

PUBLIC

MINUTES of a meeting of the **AUDIT COMMITTEE** held on Tuesday, 16 July 2024 in Committee Room 1, County Hall, Matlock.

PRESENT

Councillor G Musson (in the Chair)

Councillors N Atkin, R Mihaly, J Nelson and P Rose.

Apologies for absence were submitted for Councillor R Parkinson.

Officers present: D Ashcroft, A Baldwin, H Barrington, D Catlow, T Kearsey, M Lunn and P Spencer.

13/24 TO RECEIVE DECLARATIONS OF INTEREST (IF ANY)

There were no declarations of interest.

14/24 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 15 MAY 2024

The minutes of the meeting held on 15 May 2024 were confirmed as a correct record.

15/24 OVERVIEW OF CHILDREN'S SERVICES RISKS

The Chairman welcomed Carol Cammiss, Executive Director – Childrens Services and Sharon Elliott, Head of Business Services to the meeting. The purpose of their attendance was to provide the Committee with an overview of risk management within the Childrens Services department.

There were two risks owned by Childrens Services on the current strategic risk register which were listed below. Full details of the risks updated to Quarter 1 2024-25 were provided in Appendix 2 to the report and an abridged version of Childrens Services strategic and operational risks were provided in Appendix 3:

- Protection of vulnerable children
- Inability to meet Placement sufficiency duty

The Chairman thanked Carol Cammiss and Sharon Elliott for their attendance and informative discussion.

RESOLVED that the Committee notes the information provided in this paper for discussion with Carol Cammiss and Sharon Elliott.

16/24 **ANNUAL GOVERNANCE STATEMENT 2023/24**

David Catlow, the Assistant Director of Finance presented the draft Annual Governance Statement for 2023-24 for approval, prior to its inclusion in the Council's statutory accounts.

The Committee welcomed the report and requested that the action plan be updated into a single document so Members could easily track the actions.

RESOLVED that the Committee:

- a) approves the Annual Governance Statement for inclusion in the Council's Statutory Accounts for the year ended 31 March 2024; and
- b) Notes the associated action plan for implementation during the financial year 2024-25

17/24 **AUDIT SERVICES ANNUAL REPORT 2023-24**

Mark Lunn, Assistant Director of Finance (Audit) presented the Annual Report for 2023-24 and the Head of Internal Audit opinion on the adequacy of the Council's arrangements for governance, risk management and control.

The report provided details of the audit work undertaken during the year which had enabled Internal Audit to provide an independent assessment of whether systems and controls were operating effectively.

On the basis of the Unit's internal audit work, the opinion of the Head of Internal Audit on the framework of governance, risk management, and control is limited in its overall adequacy and effectiveness. The opinion was provided on the basis that significant weaknesses and/or non-compliance had been identified in key areas which exposed the Council's objectives to a high risk of failure and therefore the framework of governance, risk management and control required improvement.

The Chairman thanked Mr Lunn for his report and opinion and felt reassured that all the issues that the Council had experienced had been considered thoroughly. The findings of the report highlighted the need for a proactive approach in addressing the areas flagged as limited assurance during 2023-24. Plans were already in place and

conversations had been had with departments and their management teams.

RESOLVED that the Committee:

- a) Notes the Annual Audit Report for 2023-24 and overall assurance opinion;
- b) Notes the outcomes of the Audit work completed; and
- c) Notes the performance of the Audit Services Unit during this period.

18/24 AUDIT SERVICES PROGRESS REPORT

Members were informed of the progress against the approved Audit Services Plan for 2024-25 as at July 2024.

The EQA of Audit Services had been completed in mid-December 2023 and the subsequent report had provided three recommendations to improve conformance with the standards, which were accepted and had an assigned action to address.

RESOLVED that the Committee notes the performance of the Audit Services Unit during this period.

19/24 REPORT OF THE EXTERNAL AUDITOR - AUDIT STRATEGY MEMORANDUM 2023-24 FOR THE COUNTY COUNCIL & DERBYSHIRE PENSION FUND

The Committee was informed that as of 1 June 2024, Mazars had joined company with Forvis, one of the largest public accounting firms in the United States.

The Chairman welcomed Bethan Vance and Alastair Newall from Forvis Mazars to their first meeting of the Audit Committee.

Bethan Vance presented the Audit Strategy Memorandum for the County Council for the year ending 31 March 2024. The document summarised their audit approach, highlighted significant audit risks and key areas of key judgements. The document had been prepared following initial planning discussions with management and the finance team. The timeline suggested that the audit was expected to have been completed in October.

Alastair Newall presented the Audit Strategy Memorandum for Derbyshire Pension Fund for the year ending 31 March 2024. The timeline suggested that the audit was expected to have been completed in September – October.

On behalf of the Committee, the Chairman thanked Bethan Vance and Alastair Newall for their attendance and informative presentations.

RESOLVED that the reports be noted.

The meeting finished at 3.33 pm