

GOVERNANCE, RISK AND AUDIT COMMITTEE

Minutes of the meeting of the Governance, Risk and Audit Committee held on Tuesday, 25 March 2025 at the Council Offices, Holt Road, Cromer, NR27 9EN at 2.00 pm

Committee

Members Present:

Cllr J Boyle (Vice-Chairman) Cllr C Cushing
Cllr A Fletcher

Officers in

Attendance:

Director for Communities (DfC) and Assistant Director for Finance, Assets, Legal & Monitoring Officer

128 TO RECEIVE APOLOGIES FOR ABSENCE

Apologies received from Cllr S Penfold, Cllr L Vickers, Cllr S Butikofer.
In addition, the Independent Person was unable to attend but had shared comments on the agenda items which have been shared with the Chair.

129 SUBSTITUTES

None

130 PUBLIC QUESTIONS

None

131 DECLARATIONS OF INTEREST

None

132 ITEMS OF URGENT BUSINESS

None

133 MINUTES

The minutes of the meeting of the Governance, Risk & Audit Committee held on 03 December 2024 were approved as a correct record.

134 GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST

Cllr C Cushing asked for clarification whether the action referenced on page 12 of the minutes of the meeting on 3rd December 2024 (missing contract) had been

actioned. The ADL&G stated she believed members had been sent an email. The Chair confirmed she had received an email confirming the contract had been located.

The Chair noted the action (Minute 110) to provide a written update at the next meeting on progress of the recommendation contained within the Private Sector Housing Audit and that this update had not been received. The Chair asked Officers to identify who was responsible for this action and the update to be provided.

The Chair referred to the action (Minute 110) that the Internal Auditor should provide the Committee with a brief progress update each month to ensure the Audit action plan remained on track for completion in March 2025. She noted the progress in the last 3 months, but requested that this update be provided each month. The HIA confirmed this would be provided.

The Chair offered thanks to the Resilience Manager whose updates to Members on the recent tanker incident were invaluable.

The Chair referred to the action under Minute 116 and for the Performance Manager to discuss with the responsible Officer the lack of property assessments and asked that the Committee be updated on appropriate Property assessments.

The Chair commented on Minute 109 whereby the Director of Resources was to provide an update each month on progress towards publication of Statement of accounts. The ADL&G stated that she will ask that an email be circulated to Members with an update.

135 INTERNAL AUDIT PLAN 2025/2026 CHARTER AND MANDATE

The HIA provided the Committee with an overview of the plan. She explained the Plan had been prepared using a different approach, which moved away from the cyclical approach to audits, to one based on corporate priorities and risk. This meant that audits had been prioritised to 'Essential , High, Medium and Low' risk. The plan would be reviewed quarterly to ensure that it reflected any changes to the environment. She also referred the Committee to the Charter and Mandate, the Charter having been made clearer than previously and laying out Internal Audits role, purpose and responsibilities. The Mandate was a new inclusion required by the Accounts and Audit and Regulations 2015.

Cllr Fletcher referred to page 26 of the Audit Risk Universe document, asking whether reliance on the Council's current risk register was sufficient or whether a secondary review of potential risks was required.

The HIA commented that the starting point was the existing risk register but that the discussions widened to consider for other potential risks and that the quarterly review had the potential to widen the discussion further to consider other potential risks. She anticipated that this approach would develop in future years.

The Chair asked for clarification about the areas identified as low risk and unlikely to be audited this year (page 28), the HIA confirmed that this approach was standard across councils and was based on allocation of resources. She explained that the Plan identified when the last opinion on those "Low" areas had been provided. She also confirmed that there were only 2 areas of operation that were identified as "Low".

The Chair referred to the staffing challenges noted (page 30) and asked the HIA to comment. The HIA referred to the need to re-procure the main contractor shortly and confirmed that recruitment for internal resource was ongoing and that ultimately a hybrid model of internal and external resources would offer best value for money but that she had sufficient resources available to deliver the plan.

Cllr Cushing asked for clarity over how this document would progress into a plan. The HIA took the Committee through Appendix 2 which identified the audits and timescales. She confirmed that those areas identified as “Monitor” would be reviewed. It was agreed that having priorities identified for these items would be helpful. Cllr Cushing questioned those areas where there was no recorded previous audits and the HIA explained that these areas may have been included in other audits in the past or be areas where the work of External Audit at the end of the year gave assurance.

The Chair asked for clarification on outstanding actions on page 34, the HIA noted that any outstanding actions would be useful to consider during quarterly reviews and that they use a separate monitoring sheet for that purpose and, that when the progress report was provided to the Committee, the current Plan would be provided as an appendix so that the Committee could approve any changes and any outstanding audits would be visible.

