

## **AUDIT COMMITTEE**

Meeting: 17 March 2021

At: 6.00 pm

### **PRESENT**

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

### **1. MINUTES**

The Minutes (copies of which had been circulated) of the meeting held on 9 December 2020 were approved as a correct record and signed by the Chair.

### **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**

<b><u>Councillor</u></b>	<b><u>Interest</u></b>
John Taylor	Agenda Item 6 'Internal Audit Progress Report 4 (1 November 2020 to 31 January 2021)' as the Council's representative on the Greater Manchester Fund Management Panel, as his daughter works for Priestnall School, as a Governor at Heaton School and his partner is a Governor at Abingdon Primary School.
John Pantall	Agenda Item 6 'Internal Audit Progress Report 4 (1 November 2020 to 31 January 2021)' as an observer of the Greater Manchester Pension Fund.

#### **Personal and Prejudicial Interest**

<b><u>Councillor</u></b>	<b><u>Interest</u></b>
Mike Hurleston	Agenda item 6 'Internal Audit Progress Report 4 (1 November 2020 to 31 January 2021)' 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 Councillor Hurleston as a member 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**

Members of the public were invited to put questions to the Chair on any matters within the powers and duties of the Area Committee, subject to the exclusions set out in the Code of Practice.

No public questions were submitted.

### **5. 2020/2021 ACCOUNTING POLICIES**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) updating the Committee on the 2020/2021 Accounting policies.

The following comments were made/issues raised:-

- Clarification was provided on whether the completion of the affiliated accounts of the Council's companies would align with the audit completion date.

RESOLVED – That the Council's proposed Accounting Policies in preparing the Council's 2020/21 Annual Statement of Accounts be approved and adopted.

### **6. INTERNAL AUDIT PROGRESS REPORT 4 (1ST NOVEMBER 2020 TO 31ST JANUARY 2021)**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) setting out the progress made in the period 1 November 2020 to 31 January 2021 against the updated 2020-21 Audit Plan approved in August 2020.

The following comments were made/issues raised:-

- The arrangement of risk workshops was highlighted, primarily in the Corporate and Support Services Directorate but with a view to being rolled out to all directorates in the next three months.
- With regard to the coronavirus assurance plan update, a Member commented that some workplaces had failed to get adequate occupational health services in place. It was reassuring that advice and consultancy support was being provided on an ongoing basis regarding the Recovery Planning Phase (Workforce Development).
- At the request of Members, the Committee was provided with more details on the postponement, at the request of client management, of the Street Lighting (LED replacement) value for money work.

- A Member queried How the increase in homeworking since the start of the Covid-19 pandemic would impact on the future audit work on estate planning and with particular regard to the potential increase in the number of risks from staff working at home.

RESOLVED - That the report be noted.

## **7. INTERNAL AUDIT PLAN AND AUDIT CHARTER 2021-22**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) outlining the key areas of the Council that current internal audit resources would be directed at in the next financial year.

With reference to Appendix A, Members expressed supported for the work in connection with 'People being able to make positive choices and be independent and those who need support get it'.

RESOLVED – (1) That the 2021/22 Internal Audit Plan and Charter be approved.

(2) That Officers in the Internal Audit section be thanked for the work which being carried out.

## **8. ANNUAL GOVERNANCE STATEMENT ACTION PLAN - PROGRESS REPORT**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) advising the Committee of the Council's Annual Governance Action Plan arising from the latest Annual Governance Statement (AGS).

The AGS had been approved by the Committee at its meeting held on 9 September 2020.

The Action Plan outlined the current four key governance issues currently facing the Council along with agreed controls put in place to manage the issue and updates since the last report to the Committee on 9 December 2020.

The Action Plan outlined the current four key governance issues currently facing the Council along with agreed controls put in place to manage the issues since the last report to the Committee on 9 December 2020.

RESOLVED – That the report be noted.

## **9. ARRANGEMENTS FOR COMPLETING THE ANNUAL GOVERNANCE STATEMENT 2021-22**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) setting out the proposed arrangements for the completion of the Annual Governance Statement (AGS) for 2021-22. The final AGS would be produced and presented at the meeting of the Committee in September 2021, along with the Annual Accounts.

RESOLVED – That approval be given to the process for completion of the Statement.

**10. PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS) - QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME (QAIP) 2021-22**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) setting out the quality assurance arrangements in place for internal audit for 2020/21 along with the self-assessment results of the Quality Assurance and Investment Programme (QAIP) for 2020/21 and the proposed basis that the Head of Internal Audit, Risk and Insurance would use for the external assessment of the Council's internal audit function, which was required under the Public Sector Internal Audit Standards (PSIAS).

The following comments were made/issue raised:-

A Member enquired whether there were any patterns emerging from the feedback provided by the questionnaire.

RESOLVED – That the QAIP and the results of the self-assessment be noted.

**11. CORPORATE RISK REGISTER Q4 UPDATE**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) which reflected the changes to the Council's overall risk profile. The Corporate Risk Register had last been updated and presented to the Committee at its meeting held on 9 December 2020.

The following comments were made/issues raised:-

- There were areas where major legislative changes would affect the programme. Change management was a corporate risk and part of Officers' work was to manage that risk.

RESOLVED – That the changes to the corporate risk environment be noted.

**12. THE REDMOND REVIEW - GOVERNMENT RESPONSE**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had had ben circulated) setting out the response from the Ministry of Housing, Communities and Local Government (MHCLG) to the Redmond Review into local audit and the transparency of local authority financial reporting, demonstrating a commitment by the Government to supporting the resilience of the local audit framework.

RESOLVED – That the report be noted.

### **13. OVERVIEW OF THE UK GOVERNMENT'S RESPONSE TO THE COVID-19 PANDEMIC**

A representative of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive submitted a report (copies of which had been circulated) providing a summary of the UK Government's response to the Covid-19 pandemic to date.

RESOLVED – That the report be noted.

### **14. ANNUAL AUDIT LETTER 2019/2020**

A representative of the External Auditor, Mazars, set out the Annual Audit letter for 2019/20 (copies of which had been circulated).

The following comments were made/issues raised:-

- It was clarified that there was no change to the Code of Practice. External auditors were being encouraged the shorten and simplify reporting procedures.

RESOLVED – That the Annual Audit Letter for 2019/2020 be noted.

### **15. AUDIT STRATEGY MEMORANDUM 2020/21**

A representative of the External Auditor, Mazars, submitted a report (copies of which had been circulated) providing a summary of the Audit Strategy Memorandum for 2020/21.

RESOLVED – That the report be noted.

### **16. COUNCILLOR JOHN PANTALL**

Members were advised that this would be the last meeting of this Committee that Councillor John Pantall would be attending as he was not seeking re-election in the forthcoming local elections.

RESOLVED – That Councillor John Pantall be thanked for his services to the Council and this Committee, and offered Members best wishes for the future.

The meeting closed at 7.25 pm