

PRESENT: COUNCILLOR MRS S RAWLINS (CHAIRMAN)

Councillors M G Allan (Vice-Chairman), S Bunney, P E Coupland, P A Skinner and A N Stokes

Also in attendance: Mr I Haldenby (Independent Added Member) and Mr A Middleton (Independent Added Member)

Councillors: J King and R Butroid attended the meeting as observers

Officers in attendance:-

Alastair Simson (Principal Auditor), Andrew Crookham (Executive Director Resources), Claire Goodenough (Head of Audit and Risk Management), Lucy Pledge (Head of Internal Audit and Risk Management), Michelle Grady (Assistant Director - Finance), Stacy Richardson (Principal Auditor), Sue Maycock (Strategic Finance Lead - Technical) and Thomas Crofts (Democratic Services Officer)

Others in attendance:-

John Pressley (Mazars) and Mark Surridge (Mazars)

40 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor J King.

41 DECLARATIONS OF MEMBERS' INTEREST

There were no declarations of interest made at the meeting.

42 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 6 FEBRUARY 2023

RESOLVED

That the minutes of the meeting held on 6 February 2023 be signed by the Chairman as a correct record.

43 STATEMENT OF ACCOUNTS 2022/23 - ACCOUNTING POLICIES

Consideration was given to a report presented by the Strategic Finance Lead - Technical on the Changes to the Code of Practice on Local Authority Accounting, broad requirements of the Accounts and Audit Regulations 2015, and review of the Council's Accounting Policies. The following matters were reported:

- The new leasing standard would come into effect from 1 April 2024.
- The Council was not accepting the infrastructure asset management temporary solution, and clarifications on this matter were to be incorporated into the policy notes.

Following questions from Members it was clarified that the infrastructure asset management temporary solution was not being accepted, as the Council had already derecognised its old. The temporary solution was designed to help councils that had not taken this action.

RESOLVED

1. That the Committee note the changes required to the Statement of Accounts from the Code of Practice 2022/23.
2. That the Committee note the amended deadlines of 31 May 2023 for the preparation of draft accounts, and 30 September 2023 for publication of the audited Statement of Accounts 2022/23.
3. That the Committee approve the Statement of Accounting Policies (Appendix A) and the Accounting Policies within Disclosure Notes (Appendix B) to use in preparing the Council's accounts for the financial year ending 31 March 2023.
4. That the Committee approve the Accounting Policies proposed not to be published (Appendix D) in the Council's accounts for the financial year ending 31 March 2023.
5. That the Committee approve the Statement of Accounting Policies (Appendix C) to use in preparing the Local Government Pension Scheme (LGPS) Pension Fund accounts for the financial year ending 31 March 2023.

44 EXTERNAL AUDIT PROGRESS REPORTS - LINCOLNSHIRE COUNTY COUNCIL AND LINCOLNSHIRE PENSION FUND 2022/23

Consideration was given to a report from the external auditor, Mazars, which set out progress on the delivery of the Council's and Pension Fund External Audit for 2022/23.

It was stated that the audit was being finalised in line with statutory deadlines and that the current position of the auditing process was similar to that of other authorities across the country.

The Committee considered the report, and the following comments were raised:

- A new external auditor had been appointed; however, some work was outstanding with the current auditor. Assurance was given that this work would be completed, as the current auditor was contractually obligated to finish the work that it had taken on. The current auditor also gave assurance that it would ensure a clean slate for 2024.

- The newly appointed auditor did not express any concern with the current situation when accepting the terms of the work. As such, no additional costs were anticipated regarding legacy issues.

RESOLVED

That the report be noted.

45 INTERNAL AUDIT PROGRESS REPORT

Consideration was given to a report presented by the Head of Internal Audit and Risk Management which provided details of the audit work completed to 1st February 2023 and updates on the progress of the audit plan.

Responses were made to questions from members of the Committee on the following topics:

- The current labour market presented staffing challenges. The Council was looking to grow its own professional and offered good employment terms to aid recruitment.
- The Audit team was no longer taking on previous extra work at Newark and Sherwood Council so as to focus efforts internally.
- Deferred audits and outstanding actions had been rationalised based upon the level of risk.
- Assurance was given regarding the adoption of a new payroll system. Lessons had been learnt from previous issues and data cleansing was underway.

RESOLVED

That the Internal Audit Progress Report be noted.

46 RISK MANAGEMENT PROGRESS REPORT - MARCH 2023

Consideration was given to a report presented by the Head of Internal Audit and Risk Management on the current status of the strategic risks facing the Council.

Members were concerned by the cost pressures facing Social Care. Officers suggested that a briefing on specific risks associated with integrated care systems could be delivered to the Committee at a subsequent meeting.

RESOLVED

1. That the Risk Management Progress Report be noted.
2. That a briefing on the integrated care systems risk be presented at a subsequent meeting.

47 WORK PROGRAMME

4
AUDIT COMMITTEE
27 MARCH 2023

RESOLVED

That consideration of the Work Programme be deferred to the next scheduled meeting of the Audit Committee.

48 CONSIDERATION OF EXEMPT INFORMATION

That in accordance with Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that if they were present there could be a disclosure of exempt information as defined in paragraph 3 of Part 1 of Section 12A of the Local Government Act 1972, as amended.

49 FRAUD RISK REGISTER - UPDATE

Consideration was given to an exempt report which provided the Committee with information on the update of Lincolnshire County Council's Fraud Risk register.

The Committee discussed the report and officers responded to a number of queries.

RESOLVED

That the effectiveness of the Council's arrangements to manage fraud risks be noted.

The meeting closed at 11.50 am