The Chair asked about the reference to Human Resources on page 34 and whether the priority should be higher in the Audit Plan. The HIA confirmed that this area would be audited early in the year. The HIA also confirmed that the reference to “advisory” was so that that advice could be given to the area to ensure the best possible controls were in place.

The Chair asked for clarification as to the difference between monitoring and auditing regarding Coastal Management on page 42. The HIA stated that as there was an audit taking place and there were changes to the partnership, the intention was to monitor until the first quarterly review and then reconsider the audit risk.

The Chair requested further information on the communication and resource requirements referred to in the Mandate and Charter (page 45) and noted that some of the planned audits were behind schedule and asked whether progress was being made. The HIA informed the Committee that progress was being made towards the year end and believed that the Annual opinion for the Committee would be provided in June as planned.

The HIA provided confirmation, following a question, that the last Quality and Assurance Improvement Programme External assessment was carried out in October 2022 (the next one being due October 2027).

It was proposed by Cllr Fletcher and seconded by Cllr Cushing

and Unanimously RESOLVED to approve the Internal Audit Plan 2025/26 and the Internal Audit Charter and Mandate.

136 INTERNAL AUDIT PROGRESS REPORT MARCH 2025

The HIA confirmed that there were no changes to the plan and that there were 3 final reports presented including the Cyber security paper (which is a confidential paper) and they were all positive audit opinions. There had been a lot of work done on closing outstanding recommendations, and all audits had now started including

the IT audits.

Cllr Cushing asked for further information on the outstanding recommendations (Page 73 Waste Management). The HIA had asked for further clarification from the relevant parties and was attempting to gain clarity to either deal with any remaining issues or close the matter. The DfC provided the Committee with an update on the current status of the inter authority agreement and was awaiting final clarification from Kings Lynn & West Norfolk Borough Council (KLWBC) as to whether they wanted to move forward and renew the inter authority agreement.

The Chair questioned the remaining outstanding items on page 73. The HIA suggested to the Committee that if the items passed their new due date, Officers would be asked to attend a Committee meeting to explain how they intend to action the recommendations, the Chair noted this to be a sensible suggestion.

Cllr Cushing asked for clarification on the amount of money involved in the recommendation regarding the correct accounting of all Licence fee income and land charges reconciliation (Pages 73 and 74). The HIA agreed to provide this information to the Committee.

The Chair acknowledged the significant improvement in terms of dealing with outstanding Audit recommendations. The DfC provided the Committee with information on the work of the Performance and Productivity Oversight Board which had been focussing on resolving outstanding recommendations. The Board would now focus on recommendations before they become overdue and work with managers to put in place plans to deliver recommendations by their due date. The Chair thanked the DC for the update.

The Committee noted the Report

137 REVIEW OF THE COUNCIL'S ASSETS REGISTER

Cllr Fletcher and the Chair noted apparent duplications of items and asked for the matter to be checked. The Chair also asked for clarification of how the book values had been calculated. The ADL&G explained that some items were valued separately although related to the same item and therefore may not be a duplication. Cllr Cushing asked for clarification around the Fakenham Connect building, The DfC confirmed Officers would clarify for the Committee.

Cllr Cushing also noted that when considering the implication of LGR that the amount on this register would create significant work.

The Committee received and noted the Report.

138 CORPORATE RISK REGISTER

Cllr Cushing noted (on page 108) the reduced risk rating regarding the medium-term financial plan. The DfC confirmed that Officers would update the Committee on the thought process behind this risk assessment.

The Chair asked for information regarding resources in property services team (page

102) and the associated risk assessment (Risk CR001). The DfC explained that in terms of the risk itself it hadn't changed and there were sufficient resources available but acknowledged that there remained some recruitment activities.

The Committee discussed risk CR008 (loss of information) and the updated IT Security policy and asked whether Councillors had to agree the updated policy. The ADL&G undertook to check with the IT team on this point and action as necessary.

Regarding risk CR0034, the Chair asked for an update on the situation with Net Zero and current projects. The DfC confirmed that the Committee would be provided with an update from the Decarbonisation Board. The Committee also commented on risks associated with food waste collection, The DfC commented that the risks which had been identified within the project would be transferred, as appropriate, to the Corporate Risk register.

The Committee received and noted the Report.

139 PROCUREMENT EXEMPTIONS

The ADL&G confirmed the content of the report and the 3 exemptions reported in the period in question.

140 GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME

The HIA confirmed that the intention was to move Committee self-assessment to June 2025 (from March 2025) to ensure all the actions from the first part of the assessment were completed before moving forward to the second part. The Committee agreed to this proposal.

The meeting ended at 3.17 pm.

Chairman