

## Minutes of Accounts and Audit

Meeting Date: Wednesday, 6 April 2022, starting at 6.30 pm  
Present: Councillor D Berryman (Chair)

Councillors:

S Bibby	S Hirst
L Edge	D Peat
S Fletcher	R Sherras
J Hill	

In attendance: Chief Executive, Director of Resources, Head of Financial Services and Head of Legal and Democratic Services and Sophia Iqbal (Grant Thornton)

### 796 APOLOGIES FOR ABSENCE

Apologies for absence were received for the meeting from Councillors K Fletcher, R Newmark and J Rogerson.

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

The minutes of the meeting held on 2 February 2022 were approved as a correct record and signed by the Chairman.

With reference to m650 the Head of Financial Services reported that an Internal Audit Manager had now been appointed.

### 798 DECLARATIONS OF DISCLOSABLE PECUNIARY, OTHER REGISTRABLE AND NON REGISTRABLE INTERESTS

There were no declarations of disclosable pecuniary, other registrable and non-registrable interests.

### 799 PUBLIC PARTICIPATION

There was no public participation.

### 800 INTERNAL AUDIT CHARTER 2022/23

The Director of Resources submitted a report seeking approval of the Internal Audit Charter for 2022/23.

Under the Public Sector Internal Audit Standards (PSIAS) the council is required to have an Internal Audit Charter in place. The only change was in respect of the Chief Audit Executive role being returned to the post of Internal Audit Manager as that post had now been recruited to.

The Charter establishes Internal Audit's position within the council, including the nature of the Head of Audit's reporting relationship with the Accounts and Audit Committee; authorises access to personnel, records, and physical properties relevant to audit work; and defines the scope of internal audit activities.

Approval of the Internal Audit Charter sits with the Council's Accounts and Audit Committee whose key function it is to ensure effective corporate governance arrangements are maintained in the Council.

RESOLVED THAT COMMITTEE:

Approve the Internal Audit Charter 2022/23 as outlined in the report.

801

#### REVIEW OF ACCOUNTING POLICIES 2021/22

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 2021/22 financial year.

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

The report concluded that no major changes to The Code had been identified, so there were no material changes to the policies needed.

There had been an update to the delayed introduction of the new International Financial Reporting Standard (IFRS16) relating to leases. Whilst a further delay to its introduction was anticipated, there was much work being undertaken ready for its eventual introduction.

The policies reported may be subject to further changes should any be needed whilst the financial statements are being prepared. Such changes will be reported to committee with an explanation of the impact when the financial statements are presented to committee.

RESOLVED THAT COMMITTEE:

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

802

#### REVIEW OF REPRESENTATION ON OUTSIDE BODIES

The Chief Executive submitted a report informing the committee of the recommendations of the working group regarding representation on outside bodies.

Committee were reminded that each year at the Annual Council, the council appoints or nominates many of its members as representatives on outside bodies. On 3 February 2022, Committee had established a working group to review the current list of outside bodies.

The report detailed the outside bodies for which it recommends:

- the Council no longer make nominations
- representation is amended
- the type of appointment should be amended

The report gave reasons for the above decisions.

The working group proposed that the remainder of the nominations continued to be made as per previous arrangements.

Members discussed the representation on several of the outside bodies, particularly those that were appointed as Trustees.

The Head of Legal and Democratic Services informed committee that she had arranged for some training to be provided for members on 21 April 2022 that would address this issue.

\*\*\*RESOLVED: Approve the proposals as follows and recommend them to Council:

1. No longer make nominations to Children's Trust, East Lancashire Health & Wellbeing Partnership, Pendle Club, Environment Agency Liaison Committee, Clitheroe Royal Grammar School Foundation, and Carer's Link.
2. Police and Crime panel nomination to be taken off the outside body list as it is a statutory appointment.
3. Amend the representation on Salesbury & Copster Green Commons Management Committee (subject to a change to the constitution), Hanson Cement Liaison Committee, Tarmac Liaison Committee, and Ribble Valley Community Safety Partnership.
4. Amend the type of appointments from Trustee to observer on Ribble Valley Sports & Recreation, Citizen's Advice Bureau, and Hyndburn & Ribble Valley Council for Voluntary Services.

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#### THE COUNCIL'S ASSET MANAGEMENT SYSTEMS

The Chief Executive submitted a report for information on the Council's corporate asset management procedures.

The report explained that the Council owns a substantial amount of land and assets throughout the borough. Legal Services therefore hold a large number of legal agreements, leases and licences relating to the Council's assets. Both new and old documents were in the process of being scanned and saved electronically enabling joined up access through the asset management system.

The current version of the software was outdated, and officers are investigating moving to a new cloud-based version of the software to further improve asset management. Officers are seeking confirmation of the costs so that a capital bid can be made in the next round of bids.

Councillor Sherras left the meeting (6.55pm)

804

#### ANNUAL AUDIT REPORT

Grant Thornton submitted for information the Annual Report on Ribble Valley Borough Council covering the period up to 31 March 2022.

The report summarised the Authority was operating in a continuing uncertain financial environment. Despite this uncertainty, and the challenges posed by COVID-19, the Authority had maintained a good financial position. The Authority had put forward a balanced budget for the next three years.

The audit had not identified any significant weaknesses in relation to financial stability, governance, and economy, efficiency, and effectiveness but a number of improvement recommendations had been made, details of which could be found in

the report. Actions had been agreed and put in place to address these recommendations.

Committee was reminded that an unqualified audit report opinion was given on the financial statements on 29 November 2021.

The report also noted that the Council provided draft accounts on the 17 September 2021 with a good set of working papers to support them. The audit identified a small number of disclosure changes to the financial statements which had no impact on the Council's Comprehensive Income and Expenditure Statement. The Council agreed with these changes to the Financial Statements, and they were correctly processed.

805

#### INTERNAL AUDIT PROGRESS REPORT 2021/22

The Director of Resources submitted a report for information on the internal audit work progress to 18 March 2022.

The report concluded the audit coverage was lower than originally planned and as a result, additional external resources had been engaged and would continue whilst needed. This was due to staff vacancies and the services of Mersey Internal Audit Agency (MIAA) had been used to help ensure adequate coverage.

All originally planned audits were not covered, but together with the work of MIAA it was expected there would be adequate coverage to provide members with an informed Audit Opinion at the end of the year.

The Head of Financial Services was pleased to report that the post of Internal Audit Manager had now been recruited to and she would take up the role in mid-May.

It was therefore proposed that a new strategic internal audit plan would be submitted to committee at their next meeting in June.

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#### REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from representatives on outside bodies.

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#### EXCLUSION OF PRESS AND PUBLIC

There were no items under this heading.

The meeting closed at 7.03 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).