

## **Audit and Standards Committee**

The committee met on 28<sup>th</sup> September and again on 9<sup>th</sup> November 2020.

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

### **28<sup>th</sup> September 2020**

Members reviewed the Internal Audit Annual Report 2019/20, which showed that 65.5% of the recommendations issued, had been implemented during the audit period and that only 2 audits had resulted in a negative opinion of “less than adequately controlled”. Those audits that had not been carried out in the plan were being incorporated into the current year plan.

Consideration was given to the Internal Audit Update Report Q1 and the chief internal auditor, Clare Potts, explained that due to lockdown, no internal audit reviews had taken place during the period, but that a review of the Audit plan had been conducted and that the Executive Management Team had looked at the deferred audits and made some proposals. It was explained that the audit of J2 was no longer required as the more immediate requirement was to look at financial sustainability, rather than internal controls. Members asked that the Brexit preparations be included in the Q2 report, for the next meeting.

The Head of Legal and Governance Services summarised the contents of the Local Government and Social Care Ombudsman Annual Letter for 2019/20. The number of complaints had halved, to 10, of which 3 had been upheld, although these were deemed to be a result of unusual circumstances, rather flawed policies or processes. Members asked that any relevant issues arising, be brought to the committee at the earliest opportunity.

Members received the Covid-19 update from the Cabinet and there were no comments, as with the work plan.

### **9<sup>th</sup> November 2020**

In View of the discussion at the previous meeting re J2, Cllr Sweeney updated members on the progress of the Cabinet in relation to the defects and how they related to 3 main issues which were now being dealt with.

Andrew Smith of Grant Thornton then presented the results of the 2019/20 Audit and their report on the Statement of Accounts. It was explained that a few areas were yet to be completed, but there had been no significant issues identified, and there were no problems in relation to Value for Money appraisal or the ability of the Council to continue as a going concern. Andrew also commented on the improvements implemented since the previous year with particular reference to the new Fixed Asset register and the overall quality of the working papers. Following discussion, Members resolved to receive The Accounts for the Financial Year 2019/20 and The Audit Findings Report and agreed to the treatment of the items therein. Delegated power was granted to the Chair, to sign off the final accounts on completion of the Audit. (This actually took place 27<sup>th</sup> November).

Members now considered the Q2 Corporate Risk Management Report 2020/21, which confirmed that there were no outstanding risk reviews, but some increases in risk levels, primarily related to Covid-19. There was some discussion of the appendix relating to a no-deal Brexit, but Officers explained that the report was based on a County-wide strategy and that some parts of the analysis would not be relevant to the Borough. Members resolved to note the various reports.

Clare Potts introduced the Internal Audit Update report for Q2 and advised that of 255 recommendations, 225 had now been implemented. The report was noted.

The Head of Finance summarised the half yearly treasury Management report 2020/21 and asked members to note that no borrowing had been necessary during the first half of the year and that a review of the Capital expenditure had been taking place in order to take account of the impact of Covid-19.

Members looked at the half yearly report into Health and Safety, 2020/21, and noted the reduction in incidents. It was requested that the Committee be kept up to date with the results of the trialling of the window blinds at Castle House.

Cllr Sweeney advised members of the financial assistance received and expected from the Government together with details of the funding received for the Future High Streets and Town Deal schemes. He also highlighted the role of the County-wide Outbreak Board of which he is a member.

Members considered the work plan asked that an update be provided on the effect of a no-deal scenario be provided for the next meeting, should this arise.

Paul Waring

Chair of Audit and Standards Committee.