

Audit and Standards Committee

The committee met on 29th July 2019.

During the course of the meeting, the business dealt with was as follows:

Phil Jones of Grant Thornton gave a brief explanation of the progress of the 2018-19 Audit. He explained that due to the complexity of certain issues that had arisen during the Audit, it had not been possible to complete the work prior to the deadline. This was in part due to circumstances that were unique to this year and more emphasis being placed on pensions and property, plant and equipment valuations due to pressure from the regulator.

It was explained that the audit risks set out in the report impact on every authority. Similarly, the McCloud judgement handed down by the Court of Appeal in June, was also having far reaching consequences amongst numerous councils around the Country and Newcastle was by no means alone in this respect.

Councillor Stubbs asked if the retirement of a senior officer had led to these problems. The Interim Director of Resources and Support Services, Jan Willis, explained that a proper hand-over had taken place, but that it was inevitable that a certain amount of historic knowledge had been lost as a result of his retirement. Phil Jones acknowledged that the timing of his retirement had coincided with a particularly complex set of accounting issues and a number of external developments which had created "the perfect audit storm" this year. This, notwithstanding, no problem areas have been identified in the Accounts and he was confident that a clean Audit Report and a clean Value for Money report would be forthcoming in the near future.

Members Resolved to note the contents of the report and Resolved that the Chair be given delegated authority to sign the final Audited Accounts on completion of the Audit. (This did in fact, take place 5th September 2019).

The Head of Internal Audit at Stoke on Trent City Council, Clare Potts introduced a report giving details of the Internal Audit activity for the 2018-19 year, advising that 54 audit recommendations had been made during the year and that there were currently 7 audits in progress.

It was confirmed that recommendations had been implemented in relation to the two "high risks" identified and that details of the audits not required, would be provided later.

A Member asked if a glossary of abbreviations used, could be provided and this was noted.

Members resolved to note the contents of the report.

Next Meeting 23rd September 2019.

Paul Waring (Chair)