

**General Purposes Committee
Annual Report 2022/23**

Chair's Introduction

I am very pleased to present this General Purposes Committee Annual Report for 2022/23 to Council.

The report shows that the General Purposes Committee has undertaken its role effectively covering a wide range of topics and ensuring that appropriate governance and control arrangements are in place to protect the interests of the Council and the community in general.

I would like to thank all the members who served on the Committee during 2022/23. My thanks also go to BDO (external auditors) and to Council officers who supported the work of the committee and more specifically me in my role as Chair of the committee during the period this report covers.

Councillor Mahym Bedekova (former Chair)

1. Introduction

This report details the activity of the General Purposes Committee for the year 2022/23.

2. Proposal/ Recommendation

Council is asked to note the report.

3. Terms of reference and membership

The purpose of the General Purposes Committee is to provide assurance to the Council on the adequacy of the risk management framework and the internal control environment. The committee receives the work plans and reports from the Head of Internal Audit & Risk Management, helping to ensure that efficient and effective assurance arrangements are in place, and on which the opinion on the level of governance, risk management and internal control can be derived. The General Purposes Committee also keep under review and make recommendations to the Council on the Constitution, Member development and Member support issues, Electoral Services updates and polling district reviews.

The full terms of reference for the period that this report refers to are set out in the constitution.

During 2022/23, the membership of the Committee was as follows:

Councillors:

Mahym Bedekova (Chair)

Ayten Guzel (Vice Chair)

Nawshad Ali

Esin Gunes

Sabri Ozaydin

Alessandro Georgiou

Joanne Laban

Mike Rye

Elisa Morreale

Independent Member:

Peter Nwosu

4. General Purposes Committee

Work undertaken during 2022/23 supported the following key areas and the specific items considered at each committee meeting are shown at appendix A:

- Audit & Risk Management Services (ARMS) progress update
- Adequacy of the internal control environment of the Council Internal Audit Plan and Audit Charter.
- Governance Processes - Annual Governance Statement.
- Financial management - Annual statement of accounts.
- Risk Management - Risk Registers

4. Internal Audit Service

Audit and Risk Management Service Progress Reports (ARMS)

The Head of Internal Audit provided regular updates to the committee on Audits undertaken throughout the municipal year, and the outcomes of the Audits. The strategy was to take a risk-based approach and to target audit resources at the highest priority corporate and schools services.

2023/24 Internal Audit Charter and Draft 2023/24 Internal Audit Plan

In line with the requirements of the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit and Risk Management has a responsibility to regularly review the Internal Audit Charter and, also to establish risk-based plans to determine the priorities of the Internal Audit activity, presenting these to General Purposes Committee for review and approval.

The Head of Service explained that the mission of an Internal Audit is to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. The Internal Audit team helps the London Borough of Enfield accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

The Internal Audit Charter 2023/24 and Internal Audit Plan for 2023/24 were submitted and agreed by the General Purposes Committee on 16th March 2023.

5. External Auditors

The Council's external Auditors during 22/23 and previous years were BDO LLP. Representatives from BDO attend GPC meetings to provide updates on the outstanding and current statement of Accounts. The Council's external auditors are due to change soon.

6. Statement of Accounts

A core General Purposes Committee role is to review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit.

It is a requirement of the Local Government Act 2003 and the Accounts and Audit (England) Regulations 2015 for the Statement of Accounts to be produced in accordance with proper accounting practices.

The Audit and Accounts Regulations 2015 require local authorities to prepare their annual accounts by the 1st August each year. The 2021/22 accounts were published on 31 July, in line with the statutory deadline.

However, BDO's sequential working through of LBE's open statement of accounts from earliest to latest means there is still a considerable wait for the audit of the 2021/22 account, with 2019/20 and 2020/21 to be finalised first.

An amendment to the Regulations changed the deadline for publishing audited local authority accounts from 30 September to 30 November 2022 for the 2021/22 accounts and then 30 September for the 2022/23 accounts and the following 6 years, until the 2027/28 accounts have been completed.

