

Kevin Suter and Kelly Gates of Ernst and Young advised that some of the outstanding issues raised at the meeting in September had been cleared and some remained open. She took Members through the main risks:

- Risk of fraud in revenue recognition - inappropriate capitalisation of revenue expenditure – now completed and no issues to note.
- Misstatements due to fraud or error – now completed and no issues to note.
- Accounting for Nitrate Credits – engaged with internal financial specialist, shared views with management and awaiting CIPFA to conclude and provide answers.
- Property Plant and Equipment (PPE) – still outstanding, but awaiting response from management and external valuer.
- IAS19 – Pensions Accounting – awaiting result from the HCC Audit team.

Since September there had been an additional overstatement of NDR Appeals Provision of £1,402k, however, it should be noted that subsequent information had indicated that the NDR provision is substantially understated.

Members requested that for future reports please could abbreviations be written in full initially with the abbreviation in brackets.

Resolved:

That the Draft Audit Results Report, as shown in the Annex to the report, be noted.

357 Test Valley Borough Council Annual Report on Complaints 2021/22

Consideration was given to a report of the Head of Strategy and Innovation which reported on complaints received from 1 April 2021 to 31 March 2022.

The Policy Manager reported that in the year 2021/22 there were 112 service level complaints (those dealt with by more than one service at the same time are counted as one complaint). From these 112 complaints, 18 were escalated to the Chief Executive and nine were the subject of Local Government and Social Care Ombudsman (LGSCO) enquiries, with 2 being investigated.

Complaints at service level had increased this year, following a significant decrease in the previous year, which is likely to be attributed to the impact of the Covid-19 pandemic and UK lockdowns.

The Policy Manager gave examples of some of the complaints received, which put the numbers into context and advised that the Local Government and Social Care Ombudsman (LGSCO) made preliminary enquiries about nine complaints relating to TVBC and undertook an investigation into two of these for the year ending 31 March 2022.

The consistency of complaints reporting suggests that the complaints process continues to work effectively, and that the public are able to make a complaint with ease. Where necessary, trends are identified and managed by individual services. The Policy Manager will continue to work closely with Services to identify ways to effectively manage and resolve complaints.

Resolved:

That the Annual Report on Complaints 2021/22 be endorsed.

358 Report of the use of the Regulation of Investigatory Powers Act 2000

Consideration was given to a report of the Head of Legal and Democratic Services which updated Members as to the Council's use of its powers under Regulation of Investigatory Powers Act 2000.

The Home Office Covert Surveillance and Property Interference Code of Practice recommends regular reporting to elected members of a local authority's powers under the Regulation of Investigatory Powers Act 2000.

Resolved:

That Audit Committee receives the report of the Head of Legal and Democratic Services on the Council's use of its powers under the Regulation of Investigatory Powers Act 2000.

359 Internal Audit Progress Report to 30 November 2022

Consideration was given to a report of the Internal Audit Manager which set out the Internal Audit coverage, findings and performance for 2022/23 to 30 November 2022 and summary risk profile for those areas reviewed.

Since 1 April 2022, the Internal Audit function has made good progress against the Annual Audit Plan 2022/23 and of the 8 audits reported as complete, 5 were classified as substantial assurance, 1 as limited assurance and 2 had a split assurance opinion of substantial/limited.

Resolved:

That the Internal Audit progress report be noted.

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Audit Committee Work Programme

The committee reviewed the work programme

Resolved:

That the work programme for the Audit Committee, as set out in the Annex to the report, be approved.

(The meeting terminated at 6.23 pm)