

GATESHEAD METROPOLITAN BOROUGH COUNCIL
AUDIT AND STANDARDS COMMITTEE MEETING

Thursday, 20 July 2023

PRESENT: Councillor L Kirton (Chair)
Councillor(s): R Mullen, L Green, H Kelly, J McElroy
Mr Stuart Bell (Independent Member)

APOLOGIES: Councillor(s): Mr Ian Dormer (Independent Member)
Councillor R Beadle

ASC457 MINUTES

The minutes of the last meeting held on 20 June 2023 were approved as a correct record, with the addition that Mr Ian Dormer (Independent Member) was present at the meeting.

ASC458 DECLARATIONS OF INTEREST

There were no declarations of interest.

ASC459 ANNUAL REPORT TO CABINET AND COUNCIL 2022/23

The Committee received the annual report, which is required under its terms of reference to be submitted to Cabinet and Council.

A summary of the reports presented to the Committee over the last year was given. It was noted that at the meeting on 20 June 2023 it was concluded that the Council's system of internal control and governance framework is effective following approval of the Annual Governance Statement for 2022/23 which accompanies the Statement of Accounts.

RESOLVED - That the Committee agreed the draft report be submitted to Cabinet and Council

ASC460 CORPORATE RISK MANAGEMENT 2023/24 QUARTER 1 UPDATE

The Committee received a report on Corporate Risk Management developments during the period 1 April to 30 June 2023.

It was noted that no changes have been made to the Strategic Risk Register in the first quarter period and the Business Continuity Plans continue to be reviewed.

All Business Impact Assessments have been reviewed bi-annually since the start of the Pandemic in March 2020 with the most recent review in May 2023, with the next

review planned for action by Services during November 2023.

Quarterly audit and risk reports are provided to Group Management Teams to highlight the critical activities for which services have developed continuity plans.

The Committee were also advised that the Corporate Risk and Resilience Group last met on 4 July 2023 and the following items were considered:

- Review of Business Impact Assessment and Business Continuity Plan seasonal refresh
- Service resilience to a loss of IT services for an extended period
- Updates from Groups and Services

RESOLVED - That Committee noted the report and were satisfied with the effectiveness of the Council's risk management arrangements.

ASC461 EXTERNAL AUDITOR : AUDIT STRATEGY MEMORANDUM YEAR ENDING 31 MARCH 2023

The Committee received a report advising the Committee note the external Auditor's Audit Strategy Memorandum for the year ended 31 March 2023.

The Committee were advised that for 2022/23 there is a new engagement team at Mazars. The Director and Audit Engagement lead is James Collins who replaces Cameron Waddell. The Senior Audit Manager is Joanne Greener who replaces Diane Harold.

The report set out:

- Engagement and responsibilities summary
- The audit engagement team
- Audit scope, approach and timeline
- Significant risks and other key judgements areas
- Value for Money
- Fees for audit and other services
- Commitment to independence
- Materiality and misstatements

The External Auditor's report was attached to the main report at Appendix A.

The Committee acknowledged the External Auditor's Strategy Memorandum for the year ended 31 March 2023 and that delays in the concluding of other external audits were causing delays in the sign off of Gateshead Council accounts (including Pensions) and that every effort was being made to expediate this issue and look forward to receiving an update as soon as practicable.

RESOLVED – The Committee noted the contents of the report.

ASC462 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.

ASC463 INTERNAL AUDIT PLAN 2023/24 QUARTERLY MONITORING REPORT TO 30 JUNE 2023

The Committee received a report outlining progress made by the Internal Audit & Risk Service against the audit plan for the financial year 2023/24 and summaries the main findings arising from audit activity throughout the period 1 April 2023 to 30 June 2023.

It was reported that 24% of the audit plan has been completed so far, in terms of hours this is on track to achieve the local performance target of completing 97.25% of actual hours against the planned hours for the full year.

A summary of the main findings arising from audit activity during the period was shown at Appendix A and a total of 30 assignments were completed during the period.

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

- 95% of audits were completed within budgeted time against a target of 90%
- Productive or chargeable time was recorded at 64.1% of overall time against a quarter 1 target of 66.4% of overall time
- The average score of the customer satisfaction questionnaires returned is 3.83 out of 4, against a target of 3.4 (85%)
- The target for implementation of audit recommendations is 100% for high priority recommendations and 90% for medium priority recommendations. The current rate of implementation for both the high and medium priority recommendations is 100%. Further information was shown at Appendix C.

The Committee questioned whether any analysis of efficiency of staff working from home was available and were advised that work is currently ongoing within Corporate Management Team and the Ways of Working Group to develop the smart working agenda and findings of this will be made available once the workstream has concluded its findings.

RESOLVED – The Committee noted the contents of the report.

ASC464 DATE AND TIME OF NEXT MEETING

Tuesday 26 September 2023 at 4.00 pm in the Blaydon Room

Chair.....