

## SUMMARY OF DECISIONS

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| <b>Meeting:</b>         | Audit Committee   |   |
| <b>Date:</b>            | Tuesday, 7 June 2022                                    |   |
| <b>Place:</b>           | Council Chamber, Daneshill House, Danestrete, Stevenage |   |
| <b>Members Present:</b> | Councillors:  | Teresa Callaghan (Chair), John Gardner (Vice-Chair), Myla Arceno, Stephen Booth, Alex Farquharson, Jackie Hollywell, Graham Lawrence CC, Maureen McKay and Loraine Rossati. |

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| <b>1</b> | <b>APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST</b>   |  |
|          | <p>Apologies for absence were received from Councillor Tom Wren and Mr Geoff Gibbs (Independent Co-opted Non-voting Member).</p> <p>There were no declarations of interest.</p> |  |
| <b>2</b> | <b>ELECTION OF VICE-CHAIR</b>   |  |
|          | It was moved, seconded and, following a vote, <b>RESOLVED</b> that Councillor John Gardner be elected as Vice-Chair of the Audit Committee for the 2022/23 Municipal Year.      |  |
| <b>3</b> | <b>MINUTES - 28 MARCH 2022</b>  |  |
|          | It was <b>RESOLVED</b> that the Minutes of the meeting of the Audit Committee held on 28 March 2022 be approved as a correct record and signed by the Chair.                    |  |
| <b>4</b> | <b>TERMS OF REFERENCE</b>   |  |
|          | The Committee received a tabled set of revised Terms of Reference, which contained minor amendments.  |  |

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|          | It was <b>RESOLVED</b> that the Terms of Reference for the Audit Committee, as agreed by the Annual Council meeting on 25 May 2022, and with the minor amendments as per the version tabled at the meeting, be noted.   |                             |
| <b>5</b> | <b>2019/20 AND 2020/21 EXTERNAL AUDIT OF SBC ACCOUNTS - UPDATE</b>  |                             |
|          | <p>The Committee received a verbal update from Ernst &amp; Young in respect of the 2019/20 and 2020/21 External audit of SBC accounts.</p> <p>It was <b>RESOLVED</b> that the verbal update from Ernst &amp; Young regarding the 2019/20 and 2020/21 External audit of SBC accounts be noted.</p>   |                             |
| <b>6</b> | <b>ANNUAL ASSURANCE STATEMENT AND ANNUAL REPORT 2021/22</b>   | <b>S. Martin<br/>(SIAS)</b> |
|          | <p>The SIAS Client Audit Manager presented a report in respect of the SIAS Annual Assurance Statement and Annual Report 2021/22.</p> <p>In response to a number of Member questions, the SIAS Client Audit Manager stated that:</p> <ul style="list-style-type: none"> <li>• he accepted that the report was of a technical nature, and would endeavour to remove as many technical terms as possible from future versions;</li> <li>• the efficiency/effectiveness of audits generally depended on the adequacy of audit fieldwork, which was led by an evidence-based approach. Audits were also subject to an internal quality review, as were any judgements made;</li> <li>• in Paragraph 1.3 of the report, the phrase “business as usual” referred to the situation going forward, rather than suggesting that the Council had returned to its pre-pandemic position;</li> <li>• he would ensure that the abbreviations “C, H, M and NA” shown in the Audit Plan (Appendix A) were explained earlier in</li> </ul> |                             |

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|   | <p>the document in future versions; and</p> <ul style="list-style-type: none"> <li>in Paragraph 3.5 of the report, the Landlord Health and Safety Follow up audit did include Council tenanted and leasehold properties. It covered areas of building compliance, such as gas, electrical and water safety.</li> </ul> <p>In relation to the cancelled IT Resilience audit, the Strategic Director (CF) advised that it was hoped that the resilience of the shared IT service would be addressed via the recently established Joint SBC/EHDC ICT Executive Committee.</p> <p>It was <b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>That the Annual Assurance Statement and Internal Audit Annual Report 2021/22 be noted.</li> <li>That the results of the self-assessment required by the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP) be noted.</li> <li>That the SIAS Audit Charter, as attached at Appendix D to the report, be approved.</li> <li>That it be confirmed that the scope and resources for internal audit were no subject to inappropriate limitations in 2021/22.</li> </ol> |                                |
| 7 | <b>ANNUAL GOVERNANCE STATEMENT 2021/22 AND LOCAL CODE OF CORPORATE GOVERNANCE</b>  | <b>S. Brightwell<br/>x2966</b> |
|   | <p>The Corporate Performance and Improvement Officer presented Annual Governance Statement (AGS) and Local Code of Corporate Governance for 2021/22.</p> <p>In response to a Member's question, the Strategic Director (CF) commented that the determination of what was in the "public interest" in terms of the AGS related to ensuring that the Council had the best possible governance principles in place to act in residents' best interests, including appropriate and robust controls, whilst recognising that actions could be implemented to achieve continuous improvement.</p> <p>It was <b>RESOLVED:</b></p>   |                                |

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|   | <ol style="list-style-type: none"> <li>1. That the changes to the Council's Local Code of Corporate Governance, as attached at Appendix 1 to the report, be approved.</li> <li>2. That the Council's 2021/22 Annual Governance Statement, as attached at Appendix 2 to the report, be recommended for approval by the Statement of Accounts Committee.</li> </ol>  |  |
| 8 | <b>URGENT PART 1 BUSINESS</b>  |  |
|   | None.  |  |
| 9 | <b>EXCLUSION OF PUBLIC AND PRESS</b>   |  |
|   | <p>It was <b>RESOLVED</b> that:</p> <ol style="list-style-type: none"> <li>1. Under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in Paragraphs 1 - 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to information) (Variation) Order 2006.</li> <li>2. Members considered the reasons for the following reports being in Part II and determined that the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.</li> </ol> |  |

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| 10 | <b>PART II MINUTES - AUDIT COMMITTEE - 28 MARCH 2022</b>   |                                |
|    | It was <b>RESOLVED</b> that the Part II Minutes of the meeting of the Audit Committee held on 28 March 2022 be approved as a correct record and signed by the Chair.   |                                |
| 11 | <b>STRATEGIC RISK REGISTER</b>   | <b>S. Brightwell<br/>x2966</b> |
|    | <p>The Corporate Performance and Improvement Officer presented a report providing the Quarter 4 2021/22 (January to March 2022) update in respect of the Strategic Risk Register.</p> <p>The Corporate Performance and Improvement Officer, assisted by the Strategic Director (CF), responded to a number of questions raised by Members on the report.</p> <p>It was <b>RESOLVED</b> that the latest Strategic Risk Register, as set out at Appendix A1 to the report, be noted.</p> |                                |
| 12 | <b>URGENT PART II BUSINESS</b>   |                                |
|    | None.  |                                |