

STEVENAGE BOROUGH COUNCIL

**AUDIT COMMITTEE
MINUTES**

Date: Tuesday, 4 June 2024

Time: 6.00pm

Place: Council Chamber

Present: Councillors: Carolina Veres (Chair), Lloyd Briscoe (Vice-Chair) Philip Bibby CC, Robert Boyle, Lynda Guy, Mason Humberstone, Tom Plater, Ceara Roopchand and Tom Wren

Start / End Start Time: 6.00pm
Time: End Time: 6.39pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors Anne Wells, and apologies for lateness from Councillor Tom Wren.

There were no declarations of interest.

The Chair welcomed the new Members of the Committee to the first meeting of the Municipal Year.

2 MINUTES - 26 MARCH 2024

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 26 March 2024 be approved as a correct record and signed by the Chair.

3 TERMS OF REFERENCE

The Chair explained to the Committee that within the Terms of Reference it stated that, a Cabinet Member could not Chair the Audit Committee. This meant that Councillor Briscoe (who was appointed at the Annual Council meeting) would not be able to chair a meeting should Councillor Veres be absent.

Councillor Veres then nominated Councillor T Plater, and Councillor L Briscoe seconded the proposal. A vote was carried out and the motion was carried.

It was **RESOLVED:**

- It was agreed that Councillor T Plater had been elected as Vice-Chair of the Audit Committee for the 2024/25 Municipal Year.
- The Terms of Reference for the Audit Committee, as agreed by the Annual Council meeting on 22 May 2024, be noted.

4 EXTERNAL AUDIT 2023/24 - PROGRESS REPORT

The Committee received a progress report from Azets in respect of the 2023/24 External Audit – progress report.

The purpose of the report was to provide the Audit Committee with a report on the progress in delivering the responsibilities as the external auditors. The papers included details of the progress made to date and where it was on track, where progress was on track, any initial finding which may impact the final accounts audits.

It was explained within the report, Azets were planning to complete the audit for SBC for the year ended 31 March 2024 in line with the statutory timetable and would report to the audit committee in late 2024 with the initial findings. It was explained they would not be able to complete the audit fully until the predecessor auditor has completed their audit for the year ended 31 March 2023. Once the 2023 audit has been completed, Azets would need to review the predecessor's audit file to gain assurance over SBCs opening balances as at 1 April 2023 and consider the impact on the audit for 2024 due to any modifications to their auditors report.

Councillors queried why the elections had disrupted the 22/23 statement of accounts and would need to wait till after the elections. It was suggested that EY should have brought forward their item onto this agenda. Officers stated it was due to the proposal around the backstop but there would be no parliament to lay the legislation until after the Election. Without the change in law, they would not be able to finish the audit. It was explained EY were focusing on all the audits that they had started but whichever audits had not begun, they would use it for the backstop.

It was **RESOLVED** the item be noted by the committee.

5 **ANNUAL ASSURANCE STATEMENT & INTERNAL AUDIT ANNUAL REPORT 2023/24**

The SIAS Client Audit Manager presented a report in respect of the SIAS Annual Assurance Statement and Annual Report 2023/24.

The SIAS Client Audit Manager stated that in line with the previous year, a reasonable assurance opinion had been issued regarding the Council's financial and non-financial systems, and that SIAS had concluded that SBC's corporate governance and risk management frameworks substantially complied with the CIPFA/SOLACE best practice guidance on corporate governance.

Councillors requested assurance that the weaknesses referred to had been corrected before they approved the report. In response to a question, the Officer stated the Corporate Governance Group, chaired by the chief finance officer had been monitoring throughout the year and all recommendations had been addressed. It was explained they were included within the annual governance statement and brought forward to the committee.

The Assistant Director of Finance confirmed to the committee that there were no inappropriate limitations on Internal Audit during 2023/24.

It was **RESOLVED**:

- That the Annual Assurance Statement and Internal Audit Annual Report 2023/24 was noted.
- That the results of the self-assessment required by the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP) was noted.
- That the SIAS Audit Charter 2023/24, as attached to the report, was approved.
- That it was confirmed that the scope and resources for internal audit were not subject to inappropriate limitations in 2023/24.

6 **ANNUAL GOVERNANCE STATEMENT 2023/2024 AND LOCAL CODE OF CORPORATE GOVERNANCE**

The Corporate Performance and Improvement Officer presented the Annual Governance Statement (AGS) and Local Code of Corporate Governance for 2023/24.

The Corporate Performance and Improvement Officer stated that the Local Code of Corporate Governance had been drawn up in conformity with the CIPFA/SOLACE Framework "Delivering Good Governance in Local Government (2016)". The document had been reviewed, and the changes were summarised in the table set out in Paragraph 3.2.4 of the report.

The Corporate Performance and Improvement Officer advised that the AGS was required to be reviewed each year. It described the Council's governance arrangements, how they were reviewed, significant governance challenges and actions to address them. The Committee was advised that certain audits had been deferred due to officer availability.

It was **RESOLVED**:

1. That the changes to the Council's Local Code of Corporate Governance, as attached at Appendix 1 to the report, be approved.
2. That the Council's 2023/24 Annual Governance Statement, as attached at Appendix 2 to the report, be recommended for approval by the Statement of Accounts Committee.

7 **URGENT PART I BUSINESS**

None.

8 **EXCLUSION OF PUBLIC AND PRESS**

It was **RESOLVED** that:

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 **PART II MINUTES - AUDIT COMMITTEE - 26 MARCH 2024**

It was **RESOLVED** that the Part II Minutes of the meeting of the Audit Committee held on 26 March 2024 be approved as a correct record and signed by the Chair.

10 **STRATEGIC RISK REGISTER**

The Corporate Performance and Improvement Officer presented a report providing the Quarter 4 2023/24 (January to March 2024) update in respect of the Strategic Risk Register.

It was **RESOLVED** that the latest Strategic Risk Register be noted.

11 **URGENT PART II BUSINESS**

It was explained by the Chair and Assistant Director for Finance that training would be scheduled for Members of the Committee in due course.

CHAIR