

**MINUTES OF THE AUDIT COMMITTEE MEETING
HELD AT 6PM, ON
27 NOVEMBER 2023
BOURGES/VIERSEN ROOM, TOWN HALL, PETERBOROUGH**

Committee Members Present: Councillors Haseeb (Vice-Chair), Jones, Perkins, Fox, Rangzeb, Barkham and Rush (Virtual)

Co-Opted Members: Mike Langhorn, Daniel Schumann (Chair), Stuart Green (Virtual)

Officers Present: Cecilie Booth, Executive Director Corporate Services & S151 Officer
Jill Evans, Service Director, Corporate Finance & Deputy S151 Officer
Adesuwa Omoregie, Interim Director of Law and Governance and Deputy Monitoring Officer
Steve Crabtree, Chief Internal Auditor
Belinda Evans, Compliant Manager
Claire Watt, Senior Executive Assistant

Also Present:

1. APOLOGIES FOR ABSENCE

No apologies for absence. Stuart Green and Councillor Rush were present virtually, but could not vote on any of the items.

2. DECLARATIONS OF INTEREST

Steve Crabtree, declared that he was a Board member of Peterborough Limited.

3. MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 11 SEPTEMBER 2023

The minutes of the meeting held on 11 September 2023 were agreed as a true and accurate record.

4. ACTIONS AND MATTER ARISING

The purpose of the report was to inform the Audit Committee of the actions outstanding, and progress made to date.

The report was introduced by Executive Director, Corporate Services (S151 Officer) who outlined that the actions log had been updated to reflect the previous meetings actions, plus any actions that were still outstanding.

The Audit Committee debated the report and in summary, key points raised and responses to questions included:

There was an action from the previous meeting on 11 September 2023 for the Head of Corporate Delivery Unit to feedback comments from the Committee to the Corporate Leadership Team and provide the Committee with an updated Risk Management Framework at a future meeting. A briefing note on progress was circulated to the Committee prior to this meeting and an updated Risk Management Framework will be presented to the Committee on 23 January 2024.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to note the actions and matters arising from previous meetings and progress made to date.

5. INTERNAL AUDIT: MID YEAR PROGRESS REPORT 2023/ 2024

The Audit Committee received a report on the Internal Audit: Mid Year Progress Report 2023/2024.

The purpose of the report was to provide the Audit Committee with an overall opinion on the soundness of the control environment in place to minimise risk to the council. It is based on the findings of the completed internal audits from the Annual Audit Plan 2023 / 2024 as at 30 September 2023.

The report was introduced by the Chief Internal Auditor, who outlined the progress of the Internal Audit plan for 2023/2024.

The Audit Committee debated the report and in summary, key points raised and responses to questions included:

The report provided a clear indication of the lack of resources present within the Internal Audit Team with several audits being deferred. Officers were working hard to recruit a Senior Auditor post. The use apprenticeships were also being explored with HR. It was acknowledged that there was a Cambridgeshire wide issue in audit resourcing.

The Committee did not think that Insurance should remain within Internal Audit and that it should sit within risk management activities. Officers were of the understanding that it sat better within Internal Audit as the Risk Management activity was made up of a single post and unlikely to have the skillset and expertise. However, officers were committed to review this.

The Committee asked for a clearer definition of the recommendation ratings that were set out on Appendix A of the report. It was agreed that this would be available and included in the next Internal Audit plan progress update.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to note the progress of the Internal Audit Plan for 2023/2024.

ACTIONS:

1. Executive Director, Corporate Services to consider Insurance being removed from Internal Audit and sitting within Risk Management – March 2023
2. Clearer definitions of the recommendation ratings to be provided to the Committee – Steve Crabtree - January 2024

6. TREASURY MANAGEMENT MID YEAR UPDATE

The Audit Committee received a report on the Treasury Management Mid Year Update.

The purpose of the report was to provide the Audit Committee with the current performance and the forecast outturn position against the Prudential Indicators in the Treasury Management Strategy.

