



Audit Committee Agenda

Wyre Borough Council
Date of Publication: 8 February 2021
Please ask for : Emma Keany
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**Audit Committee meeting on Tuesday, 16 February 2021 at 6.00 pm
Virtual Meeting via WebEx.**

**Members of the public will be able to view the meeting via the Council's
YouTube page (<http://www.youtube.com/WyreCouncil>).**

1. Apologies for absence

2. Declarations of interest

To receive any declarations of interest from any members of the Committee on any item on this agenda.

3. Confirmation of minutes

(Pages 3 - 6)

To confirm as a correct record the minutes of the last meeting of the Audit Committee held on 26 November 2020.

4. Statement of Accounts (Post Audit) 2019/20

(Pages 7 - 10)

Report of the Corporate Director Resources (Section 151 Officer).

(Additional papers to follow).

5. Management Representation Letter 2019/20

Letter to be signed by the Chairman of the Audit Committee and the Corporate Director Resources (Section 151 Officer).

(Papers to follow).

6. Report of Those Charges with Governance (ISA 260) 2019/20

Report of the Corporate Director Resources (Section 151 Officer).

(Papers to follow).

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Audit Committee Minutes

The minutes of the Audit Committee meeting of Wyre Borough Council held on Thursday, 26 November 2020 via WebEx.

Audit Committee members present:

Councillors McKay, Ingham, R Amos, Cartridge, E Ellison, Longton, Minto, Moon, O'Neill, Stirzaker, L Walmsley and Webster

Apologies for absence:

Councillor Holden

Officers present:

Clare James, Corporate Director Resources and Section 151 Officer
Joanne Billington, Head of Governance
Karen McLellan, Senior Auditor
Emma Keany, Democratic Services Officer
Peter Foulsham, Democratic Services and Scrutiny Manager
Marianne Unwin, Assistant Democratic Services Officer

Others present:

Joe Stone, External Auditor (Deloitte LPP)
Paul Hewitson, External Auditor (Deloitte LPP)

2 members of the public viewed the meeting via YouTube.

45 Confirmation of minutes

Agreed that the minutes of the Audit Committee meeting held on 10 March 2020 be confirmed as a correct record.

46 Declarations of interest

None.

47 Statement of Accounts (Post Audit) 2019/20

The Chairman proposed, and the committee agreed, that items 10, 11 and 12 on the agenda be taken next.

Councillor Cartridge joined the meeting during this item.

Paul Hewitson, External Auditor (Deloitte LPP), explained that for reasons primarily related to the implications of the COVID-19 pandemic, the audit could not be concluded. He reassured the committee that many other Local Authorities were also in the same position.

The Corporate Director Resources thanked Mr Hewitson for his work with the council and said that it was likely that a special meeting of the committee would need to be convened in the New Year to complete the work.

The verbal report was noted.

48 Management Representation Letter 2019/20

It was noted that, as a result of the delay reported to the committee by Paul Hewitson, External Auditor (Deloitte LPP) under the previous item, the letter was not ready to be signed.

49 Report of Those Charges with Governance (ISA 260) 2019/20

It was noted that, as a result of the delay reported to the committee by Paul Hewitson, External Auditor (Deloitte LPP) under item 47, the report was not ready to be published.

50 Compliance with the Regulation of Investigatory Powers Act 2000 (RIPA)

The Legal Services Manager submitted a report that reviewed the authority's use of RIPA since it was last considered by the Audit Committee in November 2019.

The Head of Governance summarised the main points in the report and explained that there had been no authorisations granted for direct surveillance or covert human intelligence source under the Regulation of Investigatory Powers Act 2000 since 2012, nor had there been any change to the updated policy that had been approved by the Audit Committee in November 2019.

Agreed that the recommendations be noted.

51 Internal Audit and Risk Management- Progress Report

The Corporate Director Resources (Section 151 Officer) submitted a report that reviewed progress in relation to the 2020/21 Audit Plan and Risk Management and considered progress against the action plan resulting from 2019/20 Annual Governance Statement.

The Head of Governance referred to the report and summarised the three appendices. She confirmed that, as a result of the COVID-19 pandemic, both she and the Senior Auditor had been redeployed to work with the Community Hubs. As a consequence, five months of the audit plan had been lost.

The Senior Auditor referred to strategic and ICT risks, all of which could be

viewed in the Risk Register.

The Head of Governance referred to the Annual Governance Statement Action Plan 2019/20. Progress had again been frustrated by the pandemic but she expected further progress to be made over the next few months.

Members of the committee asked a number of questions, to which the Corporate Director Resources and the Head of Governance made the following comments:

- A summary of the grant management report would be available by the end of December;
- Regarding Civica Pay, there were still a couple of stages to go but PCI compliance would be achieved once all stages of the project were completed;
- There was a robust procedure in place for dealing with complaints, which would be reviewed in 2021;
- There was approval in place to review the provision of leisure centres across the borough using external consultants, who would kick-start the process which would probably lead to further pieces of more detailed work.

