

**Bristol City Council
Minutes of the Audit Committee**

29 January 2024 at 2pm



Members Present:-

Councillors: Andrew Brown – Chair, David Wilcox – Vice Chair, Fabian Breckels, Jonathan Hucker, John Geater, Guy Poultney, Patrick McAllister.

Independent Members of the Committee: Adebola Adebayo and Simon Cookson

Officers in Attendance:-

Denise Murray – Director of Finance, Simba Muzarurwi – Chief Internal Auditor, Alison Mullis – Deputy Chief Internal Auditor, Allison Taylor – Democratic Services, Joachim Adenusi – Risk & Insurance Officer, John Smith – Executive Director Growth & Regeneration, Mette Jakobsen – Director Adult Social Care, Gail Rogers – Head of Service Children’s Commissioning, Pete Anderson – Director – Property Assets & Infrastructure, Graham Clapp – Head of Service Revenue & Benefits, Kevin Smith – Operations Manager Revenue.

Also in attendance:-

Barrie Morris & Beth Garner – Grant Thornton External Auditors.

1 Welcome, Introductions and Safety Information

The Chair welcomed all parties to the meeting and introductions were made. The Committee noted the emergency evacuation procedure for the Council Chamber if required. The Chair also welcomed Councillor Steve Pearce as a member of the Committee.

2 Apologies for absence.

No apologies and it was noted that Councillor Amirah Cole was not present.

3 Declarations of Interest.

None.

4 Minutes of Previous Meeting.

RESOLVED – that the minutes of 20 November 2023 & 18 December 2023 be approved as a correct record.



5 Action Sheet.

This was noted.

6 Public Forum

The Chair, in response to response to Mr Oldreive's question stated that as a member of the Values & Ethics Sub-Committee he was aware that concerns about the data in the Complaints Summary and the Independent Persons had been voiced. A working group had met to review the process and to find ways of improving reporting for greater transparency. The revised process would come back to future meeting of the Sub-Committee for consideration.

Supplementary Question – Mr Oldreive asked what guidelines were used to evaluate whether the complaint was politically motivated and were the guidelines shared with the Independent Person?

It was agreed that as neither the MO nor HoLS were present a written response would be provided.

7 Work Programme

The Committee noted the Work Programme for future meetings.

8. External Audit Plan for year ending 31 March 2023.

The Chair took the opportunity to thank Jon Roberts for his work as GT's external auditor for BCC over the years. A representative for GT acknowledged this and would report it back to Jon Roberts.

The Committee was informed that the audit was well under way and was on track for completion by 31 March 2024. The following points arose from discussion:-

1. 31 March was not a statutory deadline and there were no consequences if it was not completed by then. The statutory deadline was 30 September 2024. GT had added additional capacity to their team to assist in the work and the work was ahead in areas and on track in others and both GT and BCC officers were committed to 31 March;
2. It was noted that BCC chooses to value some of its large assets on an annual basis but the requirement was every 5 years;
3. It was noted that the accounts schedule of all investments value and return was £2/2.5M;
4. The table titled group audit scope and risk assessment did not state there were no risks but that they were not a significant risk in the financial statements;
5. It was noted that Bristol Energy was essentially wound up but not quite concluded.

Resolved – That the External Audit Plan for 22/23 be noted.



The Chair agreed to vary the order of the agenda so that item 12 was considered next.

9. Q3 2023/24 Corporate Risk Report Update.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. CRR55 – A Councillor questioned why the actions that were being undertaken to address the risk had not been shared and the risk then reevaluated. This was recognized and the Head of Service reported that a number of steps were underway to address the risk and reported that two new registered homes would form part of the Goram Homes One Lockleaze development. The Director – Finance added that reports had been before CLB on this risk. There was a lack of sufficiency for placements and the potential risk for churn and she assured the Committee that this was a focus. It was noted that 8 children were currently affected by this. However, the accommodation they were in was high quality, 1 or 2 bedroom properties, they had just not been registered;
2. CRR26 – it was noted that this risk had been before the Committee 3 years ago and it was questioned why the move from the shared drive to the Cloud kept slipping back. It was agreed to share a detailed email on this matter with the Committee;
3. The Chair noted that there were a couple of inconsistencies within the report that he would take up outside of the meeting;

Resolved – That the comments of the Audit Committee be noted.

