

Report sponsor: Strategic Director of Corporate Resources  
Report author: Democratic Services Officer

## **Audit & Accounts Committee – Outstanding Resolutions**

### **Purpose**

- 1.1 At its meeting on 5 February 2020, the Audit and Accounts Committee resolved:
  - to agree that a Resolution Tracking report be included in future agendas of the Audit and Accounts Committee.
- 1.2 Outstanding resolutions and actions are attached at Appendices 1 and 2 of the report.

### **Recommendations**

- 2.1 To track and review the outstanding resolutions and actions at Appendices 1 and 2 of the report.
- 2.2. To agree to the "greying out" those resolutions that have been actioned to the satisfaction of the Committee.

### **Reasons**

- 3.1 To provide the Audit and Accounts Committee with the opportunity to track and review any outstanding resolutions arising from meetings of that Committee.

### **Supporting information**

- 4.1 Appendix 1 lists outstanding resolutions arising from meetings of the Audit and Accounts Committee.
- 4.2 For an exhaustive list of resolutions, refer to minutes of the meetings of the Audit and Accounts Committee on the Council's Democracy Portal at the following link:

[https://democracy.derby.gov.uk/Committees/tabid/101/ctl/ViewCMIS\\_CommitteeDetails/mid/734/id/1894/Default.aspx](https://democracy.derby.gov.uk/Committees/tabid/101/ctl/ViewCMIS_CommitteeDetails/mid/734/id/1894/Default.aspx)

### **Public/stakeholder engagement**

- 5.1 None.

## Other options

6.1 None.

## Financial and value for money issues

7.1 None arising from this report.

## Legal implications

8.1 None arising from this report.

## Climate implications

9.1 None.

## Other significant implications

10.1 None.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal		
Finance		
Service Director(s)		
Report sponsor		
Other(s)	Acting Head of Democracy	26/10/2020

<b>Background papers:</b>	Audit and Accounts Committee agenda papers – on the Council's Democracy Portal
<b>List of appendices:</b>	Appendix 1 - Outstanding Resolutions Appendix 2 - Proposed Actions Arising From The Self-Assessments in 2017/18 & 2019/20

## Audit and Accounts Committee

### Outstanding Resolutions

Meeting Date	Item	Resolution	Comments	Responsible Officer
5 February 2020	Internal Audit Progress Report	<ol style="list-style-type: none"> <li>1. to agree that the Local Government Association be contacted and informed that the Audit and Accounts Committee supports a national review of best practice for coroners' services;</li> <li>2. to agree that in relation to the Coroners Service audit assignment, the action due date be changed to August 2020;</li> <li>3. to agree that the audit assignment in relation to Sinfin Waste Plant/Incinerator should be prioritised;</li> <li>4. to agree that the audit assignment in relation to Assembly Rooms – Contract Management be circulated to Members of the Audit and Accounts Committee, once it was completed;</li> <li>5. to agree that as the Assembly Rooms Project has now been put on hold, an urgent audit investigation should be undertaken and that the Chair and Vice</li> </ol>	<ol style="list-style-type: none"> <li>1. The Acting Head of Democracy updated the Committee on 30 September 20. He intends to draft this letter on behalf of the Chair once a better understanding has been gained from counterparts at County Council about the broader trends affecting Coroners Services and the agreement referred to at paragraph 2 has been finalised.</li> <li>2. This update provided in 1 above also presented the Committee with details of the progress being made with the County on implementing all the recommendations from the audit. An in principle agreement has been reached to maintain existing split of costs based on population and an information</li> </ol>	<ol style="list-style-type: none"> <li>1. Alex Hough</li> <li>2. Richard Boneham</li> <li>3. Richard Boneham</li> <li>4. Richard Boneham</li> <li>5. Richard Boneham</li> <li>6. Richard Boneham</li> <li>7. Alex Hough</li> </ol>

