

AUDIT COMMITTEE

Meeting: 9 September 2020

At: 6.00 pm

PRESENT

Councillor Stuart Corris (Chair) in the chair; Councillor Mike Hurleston (Vice-Chair);
Councillors Paul Ankers, Yvonne Guariento, John Pantall and John Taylor.

1. MINUTES

The Minutes (copies of which had been circulated) of the meeting held on 12 August 2020 were approved as a correct record and signed by the Chair, subject to the addition in the pre-amble to Minute 13 on the 'Mazars Progress Report' of the following:-

'A representative of the external auditors, Mazars, drew the attention of the Committee to the fact that from a professional standards perspective Mazars confirmed their decision to terminate the contract referred to at the meeting due to a threat to independence. Members were comfortable that the reasons and actions taken were proportionate given the risks involved'.

2. DECLARATIONS OF INTEREST

Councillors and officers were invited to declare any interests they had in any of the items on the agenda for the meeting.

The following interests were declared:-

Personal Interests

Councillor

Interest

John Taylor

Agenda item 7 – 'Annual Accounts 2019/20' as a representative of the Council on the Manchester Airport Consultative Committee and the Manchester Airport Consultative Committee Trust Fund.

Agenda item 7 'Annual Accounts 2019/20' as the Council's representative on the Greater Manchester Pension Fund Management Panel and the recipient of a pension from the Greater Manchester Pension Fund.

Stuart Corris

Agenda item 7 – 'Annual Accounts 2019/20' as a representative of the Council on the Manchester Airport Consultative Committee.

John Pantall

Agenda item 7 – 'Annual Accounts 2019/20' as an observer of the Greater Manchester Pension Fund.

Personal and Prejudicial Interest

Councillor

Interest

Mike Hurleston

Agenda item 7 – ‘Annual Accounts 2019/20’ as a member of the Board of the Stockport Town Centre West Mayoral Development Corporation.

It was noted that the Standards Committee had approved a dispensation to enable those councillors who were members of the Board of the Stockport Town Centre West Mayoral Development Corporation and who would otherwise have a personal and prejudicial interest in the matter being discussed to take part in the debate and vote at the meeting.

3. URGENT DECISIONS

No urgent decisions were reported.

4. PUBLIC QUESTION TIME

No public questions were submitted.

5. ANNUAL GOVERNANCE STATEMENT 2019/20

A representative of the Corporate Director, Corporate and Support Services submitted a report of the Corporate Governance Group (copies of which had been circulated) providing Members with the final version of the Council’s Annual Governance Statement for 2019/20.

RESOLVED – That the Annual Governance Statement be approved prior to its signing by the Leader of the Council and the Chief Executive.

6. INFORMING THE AUDIT RISK ASSESSMENT - ENQUIRIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

A representative of the Corporate Director, Corporate and Support Services submitted a report (copies of which had been circulated) providing Members with details of the Council’s response to queries raised by the external auditors, Mazars, as part of the Audit Risk Assessment.

The Corporate Director, Corporate Services gave an assurance to the Committee that there had been no relaxation of the Contract Procedure Rules in order to respond to urgent issues during the Covid-19 pandemic and that the usual due diligence in the award of contracts had been followed.

RESOLVED – That the Council’s response be noted.

7. ANNUAL ACCOUNTS 2019/20

The Corporate Director, Corporate and Support Services submitted a report (copies of which had been circulated) providing Members with the details of the Annual Accounts for 2019/20.

Members asked a number of questions with regard to:-

- Whether there were any material differences to the short term debtors
- Whether there were any particular issues arising in the near future with regard to school expenditure and reserves.
- Where the contingency funds for Stockport Together and Brexit were set out in the Annual Accounts.
- What the Council was doing to ensure that it got value for money from the Greater Manchester 100% Business Rates Retention Pilot.
- The car park project at Manchester Airport.

RESOLVED – That the Annual Accounts for 2019/20 be noted.

8. MAZARS AUDIT COMPLETION REPORT

A representative of the external auditors, Mazars, submitted a report (copies of which had been circulated) providing the Committee with a summary of their audit conclusions. The external auditors hoped to be in a position to sign off the accounts prior to the next scheduled meeting of the Committee on 12 October 2020.

Members of the Committee asked a number of questions relating to the external auditors' views on value for money and the liabilities of the Group Accounts.

RESOLVED – That the report be noted.

9. SIGNING OF THE 2019/20 STATEMENT OF ACCOUNTS AND MANAGEMENT LETTER OF REPRESENTATION

The Corporate Director, Corporate and Support Services submitted a report (copies of which had been circulated) providing Members with details of the issues that had arisen during the audit.

RESOLVED – (1) That the Council's 2019/20 Statement of Accounts be noted.

(2) That the Management Letter of Representation be noted.

(3) That, in the event of no material changes as a result of the outstanding audit work, approval of the 2019/20 Statement of Accounts be delegated to the Corporate Director, Corporate and Support Services, in consultation with the Chair of the Audit Committee, on receipt of advice from the External Auditor.

10. HEAD OF INTERNAL AUDIT ANNUAL REPORT AND OPINION 2019/20

A representative of the Corporate Director, Corporate and Support Services submitted a report (copies of which had been circulated) setting out an annual report of the Head of Internal Audit, Risk and Insurance which was a requirement of the Public Sector Internal Audit Standards. The annual report contained an overall opinion on the Council's control framework and detailed the audit work undertaken in the year from which the overall opinion had been drawn.

RESOLVED – That the report be noted.

11. ANTI-FRAUD, BRIBERY AND CORRUPTION ANNUAL REPORT 2019/20

A representative of the Corporate Director, Corporate and Support Services submitted a report (copies of which had been circulated) advising Members of the work carried out during the past year to minimise the risk of fraud, bribery and corruption occurring at the Council.

The following comments were made/issues raised:-

- Specialist Officers from Salford City Council had been commissioned to undertake two audits in the area of internet banking and payments by direct debit as cyber security was a major issue for the Council.
- Support was given to the principle of 'buying in' specialist assistance when required.

RESOLVED – That the report be noted.

The meeting closed at 7.39 pm