

AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Wednesday 22nd January 2025 at 1400 hours.

PRESENT:-

Members:-

Councillor Tom Munro in the Chair

Councillors Cathy Jeffery, Catherine Tite, Carol Wood, and Ruth Jaffray (Coopted Member).

Officers:- Theresa Fletcher (Section 151 Officer), Jenny Williams (Head of Internal Audit Consortium), Karen Hanson (Chief Executive), Jim Fieldsend (Monitoring Officer) and Alison Bluff (Governance).

Also in attendance at the meeting was Garima Garg, Forvis Mazars, and Councillor Clive Moesby, Portfolio Holder for Resources.

AUD25 24/25. APOLOGIES FOR ABSENCE

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

AUD26 24/25. URGENT ITEMS OF BUSINESS

There were no urgent items of business to consider.

AUD27 24/25. DECLARATIONS OF INTEREST

There were no declarations of interest made.

AUD28 24/25. MINUTES – 26TH SEPTEMBER 2024

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery
RESOLVED that the Minutes of an Audit Committee held on 26th September 2024 be approved as a correct record.

REPORTS OF THE HEAD OF INTERNAL AUDIT CONSORTIUM

AUD29 24/25. GLOBAL INTERNAL AUDIT STANDARDS

Committee considered a report in relation to the new Global Internal Audit Standards (GIAS) which would replace the Public Sector Internal Audit Standards (PSIAS) from 1st April 2025.

In January 2024, the Institute of Internal Auditors (IIA), published the Global Internal Audit Standards which intended to guide the worldwide professional practice of internal

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auditing and serve as a basis for evaluating and elevating the quality of the internal audit function.

The GIAS were organised into five domains with 15 guiding principles within to enable effective internal auditing. Each principle was supported by standards that contained requirements, considerations for implementation, and examples of evidence of conformance. Together, these elements helped internal auditors achieve the principles and fulfil the purpose of internal auditing.

The Internal Audit Consortium was compliant with the PSIAS and whilst many of the principles of auditing were the same, work was ongoing to ensure full compliance with the GIAS, and an action plan was attached at Appendix 4 to the report. The next external review of Internal Audit was due in May 2026, and this review would need to assess the Internal Audit Consortium's compliance with the GIAS.

Moved by Councillor Carol Wood and seconded by Councillor Catherine Tite
RESOLVED that the report be noted.

AUD30 24/25. SUMMARY OF PROGRESS ON THE INTERNAL AUDIT PLAN 2024/25

Committee considered a report which provided Members with an update on progress in relation to the 2024/25 Internal Audit Plan.

Appendix 1 to the report provided a summary of reports issued between September and December 2024, and also a summary of reports issued in respect of Dragonfly Development Ltd. During this period, four reports had been issued; two with substantial assurance and two with reasonable assurance. In respect of the two Dragonfly reports, both had been issued with substantial assurance.

The Head of Internal Audit advised Members that progress against the plan was behind schedule due to the time gap whilst recruiting a new Auditor and also increased training demands as both Auditors were still relatively new. However, it was still anticipated that sufficient work would be completed to enable an unlimited audit opinion to be given.

Moved by Councillor Cathy Jeffery and seconded by Councillor Carol Wood
RESOLVED that the report be noted.

REPORT OF THE SECTION 151 OFFICER

AUD31 24/25. LOCAL AUDIT DELAYS UPDATE

Committee considered a report which provided an update in relation to the latest information on 'The Local Audit Backstop dates,' in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) document, published in December 2024.

The backstop dates were a nationwide measure to address the backlog of incomplete audits of financial statements across local government in England and had been introduced as a way to reset the system and assist a return to a regular process of

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timely audit and publication of financial statements. However, how each authority was affected depended on how many financial years' statements were outstanding. For the Council, only the latest year 2023/24 was affected, with the backstop date being 28th February 2025.

Members were asked to note that, as usual, the Finance Team had prepared the 2023/24 financial statements to the required standard and ready for audit on time. The draft statements had been signed off by the Section 151 Officer and were currently being audited. However, the audit was severely impacted by not having the audited financial statements for Dragonfly from their auditors. Forvis Mazars had been trying to work around solutions to undertake work to gain audit assurance wherever they could but unfortunately, it was unlikely to be insufficient and was almost certain that the 2023/24 accounts would be disclaimed when the backstop date was reached.

A meeting would be held in early January 2025 with Forvis Mazars to discuss the implications of a disclaimer on the Council's 2024/25 accounts and work was already under way with the Dragonfly companies to make improvements in their financial statement audit process for the 2024/25 financial year. An extraordinary Audit Committee would be held on 20th February 2025, where Forvis Mazars would present their report 'To Those Charged with Governance', and this would be an opportunity for Members to review the accounts.

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

AUD32 24/25. AUDIT COMMITTEE WORK PROGRAMME 2024/25

Committee considered their work programme 2024/25.

It was noted that the extraordinary meeting on 20th February would be added to the work programme and an additional report from the Head of Internal Audit Consortium for the 9th April meeting.

The Chair stated that he wished to thank the Finance Team and the internal and external auditors for their work and that it was carried out in a proper manner.

Moved by Councillor Tom Munro and seconded by Councillor Carol Wood
RESOLVED that the work programme 2024/25 be noted.

The meeting concluded at 14.20 hours.