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AUDIT COMMITTEE

29 JULY 2021

Present: Councillors Rankin (Chair), Battley (Vice-Chair), Beaney and Sinden

116. APOLOGIES FOR ABSENCE

Apologies received for Councillor Chowney.

117. DECLARATIONS OF INTEREST

None received.

118. MINUTES OF THE LAST MEETING

RESOLVED – that the minutes of the meeting held on 2nd June 2021 be approved as a true record.

119. NOTIFICATION OF ANY ADDITIONAL URGENT ITEMS (IF ANY)

None.

120. GRANT THORNTON AUDIT COMPLETION REPORT

The Chief Finance Officer reported to the Audit Committee that the report from the external auditors on the final accounts 2019/20 is not ready. The external auditors are planning to have the report ready in the next few weeks.

The councillors discussed if another meeting of the Audit committee would be needed once the reports are completed. The Chief Finance Officer explained another meeting would not be needed if the chair was happy with the external auditor's report.

The Councillors discussed if the delay in the 2019/20 audit will influence the following year's reports being delayed from Grant Thornton. The Chief Finance Officer explained that all councils have had delays with their external audits, but the 2020/21 audit report though delayed from September should be available by the end of this year.

121. AUDIT COMMITTEE REPORT TO COUNCIL 2021

The Chief Auditor presented the report to the Audit Committee for it to be agreed.

Area's highlighted were that It is not possible to state a supported statement that all control systems are 'satisfactory'. However, based on the limited audit work carried out where controls were 'satisfactory' or better, the fact that 100% of staff were able to work from home in a secure way within less than a week of the first

AUDIT COMMITTEE

29 JULY 2021

lock down being announced (apart from a handful whose home internet had problems) enquiries made with service managers, for example, that we are not facing any significant litigation and that controls against cyber-attacks are being continually improved, in his opinion, there was not any reason to believe that overall, controls might be unsatisfactory or worse. The Chief Auditor also informed the committee that a temp member of staff is being planned to be brought in to assist with the back log of audits.

The councillors discussed how many audits should be completed a year as in 2017-18 and 2018-9 seven and eight audits were completed. The Chief Auditor explained that there had been an agreement with the Audit Commission that 3 core audits are completed a year.

The councillors discussed was how major project risks are accounted for. The Chief Finance officer explained that if projects are looking like they will exceed their budget then there are the Constitution and Financial rules and the Financial Operating Procedure to follow.

The councillors asked about any areas that in the future maybe needing auditing. The Chief Auditor informed the committee that cyber attacks have affected other council's and is always being reviewed. The Chief Finance Officer informed the committee that treasury management and the Environmental Protection Act which may implement each household having 7 bins each.

RESOLVED (unanimously)

That the Audit Committee Report to Council 2020/21 is approved for presentation to Council

Reasons for recommendations

Regulation 6 of the Accounts and Audit Regulations (England) 2015 requires relevant bodies to conduct an annual review of the effectiveness of its system of internal audit and for a committee of the body to consider the findings

122. ANNUAL GOVERNANCE STATEMENT

The Chief Auditor reported to the Audit Committee the Annual Governance Statement provides an assurance on the adequacy of the Council's control and governance mechanisms and includes actions to improve the governance framework.

The Chief Auditor highlighted to the committee the areas on the report Decision-making and the effects of Covid19. Also highlighted was the Town Deal as this is likely to affect the deployment of council resources. The next area is 'Significant

AUDIT COMMITTEE

29 JULY 2021

Governance Issues' which reviews what was done on issues highlighted in last years report and any new ones to have emerged.

The councillors discussed Climate change emergency and agreed it needs to be kept in the report this year and going forward.

The councillors highlighted the council being a conduit for government money paying housing benefit, covid grant money as well as the Town Deal. The Chief Finance officer explained with such large sums of money being dealt with lots of time is spent on treasury management and that's why it's a core audit.

RESOLVED (unanimously)

That the Audit Committee considers the draft statement for providing comments to the Leader and the Managing Director before they sign the Annual Governance Statement 2020/21.

Reasons for recommendations

To comply with our statutory duty to produce an annual statement on the Council's governance arrangements.

(The Chair declared the meeting closed at. 7.13 pm)

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