

AUDIT COMMITTEE REPORT TO COUNCIL

Council – 23 April 2024

Report of: Cllr Penny Cole, Chairman of the Audit Committee

Status: For Consideration

Introduction and Background

- 1 This is my report to the Council on the work of the Audit Committee during the year 2023/24.
- 2 The Audit Committee is responsible for discharging the functions conferred by the Accounts and Audit Regulations 2015. The key responsibilities include approving the Council's Annual Statement of Accounts, approving the Annual Governance Statement, approving the Annual Internal Audit Plan and monitoring and reviewing the work of Internal Audit, and reviewing the arrangements for the management of business risks.
- 3 In line with its Terms of Reference, the Audit Committee has met regularly (four times) during the course of the year.
- 4 As Chair of the Committee, I have held monthly briefings with Officers.
- 5 Details of the range of issues considered by the Committee over the course of the year are set out below:

Internal Audit

Date of Meeting	Agenda Items
4 July 2023	<ul style="list-style-type: none">• Internal Audit Annual Report and Opinion 2022/23
5 October 2023	<ul style="list-style-type: none">• Internal Audit Progress Report
1 February 2024	<ul style="list-style-type: none">• Internal Audit Progress Report
16 April 2024	<ul style="list-style-type: none">• Internal Audit Progress Report• Internal Audit Plan 2024/25

Governance, Risk & Counter Fraud

Date of Meeting	Agenda Items
4 July 2023	<ul style="list-style-type: none">• Audit Committee Terms of Reference• Member Allowance Scheme Monitoring 2022/23• Local Code of Corporate Governance• Counter Fraud and Compliance Team Report 2022/23• Annual Governance Statement 2022/23• Review of the Effectiveness of the Audit Committee 2022/23
5 October 2023	<ul style="list-style-type: none">• Strategic Risk Register• Counter Fraud Strategy and Whistleblowing Policy & Procedure
1 February 2024	<ul style="list-style-type: none">• Risk Strategy Report
16 April 2024	<ul style="list-style-type: none">• Strategic Risk Register• Audit Committee Independent Members – Terms of Office

Accounts and External Audit

Date of Meeting	Agenda Items
4 July 2023	<ul style="list-style-type: none">• External Audit – Annual Report 2021/22• Statement of Accounts – Progress Update Report• Statement of Accounts 2022/23 – Establishment of Member Working Group
5 October 2023	<ul style="list-style-type: none">• External Audit – Annual Audit Plan 2021/22

6 Training of Audit Committee Members is important to ensure that they can add value to the discussions at the Committee. A Member Development Plan was agreed by the Committee and the following training sessions have taken place during the course of the year:

- Organisational Knowledge

- Audit Committee Role and Function
- Governance
- Risk Management
- Understanding Local Government Accounts

- 7 There remains an issue nationally with the backlog of audited accounts. Draft accounts have been completed by SDC as required. This backlog is largely due to the increased requirements and complexity of the accounts and the available resources of the external auditors. This is also true for Sevenoaks DC. An announcement is expected shortly from Government regarding the approach to clear the backlog and put the system on a sustainable footing.
- 8 The Audit Committee maintains a constructive dialogue and effective working relationship with the Council's external auditors, Grant Thornton who regularly attend meetings.
- 9 The Committee has two non-voting independent members, Lynda McMullan and Mr Mo Chughtai. They possess the necessary technical knowledge and skills to be of value to the business of the Committee.
- 10 It is my opinion that the work of the Committee has a positive impact on the overall control environment within the Council and has developed good working relationships with officers and External Audit, and has offered constructive comments on a range of issues. The Committee continues to develop and improve its understanding of the many technical issues presented to it.
- 11 I thank committed members of the Audit Committee for their personal contribution to the work of the Committee. I also thank Officers, in particular Adrian Rowbotham, Jennifer Warrillow and Alan Mitchell for the help and support that they have given to the Committee.

Cllr Penny Cole, Chairman, Audit Committee