

**GATESHEAD METROPOLITAN BOROUGH COUNCIL**

**AUDIT AND STANDARDS COMMITTEE MEETING**

**Thursday, 25 April 2024**

**PRESENT:** Councillor L Kirton (Chair)  
Councillor(s): R Mullen, R Beadle, H Kelly, J McElroy and Mr Stuart Bell (Independent Member)

**APOLOGIES:** Councillor(s): L Green, C Ord and Ian Dormer (Independent Member)

**ASC494 MINUTES**

The minutes of the previous meeting held on the 7<sup>th</sup> March 2024 were approved as a correct record.

**ASC495 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**ASC496 AUDIT STRATEGY MEMORANDUM 2023 - 2024**

The Committee received a report on the Audit Strategy Memorandum for year ending 31<sup>st</sup> March 2024.

It was identified that there were no significant changes in risks and value for money.

It was queried the change in fees for 2024/2025, it was explained, there has been a national review on the audit sector and fees across the sector have been increased. When setting the budget for 2024/25 Gateshead Council were aware of the increased fees and it has been budgeted for.

It has been noted by the Committee the thanks and appreciation for Finance and Mazars for a great audit report.

RESOLVED:

- (i) The Committee noted the report.

**ASC497 AUDIT ANNUAL REPORT 2021-22 AND 2022-23 COMBINED**

The Committee received a report on the external audit Annual report for years ending 31 March 2022 and 31 March 2023.

The external auditor's responsibilities are defined by the Local Audit and Accountability Act 2014, and the Code of Audit Practice issued by the NAO. The

report sets out the opinion on the financial statements, Value for Money, and Wider reporting responsibilities.

RESOLVED:

- (i) That the Committee notes the report.

**ASC498 INTERNAL AUDIT CHARTER, STRATEGY STATEMENT AND ANNUAL PLAN 2024-25**

The Committee received a report detailing the Internal Audit & Risk Service plan for 2024/25.

The purpose of the report is to outline and define the authority and responsibilities of Internal Audit, as according to the Public Sector Internal Audit Standards (PSIAS).

The Internal Audit Charter was presented in Appendix A of the report.

The plan for 2024/25 also includes three dedicated Corporate Fraud posts. These officers will continue to develop and embed the Councils Counter Fraud and Corruption as well as conducting any fraud and irregularity investigations. Updates in relation to Counter Fraud activity will be presented biannually to the Committee.

The Audit Strategy statement was presented in Appendix B of the report and the Annual Plan 2024/25 is attached at Appendix C.

RESOLVED:

- (i) The Committee noted the report and with the opinion that the Internal Audit Charter continues to comply with Public Sector Internal Audit Standards.
- (ii) The Committee agreed the Audit Strategy Statement and the Annual Plan of work to be provided by the Internal Audit & Risk Service for 2024/25.
- (iii) The Committee agreed to receive a quarterly monitoring report showing progress made against the plan.

**ASC499 REVIEW OF CORPORATE RISK MANAGEMENT POLICY**

The Committee received a report to consider the revised Risk Management Policy.

Risk management is embedded in the Council through a Corporate Risk Management Policy which includes the requirements to identify strategic and operational risks, assess those risks for likelihood and impact, identify mitigating controls and allocate responsibility for those controls.

Since 2013, the policy has been subject to periodic review and minor amendments to reflect issues such as Council Structural changes, but it has not been fundamentally reviewed in that time.

The current Policy was still broadly fit for purpose, but it has been amended to

ensure it continues to reflect industry best practice by reference to the most recent version of the ALARM Risk Management Standards, with additional narrative to strengthen references.

The changes will assist a clearer understanding of the nature of the relevant risks, facilitating more effective risk identification, assessment, and management, embedding the risk management culture in decision making and delivery of Council objectives.

RESOLVED:

- (i) The Committee considered and provided comments prior to reporting to Cabinet and Council for approval.

#### **ASC500 CORPORATE RISK MANAGEMENT 2023/24 - QUARTER 4 UPDATE**

The Committee received a report which updated the Committee on Corporate Risk Management developments during the period 1 January 2024 to 31 March 2024.

The report provided an update on Strategic Risk Management, Operational Risk Management, Business Continuity Management and the Corporate Risk and Resilience Group.

The Corporate Risk and Resilience Group last met on 16 April 2024. The following items were considered:

- Review of recent Business Impact Assessment and Business Continuity Plan seasonal refresh
- Updates from Groups and Services

RESOLVED:

- (i) That the information contained within the report be noted.

#### **ASC501 LOCAL CODE OF GOVERNANCE**

The Committee received a report on an updated version of the Local Code of Governance.

The Council's Local Code of Governance follows the principles of good governance set out in guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executive (SOLACE) in the 'Delivering Good Governance in Local Government' framework they issued in 2016.

The Council's alignment with the CIPFA / SOLACE principles is reviewed each year

within the Annual Governance Statement. The Annual Governance Statement assesses the Council's compliance and outlines any improvement actions to be taken as a result of the assessment.

The Local Code of Governance will be reviewed on an annual basis, and the Committee were presented with the new report in Appendix 1.

RESOLVED:

- (i) That the Committee approves the updated Local Code of Governance.

**ASC502 EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED - That the Press and Public be excluded from the meeting for consideration of Items 10 and 11 in accordance with paragraph 7 of Schedule 12A of the Local Government Act 1972.

**ASC503 INTERNAL AUDIT PLAN 2023/24 - QUARTERLY MONITORING REPORT TO 31 MARCH 2024**

The Committee received and approved a report which outlined the progress made by the Internal Audit and Risk Service against the audit plan for the financial year 2023/24.

RESOLVED:

- (i) That the information contained within the report be noted.

**ASC504 DATE AND TIME OF NEXT MEETING**

The next meeting will take place on 18<sup>th</sup> June 2024 with time to decided.

**Chair.....**