

## **AUDIT AND GOVERNANCE COMMITTEE**

**Monday, 30 January 2023**

Attendance:

Councillors  
Cutler (Chairperson)

Achwal  
Batho  
Bolton  
Craske

Godfrey  
Laming  
Miller

### **Members in attendance who spoke at the meeting**

Councillor Power (Cabinet Member for Finance and Value)

### **Other members in attendance:**

Councillors Clear, Ferguson and Westwood

[Audio and video recording of this meeting](#)

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#### 1. **APOLOGIES**

There were no apologies received.

#### 2. **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.

#### 3. **APPOINTMENT OF VICE-CHAIRPERSON FOR REMAINDER OF 2022/23**

RESOLVED:

That Councillor Craske be appointed as vice-chairperson of the committee for the remainder of the 2022/23 municipal year.

#### 4. **CHAIRPERSON'S ANNOUNCEMENTS**

Councillor Cutler announced that he had attended a regional meeting of Audit Committee chairpersons which had included useful discussion of various topics, including risk, inflation and the external audit delays being experienced by other local authorities.

5. **AUDIT & GOVERNANCE WORK PROGRAMME 2022/23**

Councillor Cutler announced that following a Standards Sub-Committee meeting on 27 January 2023, it might be necessary for an additional item to be submitted to the March Committee meeting on a summary report of outcome of a standards investigation and action plan.

RESOLVED:

That subject to noting the above possible additional item, the work programme 2022/23 be noted.

6. **MINUTES OF THE PREVIOUS MEETING**

The Committee was advised of a correction to the minutes of the previous meeting to note that Councillor Bronk declared a personal (but not prejudicial) interest in respect of report AG086. This correction was agreed.

RESOLVED:

That, subject to the correction outlined above, the minutes of the previous meeting held on 10 November 2022 be approved and adopted.

7. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

8. **AUDIT RESULTS REPORT FOR THE YEAR ENDING 31 MARCH 2022**  
(AG090)

Kevin Suter and James Stuttaford introduced the report as set out and advised that, the outstanding agreement on the valuation for one asset had now been received by the audit team and was now being reviewed by EY. It was therefore anticipated that on receipt of the final approved accounts and Letter of Representation it should be possible to finalise the audit.

Mr Suter and Mr Stuttaford responded to questions from members on the following:

- a) Levels of materiality;
- b) Assessment of risk;
- c) Reasons for the delays in completing the audit and steps being taken to address.

Councillor Cutler expressed frustration regarding the delays in external audit results, which the committee noted were being experienced nationally across the sector. The impact on officers within the Finance team was also highlighted.

RESOLVED:

That the Letter of Representation be approved as contained as Appendix 2 to the report.

9. **ANNUAL FINANCIAL REPORT 21/22**  
(AG091)

Councillor Power (Cabinet Member for Finance and Value) introduced the report and highlighted the narrative statement provided.

The Corporate Head of Finance and Section 151 officer, together with members of her team, responded to members' questions on the following:

- a) The level of expenses related to investment properties (Note 18);
- b) Progress on major projects;
- c) Income projections.

It was confirmed that following agreement with the external auditors regarding the valuation of one council asset; the draft accounts would be amended accordingly and that there would be no unadjusted material errors in the accounts. It was therefore expected that the auditors would issue an unqualified audit opinion. Pending completion of this work, it was proposed that authority be delegated to the Chairperson of the Audit Committee to approve the finalised audited Annual Financial Report for the year ended 2021/22, once adjusted, on behalf of the Committee.

RESOLVED:

1. That the Audit and Governance Committee delegates to the Chair of the Audit & Governance Committee the approval of the audited Statement of Accounts 2021/22, updated for any amendments resulting from the completion of the auditor's outstanding work.

2. That, on completion of the auditor's work, the Chair of the Audit & Governance Committee signs the Statement of Responsibilities on page 24 of Appendix 1 to certify the accounts and authorise their issue.

The meeting commenced at 7.30 pm and concluded at 8.10 pm

Chairperson