

**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 both the Committee and to full 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 have supported the work of the Committee and more specifically me in my role as Chair.

Councillor Mahym Bedekova
Chair

1. Introduction

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

2. Proposal

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, 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 and Electoral services updates, and polling district reviews.

The full terms of reference for the period that this report refers to are attached at appendix B.

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, 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 approach was to target the limited 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 Plan for 2023/24 was 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.

6. Statement of Accounts and Annual Governance Statement 2020/21

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.

The Audit and Accounts Regulations 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 statements of accounts from earliest to latest means there is a considerable wait for the audit of the 2021/22 accounts, with 2019/20 and 2020/21 to be finalised first.

The notable change for the closure of accounts process for 2022/23 is that the statutory deadline for publication of draft accounts reverts to 31 May, two months earlier than was the case for 2021/22. The deadline for audit of accounts has also reverted to 30 September 2023.

During this meeting cycle the Committee continued to robustly challenge the delays in completing the external audit of the Statement of Accounts. The Chief Executive of the Public Sector Audit Appointments attended the October 2022 meeting to respond to concerns regarding the external audit contracting arrangements.

7. ANNUAL GOVERNANCE STATEMENT

Members of the Committee considered the Annual Governance Statement for the financial year 2021/22.

The Council is required by the Accounts and Audit Regulations 2015 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.

To comply with the CIPFA Framework, the Council is required to address the following issues within the AGS:

- a. Acknowledge 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. Reference to key elements of 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. Page 116
- c. 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. Identification of key governance risks for the coming year and proposed action to address them.
- e. Update how the risks identified in the previous AGS have been addressed and resolved.
- f. Conclusion, including a commitment to ongoing, continuous, and monitored improvement.

The General Purposes Committee considered and approved the Annual Governance Statement 2019-20 & 2020-2. The Annual Governance Statement was audited by BDO who were content with the document.

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 2022/23

The General Purposes Committee work programme for 2022/23 will be confirmed at the first meeting.

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 • 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

GENERAL PURPOSES COMMITTEE
Appointed by: Chair and Vice Chair appointed by Council
Proportionality: Applies
Membership: 9 councillors
Chair and Vice Chair appointed by: Council
Public/Private meetings: Public
Quorum: 3
Frequency: minimum 6 times a year
<p>Terms of reference:</p> <p>To consider:</p> <p>Internal Audit</p> <ul style="list-style-type: none"> (i) The annual Internal Audit Report, including the Head of Internal Audit and Risk Management's Annual Opinion over the Council's assurance framework and internal control environment. (ii) The annual risk-based plan of internal audit work, from which the annual (iii) opinion on the level of governance, risk management and internal control can be derived. The plan will include the budget requirement and resource plan in terms of audit days needed to deliver the programme of work. (iv) The internal audit charter, defining the service's purpose, authority and responsibilities. The charter will cover arrangements for appropriate resourcing define the role of internal audit in fraud-related work and set out arrangements for avoiding conflicts of interest. (v) Regular updates from the Head of Internal Audit and Risk Management on audit and investigation activities. These will include progress on delivering the annual programme of work, emerging themes, risks and issues and management's responsiveness in implementing recommendations and responding to Internal Audit. In line with requirements of the Public Sector Internal Audit Standards, performance of the Internal Audit Service and the results of quality assurance and improvement activities will also be reported. (vi) Specific internal audit reports agreed between the Chair and the Executive Director Resources or the Chief Executive. (vii) The Council's policies on 'Raising Concerns at Work' and the 'Anti fraud and corruption strategy'. (viii) The implementation of relevant legislation relating to fraud and corruption. <p>External Audit</p> <ul style="list-style-type: none"> (i) The External Auditor's Annual Letter and relevant reports. (ii) Specific reports as agreed with the External Auditor. (iii) To comment on the scope and depth of external audit work and to ensure it gives value for money. (iv) The External Auditor's Report to those charged with governance from the audit of the accounts.

Risk Management

- (i) The strategy for effective development and operation of risk management and corporate governance in the Council to ensure compliance with best practice.
- (ii) Departmental and corporate risk registers.

Procurement and Contracts

- (i) An overview of the Council's Constitution in respect of contract procedure rules, financial regulations and relevant codes of conduct and protocols.
- (ii) Reports on waiving of contract procedure rules.

Other issues

- (i) The Council's annual Statement of Accounts.
- (ii) Any matters referred to it from the Monitoring Officer's meetings.
- (iii) Any issue referred to it by the Chief Executive or a Director, or any Council body for determination.
- (iv) An Annual Report, for submission to Council, summarising the work done by the Committee over the past year and outlining work to be done in the year to come.
- (v) The Council's Annual Governance Statement and to formally agree it.
- (vi) Quarterly updates on the use of Regulation of Investigatory Powers Act 2000 (RIPA).
- (vii) Commissioned work from internal and external audit, the Executive Director Resources or other Council officers

Constitution

- (i) To keep under review and make recommendation to the Council advised by the monitoring officer, on the Constitution to ensure that the aims and principles of the Constitution

Members Support

- (i) Making recommendations to the Council for the adoption or revision of a scheme of allowances, training and development for Members.
- (ii) To consider issues and develop proposals relating to all aspects of Members' support, including:
 - Administrative and ICT support;
 - Members' enquiries; and
 - Members' wellbeing and office accommodation support.

Elections

- (i) To review and agree the electoral arrangements in the borough relating to the designation of polling districts and polling places in accordance with any provisions of the Representation of the People Acts.
- (ii) To receive reports from the Returning Officer on the conduct of major elections in the Borough, and to make relevant recommendations to Council as necessary in respect of the areas which come within the Council's jurisdiction.
- (iii) To receive reports from the Electoral Registration Officer on the

administration of the Register of Electors and the absent voting process in the Borough, and to make relevant recommendations to Council as necessary in respect of the areas which come within the Council's jurisdiction.

- (iv) To consider consultation papers from government and other bodies (such as The Electoral Commission) on aspects of the electoral process, and to agree the Council's formal responses to such consultations.