

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY,  
KIDDERMINSTER

28TH JULY 2021 (6PM)

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**Present:**

Councillors: R H Coleman (Chairman), P W M Young (Vice-Chairman),  
V Caulfield, B S Dawes, N J Desmond, P Dyke and C Rogers.

**AUD.12 Apologies for Absence**

Apologies for absence were received from Councillor A Totty.

**AUD.13 Appointment of Substitutes**

No substitutes were appointed.

**AUD.14 Declarations of Interests by Members**

No declarations of interest were made.

**AUD.15 Minutes**

**Agreed: The minutes of the meeting held on 26th May 2021 be confirmed as a correct record of the meeting and signed by the Chairman.**

**AUD.16 Audit Progress Report and Sector Update**

The Committee received a report from Grant Thornton (GT) which gave an update on progress in delivering their responsibilities as the Council's external auditors.

The Engagement Lead led members through the report which also included a summary of emerging national issues and developments.

Members were advised that work on the audit had commenced and was going to plan. The Engagement Lead explained that the next big piece of work scheduled to take place was the report on the Value of Money arrangements. She said that as the audit progressed, any issues of concern would be reported to a future meeting of the Committee.

In response to a member question regarding capacity to complete the audit, the Engagement Lead said that the Council had always cooperated with GT and if there were any unforeseen circumstances which may cause a delay, GT would prioritise WFDCs audit. The Engagement Lead assured members that in her opinion, there was no reason to delay the audit and was confident that

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GT could deliver the final report by the end of September 2021.

**Decision: The report was noted by the committee.**

### **AUD.17 Internal Audit Monitoring Report Quarter Ended 30<sup>th</sup> June 2021**

The Committee received a report from the Audit Manager which informed members of the Internal Audit Monitoring Report for the quarter ended 30<sup>th</sup> June 2021.

The Audit Manager led members through the report and was pleased to advise that there was nothing of concern to report from the testing and review work undertaken during the first quarter.

The Committee considered each page of the monitoring report in turn and were given the opportunity to ask questions on each section.

**Decision: The Audit Committee considered and noted the Internal Audit Monitoring Report for the quarter ended 30<sup>th</sup> June 2021 as detailed in the Appendix to the report.**

### **AUD.18 Report on the Provisional Final Accounts Outturn 2020-21**

The Committee received a report from the Corporate Director: Resources and the Financial Services Manager on the provisional outturn position in relation to the Final Accounts for 2020-21.

The Corporate Director: Resources presented the report which summarised the outturn position based on extracts from the Pre-Audit Statement of Accounts. She explained that a full copy of the Statement was made available on the Council's website on 19<sup>th</sup> July and had been shared with GT prior to the start of the external audit. She thanked the Financial Services Manager, the Principal Accountants and the rest of her team for all the hard work that had gone into producing the Statement.

The Financial Services Manager led members through the report in detail and outlined the key issues. The Committee fully considered the report and took the opportunity to seek clarification on a couple of items. A member congratulated the service area managers and their teams across the whole of the organisation for achieving the savings in such a challenging time.

**Decision: The Audit Committee noted:**

#### **1.1 The key aspects of the provisional Final Accounts Outturn for 2020-21 detailed in the report which are summarised as follows:**

**The final position was much in-line with that projected in the MTFs with just a small increase of £14k to the planned withdrawal from reserves for 2020-21; total contribution from reserves £433k. This is made up of a saving on Services of £1,074k that reduces to £424k after contributions to essential earmarked reserves (EMRs), less a Business Rates deficit of**

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**£533k and addition Council Tax Income grant from the Government to help fund Council Tax losses (£95k). This has been achieved by prudent budget management, across all Directorates. The contributions to EMRs are for the Innovation Fund of £150k and a £500k Risk Reserve for the Future High Streets Fund.**

- 1.2 That, the pre-audit Statement of Accounts for 2020-21 was endorsed by the Corporate Director: Resources on the 16th July 2021 and shared with Grant Thornton for the commencement of the external audit on the 19th July 2021.
- 1.3 That, there will be a meeting on the 27th September 2021 for Members of the Audit Committee to receive the External Audit Findings Report and approve the audited Statement of Accounts.

### **AUD.19 Risk Management – Corporate Risk Register**

The Committee received a report from the Corporate Director: Resources which set out the current Corporate Risk Register and the Budget Risk Matrix.

The Corporate Director: Resources presented the report and appendices. In response to a member question she gave a detailed explanation on the workings of the risk matrix and how the individual original, Current and Target risks are set.

**Decision: The Audit Committee considered and noted the Corporate Risk Register and the associated mitigating actions as at 30<sup>th</sup> June 2021 and the 2021-24 Budget Risk Matrix.**

### **AUD.20 Any other business**

A member asked for clarification on the format of the review into the Unity Park (former Frenco site) erection of industrial units, as agreed by Council on 14<sup>th</sup> July 2021.

The Chairman advised that he and the Vice-Chairman of the Committee had been given the opportunity to comment on the proposed plan of action by the Chief Executive.

The Corporate Director: Resources advised that the Terms of Reference had been formulated in consultation with both the Chief Executive and the Solicitor to the Council and when agreed would inform the Audit Manager to carry out an independent review of the project. She said that as agreed at Council, the outcome of the review would be reported to the Audit Committee and full Council by 14<sup>th</sup> October 2021.

There being no further business, the meeting ended at 7.13pm.