

**Audit and Governance Committee**

Minutes of a meeting of the Audit and Governance Committee held at The Jeffrey Room - The Guildhall, Northampton, NN1 1DE on Wednesday 27 March 2024 at 6.00 pm.

**Present:**

Councillor Cecile Irving-Swift (Chair)  
Councillor Charles Manners (Vice-Chair)  
Councillor Jamal Alwahabi  
Councillor Alan Chantler  
Councillor Keith Holland-Delamere  
Councillor Mark Hughes  
Councillor Rosie Humphreys  
Councillor Sam Rumens

**Apologies for Absence:**

Councillor Stephen Clarke

**Officers:**

Martin Henry, Executive Director - Finance (Section 151 Officer)  
Sarah Hall, Deputy Director - Law & Governance  
Sofia Neal-Gonzalez - Democratic Service Officer (minutes)  
Adrian Ward – Head of Internal Audit and Risk Management

170. **Apologies**

Apologies received from Councillor Stephen Clarke

171. **Declarations of Interest**

None

172. **Minutes**

RESOLVED: That the minutes of the previous meeting held on 21<sup>st</sup> November 2023 were agreed and signed by the Chair as an accurate record of the meeting.

173. **Urgent Business**

None

**174. Chair's Announcements**

The Chair introduced Fiona Coates the Pension Services Financial Manager who would be presenting Item 12 and announced that this item would be brought forward to the start of the meeting.

Members were reminded to return their Declarations of Interest forms to Democratic Services.

The Chair highlighted that after approval at the previous Full Council meeting two independent members would be appointed to the committee.

The Chair asked members to confirm if they would be happy for the Internal Audit Charter to be shared with all councillors, this was agreed.

**175. Internal Audit Plan 2024-25**

At the Chair's invitation Adrian Ward, Head of Audit and Risk Management presented the report, copies of which had been previously circulated. Members were advised that there had been discussions with managers regarding what they would like audited within their areas. A proposal to procure specialist IT auditors to complete IT work was discussed. An additional budget for the IT audit of potentially up to £25,000 per annum over a 3-year contract.

Members approved the recommendations.

RESOLVED: The Audit & Governance Committee considered and approved the Internal Audit Plan for 2024-25 (Appendix A) and endorsed the proposal to source additional external specialist computer audit expertise as set out in this report.

**176. Internal Audit Progress**

At the Chair's invitation the Head of Internal Audit and Risk Management presented the report, copies of which had been previously circulated. Members were advised that there had been some staff turnover which had had an impact on the resources available and external support had been procured to mitigate this.

Members were informed of the important work undertaken by the Counter Fraud, Internal Audit, and Internal Control teams. It was important to note that not every fraud case ended in an investigation and would only be flagged if needed.

*The Chair requested that the status of the 13 actions listed as 'to be done' be shared with the committee at the next meeting.*

A member queried whether the number of risks showing in the report were expected. They were advised that the numbers were not surprising, but that further scrutiny would take place.

The Head of Internal and Risk Management advised that they would come back to the committee with further details.

RESOLVED: The Committee.

- Considered and agreed the progress as summarised in this report.
- Agreed that The Head of Internal Audit and Risk Management would provide further information in subsequent meetings.

#### 177. **Public Sector Internal Audit Standards - Self Assessment**

At the Chair's invitation the Head of Internal Audit and Risk Management presented the report, copies of which had been previously circulated. Members were advised that the council was required to undertake a self-assessment on a yearly basis, and to have an external one every 5 years.

The self-assessment had been undertaken to address the areas where the council did not comply or only partially complied. Actions to address these had been put into place along with target dates.

The external assessment was proposed to take place in 2025/26, within the 5-year requirement, the committee was asked to approve this timeline.

A member queried how this had been communicated through the organisation. They were advised that it had been through ELT (Executive Leadership Team) and could also be added to the intranet.

The Executive Director of Finance advised that presenting the charter in managers briefings could work well.

RESOLVED: The Committee:

- a) Endorsed the summary of the results of the internal self-assessment undertaken by the Head of Audit & Risk Management against the PSIAS and endorsed the Quality Assessment and Improvement Programme for the internal audit service that has been produced to address the issues found within the self-assessment (Appendix A);
- b) Approved the updated Internal Audit Charter (Appendix B);
- c) Approved the proposal for the required external independent assessment against PSIAS to be undertaken during the 2025/26 financial year.
- d) Agreed that the Head of Internal Audit and Risk Management would provide regular progress updates.