		<p>Chair should meet with the Head of Internal Audit to agree the scope of such an investigation;</p> <ol style="list-style-type: none"> <li>6. to agree that an update on the Shared Lives audit be brought to the next meeting of the Audit and Accounts Committee; and</li> <li>7. to agree that a Resolution Tracking report be included in future agendas of the Audit and Accounts Committee.</li> </ol>	<p>sharing agreement has been drafted. The agreement is due to be formalised at the first meeting of a newly established Coroners Governance Board.</p> <ol style="list-style-type: none"> <li>3. Internal Audit work is ongoing. There is a monthly update meeting with the Lead Officer. The audit approach was outlined to the Committee at its meeting on 29<sup>th</sup> July 20.</li> <li>4. It was reported to Committee on 29<sup>th</sup> July 20 that "Following the announcement that plans have been drawn up for a new events venue in Derby's Becketwell area and that the former Assembly Rooms site will be cleared and redeveloped, the audit work has now been deemed as "superseded". The issues raised within the audit have been communicated to the relevant Service Director to inform future project management".</li> <li>5. See 4 above</li> <li>6. Scheduled for the November 20 meeting</li> </ol>	
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			7. Completed.	
5 February 2020	Appointments to the Independent Remuneration Panel	1. to agree that the two recently retired members of the Independent Remuneration Panel be written to and thanked for their work on it.	Completed.	Alex Hough
5 February 2020	Risk Management Update Monitoring Report for the Period to December 2019	<ol style="list-style-type: none"> <li>1. to agree that risk surgeries be organised for SR10 – Managing demands in statutory social care services and SR14 – Sinfin Waste Plant – Adverse outcome to estimated fair value determination;</li> <li>2. to agree that the Risk Management Strategy and Handbook be circulated to the Audit and Accounts Committee in good time and that comments be fed back at the next meeting; and</li> <li>3. to agree that a Risk Appetite report be brought to a future meeting of the Audit and Accounts Committee.</li> </ol>	<p>March 2020 update</p> <ol style="list-style-type: none"> <li>2. Chair and Vice Chair agreed that comments on the Risk Management Strategy and Handbook would be fed back at the meeting in June 2020.</li> </ol> <p>July 2020</p> <ol style="list-style-type: none"> <li>1. Two risk surgeries hosted in June 2020 (delayed from March 2020 due to Covid-19), with a report presented to the July Audit and Accounts Committee.</li> <li>2. Risk Management Strategy and Handbook circulated after the February meeting, with no comments received. Updating the documents is on-going, with progress impacted by Covid-19. Current documents remain live with no impact on our on-going risk management arrangements.</li> </ol>	Heather Greenan

			<p>3. Strategic Risk Register updated to include the 4T's of risk management, providing the Committee with an indication on how our risks are being managed. Risk opportunity framework developed in June 2020, and will be included in the refreshed Strategy and Handbook, approach has been piloted on the Covid-19 Risk Register. Risk opportunity framework to be rolled out in 2020/21 (Quarter 2 onwards), which will inform an overview of risk appetite – report to be presented by March 2021 reflecting on changes in current arrangements, with comments on quarterly reports added as the framework develops.</p> <p>November 2020</p> <ol style="list-style-type: none"> <li>1. Completed.</li> <li>2. Updated Risk Management Strategy, Handbook and Policy on a Page presented to the November 2020 Audit and Accounts Committee for consideration.</li> <li>3. A report on risk appetite will feature in future risk assurance reports, in line with the deadline</li> </ol>	
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			highlighted at the July 2020 meeting.	
5 February 2020	Audit and Accounts Committee – Self Assessment 2019/20	<ol style="list-style-type: none"> <li>1. to request a report to the March meeting of the Committee which outlines the outcome of the 2019/20 self-assessment and any actions that are required to address areas identified which require improvement;</li> <li>2. to agree that a workshop be organised to consider the Audit and Accounts Committee – Self Assessment 2019/20;</li> <li>3. to agree that the Chair and Vice Chair meet with the Head of Internal Audit to discuss the training and development programme for the Audit and Accounts Committee;</li> <li>4. to agree that a report on the adequacy of internal audit staffing and other resources be brought to a future meeting of the Audit and Accounts Committee; and</li> <li>5. to agree that a report on how an external audit plan is put together to be brought to a future meeting of the Audit and Accounts Committee.</li> </ol>	<ol style="list-style-type: none"> <li>1. Completed – reported to the Committee meeting on 30<sup>th</sup> September 20.</li> <li>2. Addressed at the meeting on 30 Sept 20.</li> <li>3. Completed</li> <li>4. Agreed by the Chair and Vice-Chair that this will be brought to the June 2021 meeting as part of the s151 Officer's assessment of the effectiveness of the system of internal audit.</li> <li>5. Scheduled for prior to the March 2021 meeting when External Audit will present the 2020/21 audit plan.</li> </ol>	Richard Boneham

