

## Minutes of Accounts and Audit

Meeting Date: Wednesday, 14 April 2021, starting at 6.30 pm  
Present: Councillor R Bennett (Chair)

Councillors:

D Birtwhistle	J Hill
I Brown	A Humpheys
B Buller	R Newmark
L Edge	D Peat
S Fletcher	R Sherras

In attendance: Chief Executive, Director of Resources, Head of Financial Services, Head of Legal and Democratic Services, Sophia Iqbal and Georgia Jones

The Chairman asked for a minute silence in respect of the death of HRH The Prince Philip, Duke of Edinburgh.

### 1123 APOLOGIES FOR ABSENCE

There were no apologies for absence.

### 1124 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 10 February 2021 were approved as a correct record and signed by the Chairman.

### 1125 DECLARATIONS OF PECUNIARY AND NON PECUNIARY INTERESTS

There were no declarations of pecuniary and non-pecuniary interests.

### 1126 PUBLIC PARTICIPATION

There was no public participation.

### 1127 APPOINTMENT OF INDEPENDENT PERSON

The Chief Executive submitted a report seeking committee's endorsement and recommendation to Council of the appointment of an Independent Person.

The role had recently been publicised and interviews had taken place. The interview panel had recommended to committee that they recommend to Council the appointment of Ms Maggie Nicholson.

There was still one vacant position for an Independent Person that would be advertised in the new municipal year.

\*\*\* RESOLVED THAT COMMITTEE:

1. Endorse and recommend to Council the appointment of Ms Margaret (Maggie) Nicholson as Independent Person, and
2. Authorise the Head of Legal and Democratic Services to commence recruitment for one Independent Person in accordance with the arrangements approved by committee.

1128 REVIEW OF CODE OF CONDUCT

The Chief Executive submitted a report for committee to consider adopting a revised Code of Conduct.

The Local Government Association had developed a new model Code of Conduct in consultation with representative bodies of councillors and officers of all tiers of local government, that could be adopted in whole or with local amendments.

Committee were reminded that it is a requirement of the Localism Act 2011 that all Councils have a Code of Conduct.

It was proposed that the LGA model code be adopted with amendments that made it specific to Ribble Valley Borough Council, specifically as a Council that operates a committee system of governance.

Once adopted by Council, it would be publicised through the issue of a press release and training of all councillors would take place in the new municipal year.

\*\*\* RESOLVED THAT COMMITTEE

1. Endorse and recommend to Council the adoption of the Code of Conduct as outlined in the report, and
2. Subject to adoption of the Code of Conduct, authorise the Head of Legal and Democratic Services to publicise the adoption of the replacement Code of Conduct.

1129 INTERNAL AUDIT CHARTER 2021/22

The Director of Resources submitted a report seeking approval of the Internal Audit Charter for 2021/22.

The document had been fully revised and rewritten and provided evidence that effective corporate governance arrangements were maintained by the Council in respect of the internal audit function and complies with the Public Sector Internal Audit Standards.

It also established internal audit's position within the council, including the nature of the Head of Audit's reporting relationship with the Accounts and Audit committee; authorised access to personnel, records, and physical properties relevant to audit work; and defined the scope of internal audit activities.

RESOLVED THAT COMMITTEE:

Approve the Internal Audit Charter 2021/22 as outlined in the report.

1130 STRATEGIC INTERNAL AUDIT PLAN 2021/22 TO 2023/24

The Director of Resources submitted a report outlining the Strategic Internal Audit Plan for 2021/22 to 2023/24 for committee's consideration and approval.

The Accounts and Audit (England) Regulations required that the Council "undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control".

Approval of the plan would demonstrate the council's commitment to securing effective systems of governance, risk management and internal control. It also provided a basis for controlling the work of internal audit and for assessing performance, as well as ensuring that the resources used by internal audit are justified and that the chief audit executive (Head of Financial Services) was held to account for the use of these resources.

Within the strategy, all services had been identified into auditable areas and were subject to a risk assessment process which resulted in an audit plan that prioritised resource allocation based on those areas scored as higher risk.