7. Annual Governance statement

Members of the Committee considered the Annual Governance Statement for the financial year 2021/22 at the same time as it approved the statement of accounts.

The Accounts and Audit (England) Regulations 2015 require the Council to prepare an Annual Governance Statement. The Council is required to preview the effectiveness of its system of internal control at least once a year and include a statement on this review within its published annual financial accounts.

The CIPFA/SoLACE Delivering Good Governance publication (2016) defines the principles of good governance in the public sector. The document sets out the core and sub principles that underpin the good governance framework, explains how the Council's governance arrangements operated in practice during 2021/22, and demonstrates how the CIPFA/SOLACE Framework has been applied.

The Council has addressed the following within the AGS:

- a. Acknowledged its responsibility for ensuring sound internal control and refer to its Code of Governance. The Council has referred to the CIPFA/SoLACE Framework of governance, and the AGS for both years considered are formatted to identify how the Council complies with the principles of this framework.
- b. Referenced key elements of the framework and those responsible for developing and maintaining the governance environment. This is included within the assessment against the CIPFA/SoLACE framework, with further identification of key structures and documents to support this assessment.
- c. Received the assurance opinion on the governance arrangements. This is provided by the Head of Internal Audit and is located at the end of the AGS before the Conclusion.
- d. Identified key governance risks for the coming year and proposed action to address them.
- e. Addressed how the risks identified in the previous AGS have been resolved.
- f. Provided a commitment to ongoing, continuous, and monitored improvement.

8. Corporate Risk Registers

The Council's Risk Management Strategy requires the regular review of the Council's risk registers. In accordance with the Strategy, the General Purposes Committee is responsible for monitoring the effective development and operation of risk management in the Council. Therefore, the Corporate Risk Register is presented to the Committee for review and comment.

The committee are able to bolster their understanding of the areas and suggest items for consideration for inclusion. This greater understanding provides reassurance that mitigation measures are in place to reduce risks.

9. Work programme 2023/24

The General Purposes Committee work programme for 2023/24 was confirmed at the first meeting of GPC, and is shown at appendix B.

Appendix A

Summary of General Purposes Committee Work Programme 2022/23

| Date of Meeting | Reports Considered |
|-----------------|---|
| 29 June 22 | <ul style="list-style-type: none"> • Audit and risk management services (arms) progress update • Counter fraud annual report • 2021-22 annual data protection officer report • General purposes committee annual report 2021/22 • Contract procedure rules, waivers & procurement spend update • Update on audit of the 2019/20 statement of accounts • Update on the audit of the 2020/21 statement of accounts and pension fund and progress on the 2021/22 council's accounts • Bdo (external auditor) update on statement of accounts |
| 26 July 22 | <ul style="list-style-type: none"> • Housing development and approach to identifying risk and management • Annual internal audit report 2021-22 • Annual school audit report 2021/22 • Update on the audit of the 2019/20 and 2020/21 statement of accounts and pension fund and progress on the 2021/22 council's accounts • Annual governance statement - 2021-22 |
| 20 October 22 | <ul style="list-style-type: none"> • Amendment to the constitution - staff forum / joint consultative group for teachers (jcgt) • Enfield council corporate complaints annual report 2021-22 • Audit and risk management service progress update • Corporate risk register • Update on the audit of the 2019/20, 2020/21 and 2021/22 statement of accounts and pension fund • Regulation of investigatory powers act 2000 (ripa) update |
| 1 Dec 2022 | <ul style="list-style-type: none"> • Audit and risk management service progress update • Update on financial resilience/managing the savings • Update on the audit of the 2019/20, 2020/21 and 2021/22 statement of accounts and pension fund |
| 19 Jan 2023 | <ul style="list-style-type: none"> • Update on the audit of the 2019/20 and 2020/21 statement of accounts and pension fund and progress on the 2021/22 council's accounts - including bdo (external auditor) report on statement of accounts • Chartered institute of public finance and accountancy (cipfa) review action plan |

