

MINUTES OF AUDIT AND ETHICS COMMITTEE

10 NOVEMBER 2020

PRESENT:

Members of the Committee: Paul Dudfield (Chairman), John Eves (Vice Chairman), Councillors Cranham, McQueen, Mistry and Pacey-Day

In attendance: Grant Patterson (Director – Grant Thornton) and Jim McLarnon (Manager – Grant Thornton)

22. MINUTES

The minutes of the meeting held on 7 July 2020 were approved.

23. APPROVAL OF ACCOUNTS 2019/20

The Committee considered the report of the Interim Chief Financial Officer (Part 1 – Agenda Item 4) concerning the Statement of Accounts for 2019/20.

Representatives from Grant Thornton, the Council's appointed external auditor, were present at the meeting to answer questions and present the Audit Findings Report (Part 1 – Agenda Item 4 – Appendix B).

Due to current restrictions related to COVID-19, the meeting of the Committee took place virtually. Members of the Committee agreed that electronic signatures of the Interim Chief Financial Officers and the Chairman of Audit and Ethics Committee would be used to sign off the Statement of Accounts for 2019/20 (Appendix A) and the Management Representation Letter for 2019/20 (Appendix C). A signed version of the Statement of Accounts for 2019/20 would be shared with Grant Thornton and kept on file within Financial Services. To comply with the General Data Protection Regulation, a version without signatures would be published on the council website.

The Committee was informed that the outstanding audit work was scheduled to be completed by the end of the week/early next week and that Grant Thornton did not foresee any issues with completion of the audit.

The Committee placed on record their thanks to the Interim Chief Financial Officer and the Financial Services Team for their hard work and to the Grant Thornton team for the guidance provided through the audit.

RESOLVED THAT –

- (1) the Statement of Accounts for 2019/20 (Appendix A) be approved and e-signed by the Interim Chief Financial Officer and the Chairman of the Audit and Ethics Committee on behalf of the council;
- (2) the Audit Findings Report for 2019/20 (Appendix B) be noted;
- (3) the Management Representation Letter for 2019/20 (Appendix C) be approved and e-signed by the Interim Chief Financial Officer and the Chairman of the Audit and Ethics Committee on behalf of the council; and

- (4) a notice of the Statement of Accounts for 2019/20 be submitted to Full Council on 24 November 2020; and
- (5) an update be provided by the Interim Chief Financial Officer at the next meeting of the Committee on 26 January 2021 regarding the impact of COVID-19 on the council's present financial situation and the potential impact of COVID-19 on the achievement of the council's future objectives.

24. TREASURY MANAGEMENT REPORT 2020/21 - PROGRESS REPORT

The Committee considered the report of the Financial Services Manager and Interim Chief Financial Officer (Part 1 – Agenda Item 5) concerning the Treasury Management activities from 1 April 2020 until 30 September 2020.

RESOLVED THAT –

- (1) the report be noted; and
- (2) the monitoring and review of the Treasury Management indicators be agreed.

25. ANNUAL FRAUD REPORT

The Committee considered the report of the Corporate Assurance and Improvement Manager (Part 1 – Agenda Item 6 – Appendix A) concerning the work carried out internally during the last year under the three key principles of:

- (a) acknowledging and understanding fraud risks;
- (b) preventing and detecting fraud; and
- (c) pursue – being stronger in punishing fraud and recovering losses.

RESOLVED THAT – the report be noted.

26. EXTERNAL VALIDATION OF CORONAVIRUS HEALTH AND SAFETY RISK ASSESSMENT

The Committee considered the report of the Corporate Assurance and Improvement Manager (Part 1 – Agenda Item 7 – Appendix A) concerning the results of the external validation of the Council's Coronavirus health and safety risk assessment.

The Corporate Assurance and Improvement Manager presented the report on behalf of the Health and Safety Manager as the Manager was unable to attend the meeting.

A member of the Committee enquired whether Appendix A was considered by the Health and Safety Members' Working Party. The Corporate Assurance and Improvement Manager was unable to confirm whether Appendix A was shared with the Working Party. The Committee was assured that the matter would be followed up and Appendix A would be shared with the Working Party.

RESOLVED THAT –

- (1) the report be noted; and
- (2) the Health and Safety Manager be invited to the next meeting of the Committee on 26 January 2021 to provide a progress update relating to risk reduction recommendations listed in Appendix A of the report.

27. 2020/21 INTERNAL AUDIT PLAN – PROGRESS UPDATE

The Committee considered the report of the Corporate Assurance and Improvement Manager (Part 1 – Agenda Item 8) concerning the progress against delivery of the Internal Audit Plan for 2020/21.

The Committee raised concerns regarding Health and Safety, recommendations due at the end of this year and overdue recommendations. The Corporate Assurance and Improvement Manager confirmed that he would share the Committee's concerns with the Senior Management Team.

RESOLVED THAT –

- (1) the report be noted;
- (2) the proposed amendments to the internal audit plan be approved; and
- (3) the Health and Safety Manager be invited to the next meeting of the Committee on 26 January 2021 to provide a progress update relating to recommendations due and overdue recommendations within the Health and Safety follow up audit.

28. MOTION TO EXCLUDE THE PUBLIC UNDER SECTION 100(A)(4) OF THE LOCAL GOVERNMENT ACT 1972

RESOLVED THAT – under Section 100(A) (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the grounds that they involved the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act.

29. WHISTLE BLOWING INCIDENTS – STANDING ITEM – TO RECEIVE ANY UPDATES

There were no issues to report.

30. FRAUD AND CORRUPTION ISSUES – STANDING ITEM – TO RECEIVE ANY UPDATES

The Corporate Assurance and Improvement Manager provided the committee with an update on the case reported at the last meeting and stated that the matter remained ongoing.

RESOLVED THAT – the Committee be provided with an update at the next meeting.

CHAIRMAN