

# LICENSING, AUDIT AND GENERAL PURPOSES COMMITTEE

Meeting held on Tuesday, 28th July, 2020 at the Remote meeting - link to view the meeting is below at 7.00 pm.

## **Voting Members**

Cllr S.J. Masterson (Chairman)  
Cllr Mara Makunura (Vice-Chairman)

Cllr Sophia Choudhary  
Cllr A.K. Chowdhury  
Cllr Veronica Graham-Green  
Cllr Christine Guinness  
Cllr A.J. Halstead  
Cllr L. Jeffers  
Cllr Prabesh KC  
Cllr Jacqui Vosper

Apologies for absence were submitted on behalf of Cllr A.H. Crawford.

## **6. MINUTES**

The Minutes of the meeting held on 28th May, 2020 were approved and would be signed by the Chairman at a later date.

## **7. AUDIT RESULTS REPORT AND STATEMENT OF ACCOUNTS 2018/19 - UPDATE 5**

The Committee received the Executive Head of Finance's Report No. FIN2019 which provided Members with an update on audit progress for the Council's Statement of Accounts for 2018/19 and on the provision of audit opinion since the last meeting on 28th May, 2020.

The Executive Head of Finance reminded members that at its meeting in May 2020, they were advised that Covid-19 had given rise to a Post Balance Sheet Event (PBSE) and posed an ongoing risk to the Council's financial standing. It had been noted, in order to complete the Accounts and Audit Opinion process, the Statement of Accounts needed to include a detailed Disclosure Note that addressed the impact on the Council's finances from Covid-19 and considered the Going Concern basis.

The Executive Head of Finance advised that whilst a draft Disclosure Note had been prepared and shared with Ernst & Young (EY) in early July, 2020, it required amendment to include the latest financial information, based on the Q1 2020/21 budget monitoring position, and a projection of the Council's cashflow for the next twelve months and reserves over the current Medium Term Financial Strategy (MTFS) period. Once these amendments had been made, the Disclosure Note would be subject to EY's audit and assurances processes.

In order to agree the accounts and audit opinion before the next scheduled meeting of the Committee on 28th September, 2020, it was proposed that, in order to finalise the Statement of Accounts process and receive the external Auditor's Report, authority was delegated to the Chairman and to the Executive Head of Finance to approve formally and certify the audited Statement of Accounts and receive the External Auditor's Report from EY. Members would be provided with a copy of the final draft documents in advance to give them a limited opportunity to ask questions and seek clarification on matters identified in the report.

The Committee noted the new deadlines for the completion and publication of the 2019/20 Statement of Accounts, as set out in the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 which came into force on 30th April, 2020.

**RESOLVED:** That, subject to Members of the Committee being provided with a copy of the audited Statement of Accounts and the Audit Results Report in advance, the Chairman of the Committee and the Executive Head of Finance be authorised to approve formally and certify the audited Statement of Accounts 2018/19 and to receive the External Auditor's Report.

#### 8. **INTERNAL AUDIT - AUDIT UPDATE**

The Committee considered the Audit Manager's Report No. AUD20/06 which provided an update on work carried out by Internal Audit for quarter 1, including the work slipped from quarter 4 2019/20, and the expected deliverables for quarter 2.

The Audit Manager responded to queries on 'Timing of Invoice Issue' and 'Changes to Insurance Requirements'. In respect of compliance with the Payment Card Industry Data Security Standards (PCI DSS) in relation to a card terminal at Princes Hall, the Executive Head of Finance would provide Members with a written response on this matter.

**RESOLVED:** That the audit work carried out in quarter 1 2020/21, including work slipped from quarter 4 2019/20, and the expected deliverables for quarter 2 2020/21, as set out in the Audit Manager's Report No. AUD20/06, be noted.

#### 9. **ANNUAL GOVERNANCE STATEMENT**

The Committee considered the Audit Manager's Report No. AUD20/07, which set out the Annual Governance Statement 2019/20 for publication alongside the Council's Statement of Accounts.

It was noted that the Accounts and Audit Regulations 2015 required councils to prepare and publish an Annual Governance Statement in order to report publicly on the extent to which the Council complied with its Code of Corporate Governance, including how the Council had monitored the effectiveness of arrangements in the year and on any planned changes to the governance arrangements in the coming year. In particular, the Committee noted that, due to the current Covid-19 pandemic, details of the changes impacting on the governance arrangements within the Council

had been included, to provide an update on the current situation and the potential challenges facing the Council during 2020/21.

**RESOLVED:** That approval be given to:

- (i) the Council's Annual Governance Statement 2019/20;
- (ii) the Chief Executive and Leader to sign the Annual Governance Statement; and
- (iii) the publication of the Annual Governance Statement alongside the Council's Statement of Accounts for 2019/20.

#### 10. **MODEL CODE OF CONDUCT CONSULTATION**

Catriona Herbert, Corporate Manager – Legal Services, introduced the Model Code of Conduct Consultation. The Committee noted that the Local Government Association (LGA) was carrying out a review of the current model member code of conduct and had recently published a consultation document on the new model code for comment by 17th August, 2020. Members were encouraged to provide feedback on the proposed new Code which would then be presented in its final form to the LGA General Assembly in Autumn 2020.

**RESOLVED:** That the consultation on a revised Model Code of Conduct be noted.

The meeting closed at 7.55 pm.

CLLR S.J. MASTERSON (CHAIRMAN)

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