

LEE VALLEY REGIONAL PARK AUTHORITY

AUDIT COMMITTEE MINUTES 20 JUNE 2024

Members
in remote presence: David Gardner (Chairman) Clive Souter
Lesley Greensmyth (Vice Chairman) Terry Wheeler
John Bevan

Apologies Received From: Mike Garnett, Barry Lewis

Officers
in remote presence: Shaun Dawson - Chief Executive
Keith Kellard - Head of Finance
Michael Sterry - Senior Accountant
Dan Buck - Corporate Director
Jon Carney - Corporate Director
Simon Clark - Head of IT & Business Support
Julie Smith - Head of Legal
Sandra Bertschin - Committee & Members' Services Manager

Kevin Bartle - S151 Officer (London Borough of Enfield)

Also in remote presence: Debbie Hanson - EY (external auditors)
Raheel Mallick - Forvis Mazars (internal auditors)
Robert Grant - Forvis Mazars (internal auditors)
Andy Waters - Right Directions (health & safety consultant)

Part I

The Chairman agreed to accept an additional agenda item by reason of urgency and to alter the order of the agenda. The minutes follow the order of items taken at the meeting.

278 DECLARATIONS OF INTEREST

There were no declarations of interest.

279 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 29 February 2024 be approved and signed.

280 PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

281 DRAFT UNAUDITED FINAL ACCOUNTS 2022/23

Paper AUD/145/24

The report was introduced by the Head of Finance.

Debbie Hanson (EY) advised that:

- the outcome of consultation by the Department for Levelling Up, Housing and Communities (DLUHC) on clearing the backlog of local authority audits had been delayed by the calling of a General Election;
- the expectation was that proposed plans for the issuing of disclaimed opinions would continue but that the dates would change;
- EY was continuing with its strategy of undertaking Value for Money work and Pension Fund audits; and
- subject to the consultation outcome, resources had been allocated to undertake audit work October to December.

The S151 Officer reiterated that it was anticipated a disclaimed opinion for the 2022/23 financial statements would be issued.

The Chairman commented that uncertainty remained over the audit fee, whether more work would be required for the 2023/24 audit and if a disclaimed opinion would affect the Authority's ability to borrow or credit worthiness.

- (1) the draft Statement of Accounts for 2022/23; and**
- (2) that any changes recommended by the Auditor at the conclusion of any Audit will be incorporated into the revised Financial Statements, for approval by Audit Committee was noted.**

282 VALUE FOR MONEY INTERIM REPORT FOR 2021/22 AND 2022/23 Paper AUD/151/24

The report was introduced by Debbie Hanson (EY) including:

- this was an interim report covering 2 years and would be revisited when/if a disclaimed audit opinion was issued. However no changes were expected;
- the Value for Money assessment was based on three reporting criteria and no significant weaknesses had been identified;
- it was noted that the Authority's 2023/24 position was less favourable but that actions had been taken to reduce the draw on reserves. Reserves had fallen below the recommended level but this was clearly reported upon;
- Internal Audit had issued a Moderate assurance but were satisfied that reasonable plans were in place to address the one Limited assurance audit. Increased focus should be given to implementation of Internal Audit recommendations; and
- no significant weaknesses had been identified for improving economy, efficiency and effectiveness.

The Chairman remarked that the one year drop in reserves had been noted as a matter of concern but was a reflection of specific economic factors and reserves had since returned to the recommended level. The Head of Finance advised that reserves were currently significantly above the recommended level.

The Chairman welcomed the lack of any identified significant weaknesses and thanked EY for their commentary.

- (1) the Value for Money Interim Report for 2021/22 and 2022/23 attached at Appendix A to Paper AUD/151/24 was noted.**

Debbie Hanson left the meeting.

283 DRAFT UNAUDITED FINAL ACCOUNTS 2023/24

Paper AUD/146/24

The report was introduced by the Head of Finance.

In response to the Chairman it was advised that the Authority was working on the basis of drawing down the minimum level of capital borrowing and had used the proceeds from a land sale to reduce borrowing for redevelopment of Lee Valley Ice Centre.

- (1) the draft Statement of Accounts for 2023/24; and**
- (2) that any changes recommended by the Auditor at the conclusion of any Audit will be incorporated into the revised Financial Statements, for approval by Audit Committee was noted.**

284 ANNUAL GOVERNANCE STATEMENT 2023/24

Paper AUD/147/24

The report was introduced by the Head of Finance.

The Chairman requested that the 'Scope of Responsibility' section of the Annual Governance Statement be amended to include reference to the Authority's aims, objectives and ethos.

- (1) subject to the above requested amendment the Annual Governance Statement attached at Appendix A to Paper AUD/147/24, to be included within the Accounts was agreed.**

285 ANNUAL REPORT ON THE WORK OF INTERNAL AUDIT
2023/24 AND AUDIT PLAN 2024/25

Paper AUD//24

The report was introduced by the Senior Accountant.

Raheel Mallick (Forvis Mazars) thanked the Senior Accountant for his support of the internal audit process.

The Chairman expressed concern that the average implementation rate of 48% for implementing internal audit recommendations was quite low. In response it was advised that good progress had been made on fully or partially implementing internal audit recommendations but some actions took longer to implement. The Chairman welcomed the reassurance that good progress had been made and looked forward to an implementation rate of 85% or more.

The Chairman thanked Mazars for their work.

- (1) the annual report of the Internal Auditors for 2023/24 detailed in Appendix A to Paper AUD/149/24 was noted; and**
- (2) the annual Audit Plan for 2024/25 as detailed in Appendix B to Paper AUD/149/24 was approved.**

The report was introduced by the Corporate Director including:

- the not unexpected small increase in the number of accidents and incidents was mainly attributable to the opening of the two pad Lee Valley Ice Centre; and
- the amount and attendance at Health & Safety training had increased because of a cultural shift.

Andy Waters (Right Directions) advised that 500 delegates undertook online training courses in 2023/24.

- (1) **the annual report of Right Directions Ltd for 2023/24 detailed in Appendix A to Paper AUD/148/24 was noted;**
- (2) **a target of 85% be set for the new departmental audits for year one;**
- (3) **the aims and objectives for 2024/25 set out in Appendix A in the annual report of Right Directions; and**
- (4) **the signing of this years' Health & Safety Policy Statement attached as Appendix B to Paper AUD/148/24 was approved.**

The report was introduced by the Head of IT & Business Support.

The Chairman requested that clarity of the trend progress column of the Strategic Risk Register be improved.

- (1) **the Corporate Risk Register included at Appendix A to Paper AUD/150/24 was approved;**
- (2) **the removal of two Risks (SR4.3 & SR9.1) from the register; and**
- (3) **the addition of two Risks (SR2.9 & SR4.4) to the register was noted.**

Chairman

Date

The meeting started at 1.03pm and ended at 1.58pm