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## AUDIT AND RISK MANAGEMENT COMMITTEE

Monday, 15 January 2024

Present: Councillor J Johnson (Chair)

Councillors GJ Davies I Lewis  
P Basnett S Kelly  
M Skillicorn N Graham

Independent Persons J Byrne

### 34 WELCOME AND INTRODUCTION

The Chair opened the meeting and reminded everyone that the meeting was being webcast and a copy was retained on the Council's website.

### 35 APOLOGIES FOR ABSENCE

There were no apologies for absence.

### 36 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 item(s) on this agenda and, if so, to declare them and state what they were.

Councillor Paula Basnett declared personal interests by virtue of being a Foster Carer, a member of the town deal board and the Chair of Wirral Chamber of Commerce.

### 37 MINUTES

**Resolved – That the minutes of the meeting held on 12 December 2023, be approved.**

### 38 PUBLIC AND MEMBER QUESTIONS

There were no questions, petitions or statements received for this meeting.

### 39 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 and items of note undertaken during the

period 1 October to 31 December 2023. In addition, the Internal Audit Quality Assurance Programme Self-Assessment, Internal Audit Charter and Internal Audit Strategy, as required under the Public Sector Internal Audit Standards (PSIAS) were reported to the committee.

Members discussed challenges relating to implementation of the outstanding Climate Emergency audit recommendations. The Chief Internal Auditor confirmed that outstanding actions were cross-directorate in nature and that senior management were engaged in work to ensure the Council remained on target to achieve its objectives in this area. Members also discussed progress of actions relating to the Council's Matrix System review and Member engagement in relation to future delivery of the Council's waste commission contract.

The Chair, in light of recent national focus on the Post Office scandal proposed that the Committee should remain committed to learn from identified weaknesses and failings from elsewhere in the public sector and review the Committee's own Terms of Reference as appropriate. The Chief Internal Auditor affirmed that the internal audit service routinely sought to incorporate outcomes and lessons learned across developments elsewhere in the public sector.

#### **Resolved – That**

- 1. The report be noted; and**
- 2. The Internal Audit Charter and Strategy be endorsed.**

#### **40 ARMC ANNUAL REPORT 2022-23**

The Chief Internal Auditor presented the Audit and Risk Management Committee Annual report for 2022-23, which was prepared by the respective Chairs of the Committee in consultation with internal audit and summarised work undertaken by the committee during the period in line with best professional practice.

**Resolved – That the Annual Report for 2022-23 be approved and submitted to Council.**

#### **41 ARMC ANNUAL SELF ASSESSMENT 2023**

The Chief Internal Auditor presented his report which provided the Annual Self-Assessment for 2023. In line with best professional practice the Self-Assessment exercise had been completed, which reported an evaluation of the Committee's role and effectiveness as part of the systems of internal audit. A number of key actions had been identified following the exercise to improve and develop the Committee going forward.

Members discussed the action plan within the report, and queried how Committee Members would be assessed against the CIPFA Core Knowledge and Skills Framework. The Chief Internal Auditor confirmed that a survey in line with this framework would be circulated to Members which would inform future training and development. Members also discussed how a system of obtaining feedback from stakeholders on the performance of the Committee could be developed, alongside challenges relating to recruitment of an additional Independent Member on the Committee.

**Resolved – That the Self-Assessment checklist of compliance and the action plan be approved.**

#### 42 **CORPORATE RISK MANAGEMENT UPDATE**

The Risk, Continuity & Compliance Manager presented the report of the Director of Finance which provided an update on activity related to the Corporate and Directorate Risk Registers and the Council's risk management arrangements. Outcomes of the latest review of the Corporate Risk Register (CRR) by the Senior Leadership Team were reported to Committee. The review had been informed by meetings between the Risk, Continuity & Compliance Manager and Directors to review Directorate Risks. Notable changes to the CRR included the splitting of the Workforce Capacity & Skills to Deliver risk into two separate risks, a drop in the current/residual risk score for Safeguarding, and a new risk developed to reflect preparedness for statutory inspections. It was also reported that in light of the New Council Plan 2023-27, the CRR would undergo realignment against the new themes of the plan, whilst it was noted that a Member risk workshop had taken place for Members of the Council's Policy & Resources Committee.

Members discussed the outcomes of a Chair and Spokespersons risk management session held in January 2024 and referenced discussions at previous committee meetings in which risks associated to the delivery of regeneration projects were highlighted. Following a discussion, it was:

**Resolved – That**

- 1. The report be noted; and**
- 2. The Director of Regeneration and Place be requested to attend the next meeting of the Audit and Risk Management Committee in March 2024 to present a risk report to committee Members on all Directorate Risks.**

#### 43 **EXTERNAL AUDIT PROGRESS REPORT**

A representative from Grant Thornton presented the report which provided a progress update on the work undertaken by the external auditor, alongside a sector update which included a summary of emerging national issues and areas for consideration for the Committee.

The Chair reported that the Annual Audit Report had been delayed which did not allow the Committee to respond to matters in a timely manner given some three months has now passed since the date set under legislation for it to be presented to councils. It was noted that the report once received was now unlikely to be presented to Committee until March 2024.

A representative from Grant Thornton confirmed that the Annual Audit Report had undergone senior quality review process and would be shared imminently with Council management for review and comments. Members requested that the Director of Finance circulated the report to Committee Members once the report had been received and reviewed by Council management reviewed prior to the next Committee meeting in March.

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

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