



Minutes

Audit Committee

Date: 21 October 2022

Time: 10:30

Venue: FSHQ

Present: Cllrs K Renshaw (in the Chair), R Downes, D Hall, J Illingworth, S Tulley and R Wood (as substitute for A Zaman)

In Attendance: S Straker - Kirklees KMC (internal audit), P Hewitson – Deloitte (external audit)

Apologies: Cllr A Zaman

11 Minutes of last meeting held on 29 July 2022

RESOLVED

That the Minutes of the meeting held on 29 July 2022 be signed by the Chair as a correct record.

12 Matters arising

None

13 Urgent items

None

14 Admission of the public

That the public and press be excluded from the meeting during consideration of the item of business specified below as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item, there would be disclosure to them of exempt information of the descriptions specified.

AGENDA ITEM NO.	TITLE OF REPORT	MINUTE NUMBER (to be added)	Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972
E9	Risk Management and Business Continuity Annual Report	19	Paragraph 3 – financial or business affairs

15 Declarations of interest

None

16 Abridged Performance Management Report

Consideration was given to a report of the Director of Corporate Services which informed members of the Authority's performance against Key Performance Indicators where targets are not being achieved during the period 1 April - 30 June 2022.

Members were advised that the Service Delivery Target for Arson was not being met due to the unprecedented number of fires that occurred over the heatwaves experienced in the UK and worldwide in summer 2022 and that a full report will be presented to the next Community Safety Committee.

RESOLVED

That the report be noted.

17 Internal Audit Quarterly Report

The Chief Finance and Procurement Officer submitted a report which provided a summary of the audit activity for the period July to September 2022. Members were informed that in the period one audit has been completed; CIPFA Financial Management Code Compliance which received a substantial assurance opinion. In addition, the internal auditor has completed the National Fraud Initiative for 2022/23 on our behalf.

There is also one Business Risk Audit on Attendance Management that is currently in progress.

RESOLVED

That the report be noted.

18 External Audit Plan

The Chief Finance and Procurement Officer presented the External Audit Planning Report for the year ending 31 March 2022. The report noted 3 significant risks as follows:

Risk 1 – Property Valuation, medium level of management judgement

Risk 2 – Completeness of Expenditure, high level of management judgement

Risk 3 – Management Override of Controls, medium level of management judgement

The appendix to the report now submitted detailed the uncorrected misstatements identified in 2021 which were all well below the materiality figure.

Deloitte confirmed they will no longer be auditors for WYFRA from April 2023, this will be Grant Thornton. Deloitte plan to complete the audit by 31 March 2023 and there will be a transition period which they will accommodate.

RESOLVED

- a) That the report be noted
- b) That materiality be approved as determined at £105k
- c) That the significant risks as noted in the report now submitted are approved
- d) That the External Audit Plan be approved.
- e) That the Audit Committee scheduled for 25 November 2022 be cancelled as the Statement of Accounts will not be available.

19 Risk and Business Continuity Management Report

This item was considered exempt information under Schedule 12A (1) of the Local Government Act 1972 Paragraph 3 – Financial or Business Affairs.

Members considered a report submitted by the Director of Corporate Services which presented the current Risk Management Matrix and Business Continuity Strategy for approval. The report detailed the risk management activity during 2021/22 and the further development of risk and business continuity in 2022/23. It was brought to members attention that the Internal Audit Annual Report 2021/2022 concluded that the Authority's governance, risk management arrangements and internal control environment were effective and robust during the financial year to 31 March 2022.

An updated Business Continuity Management Strategy and Policy was attached at appendix b to the report now submitted, which ensures alignment with the international standard ISO 22301 Security and Resilience - Business Continuity Management Systems – requirements.

The report also gave an annual update on the Risk Management Matrix, which was attached at appendix a to the report now submitted. There are currently nine risks which have attracted a very high risk rating, with eighteen risks identified as high, a further twenty-four risks presenting a medium risk level and three risks presenting a low risk level.

Members were assured that the risk matrix is reviewed monthly and given a brief overview of how the risk matrix feeds into Business Continuity.

RESOLVED

- a. That the report is noted
- b. That the current Risk Management Matrix and the revised Business Continuity Strategy are approved

Chair