

AUDIT COMMITTEE - 26 July 2021

PRIVATE MINUTES

1. APOLOGIES

Mr Evans Mbajah tended his apologies.

2. DECLARATIONS OF INTEREST

There were no declarations of interest from Members.

3. QUESTIONS AND DEPUTATIONS

No questions or deputations received.

4. MINUTES

The minutes of the meeting held on 14 June 2021 were approved as a true record.

5. VERBAL UPDATE FROM THE EXTERNAL AUDITOR

In the absence of the External Auditor a written statement was read out on his behalf by Paul Johnson, which indicated they were content with progress of the Audit Statement, communication links with Officers was smoother than experienced last year, and the Audit Findings report was on track to meet the September deadline.

6. ANNUAL GOVERNANCE STATEMENT 2020/21

The Audit Manager explained production of an Annual Governance Statement (AGS) was a statutory requirement, of all local authorities in England, to publically demonstrate the ongoing effectiveness of their governance and internal control arrangements.

The Solihull AGS essentially outlined:-

- The scope of the Council's governance responsibilities;
- The purpose of the governance framework;
- A description of the governance arrangements in place;
- A description of the assurance mechanisms that ensure governance arrangements have operated effectively during the year; and
- An action plan detailing any significant governance issues that have been identified.

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The AGS described how the Council ensures that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. It expressed what the Council had done to put in place good business practice, high standards of conduct and sound governance arrangements in relation to:-

- Creating and implementing a Vision;
- Roles and responsibilities of members and officers;
- Standards of conduct and behaviour;
- Decision making, scrutiny and risk management;
- Developing capacity and capability of members and officers; and
- Engaging with local people and stakeholders.

RESOLVED

The Committee endorsed the Annual Governance Statement for 2020/21.

7. ANNUAL REPORT OF INTERNAL AUDIT

The Committee were reminded that Internal Audit has a legal standing in terms of the Accounts and Audit Regulations 2015, and to provide an independent appraisal of the Council's control systems, governance and risk management arrangements.

In determining its work plan, Internal Audit takes into account the Council's Plan and priorities in order to maximise available resource deployment through improving risk management, promoting effective governance in all areas of council activity and making recommendations to improve internal controls.

The Committee were informed of Internal Audit work completed during 2020/21, including an opinion on the level of internal control in operation, and their performance during that period.

RESOLVED

The Committee:-

- (i) Noted the Head of Audit Services' opinion on internal control;
- (ii) Noted the performance of Internal Audit for the period 2020/21;
- (iii) Endorsed the proposed Internal Audit Plan for 2021/22; and
- (iv) Endorsed the current internal Audit Strategy.

8. DRAFT STATEMENT OF ACCOUNTS 2020/21

Members were reminded that due to the review of Local Authority Statement of Accounts preparation and Audit (The Redmond Review), central government extended the deadlines for the production of draft accounts 31 July and final audited accounts to 30 September for both 2020/21 and 2021/22.

The Director of Resources and Deputy Chief Executive signed the draft Statement of Accounts on 22 June 2021, as required before it is published and prior to the period for public consultation which runs from 24 June – 4 August 2021.

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The final version of the Statement of Accounts and the external Auditor's Audit Findings report would be presented for review by Audit Committee and for approval by Governance Committee in September, ahead of the revised statutory requirements to produce audited accounts by the end of September.

RESOLVED

The Committee reviewed the Council's draft Statement of Accounts for 2020/21 and referred comments for consideration to the Governance Committee meeting of 28 July 2021.

9. 2021/22 QUARTER 1 TREASURY MANAGEMENT MONITORING REPORT

The Treasury and Corporate Accountant updated Members on the 2021/22 Treasury Management activities and risks for Quarter 1, particularly in relation to:-

- Debt Activity;
- Economic Forecast;
- Investment Strategy;
- Investment Activity; and
- Treasury and Prudential Limits.

RESOLVED

The Committee noted the Treasury Management activities for Quarter 1 of 2021/22.

10. EXCLUSION OF THE PUBLIC AND PRESS

The Chairman did move that the press and public be now excluded from the remainder of the business to be transacted, on the grounds that there would be disclosure to them of exempt information as defined in Schedule 12A to the Local Government Act 1972.

11. MINUTES

That the minutes of the meeting held on 14 June 2021 be confirmed as a true record.

3.00 pm