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| | <ul style="list-style-type: none"> • Treasury management strategy statement for 2023/24 to 2032/33 • Audit and risk management service progress update • Counter fraud policies • Update of general purposes committee member training covered and attendance |
| 16 March 2023 | <ul style="list-style-type: none"> • Update on corporate complaint improvement actions • Update on the audit of the 2019/20 and 2020/21 statement of accounts and pension fund and progress on the 2021/22 council's accounts • 2023/24 internal audit charter and draft 2023/24 internal audit plan • Corporate risk register update • Audit and risk management service progress update • Information and data governance board annual report |
| | <ul style="list-style-type: none"> • |

GENERAL PURPOSES WORK PROGRAMME 2023/24

Appendix B

| | Agenda Item | Lead Officer | Comments |
|------------------------------|--|-----------------------------------|----------|
| Wednesday 28 June 2023 | 2022-23 Annual Counter Fraud Report | Gemma Young | |
| | 2022-23 Annual Data Protection Officer Report | Rezaur Choudhury | |
| | 2022-23 Annual Report on Contract Procedure Rules, Waivers and Procurement Services Update | Claire Reilly/ Michael Sprosson | |
| | BDO Progress Report on the External Audit of Accounts | Kevin Bartle | |
| | ARMS Progress Update | Gemma Young | |
| | Statement of Accounts | Kevin Bartle/Annette Trigg | |
| | Annual Governance Statement 2022/23 | Kevin Bartle / Melissa Williamson | |
| Meridian Water Risk Register | Penny Halliday | | |
| Wednesday 26 July 2023 | Invoice Payments – Controls in Place | Fay Hammond, Julie Barker | |

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|---------------------------|--|----------------------------|--|
| | 2022-23 Annual Internal Audit Report | Gemma Young | |
| | 2022-23 Annual Schools Internal Audit Report | Gemma Young | |
| | BDO Progress Report on the External Audit of Accounts | Kevin Bartle | |
| | PSA contracting Arrangements for financial year ending 23-24 | Fay Hammond | |
| | General Purposes Committee Annual Report and Future Work Programme 23/24 | Terry Osborne | |
| | ARMS Progress Update | Gemma Young | |
| | Electoral Registration and Election Pre-Planning Update | Lee-Marie Matthews | |
| Wednesday 25 October 2023 | Review of Member T&D and Induction Programme and future activity. | Claire Johnson | |
| | ARMS Progress Update | Gemma Young | |
| | Annual Review of the Corporate Risk Register | Gemma Young | |
| | 2023-23 Annual Corporate Complaints Report | Laura Martin/Will Wraxall | |
| | BDO Progress Report on the External Audit of Accounts | Kevin Bartle | |
| | Update on statement of accounts | Kevin Bartle/Annette Trigg | |
| | Annual Report from Local | Will Wraxall | |

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| | Government Ombudsman | | |
| | ARMS Progress Update | Gemma Young | |
| | Mid year review of Corporate Risk Register | Gemma Young | |
| | Treasury Management Strategy Statement 2024/25 | Olga Bennett | Draft for comment only |
| | Meridian Water Risk Register | Penny Halliday | |
| | Annual Audit Letter (ISA 260) for 2019/20 | Fay Hammond | |
| | BDO Progress Report on the External Audit of Accounts | Kevin Bartle | |
| | Update on statement of accounts | Kevin Bartle/Annette Trigg | |
| Wednesday 27 March 2024 | External Audit Contracting Arrangement 2024 | Kevin Bartle | |
| | ARMS Progress Update | Gemma Young | |
| | 2024-25 Internal Audit Plan & Internal Audit Charter | Marion Cameron/Gemma Young | |
| | Update on statement of accounts | Kevin Bartle/Annette Trigg | |
| | BDO Progress Report on the External Audit of Accounts | Kevin Bartle | |