

**MINUTES OF THE AUDIT COMMITTEE MEETING  
HELD AT 6.00PM, ON MONDAY 22 JULY 2024  
IN THE BOURGES VIERSEN ROOMS, TOWN HALL, PETERBOROUGH**

*To be read in conjunction with the agenda for the meeting here:*

[Agenda for Audit Committee on Monday 22 July 2024, 2024, 6.00 pm | Peterborough City Council](#)

**Committee Members Present:** Antunes, Farooq, D Jones, Perkins, Qayyum, and Strangward

**Co-opted Members Present:** Stuart Green (Virtual), Mike Langhorn (Acting Chair)

**Officers Present:** Cecilie Booth, Executive Director of Corporate Services and S151 Officer  
Steve Crabtree, Chief Internal Auditor  
Jill Evans, Service Director and Deputy S151 Officer (Virtual)  
Matt Makin, Senior Democratic Services Officer  
Neil McArthur, Director of Legal and Governance and Monitoring Officer  
Emma Riding, Service Director and Deputy S151 Officer  
Gerry Roche, Risk Manager (Virtual)  
Ben Stevenson, Head of Information Governance / Data Protection Officer  
Julie Taylor, Group Auditor

**Also Present:** Dan Cooke, Senior Manager, Ernst and Young LLP  
Mark Hodgson, Partner, Ernst and Young LLP

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Daniel Schumann, Independent Chair of the Committee. In accordance with the Audit Committee's terms of reference, Mike Langhorn, Independent Member, was appointed as Chair for the meeting.

Apologies for absence were also received from Councillors Imtiaz Ali and Nick Thulbourn; Councillor Qaiser Farid attended as Councillor Ali's substitute and Councillor Dennis Jones attended as Councillor Thulbourn's substitute.

In Councillor Thulbourn's absence, Councillor Dennis Jones was appointed as Vice-Chair of the Committee for the meeting.

**NOTE:** The Chair reordered the agenda so that item 9 would be heard at the end of the meeting.

**2. DECLARATIONS OF INTEREST**

No declarations of interest were made.

### **3. MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 18 MARCH 2024**

The Committee **RESOLVED** that the minutes of the meeting held on 18 March 2024 be agreed as a correct record subject to the following amendment:

Page 2, minute 60, third resolution to read “3. Section 6.3 of the Terms of Reference be updated to reflect that the Vice Chair can Chair the Audit Committee in the event of any Independent Chair being **unavailable**.”

### **4. ACTIONS AND MATTER ARISING**

The Committee noted that its Terms of Reference (ToR) needed to be referred back to Full Council at its next meeting of 16 October 2024 to amend section 6.3 of the ToR, as the proposal to enable the Vice-Chair to chair a meeting in the event no independent member is present had been unintentionally omitted from the draft document presented to Full Council. The Committee asked that it be advised of the outcome of this referral.

The Committee **RESOLVED** that the actions and matters arising from previous meetings and progress made to date be noted.

### **5. REVISED FINANCIAL REGULATIONS**

The Committee received a report requesting that it reviewed the updated Financial Regulations, a key element of the Council’s Constitution, and referred them to the Constitution & Ethics Committee for recommendation to Full Council.

The Committee **RESOLVED** that:

1. The draft amended Financial Regulations be reviewed; and
2. The draft amended Financial Regulations be referred to the Constitution & Ethics Committee for recommendation to Full Council.

### **6. BUDGETARY CONTROL REPORT – FINAL OUTTURN 2023/2024**

**NOTE:** Councillor Strangward arrived at the meeting during this item.

The Committee received a report providing the 2023/2024 outturn position for both the revenue budget and the capital programme, as well as performance information on the payment of creditors and the collection performance for debtors and local taxation. The report noted that the final position was subject to any changes that may be needed as part of the finalisation of the Statement of Accounts and subsequent external audit.

The Committee **RESOLVED** that the following be noted:

1. The final 2023/24 revenue outturn position as a £1.2m overspend on the Council’s revenue budget (subject to finalisation of the statutory statement of accounts).
2. The reserves position outlined in section 4.5.2 of the report.
3. The MTFS Q4 update outlined in Appendix B to the report.
4. The 2023/24 Capital Programme outturn position of £113m outlined in section 4.6 of the report, with the details of schemes outlined in Appendix C to the report.
5. Performance against the Prudential Indicators as outlined in Appendix D to the report.
6. Performance on payment of creditors, debt collection performance, local taxation and benefit overpayments as outlined in Appendix E to the report.

## 7. 2022/2023 STATEMENT OF ACCOUNTS

The Committee received a report which provided the opportunity to review the annual accounts for 2022/2023, as defined in its terms of reference. The report noted that the audit of the accounts had been considered as part of the Ernst & Young (EY) Value for Money Report, at item 8 of the agenda, and that the accounts would not be approved until the external audit was complete.

The Committee **RESOLVED** that:

1. The Annual Accounts for 2022/23 be received, and any final approval be delegated to the Executive Director for Corporate Resources and the Chair of Audit Committee
2. The linked Auditors Value for Money Report for the year ended 31 March 2023 from Ernst & Young (EY), which can be found at agenda item 8, be noted.

## 8. EY VALUE FOR MONEY REPORT FOR 2021/2022 AND 2022/2023 ACCOUNTS

**NOTE:** Stuart Green left the meeting during this item.

The Committee received a report presenting the Ernst & Young (EY) Value for Money (VfM) Report on the 2021/2022 and 2022/2023 accounts, which certified that the VfM audit of both sets of accounts had been completed. The report outlined the work undertaken by EY and highlighted any significant weaknesses identified along with recommendations for improvement.