It was **agreed** that the report be noted.

52 Annual Review of Financial Regulations and Financial Procedure Rules

The Corporate Director Resources (Section 151 Officer) submitted a report to review the Financial Regulations and Financial Procedure Rules.

The Head of Governance highlighted a number of proposed amendments, detailed in Paragraph 5.1 of the report.

Agreed that the proposed changes be noted and the updated Financial Regulations and Financial Procedure Rules be approved.

53 Annual Review of the Council's Counter Fraud Policies

The Corporate Director Resources (Section 151 Officer) submitted a report, an annual review of the Council's Counter Fraud Policies, which was introduced by the Head of Governance.

The Head of Governance gave an overview of the report.

She explained that the Council's Anti Money Laundering Policy and procedure had not yet been revised and this would come to a future committee.

It was **agreed** that the following policy documents be approved:

- Anti-Fraud, Corruption and Bribery,
- Whistleblowing, and
- Gifts and Hospitality and Registering Interests.

54 Approval of the Council's Data Protection Policy and Procedures

The Corporate Director Resources (Section 151 Officer) submitted a report setting out the Council's Data Protection Policy and Procedures, which the Head of Governance introduced.

In response to a question from a member of the committee the Head of Governance reassured the committee that there was a low risk of a GDPR breach, despite the Lancashire County Council Action Plan being delayed until 2021/22. She would continue to report to the Corporate Management Team quarterly and to the Audit Committee every six months.

It was **agreed** that the Data Protection Policy and Procedures and incident/breach reporting and investigation instruction be approved.

55 Annual Review of the Audit Committee's Performance

The Corporate Director Resources (Section 151 Officer) submitted a report, the annual review of the Audit Committee's Performance.

In response to a question concerning the appointment of an independent member and if the role was a statutory requirement, the Head of Governance commented that at present it was not as mandatory requirement and that she would envisage difficulty in recruiting to such a role. The Corporate Director Resources added that following the publication of the Redmond Review, legislation in this regard was awaited.

It was **agreed**:

- (i) That the committee note the completion of the annual self-assessment of the Audit Committee's performance, and
- (ii) That the outstanding training of the newest committee member be completed at the earliest opportunity

The meeting started at 6.00 pm and finished at 7.06 pm.

Date of Publication: 10 December 2020.

Report of:	Meeting	Date	Item No.
Corporate Director Resources and s.151 Officer	Audit Committee	16 February 2021	

STATEMENT OF ACCOUNTS 2019/20 (POST AUDIT)

1. Purpose of Report

- 1.1 To approve the council's published Statement of Accounts, following the completion of the audit, for the financial year 2019/20.

2. Outcomes

- 2.1 Evidence that the council produces accounts in accordance with relevant standards and timetables, supported by comprehensive working papers and promotes external accountability.
- 2.2 Compliance with the requirements of the Accounts and Audit Regulations.

3. Recommendation

- 3.1 Members are requested to approve the Council's Statement of Accounts 2019/20.

4. Background

- 4.1 The Accounts and Audit Regulations 2015 require the council's responsible financial officer to certify that the accounts 'present a true and fair view of the financial position' for the 2019/20 financial year by the 31 August 2020 (the date has been extended from 31 May as a result of the COVID-19 pandemic). The Council is then formally required to approve and publish the Statement of Accounts no later than 30 November 2020 (the date has been extended from 31 July as a result of the COVID-19 pandemic). Following approval, the Statement of Accounts must be signed and dated by the member presiding at the meeting at which approval is given.
- 4.2 The Audit Committee approved the unaudited accounts for the 2019/20 financial year at their meeting on 4 August 2020, held under emergency powers. Owing to delays with the External Auditor as a result of the pandemic, it was reported to the Audit Committee on 26 November that the accounts sign off would be delayed beyond 30 November. There are

no penalties associated with this but the council is required to publish a statement on the website explaining the delay.

5. Key issues and proposals

- 5.1 Issues raised as a result of the audit have now been reflected in a revised Statement of Accounts that will be published by the Council following this committee meeting in February 2021 and can be accessed via the website using the following link:

https://www.wyre.gov.uk/info/200339/council_budgets_and_spending/57/statement_of_accounts.

- 5.2 Details of the issues raised can be seen in the External Auditor's Report to those charged with governance (ISA 260) 2019/20, which is considered later on the agenda.

IMPLICATIONS	
Finance	There are no immediate financial implications arising from this report. The final outturn position will be incorporated within the Medium Term Financial Plan 2020/21 to 2024/25 which aims to provide detailed proposals for corporately managing the council's resources in the years ahead and is subject to continuous monitoring to ensure its effectiveness.
Legal	The approval of the recommendation will help ensure that the statutory requirements have been complied with.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection

and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

Report Author	Telephone No.	Email	Date
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List of Background Papers:		
Name of Document	Date	Where available for inspection
None		

LIST OF APPENDICES

None

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