

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

26 SEPTEMBER 2024 (6PM)

Present:

Councillors: N J Desmond (Chairman), G Connolly (Vice-Chairman), J F Byng, K Gale, J Griffiths, M Rayner, A Sutton and P W M Young.

AUD.29 Apologies for Absence

There were no apologies for absence.

AUD.30 Appointment of Substitutes

There were no substitutes appointed.

AUD.31 Declarations of Interests by Members

No declarations of interest were made.

AUD.32 Minutes

Agreed: The minutes of the meeting held on 24 July 2024 were confirmed as a correct record of the meeting and signed by the Chairman.

AUD.33 Audit Completion Report

The Committee received the draft Audit Completion report from the Key Audit Partner, Bishop Fleming, which summarised the audit conclusions and highlighted the key findings. The audit is largely complete, and the auditors anticipate issuing an unmodified audit report subject to finalisation of a few outstanding queries. The Key Audit Partner explained about changes to the legislation with regards to deadline for completion of audits and advised that, despite this, it is hoped that completion will be achieved by 30 September 2024, or very soon after. The Key Audit Partner thanked the WFDC Finance team for their co-operation and prompt assistance in providing information.

Members were given the opportunity to raise questions, to which the Head of Resources and s151 Officer, the Principal Accountant and the Key Audit Partner provided responses.

The Chairman added thanks on behalf of the Committee to Bishop Fleming and the WFDC Finance team for all their hard work.

Agreed: The report be NOTED.

AUD.34 Auditor's Annual Report

Members received the draft Auditor's Annual report from the Key Audit Partner, Bishop Fleming, which will be finalised after the opinion had been given. The Key Audit Partner added that, due to the last Auditor's Annual Reports for 2021-22 and 2022-23 not being received until March 2024, there had not been enough time to implement all recommendations made by 31st March 2024. The auditor acknowledged the significant progress that has since been made.

The Committee discussed the report and was invited to ask questions. The Key Audit Partner and the Head of Resources and s151 Officer offered verbal responses to their questions and comments.

Agreed: The report be NOTED.

AUD.35 Statement of Accounts 2023-24

The Committee considered a report from the Head of Resources and s151 Officer, which provided members with an update on the audit of the Council's accounts for 2023-24 and presented them with the Statement of Accounts and the draft of the Letter of Representation to the auditors for their approval.

The Principal Accountant presented the report, highlighting the key issues and providing members with an updated list of audit adjustments Appendix 2 – Audit Adjustments.

The Committee discussed the report and the Head of Resources and s151 Officer and the Principal Accountant were able to provide verbal responses to their questions on Statement of Accounts 2023-24.

Councillor P Young joined the meeting at 6.29pm.

Agreed: The Audit Committee APPROVED:

- 2.1 The Audited Statement of Accounts for 2023-24 and granted delegated authority to the Head of Resources and s151 Officer to make any minor changes that are appropriate as part of resolution of the final external audit queries should this be necessary.**
- 2.2 The draft Letter of Representation for 2023-24 attached at Appendix 1 and authorised the s151 Officer (Head of Resources), and the Chair of the Audit Committee to make any minor changes that are appropriate as part of the resolution of the final external audit queries should this be necessary and granting delegated authority for the Chair of Audit Committee to sign the Letter of Representation.**

AUD.36 Internal Audit Progress Report September 2024

The Committee received a report from the Internal Audit Manager, BDO, which

presented the Internal Audit Progress Report attached as Appendix 1 of the report.

The Internal Audit Manager informed members of the progress against the 2024-25 internal audit plan and was pleased to report that two of the planned audit reviews for 2024-25 were complete at the report date and in addition the Treasury Management report had been finalised that day. Excellent progress against the plan had been made in the year to date and it was expected that 7 of the 8 scheduled reviews for the 2024-25 year would be complete by the November meeting of the Committee.

The Committee was then invited to ask questions and the Internal Audit Manager provided verbal responses.

Agreed: The Audit Committee NOTED:

2.1 The Internal Audit Progress Report as detailed in Appendix 1 of the report.

AUD.37 Internal Audit Follow Up Report September 2024

The Committee received a report from the Internal Audit Manager, BDO, that presented the Internal Audit Follow Up of Recommendations report which was attached as Appendix 1 of the report.

The Internal Audit Manager presented the report to members explaining that there were 3 recommendations due since the last meeting of the Audit Committee (1 completed and 2 in progress). Of the 2 in progress, 1 was complete but was being held open until March 2025 to allow time for the Risk Registers to be embedded.

The Committee was then given the opportunity to ask questions and the Internal Audit Manager and the Head of Resources and s151 Officer provided verbal responses.

The Chairman thanked the Internal Audit Manager for all their work to keep the internal audit on track and commented that a good relationship had been built between BDO and WFDC.

Agreed: The Audit Committee NOTED:

2.1 The Internal Audit Follow Up of Recommendations Report as detailed in Appendix 1 of the report.

AUD.38 External Auditors Annual Report (AAR) 2021/22 and 2022/23 - Action Plan Month 5 Progress Update

Members received a report from the Head of Resources and s151 Officer which presented the latest progress against the Auditors Annual Report action plan, which had been developed to address the issues identified within the 2021-22 and 2022-23 Combined Auditors Annual Report.

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The Head of Resources and s151 Officer presented the report and highlighted that of the 21 actions agreed, 18 had been completed. An up-date of the remaining 3 actions will be reported to Audit Committee at the November meeting.

Questions were invited from the Committee members and the Head of Resources and s151 Officer and the Internal Audit Manager gave verbal responses.

Agreed: The report be NOTED.

AUD.39 Risk Management action plan update

The Committee received a report from the Head of Resources and s151 Officer that presented members of the Audit Committee with detail of the progress made in delivering the mitigating actions outlined in the Corporate Risk Register and progress made in implementing the updated Risk Management Strategy considered at the March meeting of the committee and approved for adoption by Cabinet on 9 April 2024.

The Head of Resources and s151 Officer presented the report, explaining that there had been some changes to the presentation of Corporate Risk Register Action Plan update 2024-25 attached at Appendix 1 of the report to reflect audit recommendations. Good progress had been made against the action plan but no risks had been rescored during the quarter.

The Committee was then invited to ask questions and the Head of Resources and s151 Officer gave verbal responses.

AUD.40 Forward Plan

The Forward Plan for Audit Committee for the municipal year 2024-25 was reviewed by the committee, and the items for the November and March meetings were noted, including the Finance and Budgetary Control training to take place prior to the November meeting.

Councillor M Rayner queried if it would be possible for attendance certificates to be issued to councillors when attending training sessions in person. The Head of Resources and s151 Officer confirmed that records are kept of attendance and the Assistant Committee Services Officer advised that training attended, both in person and online, is recorded on Members' Activity Reports, which are issued at the end of the municipal year at the meeting of full Council each May. Thanks were extended by members of the committee to the Assistant Committee Services Officer and the rest of the Committee Services / ESO team for the excellent job that they do.

A further request was made, which was supported by the Chairman that, in future, meetings of the Audit Committee are not held on Thursdays.

Following the Governance Framework training, which took place in September, a discussion took place around forging links between Audit and Overview and Scrutiny Committees. It was agreed that there was no need for

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regular meetings between the Chairs of these committees but, should an item of interest to Overview and Scrutiny appear on an Audit agenda, a meeting could be arranged. There is also the possibility of members attending the meetings as observers.

Thanks were also extended by members for relevant pages of the agenda being printed in colour so that the tables, and other indicators, could be interpreted and understood more easily.

There being no further business, the meeting ended at 7.42pm.