

Minutes of the **Audit Committee**
of the **Test Valley Borough Council**
held in Conference Room 1, Beech Hurst, Weyhill Road, Andover
on Monday, 25 September 2023 at 5.30 pm

Attendance:

Councillor C Borg-Neal
(Chairman)

Councillor S Hasselmann
(Vice-Chairman)

Councillor R Hughes

Councillor I Jeffrey

Also in attendance

Councillor Z Brooks

Councillor M Flood

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Apologies

There were no apologies for absence received.

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Public Participation

There was no public participation.

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Declarations of Interest

There were no declarations of interest.

201

Urgent Items

There were no urgent items to consider.

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Minutes of the previous meeting

Councillor Hasselmann proposed and Councillor Jeffrey seconded the motion that the minutes of the previous meeting were an accurate record. Upon being put to the vote the motion was carried.

Resolved:

That the minute of the meeting held on 19 June 2023 be confirmed and signed as a correct record.

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External Audit Update

The Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

Kelly Gates of Ernst and Young introduced the report and advised that the 2021/22 financial statements had been signed and completed and an unqualified audit opinion had been issued. This had been presented at the 27 March 2023 Audit Committee.

Within the Value for Money section there were no risks of significant weakness identified.

Members were made aware of a national backlog in the completion of future public sector audits. This, together with a lack of clarity on the deadlines and reporting requirements, means that there is not yet a detailed plan for undertaking and completing the audit of the 2022/23 accounts.

The following recommendation was proposed by Councillor Hasselmann and seconded by Councillor Hughes and unanimously agreed by the Committee.

Resolved:

That Ernst & Young's Annual Audit Results Report, as shown in the Annex to the report, be noted.

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Internal Audit Progress Report to 31 August 2023

The report of the Internal Audit Manager outlined the work undertaken and progress against the Internal Audit Plan for 2023/24 by Internal Audit to 31 August 2023.

As of 31 August 2023, progress on the planned 2023/24 Audit Plan is on target. However, due to staff resourcing impacts the procurement of additional external resource may be sought to support the delivery of the plan as needed.

The Internal Audit function has made good progress and of the 6 audits reported as complete, 5 were classified as substantial assurance and 1 as limited assurance. For the latter, actions agreed had been implemented.

The following recommendation was proposed by Councillor Hasselmann and seconded by Councillor Jeffrey and unanimously agreed by the Committee.

Resolved:

That the Internal Audit progress report be noted.

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Corporate Risk Register - Update

The report of the Internal Audit Manager provided the Audit Committee with an update and summary of the key risks contained in the Council's Corporate Risk Register.

The way that risks are recorded on the Corporate Risk Register was fundamentally changed earlier this year. This involved taking a fresh look at the categories and types of risks facing a local authority at the current time and reconsidered the key strategic risks alongside and in the context of the Corporate Plan process. This rationalised the number of risks whilst bringing greater focus on the key areas. Work is continuing to identify and plan for any additional mitigations required.

Service Risk Registers are in the process of being reviewed following the revision of the Corporate Risk Register. This is to consider the Service risks in the context of the key corporate risks identified, to rationalise and better align them. The next step is to link these risks to the Corporate Plan.

The following recommendation was proposed by Councillor Hasselmann and seconded by Councillor Hughes and unanimously agreed by the Committee.

Resolved:

That the update on the Council's approach to the management of its key risks as shown in the Corporate Risk Register is noted.

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Audit Committee Work Programme

The report of the Head of Finance and Revenues set out an update to the work programme for the Audit Committee for the coming year.

The following recommendation was proposed by Councillor Hasselmann and seconded by Councillor Jeffrey and unanimously agreed by the Committee.

Resolved:

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

(The meeting terminated at 6.24 pm)