The report was introduced by the Service Director, Corporate Finance and Deputy S151 Officer, who outlined the Mid Year position and current forecast for the interest receivable and payable for the financial year 2023/23 as at 30 September 2023.

The Audit Committee considered the report and **RESOLVED**(Unanimous) to:

1. Review and consider the Treasury Management Strategy Statement (TMSS) Mid-year position and performance against the Prudential Indicators.
2. Note the current forecast for the interest receivable and payable for the financial year 2023/24 as at 30 September 2023 (as amended).

7. ANNUAL REPORT OF COMPLAINTS 2022/23

The Audit Committee received a report in relation to the Annual Report of Complaints 2022/2023.

The purpose of the report was to outline the effective management of complaints were important to ensure action had been taken when customers express dissatisfaction about the delivery of any of our services

The report was introduced by the Complaint Manager, who outlined the contents of the Annual Complaints report.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to review the report (detailed in Appendix A & B) and provide any comments or recommend areas for future scrutiny.

8. AUDIT COMMITTEE TERMS OF REFERENCE

The Audit Committee received a report in relation to the Audit Committee Terms of Reference.

The purpose of the report was to outline the current Audit Committee Terms of Reference in conjunction with the CIPFA Guidance and consider any changes required.

The report was introduced by the Interim Director of Legal and Governance (Monitoring Officer)

The Audit Committee debated the report and in summary, key points raised and responses to questions included:

The Committee asked for the CIPFA Terms of Reference to be incorporated into the Committee's Terms of Reference.

Items that were requested to be included in the Committee's ToR included:

- A definition of what independence means with reference to independent members on the Committee.
- Administrative elements including the purpose of the Committee; who it was accountable to; who approves the ToR and when/how it had been reviewed.
- Membership section should be strengthened in terms of how the Chair was appointed, the role of the Chair, restriction of membership, and political balance.

In addition, the Committee asked that the role of the Committee in the Risk Management process be considered which may necessitate an amendment in the ToR.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to:

1. Review the terms of reference of the model CIPFA terms of reference included at Appendix 2.(as amended).
2. Propose any changes to the Audit Committee's current terms of reference included at Appendix 1 in line with the CIPFA terms of reference (as amended).

ACTION

3. The Interim Director of Legal and Governance (Monitoring Officer) to take on board the comments made by the Committee regarding the proposed changes to the Terms of Reference and bring back to a future agreed Committee date for consideration of adopting the revised Terms of Reference prior to being taken through the next stages.

9. AUDIT COMMITTEE START TIME 2024/25

The Audit Committee received a report in relation to the start time for Audit Committee meetings in 2024/2025.

The purpose of the report was for Audit Committee to discuss and agree the start time for meetings from the beginning of the Municipal Year 2024-25. The draft schedule of meetings will be agreed at Full Council in January 2024.

The report was introduced by the Interim Director of Legal and Governance (Monitoring Officer), who outlined the options for Committee start time 2024-2025.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to agree and recommend to Council the start time of 6pm for all Audit Committee meetings for the Municipal Year 2024-25.

10. DECISIONS OF THE SHAREHOLDER CABINET COMMITTEE

The Audit Committee received a scheduled report on the decisions of the Shareholder Cabinet Committee.

The purpose of the report was to note the decisions made by the Shareholder Cabinet Committee as set out in the report.

The report was introduced by the Interim Director of Legal and Governance (Monitoring Officer) and asked members to note the decisions made by the Shareholder Cabinet Committee as set out in the report.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to note the outcome of meetings of the Shareholder Cabinet Committee as set out in the report.

11. USE OF REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

The Audit Committee resolved to note that there was no RIPA update.

12. APPROVED WRITE-OFFS EXCEEDING £10,000

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

13. WORK PROGRAMME

The Audit Committee received the report with the committee's work programme for the year 2022/23.

The purpose of the report was to allow the committee to add/remove any items from the work programme for the year ahead.

The Audit Committee considered the report and **RESOLVED** (Unanimous) to note the work programme and agreed to the additional items being added to future meetings.

CHAIR

End 6.46pm

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