The Committee **RESOLVED** that the final interim Auditors Value for Money Report for the years ending 31 March 2022 and 31 March 2023 from Ernst & Young (EY) be received.

## 9. DRAFT ANNUAL GOVERNANCE STATEMENT 2023 / 2024

The Committee received a report that presented the draft Annual Governance Statement (AGS) for 2023/2024 for review and recommendation for adoption and inclusion in the Statement of Accounts, in accordance with its terms of reference.

The Chair asked that it be noted that in future, the Committee expected that the Chief Internal Auditor be not as deeply involved in the production of the AGS, and that this responsibility should sit with first- and second-line officers.

The Committee **RESOLVED** that:

1. The arrangements for compiling, reporting on and signing the Draft Annual Governance Statement for 2023 / 2024 be noted
2. Subject to any amendments that may need to be made in the light of any feedback from the Committee, the Draft Annual Governance Statement be submitted to the Chief Executive and Leader of the Council for signature and inclusion in the statement of accounts.

## 10. ANNUAL INTERNAL AUDIT OPINION 2023/2024

The Committee received a report that provided the overall opinion on the soundness of the control environment in place to minimise risk to the Council. This was based on the findings of audits and activities undertaken by the Council's Internal Audit team during 2023/2024.

The Committee **RESOLVED** that the Chief Internal Auditor's annual report for the year ended 31 March 2024, included at Appendix A to the report, be endorsed.

#### **11. ANNUAL REPORT: FRAUD AND INVESTIGATIONS 2023/2024**

The Committee received a report that detailed the work carried out in 2023/2024 to minimise the risk of fraud, bribery and corruption occurring in the Council, in accordance with its terms of reference.

The Committee recommended that the Head of Internal Audit identify an alternative provider to undertake the five-yearly independent assessment of compliance with the PSIAS as the committee did not consider the Chief Internal Auditor of Cambridgeshire County Council to be sufficiently independent to undertake this review.

The Committee **RESOLVED** that the annual report on the investigation of fraud within the Investigations Team during 2023 / 2024, included at Appendix A to the report, be endorsed.

#### **12. ANNUAL REPORT: INSURANCE 2023/2024**

The Committee received a report that presented the work carried out in 2023/2024 to provide an effective insurance function which provided cover for all aspects of the Council, in accordance with its terms of reference.

The Committee **RESOLVED** that the attached annual report on the provision of Insurance during 2023 / 2024, included at Appendix A to the report, be endorsed.

#### **13. INFORMATION GOVERNANCE ANNUAL REPORT**

The Committee received a report that provided information on a number of key areas of Information Governance including the Council's compliance with statutory timeframes for information rights requests, the approach to managing data breaches, compliance and training.

The Committee **RESOLVED** that:

1. The performance of the council and the Information Governance Service be noted.
2. Any areas of compliance to be included in future Information Governance reports be considered.
3. The proposal to receive a six-monthly report on personal data breaches to demonstrate the Council's commitment to protecting personal data be approved.

#### **14. RISK MANAGEMENT UPDATE**

The Committee received a report detailing the agreed versions of the Council's Risk Management Framework and Annual Risk Report, in line with its terms of reference.

The Committee requested that, following approval of the updated Risk Management Policy and Framework, the Corporate Risk Manager provides the Committee with his ongoing work programme to further strengthen the Risk Framework and to address the opportunities for improvement identified by the committee in its review of new framework.

The Committee **RESOLVED** that the Risk Management Framework and Annual Risk Report included at Appendices A & B of the report be noted.

#### **15. ANNUAL AUDIT COMMITTEE REPORT 2023/2024**

The Committee received a report which presented its draft annual report for 2023/2024 and sought approval for it to be submitted to Full Council in October 2024, in line with both best practice and the Committee's terms of reference.

The Committee **RESOLVED** that:

1. The draft Annual Audit Committee Report, included at Appendix A to the report, be approved for submission to Full Council in October 2024.
2. That authority be delegated to the Chair of the Audit Committee, in consultation with the Audit Committee Group representatives, to agree any minor changes to the report before its submission to Full Council.

**16. USE OF REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)**

The Committee **RESOLVED** to note that there was no RIPA update.

**17. APPROVED WRITE-OFFS EXCEEDING £10,000**

The Committee **RESOLVED** to note that there was no update on write-offs exceeding £10,000.

**18. WORK PROGRAMME**

The Committee **RESOLVED** that the rolling work programme for the 2024/2025 municipal year be noted and agreed.

**19. 2023/24 EXTERNAL AUDIT PLAN**

The Committee received a report which presented the opportunity to review the basis of Ernst & Young's (EY's) proposed audit approach and scope for its 2023/2024 audit, in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2020 Code of Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments Ltd, and auditing standards and other professional requirements. The report also allowed the Committee to ensure the audit was aligned with its own service expectations.

Following the introduction of the report, it was on the proposition of Councillor Jones, seconded by Councillor Qayyum, **RESOLVED** that the press and public be excluded from this part of the meeting on the grounds that the item contained exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed.

The discussion and debate for this item was held in exempt session.

The Committee **RESOLVED** that the Audit Plan from EY that shows their plans to audit the 2023/24 accounts be received.

**CHAIR**

End 8.24pm