



MINUTES

Audit and Standards Committee

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| Date: | Thursday, 11 November 2021 |
| Venue: | Town Hall, St Annes. |
| Committee Members Present: | Councillor Ellie Gaunt (Chairman) Councillor Ed Nash (Vice-Chairman) Councillors Paula Brearley, Karen Buckley Delma Collins, Peter Collins, Brian Gill, Paul Hayhurst, Michael Withers. |
| Officers Present: | Tracy Manning, Paul O'Donoghue, Ian Curtis, Ross McKelvie, Sandra Cudlip (MIAA), Fiona Hill (MIAA) and Hannah Kirk |
| Other Attendees: | Paul Hewitson and Nick Rayner, from Deloitte, attended the meeting remotely |

1. Declarations of Interest

Members were reminded that any disclosable pecuniary interests should be declared as required by the Localism Act 2011 and any personal or prejudicial interests should be declared as required by the Council's Code of Conduct for Members. No interests were declared on this occasion.

2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Audit and Standards Committee meeting held on 29 September 2021 as a correct record for signature by the Chairman.

3. Substitute Members

The following substitution was reported under Council Procedure Rule 23(c):

Councillor Karen Buckley for Councillor Will Harris.

Councillor Michael Withers for Councillor John Singleton.

Audit Decision Items

Prior to the decision items being discussed, Paul Hewitson and Nick Rayner from Deloitte, were invited to explain the external audit position.

The Chairman expressed her disappointment that the council's accounts had not yet be signed off and requested that it be treated as urgent. Mr. Hewitson advised that due to a shortage of audit resources, only 9% of local authorities' accounts had been signed off by 30 September deadline. He reassured the committee that Fylde Council were in the first wave of the Deloitte recovery plan, and it was confirmed that audit resources would be made available from the final week of November to accomplish this. Mr Hewitson also reassured the committee that the

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delay was purely due to the lack of resources to complete the audit on the part of Deloitte's and confirmed there was no major issues of concern he intended to raise with the council regarding the accounts.

It was requested that Paul O'Donoghue, Chief Financial Officer, and the wider finance team be kept informed of the progress.

4. Mid Year Prudential Indicators and Treasury Management Monitoring Report 2021/22

Paul O'Donoghue, Chief Financial Officer, presented the Mid-Year Prudential Indicators and Treasury Management monitoring report. He advised it had been prepared in line with the recommendations of CIPFA's (Chartered Institute of Public Finance Accountants).

He advised that the report provided an overview of the wider economic position, which had continued to be impacted by issues caused by the pandemic, most notably the continuing low bank base rate of 0.1% which had a consequential effect on investment returns during the period. He further advised that the council held £37 million in cash and investments at the half-year point, which was unusually high due to the pandemic and funding support from central government.

Mr. O'Donoghue drew the committee's attention to Appendix B of the report, which detailed the forecast capital expenditure, the capital financing requirement, gross debt and forecast treasury position. He highlighted that all indicators and limits had been complied with, the council was debt free, and that each year a borrowing limit was established to provide for contingency in unforeseen circumstances.

Having scrutinised the Mid-Year Prudential Indicators and Treasury Management monitoring report it was RESOLVED to:

1. Recommend to Council that the Prudential Indicators and the Investment Limits as shown at Appendix B of the report be approved.

5. Appointment of External Auditors

Ian Curtis, Head of Governance, introduced a report detailing the appointment of the council's external auditors through Public Sector Audit Appointments (PSAA). In doing so, he advised that the PSAA were the sole external auditor 'appointing person', appointed by the Secretary of State.

Mr. Curtis advised that PSAA had a formal complaints procedure in order to express dissatisfaction in the service received. The Chairman requested that the complaints scheme be used to feedback on the missed two missed deadlines.

It was RESOLVED to recommend to the council that Fylde Borough Council formally opts in to the Public Sector Audit Appointments national scheme for the appointment of its external auditors during the period of 2023-28.

6. Internal Audit Progress Report

Sandra Cudlip, MIAA, presented the Internal Audit Progress Report. She advised that the report provided an update in respect of progress made against the Internal Audit Plan for 2021/22.

In presenting the report, she noted that officers continued to be extremely responsive and supportive in the work that MIAA were doing, and that they were on track to deliver the Head of Internal Audit Opinion.

She advised of three audits completed, housing benefits had no high-risk recommendations. Both the disabled facilities grant, and risk management had returned moderate assurances, with recommendations completed or agreed in principle respectively.

The Chairman extended her thanks to Mrs. Cudlip and Mrs. Hill for their work.

It was RESOLVED to receive, consider and comment on the Internal Audit Progress Report.

7. Report to Those Charged with Governance (ISA 260) 2020/21

The Chairman advised that this item had been withdrawn.

8. Annual Statement of Accounts 2020/21

The Chairman advised that this item had been withdrawn.

Audit Information Items

9. Corporate Governance Action Plan Update

The committee received an update on the Corporate Governance Action Plan. Tracy Manning, Director of Resources, advised that she had overall confidence that the actions listed would be met by the dates indicated. She further advised that the progress on Service Planning had been paused, following the retirement of the Director of Development Services, and would continue following the implementation of the new management structure.

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