

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY,
KIDDERMINSTER

28 SEPTEMBER 2022 (6PM)

Present:

Councillors: R H Coleman (Chairman), P W M Young (Vice-Chairman),
B Brookes, N J Desmond, P Dyke, C Rogers, A Totty and L Whitehouse.

Observers

Observed remotely: Councillor J Byng

AUD.18 Apologies for Absence

Apologies for absence were received from Councillor: B S Dawes.

AUD.19 Appointment of Substitutes

Councillor C Rogers was appointed as a substitute for Councillor B Dawes.

AUD.20 Declarations of Interests by Members

No declarations of interest were made.

AUD.21 Minutes

Agreed: The minutes of the meeting held on 6 July 2022 be confirmed as a correct record of the meeting and signed by the Chairman.

AUD.22 External Audit – Audit Progress Report and Sector update

Zoe Thomas, Manager, Grant Thornton provided an update. She advised there were no matters to bring to the attention of the Committee. All other planned work is progressing to deadlines.

Councillor Desmond said it was excellent news to have good bill of health. Recent changes mean that not all authorities can sign off their accounts, but we have been able to even though we are not a top tier authority.

Agreed: The report was noted

AUD.23 Draft (Pre audit) Statement of Accounts 2021-22 Report

The Principal Accountant led members through the Statement of Accounts highlighting the narrative on page 3 of the report, the statement of responsibilities, the annual governance statement, the core statements, the

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notes, and the supplementary statement.

Councillor Desmond said that overall, it is not a bad position in these challenging times; £3 million in reserves which is excellent. Working balance of under £1 million. £15.3 million earmarked reserves

The Head of Resources advised that half are section 31 grants that need to be paid back.

Councillor Desmond said that picture overall isn't as bleak as one would think. S151 officer done an excellent job in building up reserves. Questioned why there is such a spike at the time of revised budgets with the outturn being so different. Can we do anything differently internally?

The Head of Resources advised that she did not have the answers in front of her but will have a look at the amounts. Some of the variance is down to not anticipating the speed of recovery in quarter 4. The Head of Resources confirmed that work was being done with service managers to reassure them that overspends would be dealt with so that significant decisions are not being made based on overspends.

Agreed: The report was noted

AUD.24 Internal Audit Monitoring Report Quarter Ended 30th June 2022

The Audit Manager led members through key parts of the report including payroll compliance overview with some assurance, performance against the plan to date and updates around ad hoc advice and consultancy requests.

Agreed: The report was noted

AUD.25 Counter Fraud Arrangements 2022-23

The Audit Manager led members through the annual report. The Audit Manager noted that a lot of the work was down to the compliance officers around the work on government funding for the pandemic and the ICT team in particular the weekly updates advising of latest scams and the continuous programme of training. She drew members' attention to the drop in alerts and, again, referenced the work of the ICT team in terms that has impacted on reducing the number of alerts through to Corporate Fraud

Agreed: The report was noted

AUD.26 Risk Management ~ Corporate Risk Register 2022-23 {Update}

The Head of Resources led members through the report as at the 30th June.

Councillor Coleman asked what we are going to do about the £1 million funding gap.

The Head of Resources advised that there are some factors that will contribute to the reduction of the funding gap including higher bank rates so anticipating a

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better return on treasury investments and the revaluation of the pension fund will also contribute to reducing the gap. The Head of Resources advised that the Q2 report will provide a clearer picture of where we expect to be at the end of the financial year.

Councillor Desmond queried the parameters of the scoring of some of the risks. The Head of Resources referred him to page 90 of the report which details the guidelines.

Councillor Desmond asked if there is going to be a Strategic Review Panel.

The Head of Resources advised she would send some suggested dates to the Principal Committee and Member Services Officer.

Councillor Peter Dyke asked about the impact of costs of utilities for our budgets.

The Head of Resources advised that the Q1 report included assessment of what additional costs could be. Since heard of measures and are waiting to hear from our providers. Anticipating that it will not be as high as originally thought in Q1 so should have a clearer picture by Q2 report.

Agreed: The report was noted

There being no further business, the meeting ended at 6.45pm.