

**MINUTES**  
of the  
**AUDIT AND RISK COMMITTEE**  
held on 23 September 2020 at 7pm

Present:

Councillor N.M. Walsh (Chair)

Councillors D.J.R. Clark, P.H. Clark, N.A. Dudley, J.S. Lardge, J.M.C. Raven, E.J. Sampson and  
M. Sismey

### 1. Attendance and Apologies for Absence

The attendance of those present was confirmed. Apologies for absence had been received from Councillor M. Watson.

### 2. Minutes

The minutes of the meeting on 29 July 2020 were confirmed as a correct record.

### 3. Declarations of Interests

All Members were reminded to disclose any interests in items of business on the meeting's agenda and that they should do so at this point on the agenda or as soon as they became aware of the interest. They were also obliged to notify the Monitoring Officer of the interest within 28 days of the meeting, if they had not been previously notified.

### 4. Public Questions

There were no questions or statements from members of the public.

### 5. Announcements

The Committee was reminded of an email invitation that had been sent to them regarding the PSAA Local Audit forum webinar.

## 6. External Audit Update

The Committee received an update from their external auditors, BDO. The Committee was informed that the audit had started as planned in September and would continue with field work throughout September and October. The Committee heard that this was due to finish by 9<sup>th</sup> October. It was noted that some areas could not be concluded until closer to this date and those areas would therefore be picked up towards the end of the audit. The Committee heard that work in the main risk areas had been progressing well, including the valuation of land work, pensions valuations and related party transactions. The Committee was reminded that the outcomes of these areas of work would form part of the audit and would be reported to them in November. It was also noted that the value for money work had been progressing well.

RESOLVED that the update be noted.

(7pm to 7.07pm)

## 7. Internal Audit Update

The Committee received a report which summarised the work undertaken by Internal Audit since the last update in June 2020. It was noted that due to the unprecedented nature of 2020, it was pertinent to provide an additional update to the Committee this year. The Committee was taken through the report which included in Section 2, the completion of the 2019/20 plan, and in Section 3, the advisory and Assurance work during the Council's Covid-19 response. The report also detailed the work currently in progress.

RESOLVED that the report be noted.

(7.08pm to 7.13pm)

## 8. Internal Audit Revised Audit Plan

The Committee considered a report which sought their approval for the Revised Annual Internal Audit Plan for 2020/21. It was noted that this report had normally been considered in March but due to Covid-19, time had been taken to review the plan later in the year. The Committee heard that the plan had been taken to service managers where individual areas of scope are considered and managers had the opportunity to raise other potential areas of concern before it is considered by Management Team. The Committee heard that before Covid-19 the plan had already been taken to Management Team and then after further discussions had been subsequently approved in July 2020. It was noted that officers were

satisfied that the planned coverage would still be adequate to provide an annual audit opinion at the normal time in 2021. The Committee was informed that the budget accounted for any potential follow-ups on last years reviews and also for any specialist audit knowledge that may be required by services. The Committee also heard that on page 19 of the agenda pack, in italic text were the reviews from the original plan that there was no longer capacity for. It was noted that they were still risks and it was important that they were considered for next years plan, these would also be used if any current reviews were delayed.

RESOLVED that

1. the content of the report be noted and;
2. the Revised Annual Internal Audit Plan for 2020/21 be approved.

(7.14pm to 7.18pm)

## 9. Internal Audit Strategy 2020-2022

The Committee received a report which sought their approval for the Internal Audit Strategy 2020-2022. It was noted that it was a requirement for the Strategy to be approved and the document sat alongside the Audit Charter which the Committee had approved in June. The Committee heard that the Charter detailed what Internal Audit does and the Strategy detailed how the Internal Audit team would achieve this. It was noted that the Strategy covered, the teams mission statement, their goals, the key internal audit outputs, measurements of success, provision of the service, compliance with professional standard and the associated key strategic documents.

RESOLVED that

1. the content of the report be noted and;
2. the Internal Audit Strategy 2020-22 be approved.

(7.19pm to 7.21pm)

## 10. Risk Management Update – One Council RM Project Update

The Committee received an update on developments regarding Risk Management and the implementation of the risk and compliance modules in the new Enterprise Resource Planning system. The Committee heard that the new system was cloud based with a single sign on and various modules would be merged into a single dashboard view, that also integrated with Microsoft Dynamics. It was noted that performance, finance and risk modules would all be on the same platform leading to a unified approach. The Committee was informed that due to being cloud based like Microsoft Office, it would be a very resilient platform with a single source of data, therefore further beneficial for increased remote working. The Committee

heard that the principal risk register had already been uploaded into the system. It was also noted that the app featured a compliance section that would be used to monitor areas such as fire risk assessments. One benefit of the system noted by the Committee, was that senior managers would have an overview of their budgetary, risk, internal audit and compliance information all in one place. The Committee heard that the performance aspect was still being developed and work would be continuing with Management Team and the Overview and Scrutiny Committee to utilise this area. The Committee was informed that in December, they would be able to see an overview of the system and that in conclusion, the project was on time and under budget. It was also noted that staff were currently being trained with the system going live over the next few months.

RESOLVED that the report be noted.

(7.22pm to 7.29pm)

## 11. Modern Slavery Update

The Committee received a report which updated them on the work planned in the area of Modern Slavery reduction and awareness. The Committee heard that this was a new item that would be regularly reported to them, since the Council signed the Modern-Day Slavery Charter. It was noted by the Committee that even before signing the Charter, lots of background work had been undertaken by the Council in terms of looking at supply chains and other areas and this would now continue on an expanded level. The Committee heard that Council had lots of legal duties regarding safeguarding, and this was an area that formed part of that work. It was noted that by looking at areas of best practice, the Council was planning to set up its own partnership with other key agencies to tackle the issue on a collective basis. The Committee heard that this was due to hold its first meeting soon and the Committee would be kept updated. The Committee was updated on the timetable for the project so far and heard that the work to update the website had been completed as planned in August. The Committee also heard that the partnership work would start in October, followed by operational work in November including a project on ethical supply risk assessment. The Committee was informed that an executive summary on the ethical supply risk work would hopefully be available to them at the December meeting.

RESOLVED that the content of the report and the action plan be noted.

(7.29pm to 7.37pm)

## 12. Work Programme

The Committee received a report updating them on the rolling programme of work. It was noted that no changes had been made since this had last been considered. Members were reminded however of the training opportunities available and were asked to email officers with any areas they might find training helpful for.

RESOLVED that the rolling programme of work for the Committee be agreed.

(7.38pm to 7.40pm)

### 13. Urgent Business

There was no urgent business for the meeting

The meeting closed at 7.40pm

Chair