

# MINUTES OF AUDIT AND ETHICS COMMITTEE

14 DECEMBER 2021

## PRESENT:

Mr P Dudfield (Chairman), Councillors Bearne, McQueen, Mistry and Ms Watson-Merret

## 30. MINUTES

The minutes of the meeting held on 4 November 2021 were approved and signed by the Chairman.

## 31. APOLOGIES

An apology for absence from the meeting was received Mr J Eves (Vice Chairman).

## 32. APPROVAL OF THE FINANCIAL STATEMENTS FOR 2020/21 – UPDATE

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 4) concerning the updated Council's Financial Statements, the updated external auditors' Audit Findings Report and the approval of the updated Financial Statements for signature and publication.

A representative from Grant Thornton, the Council's appointed external auditor, attended the meeting to answer questions and present the updated Audit Findings Report (Part 1 – Agenda Item 4 – Appendix A).

### RESOLVED THAT –

- 1) The Audit Findings Report for 2020/21, as attached at Appendix A, be noted;
- 2) the Management Representation Letter for 2020/21, as attached at Appendix B, be approved;
- 3) the Statement of Accounts for 2020/21, as attached at Appendix C, be approved; and
- 4) delegated authority be given to the Chief Officer for Finance and Performance to use the Chair of Audit and Ethics Committee electronic signature to sign the Statement of Accounts for 2020/21.

## 33. AUDIT FINDINGS REPORT – MANAGEMENT RESPONSE TO RECOMMENDATIONS

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 5) concerning the management responses to the recommendations of the external auditors' Audit Findings Report of 4 November 2021.

**RESOLVED THAT –**

- 1) The management response to the external auditors' Audit Findings Report recommendations be approved; and
- 2) updates on the progress in implementing the actions set out in the management response be provided at future meetings.

**34. APPOINTMENT OF EXTERNAL AUDITORS**

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 6) concerning the options for procuring external audit for a five-year period commencing 2022/23.

**RESOLVED THAT – IT BE RECOMMENDED TO COUNCIL THAT** Rugby Borough Council opt-in to the sector-led body procurement, conducted by Public Sector Audit Appointments Limited, for the appointment of the Authority's external auditors from April 2023.

**35. TREASURY MANAGEMENT MID-YEAR REPORT 2021/22**

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 7) concerning the treasury management activities from 1 April until 30 September 2021.

**RESOLVED THAT –**

- 1) The report be noted; and
- 2) the monitoring and review of Treasury Management indicators be agreed.

**36. FINANCIAL REGULATIONS**

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 8) concerning the strategic financial regulations which outline responsibilities for strong financial management in the organisation.

**RESOLVED THAT –** the Financial Regulations, as detailed in Appendix 1, be endorsed.

**37. INTERNAL AUDIT CHARTER**

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 9) concerning the updated internal Audit Charter.

**RESOLVED THAT –** the updated internal Audit Charter be approved.

**38. INTERNAL AUDIT PROGRESS UPDATE**

The Committee considered the report of the Chief Officer for Finance and Performance (Part 1 – Agenda Item 10) concerning the progress towards delivery of the annual internal audit plan, the proposed in year amendments to the plan and a service performance update.

**RESOLVED THAT –**

- 1) The internal audit progress update be noted; and
- 2) the proposed amendments to the internal audit plan be approved.

**39. MOTION TO EXCLUDE THE PUBLIC UNDER SECTION 100(A)(4) OF THE LOCAL GOVERNMENT ACT 1972**

**RESOLVED THAT** – under Section 100(A) (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the grounds that they involved the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act.

**40. WHISTLE BLOWING INCIDENTS – STANDING ITEM – TO RECEIVE ANY UPDATES**

There were no issues to report.

**41. FRAUD AND CORRUPTION ISSUES – STANDING ITEM – TO RECEIVE ANY UPDATES**

The Chief Officer for Finance and Performance provided the Committee with an update on a case reported at the previous meetings and stated that the matter remained ongoing.

As the Corporate Assurance Manager and Transformation Lead was unable to attend the meeting in person, he will provide a more detailed update via email.

**RESOLVED THAT** – the Committee be provided with an update at the next meeting.

**CHAIRMAN**