

AUDIT COMMITTEE

13 July 2023

REPORT OF ASSISTANT DIRECTOR FINANCE & IT

A.3 AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

(Report prepared by Richard Barrett and Karen Townshend)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee:

- The progress on outstanding actions identified by the Committee along with general updates on other issues that fall within the responsibilities of the Committee.

EXECUTIVE SUMMARY

- A Table of Outstanding Issues is maintained and reported to each meeting of the Committee. This approach enables the Committee to effectively monitor progress on issues and items that form part of its governance responsibilities.
- Updates are set out against general items and the Annual Governance Statement within **Appendix A and B** respectively.
- To date there are no significant issues arising from the above, with work remaining in progress or updates provided elsewhere on the agenda where appropriate.

RECOMMENDATION(S)

It is recommended that:

The Committee notes and considers the progress against the actions set out in Appendices A and B.

REASON(S) FOR THE RECOMMENDATION(S)

To provide a timely update to the Committee along with assurances that actions previously identified are being addressed accordingly.

ALTERNATIVE OPTIONS CONSIDERED

There are no alternative options associated with this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

There are no direct legal implications associated with this report.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

There are no significant financial implications associated with monitoring of the agreed actions or responses. If additional resources are required then appropriate steps will be taken including any necessary reporting requirements.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;

B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and

C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

MILESTONES AND DELIVERY

The Table of Outstanding Issues is presented to the Audit Committee at each of its standard meetings.

ASSOCIATED RISKS AND MITIGATION

The Table of Outstanding Issues is in itself a response to potential risk exposure with further activity highlighted to address matters raised by the Audit Committee.

The report does not have a direct impact although such issues could feature in future recommendations and actions. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.

OUTCOME OF CONSULTATION AND ENGAGEMENT

There is no requirement to seek consultation on this report. This is a public document to be presented to the Audit Committee.

EQUALITIES

The Table of Outstanding Issues aims to deliver fairness, transparency and consistency to all customers and stakeholders.

SOCIAL VALUE CONSIDERATIONS	
The Table of Outstanding Issues is in itself a response to potential risk exposure, including considerations towards social value, with further activity highlighted to address matters raised by the Audit Committee.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
The Council's aim to be net zero by 2030 is considered by the Audit Committee and an update of the progress towards this aim shall be presented by the relevant Corporate Director, to the Committee at one of its future meetings.	
OTHER RELEVANT IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	Not applicable
Health Inequalities	Not applicable
Area or Ward affected	All Wards could be affected
ANY OTHER RELEVANT INFORMATION	
None	

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>TABLE OF OUTSTANDING ISSUES</p> <p>The Table of Outstanding Issues has been reviewed and updated since it was last considered by the Committee in March 2023.</p> <p>There are currently two main element to this report as follows:</p> <ol style="list-style-type: none"> 1) Updates against general items raised by the Committee – APPENDIX A 2) Updates against the 2021/22 Annual Governance Statement Action Plan – APPENDIX B. <p>In terms of item 1) above, there are no significant issues to raise, with actions remaining in progress or further details set out below. In terms of item 2), at the time of finalising this report, the Annual Governance Statement for 2023 remains subject to being finalised alongside the Statement of Accounts, where there has been a delay in its publication due to the ongoing impact of the External Auditors delay in completing their necessary work for earlier years (the Statement of Accounts for 2020/21 and 2021/22 remain subject to this ongoing delay). Therefore, updates against the existing Annual Governance Statement have been set out within Appendix B.</p> <p>In terms of the review of the Annual Governance Statement for 2023 mentioned above, the associated action plan set out within that Statement will include the on-going / outstanding items set out within Appendix B along with the consideration of a number of actions that aim to reflect the issues and challenges faced by the Council such as:</p> <ul style="list-style-type: none"> • Review of the Local Code of Corporate Governance and Key Policies and Procedures

- A review of the Council's Corporate Risk Register and business continuity arrangements
- Delivering financial sustainability
- Developing the management of performance and delivery
- Review of the Effectiveness of the Audit Committee
- Review of Departmental Plans in the context of corporate priorities and vision

Outstanding actions – further details along with other issues identified

As highlighted above the Statement of Accounts 2020/21 remains subject to the conclusion of the work of the External Auditor. The External Auditor has indicated a commitment to finalise their work by September 2023 and therefore, subject to the availability of their associated audit completion report, it may be possible to present this to the September meeting of this committee. If this is not possible then it is proposed to arrange a special meeting of the committee in consultation with the Chair as soon as possible after this date.

RIPA – Regulatory Investigatory Powers Act 2000

This Authority has not conducted any RIPA activity in the last quarter and it is rare that it will be required to do so.

Whistleblowing Policy

At its meeting on 06 Jul 23 the Human Resources and Council Tax Committee will be presented with a comprehensive review of the Council's Whistleblowing Policy and procedure, in line with identified best practice and employment legislation. The review focuses on the Authority's reporting and investigation mechanisms for dealing with and responding to whistleblowing concerns, and the responsibility of those involved in managing disclosures. The Whistleblowing Policy if approved for adoption by the Human Resources and Council Tax Committee will come into effect immediately.

As part of the monitoring arrangements associated with the effectiveness of this policy, relevant updates will be provided to this Committee during the year.

Redmond Review

A summary of the key Redmond Review recommendations are as follows:

- Formation of a new independent oversight body/system leader
- Extension to external audit timeframes and increase in fees
- Review of associated governance and reporting arrangements (Independent Person to be appointed to the Audit Committee and auditor's annual report to be submitted to a meeting of Full Council)
- Introduction of a standardised statement of service costs

The necessary actions to implement the above remain ongoing via the relevant responsible body and timely updates will continue to be included in future reports.

As further progress is announced by the government, updates will be provided to future meetings of this Committee, which will hopefully set out the necessary practical steps to implement the recommendations made as part of this review.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
The Table of Outstanding Issues is presented to the Committee at each of its meetings.
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
Appendix A – Table of Outstanding Issues (July 2023) – General
Appendix B – Table of Outstanding Issues – (July 2023) – Update against 2022/23 Annual Governance Statement Actions

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