

6/3/24 Audit Committee Questions

Raised by	Question	Response
Cllr Moss	<p>Internal Audit Strategy and Plan 2024/25</p> <p>Q1 1.4 refers to the Head of Audit Opinion and the Annual Governance Statement. I think in my 2 years on the Audit Committee we received a draft Annual Governance Statement for 2021/22 from Sam Evans. But nothing else in the way of a Head of Audit Opinion or Annual Governance Statement. When can we expect to receive them?</p> <p>Q2 In past years there have been a lot of Internal Audit Reports on Six Town Housing. Many were given Limited Level of Assurance. These, however, were not in the scope of this Committee at that time. Now that it has been taken in house, I was expecting a lot of Internal Audit Reports on Housing, which were likely to involve a lot of work for this Audit Committee. Why is there only one Report for Housing (on Housing Conditions) in the Plan for 2024/25?</p>	<p>Q1 The Head of Audit Opinion was presented to the Audit Committee at the 31 July 2023 and was entitled Internal Audit Annual Report 2022/23.</p> <p>The Head of Audit Opinion for 2023/24 will be produced at the end of the financial year and will be presented to the Audit Committee 25 July 2024 (provisional date).</p> <p>The Annual Governance Statement is a separate document and is connected to the annual accounts. We do not know if the 2022/23 Statement has been presented to the Audit Committee.</p> <p>Q2 The financial processes and procedures relating to STH will be incorporated into our existing Bury Council systems debtor and creditor audit identified on the 2024/25 audit plan.</p> <p>Housing Conditions audit was identified within the Corporate Risk Register and therefore has been included on the audit plan for 2024/25.</p> <p>We have also identified 8 days within the 2024/25 audit plan that can be allocated to audit work in relation to transfer and / or advice & guidance. At this moment in time, it is not clear exactly what audits are going to be required therefore any additional work will be taken from the 69 days contingency line from the audit plan for 2024/25 and the Audit Committee will be advised via the Internal Audit progress reports.</p>

<p>Cllr Moss</p>	<p>Internal Audit Progress Report</p> <p>Q3 We were told at the December Audit Committee meeting (in paragraphs 2.4.1 and 2.4.2) that there were 10 reviews ongoing and 3 were at draft report stage. Why have we only received 2 new Final Reports (2.2.2) at this March Meeting? Is January 31 the effective cut-off for this meeting?</p> <p>Q4 Follow Ups are described in 2.3. I hadn't realised that 2nd Follow Ups are a very recent introduction. What is the newly established Corporate Governance Group, and how will it address those Second Follow Ups where there remain recommendations that are not or only partially implemented?</p> <p>Q5 2.6 refers to a school audit plan to be delivered in 2023/24.</p>	<p>Q3 Yes, the 31 January 2024 was the cut off for the March meeting.</p> <p>The 3 reports identified at the December meeting were:</p> <ul style="list-style-type: none"> • STH – Debtor Invoice Processing • STH – Arrears Prevention • Persona – Creditors <p>Persona – Creditors is now a final report and has been included within the documentation for this meeting. The 2 STH reports are still at a draft stage due to delays in obtaining responses to the recommendations. If delays continue then the Interim Executive Director of Finance will be requesting that Business Managers attend the next Audit Committee meeting.</p> <p>Q4 Amended follow up process incorporating detailed testing and the introduction of the 2nd follow up was implemented in July 2023.</p> <p>Any recommendations that are not implemented or only partially implemented are reported to the CGG with a view from IA as to whether the CGG needs to escalate to the relevant Director as to lack of implementation.</p> <p>Where IA has given the view to the CGG not to escalate, this is usually because IA will be undertaking an audit on the area within financial year 2024/25 or the recommendation realistically will take longer than the 3/6 months follow up process. In these cases, a realistic revised implementation date is agreed and a further follow up on the recommendation will be undertaken to check on implementation.</p> <p>Q5 1 school audit has been undertaken. 1 school is due to be converting to Academy status in May and has been removed from the plan.</p>
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	<p>Given the slippage that is occurring in the 2023/24 Plan is it likely that many (or any) of the 10 school reviews will be undertaken?</p>	<p>Due to the slippage the further 8 schools will be reallocated into the 2024/25 audit plan. It is anticipated that audits will be started to be undertaken in Quarter 1 2024/25.</p>
	<p>Risk Register</p> <p>Q6 Looking at the Risks that have not been reviewed (4.5) why hasn't CR15 Regeneration & Development been reviewed for 6 months?</p> <p>Q7 Looking at the requested Deep Dives (6.2) why haven't CR1 Financial Sustainability and CR19 Financial Capacity been done?</p> <p>Q8 I thought the refreshed Risk Management Strategy (7.7) was going to be presented to the Audit Committee in March. Why has it been deferred until our next meeting?</p>	<p>Q6 An update to CR15 was provided by the Risk Owner after publication of the Risk Register. Once the queries to the update have been received by the Risk Manager, the updated risk will be circulated to members of the Audit Committee</p> <p>Q7 Unable to provide due to Risk Owner's capacity.</p> <p>Q8) At the Audit Committee in December, it was explained that a meeting was to take place as early as possible in the new year between the Risk Manager and the Executive Team, in order that steps could be taken to move forward with both the Corporate Risk Register and Risk Management Strategy, and that an updated position would be presented in March, with a view for the refreshed Strategy to be finalised by the July meeting at the latest (pending how soon the Executive meeting could take place). The Risk Manager is due to attend the Senior Leadership Group meeting on 27th March (the earliest date that this was able to be arranged) in order to discuss these areas further, and then work can continue on the Strategy. It is hoped that the Strategy will be finalised, with steps taken to implement some of these areas, well before the next meeting of the Audit Committee (dates for 2024/25 to be agreed) and that the Strategy can be presented for approval.</p>

