

PUBLIC

**MINUTES** of a meeting of **AUDIT COMMITTEE** held on Tuesday, 17 September 2024 at Committee Room 1, County Hall, Matlock.

**PRESENT**

Councillor G Musson (in the Chair)

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

There were no apologies for absence.

Officers present: C Henning, T Kearsey, M Kenyon, M Lunn, D Massey, V Sharma, P Spencer, D Watson, and K Zasada.

**20/24 TO RECEIVE DECLARATIONS OF INTEREST (IF ANY)**

There were no declarations of interest.

**21/24 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 16 JULY 2024**

The minutes of the meeting held on 16 July 2024 were confirmed as a correct record.

**22/24 OVERVIEW OF PLACE RISKS**

Chris Henning, Executive Director For Place and David Massey, Head Of Performance Gov And Improvement presented the report and gave a presentation, providing the Committee with background information for the Audit Committee's review of risk management in the Place department.

There were 104 bridges within the County that required repairs. It was suggested that this be reviewed by the Committee at a future meeting.

A discussion would take place with the Chair of the Improvement and Scrutiny Committee Places, for the Scrutiny Committee to look at Highway Issues.

**RESOLVED** that the Committee:

- a) review the information provided in the paper for discussion.

**23/24 STRATEGIC RISK REGISTER (2024-25 QUARTER 1)**

Tony Kearsey, Finance Officer presented the report, providing the Committee with the Council's strategic risk register.

The Financial Regulations required the Audit Committee to review the risk register every six months.

**RESOLVED** that the Committee:

- a) note the report.

**24/24**     **PERFORMANCE MONITORING AND BUDGET**  
**MONITORING/FORECAST OUTTURN 2024-25 AS AT QUARTER 1**  
**(30 JUNE 2024)**

Mark Kenyon, Director Of Finance presented the report, providing the Committee with details of the Council Plan performance and the Revenue Budget/forecast outturn for 2024-25, as at 30 June 2024 (Quarter 1).

The recommendations in the report were subject to approval by Cabinet on 18 September 2024.

**RESOLVED** that the Committee, subject to the approval of Cabinet of these recommendations at its meeting on 18 September 2024:

- a) note the update of Council Plan performance, progress with the delivery of savings, and the Revenue Budget position/forecast outturn for 2024-25 as at 30 June 2024 (Quarter 1).
- b) note the position on Reserves.
- c) note the significant actions, set out in the report, which will be undertaken across the Council, and are required to reduce the significant revenue overspend detailed in this report, and to ensure the delivery of planned savings.

**25/24**     **ANNUAL GOVERNANCE STATEMENT - UPDATE**

Mark Kenyon, Director Of Finance presented the report, providing the Committee with an update on the Council's progress towards implementing actions agreed as part of the Annual Governance Statement.

A general training module was due to be published to the Council's intranet for anyone in the authority to complete.

**RESOLVED** that the Committee:

- a) note the update provided in the appendix to the report.

**26/24**     **VALUE FOR MONEY SELF ASSESSMENT**

Mark Kenyon, Director Of Finance presented the report, detailing the value for money self-assessment undertaken by officers as requested by the Council's external auditors, Forvis Mazars.

**RESOLVED** that the Committee:

- a) note the value for money self-assessment undertaken by management and submitted to Forvis Mazars.

**27/24**     **REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL**

Mark Kenyon, Director Of Finance presented the report, advising the Committee of the Accounts and Audit (England) Regulations 2015 and the requirement to review the system of internal control.

**RESOLVED** that the Committee:

- a) consider the information provided in the report as evidence of the effective operation of the internal control system.

**28/24**     **AUDIT SERVICES ANNUAL AUDIT PLAN Q3-Q4**

Mark Lunn, Assistant Director Of Finance (Audit) presented the report, providing the Committee with the proposed Internal Audit Plan for 2024-25 (Q3-Q4).

**RESOLVED** that the Committee:

- a) consider and endorse the approach taken to create the proposed Draft Internal Audit Plan for 2024-25 (Q3-Q4).
- b) note that the Plan may be subject to amendment in response to emerging risks.
- c) approve the draft Audit Services Plan, subject to these comments.

**29/24**     **AUDIT SERVICES PROGRESS REPORT 31 AUGUST 2024**

Mark Lunn, Assistant Director Of Finance (Audit) presented the report, informing the Committee of the progress against the approved Audit Services Plan for 2024-25 as at September 2024.

**RESOLVED** that the Committee:

- a) note the performance of the Audit Services Unit during this period.

**30/24**      **COUNTER FRAUD UPDATE**

Mark Lunn, Assistant Director Of Finance (Audit) presented the report, providing the Committee with an update on the delivery of the 2023-24 objectives included within the Council's Anti-Fraud and Anti-Corruption Strategy and presented the 2024-25 Counter Fraud Strategy Update.

**RESOLVED** that the Committee:

- a) note the progress made in delivering the 2023-24 objectives within the Anti-Fraud and Anti-Corruption Strategy as detailed within Appendix 2 to the report.

**31/24**      **RIPA UPDATE**

Mark Lunn, Assistant Director Of Finance (Audit) presented the report, providing the Committee with an update on the use of Council's statutory powers provided for under the Regulation of Investigatory Powers Act (RIPA) 2000 as amended by the Investigatory Powers Act (IPA) 2016.

**RESOLVED** that the Committee note that:

- a) in the period 1 January 2023 to 31 August 2024 one application relating to Communications data was made under the Council's powers relating to RIPA.
- b) twelve requests for access to internal emails, Teams chat and internet activity were received to support internal investigations: these fall outside the scope of RIPA but were assessed in the spirit of the guidance and in accordance with current Council policy.
- c) a review the Council's RIPA Policy is in progress, following the publication of revised Home Office guidance.
- d) training and awareness activity will be programmed following the RIPA Policy refresh.

**32/24**      **NATIONAL FRAUD INITIATIVE (NFI) 2024-25**

Mark Lunn, Assistant Director Of Finance (Audit) presented the report, informing the Committee of the Cabinet Office's request for the Council to participate in the National Fraud Initiative (NFI) 2024-25.

**RESOLVED** that the Committee:

- a) note the Council's participation in the NFI 2024-25 exercise.

**33/24**     **REPORTS OF THE EXTERNAL AUDITOR**

Daniel Watson, Mazars, presented the report, providing the Committee with the Derbyshire County Council and Derbyshire Pension Fund audit progress report.

**RESOLVED** that the Committee:

- a) note the report.

The meeting finished at 3.51 pm