

**Bolsover District Council**

**Audit Committee**

**26<sup>th</sup> September 2024**

**AUDIT COMMITTEE ANNUAL REPORT**

**Report of the Director of Finance and Section 151 Officer**

<b>Classification</b>	This report is public
<b>Contact Officer</b>	Theresa Fletcher Director of Finance and Section 151 Officer

**PURPOSE / SUMMARY**

To report to Members on how the Committee has complied with the Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement: Audit Committees in Local Authorities and Police 2022.

---

**REPORT DETAILS**

**1 Background**

- 1.1 During 2022, CIPFA updated its 2018 Position Statement. CIPFA's revised statement includes new expectations in England following the Redmond Review. All authorities and police bodies are encouraged to use the publication to review and develop their arrangements in accordance with the Position Statement.
- 1.2 Audit Committees are a key component of an authority's governance framework. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk, and control arrangements. The Committee's role in ensuring that there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance that those arrangements are effective.
- 1.3 In a local authority, full Council is the body charged with governance. The Audit Committee may be delegated some governance responsibilities but will be accountable to full Council. The Committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.
- 1.4 The Audit Committee should be established so that it is independent of Executive decision making and able to provide objective oversight. It is an advisory Committee that has sufficient importance in the authority so that its

recommendations and opinions carry weight and have influence with the leadership team and those charged with governance.

- 1.5 The Committee should include co-opted independent members in accordance with the appropriate legislation. Where there is no legislative direction, CIPFA recommends that each authority should include at least 2 co-opted independent members to provide appropriate technical expertise.
- 1.6 The core functions of the Audit Committee are to provide oversight of a range of core governance and accountability arrangements, responses to the recommendations of assurance providers and helping to ensure robust arrangements are maintained.
- 1.7 The specific responsibilities include maintenance of governance, risk, and control arrangements; financial and governance reporting; establishing appropriate and effective arrangements for audit and assurance.

## **2 Details of Proposal or Information**

### **Committee Business**

- 2.1 During 2023/24, Members received a range of reports to the Committee. Some were routine reports for monitoring, others were to provide information and guidance to help Members of the Audit Committee carry out their role effectively.
- 2.2 The Committee met on 5 occasions during the 2023/24 financial year. Chaired by Councillor Munro it was advised by the Director of Finance and Section 151 Officer and the Head of the Internal Audit Consortium. The Committee had 6 Councillors as members (who are not Members of the Executive) plus 1 co-opted independent member and it was also attended by the Council's external auditor Forvis Mazars.
- 2.3 During the year, the Committee received the following reports:
  - Report of the External Auditor, Audit Strategy Memorandum
  - Report of the Internal Auditor, Summary of progress on the Internal Audit plan– quarterly reports
  - Implementation of Internal Audit recommendations – ½ yearly report
  - Internal Audit Consortium – annual report 2022/23
  - Strategic Risk Register and Partnership Arrangements report
  - Forvis Mazars report to those charged with Governance (audit completion report)
  - Assessment of Going Concern Status
  - Review of the Internal Audit Charter
  - Report of the External Auditor – External Audit progress report
  - BDC Statement of Accounts 2022/23
  - Annual Governance Statement and Local Code of Corporate Governance 2022/23
  - Accounting Policies 2023/24

- Report of the Internal Auditor, Internal Audit plan approved for 2024/25
- Audit Committee – Self-assessment for effectiveness and resulting action plan
- Annual report of the Committee
- Local Audit Delays – Consultation and Proposal for the future
- Member Training 2024/25 - Member discussion

### **The Committee’s Main Achievements/Outcomes**

2.4 The Committee aims to add value through its activity and in particular has:

- Scrutinised the statement of accounts prior to approval thereby ensuring that they are an accurate reflection of the Council’s finances.
- Reviewed the Code of Corporate Governance and approved the Annual Governance Statement to ensure it is a true and fair view of the Council’s governance and risk management arrangements.
- Reviewed the strategic risk register to ensure that risks are being appropriately mitigated thus providing additional assurance that risk is being managed appropriately.

### **3 Reasons for Recommendation**

3.1 To provide assurance to those charged with governance that the Committee fulfils its purpose and can demonstrate its impact.

### **4 Alternative Options and Reasons for Rejection**

4.1 None.

## **RECOMMENDATIONS**

1. That the Audit Committee note the report.

Approved by Councillor Clive Moesby, Portfolio Holder for Finance

### **IMPLICATIONS.**

**Finance and Risk:**            Yes             No

**Details:**

There are no direct financial implications arising from this report.

On behalf of the Section 151 Officer

**Legal (including Data Protection):**            Yes             No

**Details:**

There are no legal or data protection issues arising directly from this report.

On behalf of the Solicitor to the Council

**Environment:**

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:**

Not applicable to this report

**Staffing:** Yes  No

**Details:**

There are no human resource implications arising directly from this report.

On behalf of the Head of Paid Service

**DECISION INFORMATION**

<p><b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards, or which results in income or expenditure to the Council above the following thresholds:</p> <p>Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies</p>	No
<p><b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)</p>	No

<b>District Wards Significantly Affected</b>	None directly
<p><b>Consultation:</b> Leader / Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	<p>Details:  Portfolio Holder for Finance</p>

<b>Links to Council Ambition: Customers, Economy, and Environment.</b>

**DOCUMENT INFORMATION**

Appendix No	Title
<b>Background Papers</b>	
<p>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</p>	
None	