

## Minutes of Accounts and Audit

Meeting Date: Wednesday, 23 November 2022, starting at 6.30 pm  
Present: Councillor D Berryman (Chair)

Councillors:

J Clark	D Peat
K Fletcher	J Rogerson
S Fletcher	R Sherras
R Newmark	R Walsh

In attendance: Director of Resources, Head of Financial Services, Internal Audit Manager and Georgia Jones (Grant Thornton)

### 498 APOLOGIES FOR ABSENCE

Apologies for absence were received for the meeting from Councillor Sue Bibby

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

The minutes of the meeting held on 28 September 2022 were approved as a correct record and signed by the Chairman.

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

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

### 501 PUBLIC PARTICIPATION

There was no public participation.

### 502 ANNUAL GOVERNANCE STATEMENT

The Director of Resources sought Committee's approval of the Annual Governance Statement for 2021/22.

Members were reminded that all councils are required to prepare an Annual Governance Statement each year in accordance with the "Delivering Good Governance in Local Government Framework" and to publish the extent to which they comply with their own Local Code of Corporate Governance. This code includes how the Council has monitored the effectiveness of its governance arrangements in the previous financial year and details any planned changes in the coming period.

The report noted that:

- The Annual Governance Statement is a backward-looking review of how the Council had performed in relation to the principles set out at the beginning of each year in its own Local Code of Corporate Governance.
- In reviewing how the Council and its staff and members had acted over the period of the review, evidence had also been gathered to support the Report's conclusions.
- There had been one issue raised in the review and details of this had been given in the report.

- The Annual Governance Statement had to be published alongside the Council's Statement of Accounts and that this is currently on the Council's website together with a draft (subject to audit) copy of the Statement of Accounts.

#### RESOLVED THAT COMMITTEE

Approve the Annual Governance Statement 2021/22 as attached to the report.

503

#### AUDIT FINDINGS REPORT - GRANT THORNTON

Georgia Jones, Key Audit Partner submitted a report on behalf of Grant Thornton which outlined their audit findings and key matters arising from the audit of the Council's financial statements for the year ending 31 March 2022.

She reminded members that under International Standards of Audit and the National Audit Office, Grant Thornton are required to report on whether the Council's financial statements give a true and fair view of the Council's financial position and its income and expenditure for the year.

She informed Committee that:

- The audit had been prepared in line with the appropriate codes of practice.
- Their work is substantially complete, and subject to the outstanding matters set out in the report, including receipt of the management representation letter and review of the final set of financial statements, currently there were no matters that would require modification of their audit opinion.
- Grant Thornton anticipated providing an unqualified opinion on the financial statements subject to the outstanding matters being resolved and that there were no significant issues to be brought to Committee's attention.
- Georgia Jones asked to put on record her thanks to the Head of Financial Services and his team for their work.

The Chairman thanked Grant Thornton for their work.

#### RESOLVED THAT COMMITTEE

Accepted the external auditors audit findings report.

504

#### LETTER OF REPRESENTATION

The Director of Resources submitted a report which included a Letter of Representation that Grant Thornton had required to be signed before they could sign off the accounts.

The letter set out assurances from the Council to Grant Thornton that relevant accounting standards had been complied with and gave further assurances that the Council had disclosed information, which if it was withheld, would undermine the accuracy and reliability of the Statement of Accounts.

#### RESOLVED THAT COMMITTEE

Approve the letter of representation to Grant Thornton for 2021/22.

505

#### APPROVAL OF AUDITED STATEMENT OF ACCOUNTS 2021/22

The Director of Resources submitted a report asking Committee to formally approve the Statement of Accounts for 2021/22 following completion of the audit.

The Head of Financial Services reminded Members that their role in approving the Statement of Accounts, following the conclusion of the audit, was to demonstrate their ownership of the statements, their confidence in the Director of Resources and the process by which accounting records are maintained and the statements prepared.

He reported that:

- The deadline for the publication of the draft accounts had been met and the Statement of Accounts (subject to Audit) had been made available on the Council's website from 29 July 2022.
- There had been a final outturn surplus of £427,000 during the year compared with the Revised Estimate which showed a surplus of £198,000 and the Original Estimate which showed a deficit of £400,000
- The Council had added £617,956 to earmarked reserves for revenue purposes and taken £456,429 from earmarked reserves to fund the capital programme. The overall net movement was £161,527 added to earmarked reserves.

The Chairman thanked the Head of Financial Services and his staff for all their hard work in achieving the closedown of the accounts.

RESOLVED THAT COMMITTEE:

Approve the audited Statement of Accounts for 2021/22.

506

#### CONSULTATION ON AUDITOR APPOINTMENT FROM 2023/24

The Director of Resources submitted a report for information on the latest stage in the PSAA work on appointing auditors from 2023/24 and of the response that had been made to the associated consultation which closed 14 November 2022.

Members were informed that Grant Thornton had been successful in winning a contract in the procurement and that it was proposed by PSAA that they be appointed as the auditor for Ribble Valley Borough Council for five years from 2023/24.

The council had been required to respond to the proposals by 14 November 2022 either accepting the appointment or explaining why the proposed appointment should not be made. The response had been emailed on 14 November to say the council were satisfied with the proposed appointment.

Notification had also been received informing us that further consultation would take place about the associated scale fees from 2023/24 and that this would be undertaken by 30 November 2023. It had been suggested these may increase by around 150%. A further report would be presented to committee in due course for consideration on this matter.

507

#### CIPFA POSITION STATEMENT – APPOINTMENT OF CO-OPTED INDEPENDENT MEMBERS

The Director of Resources submitted a report providing further information relating to the role and function of co-opted members.

Members were reminded that at their last meeting a summary of the Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement : Audit Committees in Local Authorities and Police 2022 had been presented and further information had been requested.

The report went on to outline the role and function of co-opted members and the proposed responsibilities in relation to this committee. The co-option of an independent member would help bring additional knowledge and expertise, but the member would not have any voting rights.

Should this introduction be made, it would require a change to the governance arrangements within the Constitution, consideration of remuneration, length of term and the recruitment process.

A report for decision would be brought to a future meeting.

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#### INTERNAL AUDIT PROGRESS REPORT

The Director of Resources submitted a report for information on progress in delivery against the 2022/23 Internal Audit Plan covering the period September 2022 to October 2022.

The report included the main area of focus since the last meeting which was Amenity Cleansing and highlighted the reviews that were in progress, along with:

- An overview of internal audit output delivery
- The results of key performance indicators, and
- Progress against the PSIAS Quality Assurance Improvement Plan

Committee were informed that the Council was also implementing a programme of improvement with regard to risk management. A baseline assessment had had been undertaken, reviewed, and ratified and a programme of training rolled out across key stakeholders.

509

#### WHISTLEBLOWING POLICY

The Chief Executive submitted a report informing committee of the Council's review of its Whistleblowing Policy 2022.

CIPFA recommend that 'leaders in public sector organisations have a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management'.

The amendments were intended to ensure that the Policy reflects best practice, and that there was clear oversight and recording by the Monitoring Officer. This would also ensure that investigations would be undertaken correctly and in a timely way. The policy would be reviewed and approved annually going forward.

On 8 November 2022, Policy and Finance committee has considered, approved and recommended adoption of the revised policy to Council on 13 December 2022.

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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 7.30 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).