

AUDIT AND GOVERNANCE COMMITTEE**Thursday, 11 November 2021**

Attendance:

Councillors
Power (Chairperson)Bentote
Becker
Craske
GemmellGodfrey
Laming
MillerOthers in attendance who did not address the meeting:

Councillor Cutler (Cabinet Member for Finance and Service Quality)

[Full audio and video recording](#)

1. DISCLOSURE OF INTERESTS

Councillor Craske declared a personal (but not prejudicial) interest with regards to his employment with KPMG, who provided audit services to the Council.

2. CHAIRPERSON'S ANNOUNCEMENTS

Councillor Power stated that she and Councillor Godfrey had met with the Strategic Director to discuss matters relating to the council's non-operational assets. The Strategic Director advised that it was proposed that a meeting between committee members and the Corporate Head of Asset Management be arranged early in 2022 to discuss the current review of the council's asset management plan prior to its formal consideration at Cabinet.

3. TO NOTE THE AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME 2021/22

The contents of the latest committee work programme was noted.

4. MINUTES OF THE PREVIOUS MEETING

Councillor Gemmell requested a correction to the minutes of the previous meeting to show that she had sent her apologies and was not present as stated.

RESOLVED:

That, subject to the correction outlined above, the minutes of the previous meeting of the Audit and Governance Committee held 22 July 2021 be approved and adopted.

5. **PUBLIC PARTICIPATION**

No members of the public had registered to speak.

6. **AUDIT RESULTS REPORT FOR THE YEAR ENDED 31 MARCH 2021**
(AG64)

Kevin Suter and James Stuttaford from the council's external auditors, Ernst & Young LLP (EY) were present at the meeting and introduced the report. Mr Suter explained that there were some minor areas of work still outstanding and consequently he recommended that the letter of representation not be signed until the final accounts had been approved.

Mr Suter and Mr Stuttaford responded to Members' questions regarding the potential risks relating to valuation of property assets and the external auditors approach relating to checking accounting for Covid related grants.

RESOLVED:

That, on completion of the auditor's work and approval of the Statement of Accounts, the Letter of Representation be approved as contained as Appendix 2 to the report.

7. **ANNUAL FINANCIAL REPORT 2020/21**
(AG61)

The Corporate Head of Finance highlighted that the Annual Financial Report had not changed significantly since the draft was considered at the previous Committee on 22 July 2021.

The Committee congratulated the Corporate Head of Finance and team for producing the Statement of Accounts, together with the Council's Economy and Revenues teams for their work distributing Covid related grants.

RESOLVED:

1. That approval of the audited Statement of Accounts 2020/21 as set out in Appendix 1, subject to amendments resulting from the completion of the auditor's outstanding work, be delegated to the Section 151 Officer in consultation with the Chair of the Audit & Governance Committee.

2. That, on completion of the auditor's work, the Chair of the Audit & Governance Committee signs the Statement of Responsibilities on page 28 of Appendix 1 to certify the accounts and authorise their issue.

8. **FINAL REPORT AND PAY POLICY STATEMENT 2022/23**
(AG62)

The Service Lead – Human Resources introduced the report and responded to Members’ questions. He advised that the Equality Impact Assessment had concluded that the policy had no negative impact on any of the individuals or groups protected by the Equality Act 2010. He agreed to circulate the full assessment to Committee Members to enable them to note its contents.

RESOLVED:

That the full Equality Impact Assessment be circulated to Committee members to note.

RECOMMENDED (TO COUNCIL):

That the Pay Policy Statement for the financial year 2022/23 is recommended to Council for adoption.

9. **WORKFORCE REPORT 2020/21**
(AG63)

The Service Lead – Human Resources introduced the report and advised that table 3 in appendix 1 should be corrected to note that 75% of staff were full time and 25% part-time. He responded to Members’ questions.

During debate, the Committee raised the following areas where further consideration was required:

- Making the best use of apprentices;
- Improving staff retention and recruitment;
- Staff working conditions;
- Results of the staff survey;
- Grievance procedure;
- Staff sickness levels, particularly long term sickness.

The Committee agreed that an informal working group be established to consider these matters further.

RESOLVED:

That an informal working group be established to meet with the Service Lead – Human Resources, with terms of reference to be agreed by the Chair of this Committee, to examine the matters raised and outlined above.

10. **INVITATION TO BECOME AN OPTED-IN AUTHORITY - THE LOCAL AUDIT AND ACCOUNTABILITY ACT 2014 AND THE LOCAL AUDIT (APPOINTING PERSON) REGULATIONS 2015 - BACKGROUND REPORT**

The Corporate Head of Finance provided an update on the invitation to consider whether to opt in to the PSAA scheme. A report requesting a formal decision would be submitted to the next Committee meeting on 16 December 2021, with the final decision to be taken by Council on 12 January 2022.

The Corporate Head of Finance responded to Members' questions and agreed that the report would include experience of other local authorities who had chosen to opt out, including the costs incurred, and whether there was any possibility of cooperating with such local authorities.

The meeting commenced at 6.30 pm and concluded at 7.50 pm

Chairperson