

GATESHEAD METROPOLITAN BOROUGH COUNCIL
AUDIT AND STANDARDS COMMITTEE MEETING

Monday, 31 January 2022

PRESENT: Councillor M Charlton (Chair)

Councillor(s): J Reay, R Beadle, H Kelly, J McElroy and Mr Stuart Bell (Independent Member) and Ms Laura Bowler (Independent Member)

APOLOGIES: Councillor(s): L Green and S Green and Mr Ian Dormer (Independent Member)

ASC363 MINUTES

The minutes were approved as a correct record.

ASC364 DECLARATIONS OF INTEREST

There were no declarations of interest.

ASC365 LOCAL CODE OF GOVERNANCE

The Committee received a report which asked them to consider and approve an updated version of the Local Code of Governance, based on the CIPFA Delivering Good Governance in Local Government Framework.

As part of this year's annual review of the Local Code of Governance, the Council's senior management have been requested to make any necessary amendments or additions to the document. The proposed changes were attached for information as Appendix 1 to the main report.

- RESOLVED -
- i) That the information be noted
 - ii) The Committee approved the updated Local Code of Governance attached at appendix 1.

ASC366 EXTERNAL AUDITOR APPOINTMENTS BEYOND 1 APRIL 2023

The Committee received a report which informed them of the optional arrangements for the appointment of external auditors for the financial year beginning on 1 April 2023 and sought agreement to opt into the national sector-led arrangement for the appointment of external auditors with effect from 1 April 2023.

The Committee were advised that Regulation 19 of the Local Audit (Appointing

Person) Regulations 2015 requires that a decision to opt in must be made by a meeting of Full Council (meeting as a whole), except where the authority is a corporation sole (e.g. Police and Crime Commissioner) in which case this decision can be taken by the holder of that office.

It is therefore intended that this report will be presented to Cabinet on 22 February 2022 followed by Full Council at its meeting on 24 February 2022, where it will be recommended that Members agree to become an opted-in authority.

The closing date to provide formal acceptance of the invitation to PSAA is 11 March 2022.

PSAA will commence the formal procurement process in early February 2022. It expects to award contracts in August 2022, then consult with authorities on the appointment of auditors in order to make appointments by the statutory deadline of 31 December 2022.

- RESOLVED -
- i) That the information be noted
 - ii) The Committee agreed to accept the PSAA invitation to opt into the sector-led option for the appointment of external auditors for five financial years commencing 1 April 2023 and submit any comments to Cabinet.

ASC367 EXTERNAL AUDITOR: AUDIT PROGRESS REPORT

The Committee received a report which set out the external auditor's progress in delivering their responsibilities as external auditor and presents for information a summary of recent reports and publications.

The report outlined audit progress and national publications and the external auditor's report was attached at Appendix A for information.

- RESOLVED -
- i) That the information be noted
 - ii) The Committee noted the contents of the external auditor's report.

ASC368 CORPORATE RISK MANAGEMENT 2021/22 - QUARTER 3 UPDATE

The Committee received a report providing an update on Corporate Risk Management developments during the period 1 October 2021 to 31 December 2021 in line with the principles of good corporate governance.

The report included updated on:

- Strategic Risk Management
- Operational Risk Management
- Business Continuity Management and
- Corporate Risk and Resilience Group

- RESOLVED -
- i) That the information be noted
 - ii) The Committee endorsed the effectiveness of the Council's risk management arrangements

ASC369 EXCLUSION OF THE PRESS AND PUBLIC

- RESOLVED - That the press and public be excluded from the meeting during the consideration of the remaining business in accordance with Paragraph 3 of Schedule 12A to the Local Government Act 1972.

ASC370 INTERNAL AUDIT PLAN 2021/22 QUARTERLY MONITORING REPORT TO 31 DECEMBER 2021

The Committee received a report outlining progress made by the Internal Audit & Risk Service against the audit plan for the financial year 2021/22 and summarises the main findings arising from audit activity throughout the period 1 October 2021 to 31 December 2021.

A total of 16 assignments were completed during the period, with details attached for information at Appendix A.

From the reviews carried out to 31 December 2021 audit work was found to be complying with PSIAS and the Audit Manual.

The Committee were advised that the year to date performance information was as follows:-

- 99% of audits were completed within budgeted time against a target of 90%
- Productive or chargeable time was recorded at 65% of overall time against an annual target of 73% of overall time
- The average score of the customer satisfaction questionnaires returned is 3.88 out of 4, against a target of 3.4 (85%)
- The target for implementation of audit recommendations and 90% for medium priority recommendations. The current rate of implementation of all recommendations is 96% with 97% of all medium priority and 100% of all high priority recommendations having been implemented. Further information was provided to Committee at Appendix C in the main report.

RESOLVED – That the information be noted.

ASC371 DATE AND TIME OF NEXT MEETING

The next meeting will take place on Monday 7 March 2022 at 10.00 am

Chair.....