

## **AUDIT COMMITTEE**

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Tuesday 27<sup>th</sup> June 2023 at 1000 hours.

### **PRESENT:-**

Members:-

Councillor Tom Munro in the Chair

Councillors Duncan Haywood, Cathy Jeffrey, Lisa Powell, Carol Wood and Ruth Jaffray (Independent Member).

Officers:- Theresa Fletcher (Section 151 Officer), Jenny Williams (Head of the Internal Audit Consortium) and Alison Bluff (Governance).

Also in attendance at the meeting was Nomfundo Magwaza MAZARS, and Mark SurrIDGE MAZARS (from during Minute No. AUD5-23/24).

### **AUD1-23/24            APOLOGIES FOR ABSENCE**

An apology for absence was received on behalf of Councillor Chris Kane.

### **AUD2-23/24            URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **AUD3-23/24            DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **AUD4-23/24            MINUTES – 16<sup>TH</sup> MARCH 2023**

Moved by Councillor Tom Munro and seconded by Councillor Carol Wood  
**RESOLVED** that the Minutes of an Audit and Corporate Overview Scrutiny Committee held on 16<sup>th</sup> March 2023 be approved as a correct record.

## **REPORTS OF THE COUNCIL'S EXTERNAL AUDITORS MAZARS**

### **AUD5-23/24            AUDIT STRATEGY MEMORANDUM**

Committee considered the Council's External Auditors, MAZARS, Audit Strategy Memorandum for the year ending 31<sup>st</sup> March 2023, presented by Nomfundo Magwaza.

The purpose of the document was to summarise MAZARS audit approach, highlight significant audit risks and areas of key judgements.

## **AUDIT COMMITTEE**

For the current year 2023/24, Members were advised that an additional enhanced risk would be included in relation to the Council's acquisition of Dragonfly and how the whole process had taken place.

The Chair emphasised to Members that there were no issues of any note that the Council's external auditors, MAZARS, had found necessary to highlight and make recommendations on. This had been the case for the last 8 years that he had been Chair of the Committee and was something to be proud of. The Chair's comments were echoed by the Independent Member, Ruth Jaffray.

In response to a Member's query, the Council's external auditor, Nomfundo Magwaza, provided an explanation on how MAZARS would plan and conduct their audit work on the Council's 2022/23 accounts.

Moved by Councillor Carol Wood and seconded by Councillor Lisa Powell  
**RESOLVED** that the report be noted.

## **REPORTS OF THE INTERNAL AUDIT CONSORTIUM MANAGER**

### **AUD6-23/24            SUMMARY OF PROGRESS ON THE 2022/23 AND 2023/24 INTERNAL AUDIT PLAN**

Committee considered a report which provided a summary of progress on the 2022/23 and 2023/24 internal audit plan.

In respect of the 2022/23 Internal Audit Plan, Appendix 1 to the report showed that seven reports (B014-B020) had been issued between March 2023 and May 2023; two with substantial assurance and five with reasonable assurance. The definitions of the assurance levels used were set out in a table in the report and were linked to the definitions of risk within the risk management strategy. During this period, no issues relating to fraud had been identified.

Regarding the audit in relation to Taxi Licensing arrangements, the Head of the Internal Audit Consortium confirmed that a response had been received since the publication of the report and all recommendations agreed.

Work had started on the 2023/24 Internal Audit Plan, and progress against this plan would be reported in full at the next Audit Committee meeting.

A Member referred to 'reasonable' assurance given in relation to the Network Security audit and queried if the recommendations were being dealt with as a matter of urgency. The Head of the Internal Audit Consortium explained that the key recommendations made were to be implemented by July with one recommendation already actioned. Refresher training for every member of staff would take place later in the year with an assurance that all staff had received the training.

Moved by Councillor Tom Munro and seconded by Councillor Carol Wood  
**RESOLVED** that the report be noted.

## AUDIT COMMITTEE

### **AUD7-23/24                    INTERNAL AUDIT CONSORTIUM ANNUAL REPORT 2022/23**

Committee considered the Internal Audit Consortium Annual report 2022/23.

The Public Sector Internal Audit Standards (PSIAS) required that the Head of the Internal Audit Consortium delivered an annual internal audit opinion and a report that could be used by the organisation to inform its governance statement.

The 2022/23 plan was based on the Internal Audit Consortium being fully staffed, however, staff vacancies during the year and training requirements of new staff had impacted on the extent of completion of the plan. Nevertheless, enough of the plan (73%), along with reliance on other assurances, had been completed to be able to give an unlimited audit opinion in respect of the 2022/23 financial year.

Appendix 1 to the report showed that twenty reports had been issued in 2022/23, all of which were either substantial or reasonable assurance. Each of these reports had been considered at Audit Committee during the year. Appendix 2 to the report detailed audits completed and those deferred. Appendix 3 to the report provided a quality assurance and improvement programme.

The internal control issues arising from audits completed in the year and outstanding internal audit recommendations had been considered during the preparation of the Annual Governance Statement by the Section 151 Officer. There had been no issues directly arising from internal audit work that required raising in the Annual Governance Statement.

In response to Members' queries, the Head of the Internal Audit Consortium explained that there had been different areas of audit focus on data protection in 2022/23, to previous audits, and this was why a different assurance level had been given. When comparing assurance levels on audits carried out in 2022/23 against the previous audit, it was not necessarily that the previous audit had been carried out in 2021/22, and could have been carried out in 2018/19 or before.

Moved by Councillor Duncan Haywood and seconded by Councillor Carol Wood  
**RESOLVED** that the Internal Audit Consortium Annual Report for 2022/23 be accepted.

### **AUD8-23/24                    AUDIT COMMITTEE WORK PROGRAMME 2023/24**

Committee considered their work programme 2023/24.

The Section 151 Officer advised Members that the work programme was flexible and subject to change should additional reports/presentations be required, or if items needed to be rearranged for alternative dates.

Moved by Councillor Tom Munro and seconded by Councillor Duncan Haywood  
**RESOLVED** that the Audit committee Work Programme 2023/24 be noted.

The meeting concluded at 1430 hours.