

## MINUTES OF AUDIT COMMITTEE MEETING - THURSDAY, 23 NOVEMBER 2023

### Present:

Councillor Roberts (in the Chair)

Councillors

Cartmell	Marshall	Warne
Jones	Thomas	

Mr David Swift, Independent Co-Opted Member

### In Attendance:

Councillor Paul Galley, Chair, Scrutiny Leadership Board

Neil Jack, Chief Executive

Steve Thompson, Director of Resources

Philip Welsh, Head of Tourism and Communications

Kate Aldridge, Head of Corporate Delivery Performance and Commissioning

Tracy Greenhalgh, Head of Audit and Risk

Chris Pope, Event Manager, Visit Blackpool

John Greenbank, Democratic Governance Senior Adviser (Scrutiny)

### 1 DECLARATIONS OF INTEREST

There were no declarations of interest made on this occasion.

### 2 MINUTES OF THE LAST MEETING HELD ON 19 OCTOBER 2023

**Resolved:** That the minutes of the meeting held on 19 October 2023 be signed by the Chair as a true and correct record.

### 3 STATEMENT OF ACCOUNTS 2020/2021 AND 2021/2022 EXTERNAL AUDIT UPDATE

Mr Steve Thompson, Director of Resources, provided a verbal update on progress to sign off the Statement of Accounts 2020/2021 and 2021/2022. He advised that the external auditor, Deloitte, had signed off the Statement of Accounts 2020/2021 and they would be published following the meeting.

With respect to the Statement of Accounts 2021/2022, Mr Thompson advised that they were undergoing the statutory six-week public consultation, following which it was expected that all outstanding audit work would be completed and the accounts signed off by March 2024.

The Committee was also informed that work on the Statement of Accounts 2022/2023 would commence in 2024. Mr Thompson stated that these accounts would require a

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significant amount of work and noted that the Net Pension Fund surplus was an issue that would need to be resolved. It was further advised that following its public inspection, the accounts would be prepared for consideration by the Committee following March 2024.

**Resolved:** That the update be noted.

### 4 INTERNAL AUDIT FOLLOW-UP - EVENT MANAGEMENT

Mr Philip Welsh, Head of Tourism and Communications, presented a follow-up report on progress against recommendations made by the internal audit of Event Management. He reported that good progress had been made against the recommendations but advised that the Protect Duty legislation was not yet in place. It was noted that this delay would impact the completion of some of the outstanding recommendations.

The Protect Duty imposed a number requirements on the Council to ensure mitigation was in place to protect against and ensure an effective response in the event of a terrorist incident. Mr Welsh informed the Committee that the Council had been undertaking work to prepare for the introduction of the legislation, including the installation of counter-terrorism infrastructure on the promenade.

Mr Chris Pope, Events Manager, Visit Blackpool, informed the Committee that the legislation created a number challenges for the Council. These related to the wide variety of events hosted in Blackpool many of which were held outdoors and involved substantial crowds with no fixed boundary. Mr Pope also reported that it remained unclear under the legislation who the regulator would be.

Preparations for the introduction of the legislation had also included joint working with partners across Blackpool under a five-year programme called "Operation Rosetta 2". Preparations had involved the testing of counter terrorism procedures through a town-wide exercise. This exercise had simulated a terrorist incident and it was reported that although partners had performed well, key learning had been identified and would be applied in future. One of the most important outcomes had been the recognition of the challenges of communication during an incident.

Members discussed the procurement of stewards for future events, with Mr Pope advising that currently events did not have event specific stewards. However, as required by the duty, event specific stewards with appropriate training and skills would be procured for future events.

The Committee noted that the Safety Advisory Group (SAG) formed a key part in ensuring safety at events and asked that a list of the participants be provided for information to Members.

Mr Pope informed the Committee that the SAG was consulted on all applications for large scale events in Blackpool, considering their risk assessments and planning, and could prevent an event being held if it did not regard them as being safely planned. He added that the SAG was accountable to its membership and that it would typically consider event

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applications three months in advance of their planned date. In addition to this, events could be spot-checked during their operation to ensure their compliance.

Ms Tracy Greenhalgh, Head of Audit and Risk, added that SAG was multiagency and included representatives from the Audit and Risk Team including emergency planning, insurance and health and safety.

Issues surrounding the sub-letting of Council owned land by the Business Improvement District (BID) were highlighted in relation to the hosting of events. The Committee noted that this had delayed completion of Recommendation 5 of the audit. Mr Pope reported that this was a significant issue that was under consideration and that it was expected that the solution would not be in place until the end of March 2024.

### **Resolved:**

1. That the report on progress against the recommendations made in the Internal Audit of Event Management be noted; and
2. That details of the membership of the Safety Advisory Group be circulated for information.

