

At a meeting of the Audit Committee held in Council Chamber, Allerdale House on Monday 13 September 2021 at 2.00 pm

## **Members**

Councillor Alan Tyson (Chair)  
Councillor Markus Campbell-Savours

Councillor Mary Bainbridge (Vice-Chair)

Apologies for absence were received from Councillor Patrick Gorrill, Councillor Vaughan Hodgson, Councillor George Kemp and Councillor Janet King

## **Staff Present**

L Jardine, B Lennox, P McKenzie and A Milburn

## **Also Present**

R Anderson

### **172. Minutes**

The minutes of the meeting held on 29 June were signed as a correct record.

### **173. Declaration of Interests**

None declared

### **174. Questions**

None received

### **175. Assurance, Risk and Audit Report for the Quarter Ending 30 June 2021**

The Assurance, Risk and Audit (ARA) Officer presented the Assurance, Risk and Audit Report for the Quarter ending 30 June 2021.

Members were advised that the chargeable time performance for quarter one is 80%, this is above the planned target of 74.15%. This is considered an excellent achievement based on challenges faced within the team during this time.

The assurance activities for this quarter focused on finalising the reviews of ICT, Financial Services, Revenues and Benefits and Car Parking Income.

In relation to management's implementation of agreed actions, after follow up following the quarter ending 30 June 2021, no actions were overdue.

Members asked questions in relation to resourcing and officers advised that the department was in the process of a restructure which is likely to lead to a shared manager with Copeland BC.

The Committee expressed concern at the lack of resourcing in the ARA Team and the cost of external resource costs.

Members also asked questions in relation to the changes of governance arrangements and requested updates in relation to the ARA work which will be undertaken by the Programme Office.

Members were then provided with an overview of the Revenue and Benefits Review for 2020/21 and a summary of the agreed actions and areas of improvement.

Members asked questions to the officers in relation to VOA/NNDR and noted the contents of the report.

#### **176. Treasury Management Annual Review 2020/21**

The Financial Services Manager presented the report which informed members of the performance of the Councils Treasury Management activities during 2020/21, including the effects of Treasury Management decisions and transactions executed in the past year and of the compliance with its Treasury management Policy.

The report summarised the following:

- Economic background
- Overall treasury position at 31 March 2021
- Borrowing requirement
- Borrowing rates
- Borrowing strategy 2020/21
- Borrowing activity during 2020/21
- Investment rates
- Investment Strategy for 2020/21
- Investment outturn for 2020/21
- Prudential and Treasury Indicators

Members were advised that 2020/21 was dominated by the Pandemic, but actions by the banks and government limited the damage caused.

The Financial Services Manager then answered questions from members in relation to the contents of the report.

#### **Agreed**

Members noted the contents of the report.

#### **177. Audit Plan 2020/21**

Richard Anderson (Grant Thornton LLP), presented the Audit Plan for 2020/21, advising members of the key matters which related to the Impact of Covid 19 and Local Government Reorganisation.

Members were then advised of the significant risks identified,

- ISA240 improper expenditure recognition
- Management override of controls
- Valuation of Land and Buildings Investment Property
- Valuation of the Pension Fund Net Liability
- ISA240 revenue improper recognition risk

In relation to value for money, members were reminded of the revised approach to value for money work for 2020/21 and the main changes arising from the National Audit Offices new approach.

The Audit fee for 2020/21 is proposed as £60,109, which is a slight increase from 2019/20 (£58,718).

Members then asked questions in relation to benchmarking, value for money and the schedule of the Audit Plan.

Members noted the contents of the report.

#### **178. Accounting Estimates**

Richard Anderson (Grant Thornton LLP) presented the Accounting Estimates and advised members of the matters related.

Grant Thornton LLP had written to Senior Management in the Council and requested they respond to the matters they had set out; this would help inform the risk assessment and planning of the 2020/21 audit of the Councils financial statements. The responses were included in the report.

Members noted the contents of the report.

**The meeting closed at 3.55 pm**