

MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE

DATE OF MEETING: 1ST DECEMBER 2021

**PRESENT: Councillor Marriott (Chair)
Councillors S Barnes (sub), Essex, Oakes, Procter and
Woods
Co-opted Member, Mr S McManus**

**IN ATTENDANCE: Ms K Spencer, Head of Finance (S151 Officer), RBC
Ms C Birtwistle, Head of Legal (Monitoring Officer), RBC
Mr C Finn, Finance Manager, RBC
Mr M Baskerville, LCC Internal Auditors
Ms A Salford, Mazars Auditors
Miss G Ashton, Committee Officer, RBC**

ALSO PRESENT: Councillor Walmsley

1. APOLOGIES FOR ABSENCE

1.1 Apologies were received from Councillor Kenyon and Miss S Iqbal, Grant Thornton.

2. MINUTES OF THE MEETING HELD ON 28TH JULY 2021

2.1 In relation to the Fraud Policy, the Chair enquired when this was last reviewed/refreshed. An update would be provided at the next meeting.

RESOLVED:

The minutes of the meeting held on 28th July 2021 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

3.1 The chair confirmed there were no urgent items of business.

4. DECLARATIONS OF INTEREST

4.1 There were no declarations of interest.

5. PUBLIC QUESTION TIME

5.1 No questions had been registered.

6. CHAIR'S UPDATE

6.1 The Whitaker had been approached regarding the possibility of an opposition member joining the Board. They advised that a recruitment process for board members was taking place and a Conservative member could apply. This had been fed back to the group leader.

6.2 In relation to cyber security training for staff, the Council was in the process of reviewing a virtual training course. If suitable, it would be rolled out to staff through the Council's Learning Pool training software.

7. CORPORATE RISK REPORT QUARTER 1 & 2 2021/22

7.1 The Head of Finance presented the report, which asked members to note the Corporate Risk Register as detailed and note the risk consequence, mitigation action and level of risk as detailed in Appendix 1 and Appendix 2.

7.2 In response to comments made it was noted that:

- In relation to Risk 1 on both quarters, a number of factors influenced the likelihood status, these included Empty Homes legal claims, inflation and the staff pay award.
- In relation to Risk 8 Q2, the Head of Finance would provide the staff turnover in percentage terms so it could be compared with Q1.
- In relation to Risk 10, a tender process for the communications plan was currently underway. In the interim, the existing provider was being used. It was anticipated the new contract would be awarded in April 2022.

7.3 Thanks were expressed to the officers who completed the report; it was easier to understand and the addition of mitigating factors assisted members.

RESOLVED:

- That the Audit and Accounts Committee noted the Corporate Risk Register as detailed in the report.
- That members noted the risk consequence, mitigation action and level of risk as detailed in Appendix 1 and Appendix 2.

8. APPOINTMENT OF EXTERNAL AUDITORS

8.1 The Head of Finance presented the report, which asked members to recommend to Full Council to opt into Public Sector Audit Appointments Limited, to act as the appointing person for the appointment of external auditors for Rossendale Borough Council.

8.2 In response to comments made it was noted that:

- The process for appointing Housing Benefits auditors was different; however, it made sense to use the same auditors due to the overlap of work.
- It was noted that Mazars' fees were increasing.
- In relation to Housing Benefits, there were two different models; RBC could complete most of the work and Mazars would review or Mazars could complete the work and review. RBC had agreed that the latter would take place.

RESOLVED:

- That the Audit and Accounts Committee agreed to recommend to Full Council to opt into Public Sector Audit Appointments Limited, to act as the appointing person for the appointment of external auditors for Rossendale Borough Council.

9. INTERNAL AUDIT PROGRESS REPORT Q2 2021/22

9.1 The Audit Manager, LCC outlined the report, which asked members to consider the internal audit progress report for quarter 2 2021/22.

9.2 It was noted that Ruth Lowry was retiring as Head of Internal Audit. She would be replaced by Andy Dalecki on 6th December 2021. A new Senior Investigator, Pete Walker, had also been appointed.

9.3 In relation to page 4, para 2.8 of the report, Councillor Essex asked if he needed to declare an interest in the RTB Partnership as he was a former Director (relinquished 2019). The Chair did not feel this was necessary.

9.4 In response to comments made it was noted that:

- No overall figure was available for final payments to the RTB Board but could be provided on request.
- RBC had found evidence that all three RTB partners had approved payments. Once received by the auditors, substantial assurance would be given.
- The auditors' report would include a suggestion to save any authorisation emails to a folder on the network.

RESOLVED:

- That the Audit and Accounts Committee noted the content of the report.

10. EXTERNAL AUDIT UPDATE REPORT – MAZARS

10.1 The Account Manager, Mazars outlined the report, which asked members to consider their external audit update report.

RESOLVED:

- The Audit & Accounts Committee noted the external audit update report.

11. EXTERNAL AUDIT PROGRESS REPORT – GRANT THORNTON

11.1 The Audit Manager, Grant Thornton was unable to attend the meeting but had provided a written update on the audit progress for the 2017/18 accounts. This had been circulated to members of the Committee.

11.2 Outstanding queries in relation to valuations, categorisation of assets and the sale of the bus company were almost complete. It was anticipated that Grant Thornton would complete their work by the end of 2021.

RESOLVED:

- The Audit & Accounts Committee noted the report provided.

The meeting concluded at 6.53pm

Signed (Chair)

Date