

## **Audit Committee**

**Wednesday, 18 November 2020**

Present: K Robinson (Chair)  
M Wilkinson (Deputy Chair)  
Councillors D Cox, N Craven, A McMullen, J Mole, P  
Richardson and J Wallace.

### **AC/43/19      Declarations of Interest and Dispensations**

There were no Declarations of Interest of Dispensations reported.

### **AC/44/19      Minutes**

**Resolved** that the minutes of the meeting held on 29 July 2020 be confirmed as a correct record and be signed by the Chair.

### **AC/45/19      Audit Quality Inspection Report (Financial Reporting Council)**

Consideration was given to a report which provided an update on the findings of the Financial Reporting Council's monitoring of the quality of Major Local Audits undertaken during 2019/20. It was explained that the reviews of individual Major Local Audits was intended to promote the overall quality of local auditing in the United Kingdom. As part of the process the authority's 2019/20 audit was chosen as part of the inspection. The representative of EY presented details of the outcome of the review and the actions that it proposed to take as a result of the findings.

**Resolved** that the outcome of the review be noted.

### **AC/46/19      2019/20 Annual Financial Report**

Consideration was given to a report which sought approval of the 2019/20 Audited Financial Regulations Report in accordance with Section 9 (2) of the Accounts and Audit Regulations 2015.

It was explained that as a result of Covid-19 the Ministry of Housing, Communities and Local Government had amended the regulations to extend the time limit for Local Authorities to certify and publish their accounts. The deadline for the Chief Finance Officer to certify the draft accounts had been moved from 31 May to the 31 August and the deadline for the consideration and approval of the accounts had also been moved, from the 31 July to the 30 November 2020.

It was noted that this was the second year that EY had undertaken the Authority's audit and progress had been positive. It was anticipated that an unqualified audit opinion would be issued and the 2019/20 Audit Results Report had noted that no material errors had been identified. A number of disclosure errors had been identified during the audit, the majority of which had been corrected and were reflected in the report. Details of the significant adjustments required had been set out along with the action taken.

The report also provided an overview of the main elements of the Annual Financial Report and a summary of the main features of the 2019/20 statutory accounts.

**Resolved** that (1) the Audit Results Report be approved;  
(2) the draft Letter of Management Representation be agreed; and  
(3) the 2019/20 Audited Annual Financial Report be approved

### **AC/47/19      Annual Governance Statement**

Consideration was given to a report on the outcome of the review of the Authority's system of internal control. The Annual Governance Statement provided the Committee with details of how the Authority demonstrated that it delivered good governance and reviewed the effectiveness of its arrangements including the management of risk and the systems of internal control in place.

**Resolved** that (1) the outcome of the review of the Authority's system of internal control be noted;  
(2) the draft Annual Governance Statement be approved to accompany the Statement of Accounts 2019/20; and  
(3) the actions proposed in the Annual Governance Statement in relation to any governance issues identified be noted.

### **AC/48/19      Key Outcomes from Internal Audit Reports issued between 2 July 2020 and 2 November 2020**

Consideration was given to a report which set out the key outcomes of internal audit reports issued between July and November 2020. For each of the reports issued the main points of concern were outlined together with the progress made or action taken to address any concerns. The report also provided examples of good practice.

**Resolved** that the key findings, good practice identified and the management action taken in response to Internal Audit Reports be noted.

### **AC/49/19      Exclusion Resolution**

**Resolved** that under Section 100A (4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 2 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the

grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

**AC/50/19 Corporate Risk Management Summary Report**

Consideration was given to a report which outlined the corporate risks that had been identified for monitoring and management by the Council's Senior Leadership Team, as of 24 June 2020. The report provided detailed information on each of the corporate risks including the cause of the risk, the consequences if the risk were to materialise, the existing and new controls in place to address the risks and an assessment of their likelihood and potential impact.

**Resolved** that the report be noted.

**AC/51/19 Strategic Audit Plan 2020/21 - Interim Monitoring Statement**

Consideration was given to a report which provided the Committee with an interim monitoring statement in respect of the Strategic Audit Plan for 2020/21. It was explained that this report had originally been intended to be brought to the March 2020 meeting of the Committee but this meeting had been cancelled due to the restrictions imposed as a result of the Covid-19 pandemic.

**Resolved** that the progress set out in the Interim Monitoring Statement and the levels of planned coverage achieved be noted.