



AUDIT AND STANDARDS COMMITTEE

BURNLEY TOWN HALL

Thursday, 17th March, 2022 at 6.30 pm

PRESENT

MEMBERS

Councillor Lord Wajid Khan of Burnley, In the Chair.

Councillors H Baker (Vice-Chair), P Chamberlain, T Commis, B Foster, A Raja and A Wight

OFFICERS

Howard Hamilton-Smith – Head of Finance and Property
Ian Evenett – Internal Audit Manager
Alison McEwan – Democracy Officer

CO-OPTED MEMBERS

Councillor Kathryn Haworth
Councillor Gill Smith
David Swift

EXTERNAL AUDITORS

Georgia Jones – Grant Thornton-External Auditors

27. Apologies

Apologies were received from Cllr Briggs.

28. Minutes

The minutes of the last meeting were approved as a correct record and signed by the Chair.

29. Declarations of Interest

Cllrs Baker, Foster & Raja asked for their positions as Executive Members and Chair of Scrutiny to be noted in relation to Minute 38 – Audit & Standards Committee Terms of Reference. However they did not consider those positions to constitute a prejudicial interest, and so took part in the discussion on the subject.

30. Financial Management Code

With the inclusion of a point of clarification at section A of the Financial Code (Appendix 1) that Scrutiny Committee received all Executive reports relating to the budget, Members noted the report.

31. Audit Findings Report 2020-21 Grant Thornton

Georgia Jones from Grant Thornton provided a brief update on the 2020-21 Audit Findings Report. There was an amendment to be made which did not affect the bottom line.

In response to a question from a committee member as to how and when the audit would be finished, the auditor said that the expected completion date was within 2-3 weeks. There were a final couple of queries to be signed off. It was possible there would be an additional meeting of the committee called after the start of the new municipal year.

The report was noted.

32. Internal Audit Progress Report Q3 2021-22

Ian Evenett presented the report.

Members asked if it would be possible to be given slightly more detail within the summary document or could private reports be a solution? The team would try to expand on the information. Private reports are brought to Committee when required, but the preference is to bring public reports as far as possible, balancing the need to supply sufficient information against sharing too much detail.

Would the audit team be brought back up to full strength? Yes recruitment was planned, but the last recruitment had taken significantly longer than expected.

The report was noted.

33. Final Accounts Arrangements 2021-22

Howard Hamilton-Smith presented the report which set out the requirements for the closure of 2021-22 accounts.

Members requested that acronyms weren't used in reports or were fully explained.

The report was noted.

34. Strategic Risk Register

Ian Evenett presented the report.

Members asked the following questions:

Has PE4 been removed as not important? This wasn't the case, but reflected that there was no impact on the council's finances as delivery was by other organisations.

Should risks be applied to a committee? Yes, as far as possible but in some cases the risk is collective.

The report was noted.

35. Internal Audit Plan 2022-23

Ian Evenett presented the report, and informed members that any outstanding items from 2021/22 will be incorporated into the 2022/23 plan.

Members raised the following:

- Should all of the available days be shown, rather than the number allocated in the plan? Not all days are audit based, there are other roles to perform too. Happy to bring back further information on broad details. The allocation is in line with other similar authorities.
- Do Heads of Service request specific areas to focus on? They give a view on what areas are important, but the final decision is not made by them.
- Should the Committee have an input to choosing areas for audit? The Committee can certainly have an input into suggesting areas that they feel are important.

The report was noted.

36. Audit & Standards Committee Terms of Reference

Ian Evenett presented the report which set out the intention to consult the committee on revised guidance and best practice around Audit Committee membership, emphasising that public perception was an important factor in developing the guidance. The comments of the committee would be forwarded to Member Structures Working Group, and a final decision would be made by Full Council.

Members of the committee did not feel strongly that Executive Members and Chair of Scrutiny being members of the committee presented a conflict.

The Executive Members and Chair of Scrutiny felt they were part of the committee independent of their other roles to support the objective assessment of the audit process, not the decisions made by the Executive.

It was resolved that the comments of the committee be forwarded to Member Structures Working Group for consideration.