10. Procurement Compliance Update.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. The Director - Finance reported that an end of year report would provide a full analysis of breaches and it was agreed that this would include the top 4 breaches by Directorate and value. It was noted that in June 2023 a new, more rigorous approach to procurement was introduced which provided accountability and ownership and this had much improved the process as it provided steps for officers to explain why there was a breach.

Resolved – That the procurement breaches and the actions underway to improve procurement compliance be noted.

11. Update on the Council's debt and arrears position.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. Table 1 – It was noted that the caveat 'as required basis' related to one off matters that did not happen each year. It was also agreed to revise the table as it was not clear how the £76M had reduced to £30M;



2. It was noted that the average payment time for invoices was 90 days;
3. It was agreed, as part of the Action Sheet, to detail what were the other main items in accounts receivable other than adult social care;
4. The spike in figure 6 graph was related to leasehold and service charge debt;
5. It was agreed, as part of the Action Sheet, to provide a short narrative on Post Enforcement Agent and the criteria used in respect of Table 7;
6. It was noted it had taken some time to put collection cases through recovery but this was now up to date so action could now be taken on outstanding matters;
7. Accounts receivable was slightly behind where it was expected to be;
8. In respect of PCN's it was noted that future reports would include published include separate detail on PCNs in respect of the Clean Air Zone.

Resolved - That the internal debt / arrears update report for the period 01 April 2023 to 30 September 2023 and the steps being taken as part of the continued ethical approach to debt collection be noted.

12. Internal Audit Update Report.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was not possible to state that the highest number of procurement breaches and highest number of non-implemented actions in Children & Families were linked but they indicated the pressures the Directorate was under. It was suggested that this was a matter which People Scrutiny Commission could review and the Chair undertook to raise this;
2. The representative from KPMG presented the Internal Audit Report summarised at Appendix A. In response, the Director Adult Social Care stated that the No Assurance opinion had been taken very seriously and action had been taken immediately to address issues raised. She reported that in the last 5 years the numbers being supported had increased tenfold but there had been no increased capacity in the team. Additional staff would now be recruited and the amount of cash handled had been reduced. There would be training for staff on the new systems and protocols;
3. It was agreed that Internal Audit would follow up to ensure timely implementation of actions and a report would be brought to the Committee before the end of the year;
4. It was agreed to review the Asylum Seeker & Domestic Violence Schemes to see if a full audit was required;
5. It was agreed to report back in the Action Sheet the cash amount spent on the Refugee Settlement Scheme weekly;
6. The Chair was assured that there was corporate oversight of this area of work.

Resolved – That the Internal Audit Update Report highlighting the planned key activities for the rest of the year until 31 March 2024 and the report from senior management regarding the issues highlighted in the internal audit summary report be noted.

13. Property Management Programme Update.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. The strategy asset management plan reviewed all property assets quarterly and questioned their



use. They also considered the right time to sell property. Before an asset was disposed of a specific valuation was undertaken. It was noted that GT assessed valuations produced by BCC and they were not valuing from scratch;

2. There had been 3 reports to Cabinet this year on intended disposals.

Resolved – That the status and progress of the Property Programme be noted.

14. Temporary Accommodation Programme.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was confirmed that other workstreams would deliver more housing supply and the use of general needs housing was temporary;
2. A system error identified following the introduction of a new application interface for placements, as reported in the Debt & Arrears report, had not impacted the service.

Resolved – That the progress made on the Temporary Accommodation Programme be noted.

Date of Next Meeting

The next meeting is scheduled to be held at 3pm on 4 March 2024.

The meeting ended at 4.20pm

CHAIR _____



