

- The Committee considered the Internal Audit progress report for July to August

2023/24.

**10. EXTERNAL AUDIT PROGRESS REPORT**

10.1 The Audit Manager, Mazars, outlined the report, which asked members to note the contents of the report.

10.2 The following comments were made and clarifications provided:

- The sector as a whole had resource issues but Mazars did not currently have any staffing problems, so catching up on back years' audits shouldn't be an issue.
- Audit delays were a national issue and the Government were looking into the problems. Statutory backstop dates may be set and accounts qualified with disclaimers.
- The Chief Finance Officer and her Team were thanked for their hard work. The Auditors were also thanked for their help during the changeover.

**RESOLVED:**

- The Committee considered the External Audit progress report.

**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 6.57pm**

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**Signed (Chair)**

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**Date**