	<p>Q9 In the Deep Dive on CR23 Adult Social Care Reforms Adrian Crook has provided us with a lot of detail for which we are very grateful Why is the entry on the Risk Register itself much more flimsy and refer primarily to the preparation for the CQC inspection?</p>	<p>Q9 Response provided from Director of Community Commissioning, who will be at the meeting on 6th March to talk through the paper and answer any further questions:</p> <p>The risk register is a live document that is updated regularly or as things change.</p> <p>The adult social care reforms comprised of 3 main parts; fair cost of care exercise, charging reforms and CQC inspection.</p> <p>The fair cost of care was completed so this element was removed as a risk.</p> <p>The charging reforms have been delayed by the government until after the next election, in addition they required a levy of 1.5% on national insurance to implement. As this has now been scrapped, and NI has been further reduced, the likelihood score of this risk has been downgraded, as the likelihood of the next government being able to implement them is being eroded. For this reason the total score drops below the threshold of consideration as this level of committee but now resides at the level that can be monitored by the department.</p> <p>This leaves only the CQC risk which is why it appears that this element is now the only risk reflected on the risk register.</p>
	<p>Information Governance Update</p> <p>Q10 This is the first report since July 2022. I know this is described now as “business as usual”, but will these updates return to being presented at each Audit Committee meeting?</p> <p>Q11 With respect to Training we used to get a report on the percentage of Members who were compliant and up to date on online GDPR Training. Are those figures available?</p>	<p>Q10 An Information governance report will be considered at each meeting of the Audit Committee in the next municipal year.</p> <p>Q11 33% of Cllrs have completed the Mandatory GDPR Training.</p> <p>All members are advised of the mandatory training requirements at the start of the Municipal year and in the Councillor Bulletin.</p> <p>Reminder emails specific to mandatory training are also sent with information on how to access the training.</p>

		<p>The Group Leaders/Whips are provided with information on their group members completed training.</p> <p>If mandatory training is not completed, weekly email reminders are sent from the automated Agresso system to remind them to complete as soon as possible.</p>
Cllr Berry	<p>Q12 I understand that some properties that are being fitted with solar panels may at some stage have batteries fitted in the lofts or may already have had batteries fitted. I would like to know if there have been risk assessments. Also, will the batteries be regularly monitored with regards to safety. Are there any insurance implications when batteries are fitted in such locations</p>	<p>Q12 Response provided from the Home Energy Manager:</p> <p>There have been no batteries fitted as part of the SHDF scheme on Chesham or any other PV installation of Council houses. The inverters are suitable for retrofitting batteries, however there are no plans at present to fit batteries. If they were to be fitted in the future a risk assessment would be undertaken and best practise guidance adhered to.</p> <p>A risk assessment was undertaken for the inverters and heat detectors have been installed where inverters are located in the loft space which is above requirements .</p> <p>Tenants receive advice on how to maximise use of the solar power generated and recommended to apply for an export tariff from energy suppliers in the event there is surplus electric to help reduce fuel poverty rather than use of batteries.</p>
Cllr Gartside	<p>Q13 CR1 Financial Sustainability - How did the DSG deficit arise and what does it currently stand at? What can we do to ensure this ring-fenced grant and budget does not go into deficit again in the future?</p>	<p>Q13 The deficit arose from increased demand on SEND and EHCP places. This is a national issue and two national projects called, Safety Valve and Delivering Best Value sponsored by the DFE are supporting Councils including Bury to reduce the deficit. The project itself is built around a number interventions on the preventative side which will see the budget balance. The current deficit is £19.9m.</p>

	<p>Q14 CR1 Financial Sustainability - Regarding the financial impact on the Council of implementing the real living wage is the S151 officer confident that the provision of 6.6 million pounds in the approved 2024/25 Council budget will be sufficient to cover the increased wage bill? How could any shortfall be covered?</p>	<p>Q14 This is an estimate based on the economic forecast provided to the Council and information from other Councils around their approach to setting budgets on the Real Living Wage. They come from the expectation that inflation will continue to fall to the end of the year, and interest rates will also fall. We will review the assumptions at q1 and when we refresh the Medium Term Financial Plan during the Summer. If there is a shortfall against budget to actual costs then we could various courses of action depending on the value of the gap. These range from short term smooth with reserves and see if this gap can be closed through looking at future years assumptions, to looking at replacement savings.</p>
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