RESOLVED THAT COMMITTEE:

Approve the Strategic Internal Audit Plan 2021/22 to 2023/24 as outlined in the report.

1131

#### REVIEW OF ACCOUNTING POLICIES 2020/21

The Director of Resources submitted a report seeking endorsement of the Accounting Policies to be used in producing the Financial Statements for the council for the 2020/21 financial year.

The Accounts and Audit (England) Regulations 2015 required local authorities to prepare their annual financial statement of accounts in accordance with 'proper accounting practice'. These policies are the principles, bases, conventions, rules and practices applied by the local authority that specify how the effects of transactions and other events are to be reflected in its financial statements.

A review of the Council's accounting practices had been conducted to ensure it was in line with the requirements, and no major changes had been identified.

The introduction of the new International Financial Reporting Standard (IFRS) 16 relating to leases had been delayed and would not therefore impact upon reporting for the forthcoming year-end.

RESOLVED THAT COMMITTEE:

Endorse the use of the policies as outlined in the report, subject to the need for any further changes required by the External Auditors or identified as needed whilst the Statement of Accounts are produced.

1132

#### CLOSURE OF ACCOUNTS TIMETABLE 2020/21

The Director of Resources submitted a report informing committee of the extension to the statutory deadline for the closure of our accounts that had been made under the Accounts and Audit (amendment) Regulations 2021. It also informed committee of the benefits of closing down the accounts in a timely manner, in particular the good governance aspects, and of the timetable that would be adhered to in order to achieve the required deadlines.

The Accounts and Audit (amendment) Regulations 2021 had amended the publication deadlines for draft and final accounts from 1 June and 31 July to 1 August and 30 September for the next two accounting years, when there would be a review.

The same regulations set out detailed requirements in relation to duties and rights that have important implications for local authorities in terms of planning to ensure critical tasks are met and the approval of the accounts carried out by set deadlines. They also stipulate the various responsibilities for the closure of accounts.

The closedown timetable showed that the presentation of the audited statement of accounts would be received by this committee at its meeting on 29 September 2021 for approval.

RESOLVED THAT COMMITTEE:

Endorse the suggested approach for the closure of the 2020/21 accounts.

1133 INTERNAL AUDIT PROGRESS REPORT 2020/21

The Director of Resources submitted a report for information on the internal audit progress to the end of March for 2020/21. Work was still ongoing with some progress being made. The services of Mersey Internal Audit Agency (MIAA) had been engaged in respect of fundamental systems, and some internally seconded work was still underway. However, there were no finalised reports in respect of the 2020/21 financial year as yet so members could not be informed of assurance levels attained. No new red risks had been identified.

As previously reported, progress had been particularly hindered by the continued vacancy in the role of Principal Auditor. This post was currently being reviewed again prior to a further attempt to recruit to the position.

The Head of Financial Services reported that MIAA would be carrying out a review of the costs of the Refuse Vehicle Maintenance Costs that had been cause for concern with the continued overspend.

1134 ANNUAL AUDIT LETTER

The Annual Audit letter was presented by Grant Thornton that summarised the key findings arising from the work carried out for the year ended 31 March 2020 including the audit of the financial statements and value for money conclusion.

1135 EXTERNAL AUDIT PROGRESS REPORT

Grant Thornton presented their audit progress report for year ending March 2021. Georgia Jones informed committee that initial planning and interim audit work had taken place in February and March 2021 with the work on the draft financial statements due to start in July.

She informed committee that the new Code of Audit Practice came into force on 1 April 2020 for the audit years 2020/21 and onwards. The most significant change under the new code was the introduction of an Auditor's Annual Report on arrangements to secure value for money and any associated recommendations which was a more complex approach from previously done.

The report set out the audit deliverables and the proposed timetable as well as giving a sector update and details of the new approach to Value for Money.

1136 REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from representatives on outside bodies.

1137 EXCLUSION OF PRESS AND PUBLIC

There were no items under this heading.

The meeting closed at 7.06 pm

If you have any queries on these minutes please contact the committee clerk, Olwen Heap 01200 414408 [olwen.heap@ribblevalley.gov.uk](mailto:olwen.heap@ribblevalley.gov.uk).