

Minutes of: AUDIT COMMITTEE

Date of Meeting: 30 July 2019

Present: Councillor M Whitby (in the Chair)
Councillors N Jones, D Silbiger, Sarah Southworth, R Walker,
S Walmsley and S Wright

Also in attendance: Karen Murray – Mazars
Ian Pinches - Mazars

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence:Councillor Gold and Councillor M Hayes

AU.110 DECLARATIONS OF INTEREST

Councillor Sarah Southworth declared a personal interest in any item relating to Six Town Housing as she is a Member of the Board of Directors. She also declared a personal interest in any item relating to Persona and Six Town Housing as her husband's accountancy business has been awarded the contract to audit both companies.

Councillor S Wright declared a personal interest in any item relating to the Department for Children, Young People and Culture as his wife is employed in a Bury School. He also declared a personal interest in any item relating to Six Town Housing as he is a member of the Board.

AU.111 MINUTES OF THE LAST MEETING

It was agreed:

That the Minutes of the last meeting of the Audit Committee held on 26 February 2019 be agreed as a correct record and signed by the Chair.

AU.112 DRAFT STATEMENT OF ACCOUNTS 2018/2019

It was reported that the Draft Statement of Accounts would have to be deferred until the September meeting of the Audit Committee.

Karen Murray from the Council's external auditors Mazars explained that Mazars had received the draft accounts on 31 May and had started the audit work at that time. There had been some technical issues that had arisen that would mean that Mazars would not be in a position to issue an Audit Opinion.

It was reported that the Council will meet its obligations by publishing the current working accounts on its website with a statement of explanation.

Karen explained that Mazars would continue with the work to complete the audit and would report back to the Committee at its meeting in September.

Mike Woodhead, Chief Finance Officer explained that there had been similar issues across the country in relation to Councils' accounts. It had been reported that there were over 100 council's in the same position including some of the other GM authorities.

AU.113 ISA 260 2018/2019

This item deferred until the September Audit Committee.

AU.114 ANNUAL GOVERNANCE STATEMENT

The Head of Financial Management, Andrew Baldwin, presented a report introducing the Annual Governance Statement.

It was explained that Bury Council had complied with the requirements of Regulation 6(1)(b) of the Accounts and Audit Regulations 2015, in relation to the publication of a statement on internal control.

The Annual Governance Statement provides an assurance that the Governance Framework is operating effectively and reports any significant issues arising during the year. The Governance Framework comprises the systems, processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community.

The report also includes details of the key risks that the Council faced in 2018/2019, a review of the effectiveness of the governance framework including the system of internal control plus a copy of the latest Audit Commission VFM profiles, the governance arrangements in respect of group relationships and a number of the challenges facing the Council in 2019/2020.

It was explained that it was a legal requirement for every Council to produce an annual governance statement and that Bury Council also produces a quarterly report in line with best practice.

It was reported that the Annual Governance Statement had been to the Joint Executive Team Meeting on 10 June and had been signed off by the Chief Executive and the then Leader of the Council.

Delegated decision:

That the Annual Governance Statement 2018/2019 be accepted.

AU.115 INTERNAL AUDIT ANNUAL REPORT AND REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROL AND GOVERNANCE 2018/19

The Head of Financial Management, Andrew Baldwin, presented a report summarising the work undertaken by the Internal Audit service during the 2018/2019 financial year and comparing it to the Audit Plan for the year.

The report contained an Audit Opinion which assessed the authority's control framework as "robust" and updated the Members on some of the issues facing the Internal Audit Service. It was also explained that the report would provide

information to support the 2018/2019 Annual Governance Statement, also on the agenda.

It was explained that 100% of the target chargeable days had been achieved by the Internal Audit Team, 48 final reports had been produced which contained 200 recommendations. It was also reported that 97% of the recommendations had been accepted.

Appended to the report was a Review of the Effectiveness of Internal Control, an update on the Internal Audit Plan and Internal Audit Performance Indicators 1 April 2018 – 31 March 2019.

Delegated decision:

That the Audit Committee accept the report and endorse its suitability in support of the Governance Statement for 2018/2019.

AU.116 EXCLUSION OF PRESS AND PUBLIC

Delegated decision:

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items of business since they involved the likely disclosure of exempt information, relating to any action taken, or to be taken in connection with the prevention, investigation and prosecution of crime.

AU.117 REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE 2018/19

Andrew Baldwin, Head of Financial Management, submitted a report summarising the work carried out by the Audit Committee over the 2018/2019 Municipal Year which showed the effectiveness of the Committee. Included in the report was a copy of one of the self-assessment checklists that would be sent out for Members to complete. This will help to demonstrate that CIPFA guidance was being complied with.

Comments received from the self-assessment checklists will be addressed both individually and collectively, where required, through the production of an action plan.

Delegated decision:

That the report be accepted.

COUNCILLOR M WHITBY
Chair

(Note: The meeting started at 7.00 pm and ended at 7.40 pm)