



Rutland County Council

Catmose Oakham Rutland LE15 6HP

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Minutes of the **MEETING of the AUDIT AND RISK COMMITTEE** held in the Council Chamber, Catmose, Oakham, LE15 6HP on Tuesday, 28th June, 2022 at 7.00 pm

PRESENT: Councillor A Walters (Chair) Councillor D Blanksby
Councillor W Cross Councillor J Fox
Councillor G Waller (as substitute)

APOLOGIES: Councillor A MacCartney (sent substitute)

OFFICERS PRESENT: Saverio Della Rocca Strategic Director of Resources S151 Officer
Rachel Ashley-Caunt Chief Internal Auditor
Paul Harvey Grant Thornton
Tom Delaney Governance Manager

IN ATTENDANCE: Councillor K Payne Portfolio Holder for Finance, Governance and Performance, Change and Transformation
Councillor R Payne

1 **APOLOGIES**

Apologies were received from Councillor MacCartney. Councillor Waller attended the meeting as the representative for Councillor MacCartney.

2 **MINUTES**

Consideration was given to the minutes held on 26 April 2022.

As the Chair was the only Councillor from the previous meeting, he proposed the minutes be deferred to the next meeting when Councillor MacCartney was present.

RESOLVED

That approval of the minutes of the meeting held on 26 April 2022 be **DEFERRED**.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions, deputations and questions had been received.

5 QUESTIONS WITH NOTICE FROM MEMBERS

No questions with notice from Members had been received.

6 NOTICES OF MOTION

No notices of motion had been received.

7 APPOINTMENT OF VICE-CHAIR

Nominations were invited for the position of Vice Chair of the Audit and Risk Committee for the Municipal Year 2022-23.

Councillor W Cross proposed Councillor E Baines to be Vice-Chairman to the Audit and Risk Committee, there were no other nominations. This was seconded and upon being put to the vote, with three votes in favour and two abstentions, the motion was carried.

RESOLVED

a) That Councillor E Baines be appointed Vice-Chairman of the Audit and Risk Committee for the municipal year 2022-23

8 EXTERNAL AUDIT PROGRESS UPDATE

Paul Harvey of Grant Thornton, the Council's External Auditors, presented their report to the Committee. He pointed out to Members that the Audit Plan was presented to the Committee in April and was approved.

It was anticipated the draft financial statements would be ready by the end of June. The ongoing Covid issues and the impact that has had, meant that the deadline was pushed back to the end of November for the Audit Findings Report and the Auditors report. If the auditors managed to complete their work before the end of November, then it would come to an earlier committee meeting.

The Section 151 Officer highlighted an issue with the draft financial statements report and that was around external valuations which were due on the Council's assets. The Council were let down by the provider on that matter and Paul Harvey commented that this was a similar issue experienced elsewhere. He did confirm that the Council was still compliant with CIPFA code of practice.

Members agreed that if the reports were finalised sooner to come back to Committee at an earlier date.

RESOLVED

That Committee:

- a) **NOTED** the external audit progress report.

9 ANNUAL GOVERNANCE STATEMENT

Report No.115/2022 was introduced by Saverio Della Rocca, Strategic Director for Resources. He explained that to meet the statutory requirement for the Council to was to approve an Annual Governance Statement for inclusion in its published Statement of Accounts (SoA) for 2021/22. In advance of formal approval by the end of 30 November 2022, the Committee was invited to consider an early draft for comment.

Members of the Committee made several small amendments which were related back to the Strategic Director for Resources to amend. The revised statement would come back to Committee later in the year with recommendations to approve.

RESOLVED

That Committee:

- a) **CONSIDERED** the draft Annual Governance Statement (AGS) fairly represented the governance framework in place at the Council and advised on whether there were any issues it would wish to see addressed or expanded upon in the final version.

10 ANNUAL INTERNAL AUDIT REPORT AND OPINION 2021/22

Rachel Ashley-Caunt, Chief Internal Auditor, presented Report No 116/2022 which provided Members with the Annual Internal Audit Report and Opinion for 2021/22, in line with the Public Sector Internal Audit Standards.

Members were informed that Satisfactory Assurance was given over the adequacy and effectiveness of the Council's control environment for 2021/22. This control environment comprised of the system of internal control, governance arrangements and risk management.

It was also highlighted to Members that 100% of the Council's Internal Audit Plan was delivered and Internal Audit had also performed well against the customer feedback ratings.

It was pointed out that in the summary of audit opinions and the levels of risk, recommendations for improvement would still be made even if the risk was to be good or substantial. Cyber security was a high risk for all organisations.

Members asked the question around the increase of home working, and the risks of cyber security that comes with that. The Chief Internal Auditor responded and informed Members that the audit had included coverage on officer and member training for cyber security. Recommendations were made around that area and plans were in place to do work on awareness and exercises to prevent certain risks from occurring.

RESOLVED

That Committee:

- a) **NOTED** the Annual Internal Report and Opinion for 2021/22.

11 INTERNAL AUDIT PROGRESS REPORT 2022/23

Rachel Ashley-Caunt, Chief Internal Auditor, presented Report No 117/2022 which provided Members with a copy of the Audit Plan for 2022/23 and updated them on the progress made in delivering the 2022/23 Annual Audit Plan.

All the audits that had been scheduled for Quarter One were now in advanced stages and progressing well. The Corporate Parenting audit had been at draft report stage at the time of the report being produced and had since been finalised.

RESOLVED

That Committee:

- a) **NOTED** the internal audit progress for 2022/23.

12 ANY OTHER URGENT BUSINESS

There were no items of urgent business.

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The Chair declared the meeting closed at 8.02pm.

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