

AUDIT COMMITTEE REPORT TO COUNCIL

Council - 15 November 2022

Report of: Cllr McGarvey, Chair of the Audit Committee

Status: For Consideration

Introduction and Background

- 1 This is our report to the Council on the work of the Audit Committee since July 2022.
- 2 The Audit Committee is responsible for discharging the functions conferred by the Accounts and Audit Regulations 2015. The key responsibilities include approving the Council's Annual Statement of Accounts, approving the Annual Governance Statement, approving the Annual Internal Audit Plan and monitoring and reviewing the work of Internal Audit, and reviewing the arrangements for the management of business risks.
- 3 In line with its Terms of Reference, the Audit Committee meets four times per year and has met once since the last report to Council.
- 4 As Chair of the Committee, I have continued to hold monthly briefings with Officers.
- 5 Details of the range of issues considered by the Committee on 22 September are set out below:

Internal Audit

Date of Meeting	Agenda Items
22 Sept 2022	<ul style="list-style-type: none">• Internal Audit Progress Report 2022/23

Governance, Risk & Anti-Fraud

Date of Meeting	Agenda Items
22 Sept 2022	<ul style="list-style-type: none">• Members Allowance Scheme Monitoring• Strategic Risk Register

Accounts and External Audit

Date of Meeting	Agenda Items
	<ul style="list-style-type: none"><li data-bbox="584 360 1054 398">• No items at the last meeting.

- 6 The Audit Committee maintains a constructive dialogue and effective working relationship with the Council's external auditors, Grant Thornton.
- 7 Training of Audit Committee Members is important to ensure that they can add value to the discussions at the Committee. A Member Development Plan has been agreed by the Committee. As part of that a Member Development Briefing on Understanding Local Government Accounts took place at the September meeting.
- 8 There remains an issue nationally with Statement of Accounts not being agreed by the deadline. This is largely due to the increased requirements and complexity of the accounts and the available resources of the external auditors. This is also true for Sevenoaks DC.
- 9 Public Sector Audit Appointments (PSAA) are currently completing the tender process for future audits, and they have struggled to get audit firms to bid for the work. It is expected that the fees will increase significantly.
- 10 As mentioned in my previous report, two independent members have been appointed to the Committee, Lynda McMullan and Mr Mo Chughtai.
- 11 It is my opinion that the work of the Committee has a positive impact on the overall control environment within the Council and has developed good working relationships with officers and External Audit, and has offered constructive comments on a range of issues. The Committee continues to develop and improve its understanding of the many technical issues presented to it.
- 12 I thank all members of the Audit Committee for their personal contribution to the work of the Committee. I also thank Officers, in particular Adrian Rowbotham, Jennifer Warrillow, Alan Mitchell and Martin Goodman for the help and support they have given the Committee.

Cllr Philip McGarvey, Chairman, Audit Committee