



AUDIT AND STANDARDS COMMITTEE

BURNLEY TOWN HALL

Thursday, 28th September, 2023 at 6.30 pm

PRESENT

MEMBERS

Councillor Margaret Brindle, In the Chair.

Councillors A Raja (Vice-Chair), G Barton, A Wight and S Cunliffe

OFFICERS

Howard Hamilton-Smith	–	Director of Resources
Amy Johnson	–	Finance Manager
Ian Evenett	–	Internal Audit Manager
Suzanne Rawson	–	Auditor
Craig Finn	–	Principal Accountant
CJ Walmsley	–	Democracy Officer

CO-OPTED MEMBERS

David Swift
Stuart Arnfield

EXTERNAL AUDITORS

Helen Stevenson – Grant Thornton-External Auditor

New Members of the Committee were welcomed by the Chair, and thanks given to retiring Members.

17. Apologies

Apologies for absence were received from Councillor G Lishman, Councillor Steel, Parish Councillor K Haworth and Georgia Jones.

18. Minutes

RESOLVED – That the minutes of the last meeting held on 27th July 2023 be approved as a correct record and signed by the Chair.

19. Additional Items of Business

There were no additional items of business to be considered.

20. Declarations of Interest

There were no declarations of interest on any items of the agenda.

21. Exclusion of the Public

There were no items of business where members of the public needed to be excluded from the meeting.

22. Public Question Time

No questions, statements or petitions had been received from members of the public.

23. Annual Accounts 22/23

The Council's audited Statement of Accounts for 2022/23 were submitted to the Committee for formal approval and signature by the Chair. The Committee was also asked to approve the Letter of Representation from the Director of Resources to Grant Thornton with signature from the Chair; and approve the signed 2022/23 Annual Governance Statement.

The audit findings were submitted and the headlines highlighted. It was pointed out the appendices referenced needed to be updated.

Financial Statements were outlined in terms of significant risks; key judgements and estimates; information technology; and other communication requirement.

It was clarified that in terms of income from heritage assets, this was separate from the accounts, but they do generate an income stream. The Director of Resources was to confirm figures with Members.

The Committee was advised that once everything was approved the Audited Statement of Accounts, Audit Findings Report and Annual Governance Statement would be published on the website and Members would be notified.

As a newly appointed Member to the Committee, Councillor Cunliffe raised concerns over lack of training and time to give due consideration to the annual accounts. Councillor Cunliffe therefore abstained from voting due to this reason.

RESOLVED –

- (1) That the Statement of Accounts for 2022/23 be approved and signed by the Chair and that delegated authority be given to the Director of Resources and Committee Chair for any non-material changes to the audited Statement of Accounts following the conclusion of the outstanding audit matters;
- (2) That the Letter of Representation be approved and signed;
- (3) That the audit findings be noted; and

(4) That the Annual Governance Statement signed at September 2023 be approved.

24. Internal Audit Charter and QAIP

A report was submitted that presented Members with the revised Internal Audit Charter and Quality Assurance and Improvement Programme (QAIP).

It was queried that in terms of benchmarking, did Internal Audit go further into understanding how counterparts in other authorities are operating. It was clarified that periodic benchmarking took place internally, but the external Peer Review that took place last year gave opportunity for insight into other authorities, including accessing all documentation from other local authorities to identify best practice and tailor to the Council's requirements.

This was a fresh charter, as a result of the external review and an error in the charter was pointed out, insofar as it made reference to Governance Committee, rather than Audit and Standards Committee. Any future changes would come back before the Committee. There had previously been different versions of the charter and strategies.

RESOLVED – That the Internal Audit Charter and QAIP be approved.

25. CIPFA Audit Committee Guidance

A report was submitted that updated the Committee on the implementation of the Chartered Institute of Public Finance and Accountancy (CIPFA) Audit Committee Guidance Documents. Highlights included changes to the Terms of Reference of the Committee; Member Training; and Self-Assessment of Good Practice.

Members were encouraged to complete the forms attached at Appendix 1 and 2 of the report and return to the Internal Audit Manager or the Democracy Office. However, a concern was raised with regards the Knowledge and Understanding Questionnaire for Member Training. It was felt that the form was not neurodiverse friendly and needed more context. Furthermore, the scale on the form didn't specify what was weak and what was strong. It was therefore requested that the form be revised.

Concerns were also raised regarding newly elected Councillors serving on the Committee, given its complexity and level of understanding required. It was felt that experienced Members were an important element of the Committee and emphasis was placed on the importance of training. It was suggested that training should be offered to all Members of the Council, to help inform future Committee membership. The Internal Audit Manager agreed to look into incorporating this into the Corporate Member Training and Development Programme. Members were also advised that an Audit Committee handbook was in the process of being developed which would include a range of potential training materials. The Member Induction Pack was also raised as an area for revision to include more information on the audit element of the Audit and Standards Committee.

RESOLVED - (1) That the report and guidance be noted;
 (2) That the form at Appendix 1 be revised to give more clarity and context;

- (3) That once revised and re-circulated, Members complete and return to the Internal Audit Manager; and
- (4) The roll out of training to wider Council Members be explored.

26. External Review Report

A report was submitted that informed Members of the progress on the External Review of Internal Audit Action Plan.

Clarification was provided on the Audit Manual being updated to ensure that the policies and procedures reflect the Public Sector Internal Audit Standards (PSIAS) requirements. This was reviewed annually, and the next review, which would be before the end of the current financial year, would show the latest position.

It was suggested that the actions in the plan have a target and completion date to further assist monitoring.

RESOLVED –
(1) That the report be noted; and
(2) That target and completion dates be included in the action plan.

27. Internal Audit Progress Report 23/24 Q1

A report was submitted that informed Members of the work undertaken by Internal Audit for the period 1st April to 30th June 2023. There had been three Audit Reports produced and details were appended to the report.

It was clarified that there was no decision making by the Committee in relation to Burnley Leisure and Culture.

Heather Bullock, the newly appointed Procurement and Information Officer, was introduced to the Committee, as she would be presenting reports at future meetings.

It was highlighted that due to the re-structuring of the service, completion of the plan was expected, however the Committee would be kept up to date on progress.

RESOLVED – That the report be noted.

28. Work Programme

Members were asked to note that change of date to the scheduled meetings. The meeting due to take place on 15th February 2024 had now been brought forward to 14th December 2023.

RESOLVED –
(1) That the work programme for 23/24 be noted; and
(2) That the meeting scheduled to take place on 15th February 2024, which had been brought forward to the 14th December 2023, be noted.