Meeting Date	Item	Resolution	Comments	Responsible Officer
8 June 2020	<p>Risk Surgery:</p> <ul style="list-style-type: none"> <li>SR10 / P-R1 - CYP Demand Management (High demand, sufficiency challenges and budget implications).</li> </ul>	<ul style="list-style-type: none"> <li>Audit and Account Committee members present were assured that there is good senior management oversight on this risk, with lots of activity on-going to support mitigation (through both the established controls and additional actions), including seeking lessons from other.</li> <li>Attendees were reassured on the use of insight to manage demand, accepting the challenges in predicting need and noted that work would remain on-going in this area.</li> <li>It was noted that the Covid-19 Recovery Plan would be an opportunity to further target our activity on the recruitment of foster carers (i.e. working with employers making staff redundant) and to build on developing community assets/working, including the Community Hub.</li> <li>Service leads should review, where possible, opportunities to engage wider / alternative housing providers in any development options to step down young people from care.</li> </ul>	Completed – further updates to be coordinated by risk leads, alongside those presented in risk assurance/monitoring reports.	
	<p>Risk Surgery:</p> <ul style="list-style-type: none"> <li>SR14/C&amp;P-R1 - Sinfin Waste Plant (Adverse outcome to estimated fair</li> </ul>	<ul style="list-style-type: none"> <li>The Committee confirmed they were assured of current controls in place in relation to this risk.</li> <li>The risk rating should remain at 16, and on the strategic risk register until the outcome of the current controls are available.</li> <li>Further monitoring of this risk will continue through the quarterly reviews of the Strategic</li> </ul>	Completed – further updates to be coordinated by risk leads, alongside those presented in risk assurance/monitoring reports.	



	value determination).	Risk Register by Cabinet and Audit and Accounts. Further opportunities for scrutiny will be at the point any decisions are made and will be coordinated through Executive Scrutiny before any decision are taken by Cabinet.		
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Meeting Date	Item	Resolution	Comments	Responsible Officer
29 July 2020	Risk Management Monitoring Report for the Period to 31 March 2020	<ol style="list-style-type: none"> <li>1. to note that the refresh of the Risk Management Strategy and Handbook have been delayed due to competing demands arising from Covid-19;</li> <li>2. to request that further information on the Covid-19 and BREXIT Boards be circulated to the Committee;</li> <li>3. to agree that the next update report to come to the Audit and Accounts Committee should include more detail in relation to Covid-19 and BREXIT;</li> <li>4. to requested that all elected members receive regular briefings on Covid-19; and</li> </ol>	<ol style="list-style-type: none"> <li>1. Completed and presented for discussion in November 2020</li> <li>2. Completed.</li> <li>3. Completed as part of the November 2020 Risk Management Report.</li> <li>4. Completed – there have been monthly briefings for councillors since August 2020.</li> <li>5. Completed as part of the November 2020 Risk Management Report.</li> </ol>	

		5. to agree that progress on SR6 – ineffective project management governance be monitored by the Audit and Accounts Committee.		
29 July 2020	Contract Waivers for the Period 1 July 2019 to 28 February 2020	1. to agree that the Chair and Vice Chair will meet with the Director of Leisure, Culture and Tourism to seek more details on the decision making process in relation to the avoidable waiver for Christmas decorations in the Market Place and that an update will be provided at the next meeting of the Audit and Accounts Committee.	Completed – Chair provided an update to the meeting on 30 <sup>th</sup> September 2020.	
29 July 2020	Internal Audit Plan 2019-20 – Progress Report	1. to agree that in relation to the outstanding Fixed Assets 2018/19 audit assignment, the Chair and Vice Chair will meet with relevant officers and an update will be provided at the next meeting of the Audit and Accounts committee.	Completed – The Head of Strategic Asset Management and Estates attended the meeting on 30 <sup>th</sup> September 2020 to update the Committee on the issues delaying the response.	

## Appendix 2

### Proposed Actions Arising From The Self-Assessments in 2017/18 & 2019/20

Ref	Issue	Comment	Proposed Action	Progress Made
	<b>Actions Arising From The Self-Assessment in 2017/18 that are still outstanding</b>			
11	Are new Committee members provided with an appropriate induction	Although this was not flagged as a weakness in the self-assessment, one response suggested that a	Officers produce a handbook for all members of the Audit and Accounts Committee which provides all the information that is	The handbook is being drafted for end of November 2020.