[Mr Pope left the meeting following this item] [Mr Pope left the meeting following this item]

### **5 STRATEGIC RISK REGISTER DEEP DIVE - INFORMATION**

The Committee considered a deep dive into the Strategic Risk "Information" which included the sub-risk; (a) Residents unable to access / influence information about Council Services.

Members noted the issues relating to community engagement highlighted in the report with Ms Kate Aldridge Head of Corporate Delivery Performance and Commissioning, explaining that the Council was considering its approach going forward. She emphasised that some areas of positive work had taken place, but further work was needed to empower services to undertake community engagement in the future. This would be aimed at ensuring that more projects were "co-produced" with the community. Ms Aldridge highlighted the work undertaken in this respect by Children's Services, where staff and service users had shaped programmes such as Blackpool Families Rock and Born Into Care.

The use of best practice to improve the delivery of community engagement was also raised and Mr Philip Welsh, Head of Tourism and Communications, explained that Council communications had undergone considerable evolution. This had in part been influenced by the experience of the Covid-19 pandemic, but the Council had also sought to work with neighbouring authorities in Lancashire. The Committee was informed that the model of community engagement operated by Wigan Council was deemed to be an example of best practice and Blackpool would be considering if learning from this could be implemented.

In the case of young people, the Committee heard that consultation engagement had varied depending on the project, with Members noting low levels in respect of Parks. Mr Welsh advised that the Council had recognised the importance of engaging young people and that

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the form of communication needed to be tailored to mediums they were most likely to access, such as social media.

Councillor Paul Galley, Chair of the Scrutiny Leadership Board, also addressed the Committee. He asked that it be noted that the work undertaken by the Channel Shift Scrutiny Review had assisted in identifying areas of improved community engagement, which had assisted in relation to the sub-risks identified. He highlighted this as an example for the connected roles of the Council's scrutiny committees and the audit function, noting that issues identified in one could be referred to the other where necessary.

**Resolved:** That the update be noted.

### 6 RISK SERVICES QUARTER TWO REPORT

Ms Tracy Greenhalgh, Head of Audit and Risk, presented the Risk Services Quarter Two report, outlining the work completed by Risk Services in quarter two of the 2023/24 financial year. She highlighted that the report showed performance against targets in quarter two, noting that where these were behind plans were in place to improve performance.

The report also showed that a number of internal had been scored "Inadequate". However, Ms Greenhalgh provided assurance that all the Priority One recommendations identified had been completed or work was in progress to resolve the issues identified.

Members noted that a number of the audits scoped in quarter one remained in progress with Ms Greenhalgh explaining that some resource issues had been experienced. She stated that the service was undertaking recruitment to appoint additional qualified auditors to ensure the timely completion of audits. It was added that some audits could be delayed by factors such as the need to undertake other work arising of a higher priority.

The Committee noted that 794 staff had undertaken the ACT Aware Counter Terrorism Training, which all staff were required to do. Members asked therefore if the percentage of those who had completed the training out of the whole staffing establishment could be provided.

Members also queried the percentage of audit plans completed shown in the report as 38%, and asked how this compared with the last financial year. Ms Greenhalgh stated that it was similar to 2022/2023, but made the Committee aware that it was not likely that 100% would be achieved in 2023/2024.

The Committee considered the progress against the individual internal audits outlined in the report. In respect of the Preparing For Adulthood audit Ms Greenhalgh advised that all the Priority One recommendations had been completed. Ms Kate Aldridge, Head of Corporate Delivery Performance and Commissioning, added that greater work was needed in this area, with trigger points for services' involvement to ensure better outcomes for young people being an area that required strengthening.

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In the Compliance with Key Policies and Procedures internal audit the Committee asked why no Priority One recommendations had been made despite “Inadequate” assurance being found. Ms Greenhalgh explained that this was an annual audit and that all issues identified would be followed up as part of continuous improvement.

The lack of an audit trail highlighted in the Payroll Financial Control Assurance Testing audit was raised by Members as a concern. Mr Steve Thompson, Director of Resources, responded that the issue had been recognised as part of the testing of the new financial system and it had been highlighted with the provider. Further to this the Council was working with the provider to address the issues identified and this work had involved face-to-face meetings at their head office.

The extension of completion dates for outstanding Priority One recommendations was discussed in respect of the five from the Children’s Services Financial Systems internal audit. It was explained that this was the result of a full systems review being undertaken. Ms Greenhalgh added that a full audit had been scheduled for the outstanding recommendations and would take place in January 2024.

Resolved:

1. That the report be noted; and
2. That the percentage of all staff who had completed the ACT Aware Counter Terrorism Training be provided to Members of the Committee.

### **7 ACTION TRACKER**

**Resolved:** That the Committee Action Tracker be noted.

### **8 DATE OF NEXT MEETING**

The date and time of the next meeting was noted as Thursday, 18 January 2023 at 6pm.

### **Chairman**

(The meeting ended at 7.18 pm)

Any queries regarding these minutes, please contact:  
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