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## AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 15 March 2022

Present:

|             |  |   |
|-------------|--|---|
| Councillor  | K Hodson (Chair)   |   |
| Councillors | S Whittingham<br>D Brennan<br>K Cannon<br>S Kelly<br>J Johnson | D Burgess-Joyce<br>S Mountney<br>T Smith<br>Jason Walsh |

### 49 WELCOME AND INTRODUCTION

The Chair welcomed all people present and informed them that a copy of the webcast will be available on the Council's website for two years.

The Chair invited attendees to join in a minute's silence to reflect on the situation in Ukraine, the lives already lost and the fear and trauma families there face, and for the sake of people on all sides caught up in that and the many other conflicts across the world.

### 50 APOLOGIES FOR ABSENCE

Apologies for absence were received from independent member Joanne Byrne and Councillor Adrian Jones.

### 51 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any items on this agenda and, if so, to declare them and state what they were. There were no declarations of interests.

### 52 MINUTES

**Resolved –  
That the minutes of the meeting held on 24 January 2022 be approved.**

### 53 PUBLIC AND MEMBER QUESTIONS

There were no questions, statements or petitions received.

54 **INTERNAL AUDIT UPDATE**

The Chief Internal Auditor presented his report which identified and evaluated the performance of the Internal Audit Service and included details of any issues arising from the actual work undertaken during the period 1 January to 28 February 2022. There were no major issues to highlight.

Members asked questions on audit involvement in the change of status of Wirral Evolutions.

**Resolved:**  
**That the report be noted.**

55 **INTERNAL AUDIT ANNUAL PLAN - 2022-23**

The Chief Internal Auditor introduced his report which identified the Internal Audit Plan of work for 2022-23, with proposed themed areas. The audit service worked on a twelve-month cycle but needed to be dynamic and flexible to allow for significant changes and the plan had that built in, with emphasis on themes, reflecting best auditing practice. There would be engagement with chief officers and Members to ensure new risks were captured and considered.

Members were interested in seeing more detail on the prioritisation and timescales and that was to be provided outside of the meeting with regular updates included in reports to future meetings. It was noted that there were several networks of peers who were utilised to ensure best practice was followed and relevant new risks were identified. In questions about the Council and Pension Fund's involvement with Russia and the national Government's sanctions following the invasion of Ukraine, it was clarified that the Pension Fund had 0.25% invested with Russia and the Council was looking at its own contracts to uncover any links. A further update on this was to be provided to the next meeting.

**Resolved –**  
**That the work proposed in the Internal Audit Plan for 2022-23 in accordance with the terms of reference for the Audit and Risk Management Committee be endorsed.**

56 **CORPORATE RISK MANAGEMENT UPDATE**

The Risk, Continuity and Compliance Manager presented the report of the Director of Resources which provided an update on the Council's risk management arrangements and areas of risk management focus over the following year. There had been an event for senior officers to consider the existing corporate risks, if or how they were aligned with the Wirral Plan and to foresee any new risks that may emerge. It also considered the potential

opportunities that could arise. It had been acknowledged that there was a changing external environment – learning to live with the Covid-19 virus, dealing with the effects of the invasion of Ukraine and the threat of cyber-attacks.

**Resolved –  
That the report be noted.**

## 57 **EXTERNAL AUDIT PROGRESS REPORT**

The Senior Audit Manager at Grant Thornton presented the report of the Director of Resources which provided a progress update on the work being undertaken by the external auditor, Grant Thornton. The report also included a sector update which provided a summary of emerging national issues. It was noted that the financial audit for 2020/2021 was not yet fully complete in common with other Councils as a required toolkit was not yet available, although the auditor's opinion had been unqualified. The timescale for the 2021/2022 audit was given.

Members queried the timescales for clarification and noted that many Councils were suffering financially.

**Resolved –  
That the update provided by the Council's external auditors be noted.**

## 58 **INFORMATION GOVERNANCE UPDATE**

The Archives and Records Manager presented the report of the Director of Resources which provided an update on the work to sustain and deliver effective Information Management, relating to Information Governance across the Council. This work aimed to reduce the risk of reputational damage and monetary penalties but also the need for paper records management. The report also highlighted areas of Information Governance work scheduled for the coming year. There had been an increase in reporting of incidents although following investigation no further action had been required on any.

Members questioned the policies which clarified:

- That it was the Data Protection Officer who decided whether to send issues to the Information Commissioner's Office (ICO) although there were monthly meetings of the Information Security Board to discuss incidents
- There were no recorded whistleblowing incidents in the period
- The policy for paper records is that none are to be taken home but can be digitised for viewing away from the office
- The ICO can overrule decisions by the Council on whether data can be released.

**Resolved –  
That the report be noted.**