

Audit and Governance Committee

Friday, 13 October 2017, County Hall, Worcester - 10.30 am

Present:

Minutes

Mr N Desmond (Chairman), Mr R W Banks, Mr A I Hardman, Mr L C R Mallett, Mr P Middlebrough, Mr C Rogers, Mrs E B Tucker and Ms R Vale

Available Papers

The members had before them the Agenda papers (previously circulated).

431 Apologies and Named Substitutes (Agenda item 1)

An apology was received from Dr A J Hopkins.

Mr A I Hardman substituted for Dr A J Hopkins.

432 Declarations of Interest (Agenda item 2)

None.

433 Public Participation (Agenda item 3)

None.

434 Annual Statutory Financial Statements for the year ending 31 March 2017 (Agenda item 4)

The Committee considered the Annual Statutory Financial Statements for the year ended 31 March 2017.

John Gregory and Helen Lillington from Grant Thornton, the Council's external auditor introduced the Audit Report findings and made the following points:

- Since the last Committee meeting, further work was necessary to amend the reference in the Accounts in relation to Exit Packages and to improve the evidence in relation to some aspects of the 'telling the story' changes. This time-consuming work had now been completed and the Accounts had been amended to the satisfaction of the external auditor and it was anticipated that an unqualified audit opinion would be provided
- Following further necessary administrative work, it was anticipated that the external auditor would be in a position to sign off the audit opinion on the Accounts by 17 October 2017

- As reported to the last meeting there were three adjustments which officers had declined to make. Since that time, officers had come to an understanding of how one of these issues arose and had now decided to amend it. Another, which had been shown as an unexplained difference, had also now been resolved as a result of the restatement of note 1.09
- It had been noted in previous years' audits that the Council needed to improve its arrangements for accounting for property, plant and equipment. Whilst the issues that arose from this work did not have a material impact, further action was needed to ensure that information on assets was reliable and consistent.

In the ensuing debate, the following principal points were raised:

- Members of the Committee could now be assured that all the outstanding issues relating to the Statement of Accounts had been resolved. Officers and representatives of Grant Thornton should be thanked for their work in finalising the Accounts
- What actions were necessary after the Council missed the statutory deadline for publishing the Accounts? John Gregory advised that the external auditor was required to inform the Public Sector Audit Appointments (PSAA) of any late opinions. The PSAA would then publish a list of late opinions which would also be copied to the Secretary of State
- The external auditor had not made any reference to the comments in the Ofsted report that the Council had demonstrated strong political support to the changes in Children's Social Care. John Gregory responded that it was not possible to include everything in the summary which had been written some time ago
- There was no evidence to suggest that the difficulties experienced with the signing off of the Accounts this year were systematic. The Committee would be receiving a report on the lessons learned at a future meeting
- The Committee thanked Sean Pearce for his contribution to the work of the Committee and wished him well for the future.

RESOLVED that:

- a) the External Auditor update letter be noted;
- b) the Final Accounts Pack including the Statement of Accounts for the financial year ending 31 March 2017 be approved; and
- c) the Chief Financial Officer be authorised to sign the Letters of Representation on behalf of the County Council.

The meeting ended at 10.50am.

Chairman