Ref	Issue	Comment	Proposed Action	Progress Made
		manual/handbook was produced that contains all the relevant information that members of the Committee need to perform their role. This addition was agreed by the Committee at its meeting on 20 March 2018 that	required for Committee members to fulfil their role effectively.	
12	Have all committee members' skills and experiences been assessed and training given for identified gaps?	Training has just been general; not specific to identified gaps. The skills and experience of individual committee members has not been really assessed.	Carry out a skills and knowledge assessment for each of the Committee Members at the beginning of each municipal year.	CIPFA Knowledge/Skills framework to be sent out to all Committee Members for completion in September 2020.
19	Are meetings free and open without political influences being displayed?	Some Members felt that the Committee meetings were still being used to make political statements	The Chair reminds each Member that the Committee should be apolitical and shuts down any such activity.	Ongoing action - The need for the Committee to be apolitical is made clear to all members within the Committee's induction process. The Chair is aware of the need for him to prevent members of the committee making political statements in meetings.
25	Does the committee satisfy itself that the system of internal control has operated effectively throughout the reporting period?	Members commented that there was insufficient evidence being provided to draw a conclusion	Training is given to Committee Members on the areas they need to explore to gain assurance on the operation of the internal control system.	Training session arranged for 4 <sup>th</sup> November 2020.

Ref	Issue	Comment	Proposed Action	Progress Made
26	Has the committee considered how it integrates with other committees that may have responsibility for risk management?	Members were concerned that there was no integration evident.	To review the role other Committees have in respect of risk management and how it can work with them.	To be clarified in the terms of reference currently under review. Differing roles of Scrutiny and Audit was outlined as part of overall Councillor Training.
28	Is the committee made aware of the role of risk management in the preparation of the internal audit plan?	Members expressed a view that this needs to be explained more fully.	To include a more in depth session on the role of risk and internal audit in the Committee training programme.	Training session arranged for 4 <sup>th</sup> November 2020.
45	Does the committee review the adequacy of internal audit staffing and other resources?	Members felt that this is not an area that they had chance to comment on.	Reintroduce the report where the s151 Officer provides an opinion to committee on the effectiveness of the internal audit function.	Agreed by the Chair and Vice-Chair that this will be brought to the June 2021 meeting as part of the s151 Officer's assessment of the effectiveness of the system of internal audit.
50	Is the audit committee aware of how the external audit plan is put together?	Some Members felt that they were just informed that this is what work External Audit would be doing and could not see the links between	Further training from External Audit on the work it does and how it prepares the plan.	Training session planned for March 2021
<b>Actions Arising From 2019/20 Self Assessment</b>				
20/1	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement?	Half of the Committee members who responded did not know whether or not the committee's terms of reference explicitly addressed	Arrange briefing on the CIPFA Position Statement.	On the agenda of the meeting for 4 <sup>th</sup> November 2020.

Ref	Issue	Comment	Proposed Action	Progress Made
		all the core areas identified in CIPFA's Position Statement.		
20/2	Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	Two members believed that the committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	To review as part of the next refresh of the Committee Terms of Reference.	On the agenda of the meeting for 4 <sup>th</sup> November 2020.
20/3	Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?	One member responded that they felt the membership of the committee had been assessed against the core knowledge and skills framework and found to be satisfactory. Another member felt that this had only partly been achieved.	This was highlighted in the last self-assessment and Committee agreed it would be picked up as part of the 2020 self-assessment.	CIPFA Knowledge/Skills framework to be sent out to all Committee Members for completion in September 2020.
20/4	Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?	Only one member felt that the Committee obtained feedback on its performance from those interacting with the committee or relying on its work. A further 2 members felt this was partially achieved.	The Chair seeks feedback from the Council's s151 Officer, External Auditor, Head of Internal Audit and the relevant Cabinet Member on their opinion of the performance of the Committee.	The Chair sought feedback from the s151 Officer and the Head of Internal Audit immediately following the meeting on 30 Sept 20 and will continue to do so after each A & A Committee meeting.

<b>Ref</b>	<b>Issue</b>	<b>Comment</b>	<b>Proposed Action</b>	<b>Progress Made</b>
20/5	Are meetings effective with a good level of discussion and engagement from all the members?	Two members felt that meetings were effective with a good level of discussion and engagement from all the members?	This is linked to the above action.	See 20/4
20/6	Has the committee evaluated whether and how it is adding value to the organisation?	Two members thought that the committee evaluated whether and how it is adding value to the Council.	This is all about the Committee members understanding it's role and remit. This action will be linked to the induction process and to each member's skills and knowledge.	Being developed as part of the Knowledge and skills exercise.
20/7	Does the committee have an action plan to improve any areas of weakness?	Only one member thought that the committee had an action plan to improve any areas of weakness.	There is an action plan in place which is reviewed by the Committee.	Action Plan in place