#### 178. **CIPFA Position Statement on Audit Committees**

At the Chair's invitation the Head of Internal Audit and Risk Management presented the report, copies of which had been previously circulated. A self-assessment had been undertaken against the CIPFA requirements; the council had already fully complied in some areas. Members were advised that the committees' terms of reference had been checked against CIPFA recommendations and that there had not

been much difference between them. An update to the constitution would be requested when discussed at a future full council meeting.

Members agreed the recommendations.

RESOLVED: The Committee:

- a) Considered the self-assessment checklist (Appendix B) and endorsed the improvement actions set out in this report,
- b) Agreed on the updated terms of reference for the Committee (Appendix and that they should be recommended to the Democracy & Standards Committee for updating the Constitution.

#### 179. **Risk Management Strategy and Strategic Risk Register**

At the Chair's invitation the Head of Internal Audit and Risk Management presented the report, copies of which had been previously circulated. The report had been presented to and approved by Cabinet. Members were reminded that the Risk Register was a living document, and regularly reviewed by officers.

Members made the following comments.

- An update to the terminology used was requested, from being too Northampton focused, instead of West Northants. It was important to reflect that we were a unitary authority.
- How did best practice work with the number of items listed in the risk register?
- It would be interesting to hear from the Chief Executive about the overall management of risk.

The Head of Internal Audit and Risk Management advised that as the document was a living one there would be times where there would be more items than others.

The Executive Director of Finance endorsed that there had always been a risk register in place, but that the current iteration was a vastly improved version.

The Chair advised that there would be a further briefing on this risk register during the next committee in relation to governance.

RESOLVED:

- The Committee endorsed the updated Risk Management Strategy, and the Strategic Risk Register and the mitigating actions contained within it.
- The Committee would invite the Chief Executive and the Leader of the Council to a future meeting.

#### 180. **External Audit - progress report**

At the Chair's invitation Paul Harvey, Public Sector Audit Manager from Grant Thornton presented the report, copies of which had been previously circulated. Members were advised that they had started the 21/22 audit, the auditing of the

legacy councils had delayed this. The finance team had started work on the 22/23 draft accounts, with the 23/24 audit planning well under way. The WNC opening balances had not been agreed which was a significant risk.

The audit fees were provided in the report and subject to approval.

Members made the following comments.

- Was there a time frame in place with regards to the final and opening balances?
- Would arbitration need to be considered should discussions with North Northants not produce a positive outcome.

The Executive Director of Finance advised that he was unable to provide a timeframe. It was hoped that a resolution would be able to be found without the use of arbitration but if needed it was an option.

Members agreed the recommendation.

RESOLVED: The Committee noted the update.

**181. Grant Thornton Audit Plan for Northamptonshire Pension Fund 2023-24**

At the Chair's invitation Fiona Coates, the Pension Services Financial Manager presented the report, copies of which had been previously circulated. Members were advised that the report had already been through the Pensions Committee.

Members agreed to note the report.

RESOLVED: Endorsed the External Audit Plan 2023-24 and the presentation by Grant Thornton.

**182. Update Report - Regulation of Investigatory Powers Act 2000 (as amended)**

At the Chair's invitation Sarah Hall, Deputy Director Law and Governance presented the report, copies of which had been previously circulated. Members were notified of the main points made in the report and were advised that the committee would now be notified should RIPA powers be used. It was also stated that it was mandatory for the council to have a RIPA policy in place and that there had been no enforcement of RIPA powers in the last year.

Members approved the recommendations.

RESOLVED: The Committee.

- a) Approved the proposed amended RIPA Policy as set out at Appendix 1.
- b) Endorsed the training scheduled for relevant officers as detailed in paragraphs 6.8 to 6.10 of this report.
- c) Agreed the update at paragraph 6.12 of this report on use of RIPA powers in 2023.

183. **Update on Governance**

At the Chair's invitation the Deputy Director Law and Governance presented the report, copies of which had been previously circulated and had been shared with Cabinet and ELT.

A councillor queried how many highways insurance claims had been upheld, this was not known but the member was advised that going forward the previous quarter's data would be made available.

Members approved the recommendations.

RESOLVED: The Committee approved the Internal Audit Plan for 2024-25 (Appendix A) and endorsed the proposal to source additional external specialist computer audit expertise as set out in this report

184. **Update on Budget Setting and Revenue and Capital Medium Term Capital Programme**

At the Chair's invitation the Executive Director of Finance gave a verbal update to the committee on the current in-year financial position and the medium-term budget setting position.

RESOLVED: The Committee endorsed the update.

185. **Review of Committee Work Programme**

At the Chair's invitation the Executive Director of Finance gave a verbal update to the committee on the current in-year financial position and the medium-term budget setting position.

RESOLVED: The Committee endorsed the update.

The meeting closed at 7.30 pm

Chair: \_\_\_\_\_

Date: \_\_\_\_\_