

At a meeting of the Audit Committee held in on Monday 28 November 2022 at 2.00 pm

Members

Councillor Patrick Gorrill
Councillor Elaine Lynch

Councillor Markus Campbell-Savours
(Vice-Chair)
Councillor Alan Hedworth

Apologies for absence were received from Councillor Paul Scott

Staff Present

B Lennox, K Magnay, M Roper and S Sewell

Also Present

R Anderson and G Kelly

248. Minutes

The minutes of the meeting held on 26 September 2022 were signed as a correct record.

249. Declaration of Interests

None declared.

250. Questions

None received.

251. Treasury Management Mid-Year Report 2022-23

The Senior Manager - Finance presented the 'Treasury Management Operations' mid-year review.

The report summarised the following.

- an update on the economic environment
- updated interest rate forecasts
- interest rate movements during the period
- Treasury Management Strategy Statement (TMSS), Investment Strategy and Borrowing Strategy updates
- a review of the Council's investment and borrowing activities during the period 1 April to 30 September 2022
- a review of compliance with the Council's treasury and prudential indicators for 2022-23.

The Senior Manager – Finance then answered questions from members in relation to the contents of the report.

Agreed

That the report be noted.

252. Internal Audit Progress Report 2022.23 Q3

The Strategic Advisor – Assurance, Risk and Audit submitted a report which sought to inform the Committee of the work performed by the Assurance, Risk and Audit Team between October and November 2022/23.

Three audit reviews had been finalised since the last progress report in relation to Covid-Grants Post-event fraud checks, Regeneration Projects and Procurement. There are four further reviews underway in relation to Car Parking, Car Parking Income, Creditors and Recruitment and Retention (inc post-covid culture).

The Strategic Advisor – Assurance, Risk and Audit took members through the appendices to the report.

Members questioned the stadium project and the risk that the money is not being spent on time.

The Strategic Advisor – Assurance, Risk and Audit advised he would look into the risk and advise members.

Members noted the report.

253. Annual Governance Statement

The Chief Officer – Place and Governance presented the Annual Governance Statement for 2021/22.

The Chief Officer advised members the Annual Governance Statement needed to be updated, the statement reported there had been no breaches of member or officer codes of conduct had occurred, there had been a member breach as of last month.

The Chief Officer also advised members the judicial review claim that was brought against the council had been dismissed in the Council's favour.

Members then approved the draft Annual Governance Statement 2021-22

254. Audited Statement of Accounts 2021/22

The Senior Manager – Finance presented the Authority's 2021-22 audited statement of accounts. The Committee was reminded that the Accounts and Audit (England) Regulations 2015 (SI 2015/234) (the Accounts and Audit Regulations), as amended, required the Authority to prepare a statement of accounts for each financial year in accordance with proper practices in relation to accounts, and the responsible financial officer (the s151 Officer) to certify that the accounts presented a true and fair view of the financial position of the

Authority at the end of the year to which it related and of its income and expenditure for that year.

Prior to approval of the audited statement of accounts by members, the Accounts and Audit Regulations required the responsible financial officer to re-certify that the statement of accounts presented a true and fair view of the Authority's financial position and financial performance.

In response to the recommendations of the independent Redmond Review into the Oversight of Local Audit and Transparency of Local Authority Financial Reporting, The Accounts and Audit (amendment) Regulations 2021 (SI no 2021/263) had made a number of amendments to the Accounts and Audit Regulations. These changes, which applied to the statement of accounts for financial years 2020-21 and 2021-22, included:

- extending the deadline for principal local authorities to publish their audited statement of accounts and supporting documents, from 31 July to 30 September following the end of financial year to which the accounts relate, and
- by amending the requirements relating to the period for the exercise of public rights, extending the deadline for principal local authorities to publish their unaudited statement of accounts and supporting documents from 31 May to 31 July.

The Authority's statement of accounts for 2021-22, prepared in accordance with proper practices in relation to accounts, are included in Appendix 1 to this report. Proper practices are defined in the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146) (as amended) and primarily comprise of the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22, supported by International Financial Reporting Standards (IFRS).

In accordance with the timetable set out in the Regulations, the Authority's unaudited statement of accounts for 2021-22 were certified by the s151 Officer (Chief Officer - Assets) and authorised for issue on 29 July 2022 and were then subject to external audit by Grant Thornton LLP. Following completion of the audit, the audited statements were re-certified by the s151 officer on 28 November 2022.

The Chief Officer - Assets and senior finance staff had worked with Grant Thornton to address matters raised during the audit process and, where necessary, had made amendments to the Authority's statement of accounts in advance of their publication.

The audited statement of accounts presented to the Committee incorporated all agreed amendments to the unaudited statement of accounts authorised for issue and submitted for audit on 29 July 2022.

Resolved

- That the Statement of Accounts for 2021/22 be provisionally approved subject to completion of the audit of the financial Statements
- That responsibility for final approval of the Statement of Accounts be delegated to the Chair (the Vice-Chair of the Audit Committee) following completion of the audit of the financial Statements and recertification of the Statement of Accounts by the Chief Financial Officer in accordance with the Accounts and Audit Regulations 2015.

Councillor E Lynch left the meeting

255. Audit Findings 2021-22

Gareth Kelly of Grant Thornton LLP provided members with the Auditors Annual Report for 2021-22.

Members were provided with a summary of the audit report which highlighted that the audit had been completed and the audit report opinion would be unmodified until late December 2022

No significant weaknesses or related key recommendations had been identified.

Agreed

Members noted the contents of the report.

256. Letter of Representation 2021/22

The Senior Manager – Finance presented to the Committee the Letter of Representation made in connection with the audit of the Authority's 2021- 22 statement of accounts.

Auditing standards required the auditor to obtain, from management, audit evidence in the form of written representations and ensure that those charged with governance were aware of the representations on which the auditor intended to rely in expressing the auditor's opinion on the financial statements, by communicating to those charged with governance, the written representations which the auditor had requested from management.

Items included in the Letter of Representation included confirmation:

- that the Authority had no plans or intentions that may have affected the carrying value of its assets or liabilities
- that the methods, data and significant assumptions used in making accounting estimates and their related disclosures were appropriate to achieve recognition, measurement or disclosure that was reasonable in the context of the applicable financial reporting framework
- that related party relationships and transactions had been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code

- that all events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code required adjustment or disclosure had been adjusted or disclosed
- that the statement of accounts should be prepared on a going concern basis.

Resolved

1. That the 2021-22 Letter of Representation be approved
2. That the S151 Officer be authorised to sign the Letter of Representation on behalf of the Council

The meeting closed at 4.40 pm