

SUMMARY OF DECISIONS

Meeting:	Audit Committee	
Date:	Monday, 27 March 2023	
Place:	Council Chamber, Daneshill House, Danestrete, Stevenage	
Members Present:	Councillors:	Teresa Callaghan (Chair), John Gardner (Vice-Chair), Myla Arceno, Stephen Booth, Alex Farquharson, Jackie Hollywell, Maureen McKay, Adam Mitchell (substitute) and Loraine Rossati. Mr Geoffrey Gibbs (Independent Co-opted Non-voting Member).

1	APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST	
	<p>Apologies for absence were submitted on behalf of Councillors Graham Lawrence CC and Tom Wren. Councillor Adam Mitchell CC was substituting for Councillor Lawrence.</p> <p>There were no declarations of interest.</p>	
2	MINUTES - 7 FEBRUARY 2023	
	<p>It was RESOLVED that the Minutes of the meeting of the Audit Committee held on 7 February 2023 be approved as a correct record and signed by the Chair.</p>	
3	2019/20 STATEMENT OF ACCOUNTS UPDATE	B. Moldon
	<p>The Committee considered an update from Karen Cunanan (Ernst & Young) in respect of Ernst & Young's (E & Y) audit results report for SBC for 2019/20.</p> <p>In response to Members' questions, Karen Cunanan stated:</p> <ul style="list-style-type: none"> The intention was to have the 2019/20 SBC Statement of Accounts signed off by 31 March 2023. The significant outstanding item of work was the outcome of internal consultation with E & Y's professional practice department on the 	

non-compliance with the minimum decent homes standards; and

- The unadjusted audit differences set out in the report. Known differences represented items that could be accurately quantified and related to a definite set of facts or circumstances. Judgemental differences generally involved estimation and assumptions that were open to interpretation. The total value of the unadjusted audit differences was below the accepted overall audit planning materiality figure of £1.05Million.

The Committee then received an update report from the Assistant Director (Finance) concerning the 2019/20 SBC Statement of Accounts.

It was **RESOLVED** that the Ernst & Young audit results report 2019/20 and the changes to the final 2019/20 SBC Statement of Accounts, as outlined in the report of the Assistant Director (Finance), be noted.

4	SHARED ANTI-FRAUD SERVICE (SAFS) PROPOSED ANTI-FRAUD PLAN 2023/24	N. Jennings (SAFS)
<p>The Shared Anti-Fraud Service (SAFS) Manager presented the proposed Anti-Fraud Plan for 2023/24.</p> <p>The SAFS Manager explained that the lack of statistics relating to 2022/23 performance had been due to a staff shortage. A new SAFS Data Analyst had recently been appointed, and the next SAFS report to the Committee in the summer would contain statistics, including comparison with previous years.</p> <p>In reply to a Member's question, the SAFS Manager commented that the most common types of fraud for SBC related to Revenues and Benefits issues and Housing tenancy fraud (misuse of the Council's housing stock).</p> <p>It was RESOLVED that the proposed SAFS Anti-Fraud Plan for 2023/24, as attached at Appendix A to the report, be approved.</p>		

5	SIAS INTERNAL AUDIT PLAN 2023/24	S. Martin (SIAS)
<p>The SIAS Client Audit Manager presented a report in respect of a proposed SBC Internal Audit Plan for 2023/24.</p> <p>In response to a series of Members' questions, the SIAS Client Audit Manager stated:</p> <ul style="list-style-type: none"> • The reduction in the number of SIAS audit days from 315 to 300 for Stevenage for 2023/24 had been agreed by the SIAS Board, and would be based on key elements of the Council's Medium Term Financial Strategy. The number of audit days had been reduced for all partner authorities, which would be reflected in the lower level of fees charged; • The innovation introduced by SIAS was in the way it approached its work. Traditionally, this was very labour intensive, but the use of information technology to analyse data sets negated the need to work through individual transactions; • Commercial activities taken on by SIAs included fee paying audit work for a number of Academy schools. The income received for this work would be shown in SIAS's Trading Account, and would contribute to keeping costs down; • There had been no planned audit for Section 106 Agreements in 2022/23. There was one planned for 2023/24. This audit was carried out on a cyclical basis, unlike the annual audits, such as coverage of key financial systems; • The Sickness Absence Management audit was an audit covering the risks linked to complying with sickness absence management policies and procedures. <p>It was RESOLVED that the proposed Stevenage Borough Council Internal Audit Plan for 2023/24, as set out in Appendix A to the report, be approved.</p>		
6	CORPORATE GOVERNANCE ARRANGEMENTS	S. Brightwell
<p>The Corporate Performance and Improvement Officer presented a report in respect of the activity carried out in 2022/23 to strengthen the Council's corporate governance arrangements, together with corporate governance enhancement for delivery in</p>		

	<p>2023/24, which would be reflected in the Council's 2022/23 Annual Governance Statement.</p> <p>It was RESOLVED:</p> <ol style="list-style-type: none"> 1. That the progress on corporate governance enhancement activity during 2022/23, as set out in Appendix A to the report, be noted. 2. That the corporate governance enhancement activity identified for 2023/24, as set out in Appendix B to the report, for inclusion in the Council's 2022/23 Annual Governance Statement, be noted. 	
7	URGENT PART I BUSINESS	
	None.	
8	EXCLUSION OF PUBLIC AND PRESS	
	<p>It was RESOLVED that:</p> <ol style="list-style-type: none"> 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. 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. 	

9	STRATEGIC RISK REGISTER	S. Brightwell
	<p>The Corporate Performance and Improvement Officer presented a report providing the Quarter 3 2022/23 (October to December 2022) update in respect of the Strategic Risk Register.</p> <p>It was RESOLVED that the latest Strategic Risk Register, as set out at Appendix A1 to the report, be noted.</p>	
10	URGENT PART II BUSINESS	
	None.	