

ACCOUNTS AND AUDIT COMMITTEE – VIRTUAL MEETING

3 FEBRUARY 2021

MEMBERS PARTICIPATING

Councillor B. Brotherton (in the Chair).

Councillors C. Boyes, G. Coggins, J. Dillon, Evans, J. Lloyd (Vice-Chair), A. Mitchell, R. Thompson and B.G. Winstanley; and Mrs. J. Platt.

In attendance

Director of Finance (Mr. G. Bentley),
Audit and Assurance Manager (Mr. M. Foster),
Chief Digital Officer (Mr. P. James) (part only),
Finance Manager (Mr. F. Fallon) (part only),
Governance Officer (Mr. J.M.J. Maloney).

Also in attendance

Ms. K. Murray (Mazars).

16. QUESTIONS FROM MEMBERS OF THE PUBLIC

It was noted that no questions had been received for consideration at the current meeting.

17. MINUTES

RESOLVED – That the Minutes of the Meeting held on 26th November 2020 be approved as a correct record and signed by the Chair.

18. STRATEGIC RISK UPDATE - CYBER SECURITY

Prior to the meeting it was agreed that the presentation by the Chief Digital Officer would be delivered in Part II of this meeting, in view of matters to be discussed which were potentially sensitive in security terms.

19. EXTERNAL AUDIT PROGRESS REPORT

Karen Murray, representing the Council's external auditor, Mazars, advised Members on the current position on a small number of issues, reported to the previous meeting, which were delaying the formal completion of the audit and signature of the audit report. It was noted that completion was expected in the near future; that Members would be separately advised of this; and that there would be a formal opportunity, if needed, to discuss the content of the report at the Committee's next meeting.

RESOLVED – That the content of the oral update be noted.

20. TREASURY MANAGEMENT STRATEGY 2021/22 - 2023/24

The Executive Member for Finance and Governance and Corporate Director of Finance and Systems submitted a report which outlined key aspects of the Council's proposed Treasury Management Strategy, including with regard to the strategy to be implemented during the period for investments and borrowing; the outlook for interest rates; management of associated risks; the policy to be adopted on Minimum Revenue Provision (MRP) and Prudential Indicators. Members' attention was drawn in particular to the rationale for the proposed inclusion of a number of additional building societies on the list of the Council's approved counterparties.

An opportunity was provided for Members to raise questions on the report's content, which focussed on the nature of, and possibility of the Council experiencing, negative interest rates, and on the identified potential tension between ethical investments and treasury guidance provided by CIPFA. It was noted that further information on these issues would be provided for Members outside the meeting.

RESOLVED – That the report be noted and recommended to the Executive.

21. BUDGET MONITORING REPORT PERIOD 8 2020/21

The Executive Member for Finance and Governance and Corporate Director of Finance and Systems submitted a report which informed Members of the current 2020/21 forecast outturn figures relating to both Revenue and Capital budgets. It also summarised the latest forecast position for Council Tax and Business Rates within the Collection Fund; and it was noted that it had been referred to and considered by the Executive at its meeting on 25/1/21. Whilst the report covered the period prior to the most recent national Covid-19 pandemic lockdown, it represented a more favourable position than that described in the previous report. In discussion, questions were raised in relation to the Council's treatment of shortfalls on local taxation revenue, and it was confirmed that these would be spread equally over three years, as allowed by central government provisions.

RESOLVED – That the content of the report be noted.

22. AUDIT AND ASSURANCE REPORT FOR THE PERIOD OCTOBER TO DECEMBER 2020

[Note: Councillor Lloyd declared a Personal Interest in this item in relation to her Governorship of Stretford High School.]

Accounts and Audit Committee (3.2.21)

The Audit and Assurance Manager submitted a report whose purpose was to provide a summary of the work of Audit and Assurance during the period October to December 2020 and to provide ongoing assurance to the Council on the adequacy of its control environment. A detailed update was provided for Members on work undertaken and audit opinions issued, recommendations agreed and implemented, performance against the work plan, and planned work to be undertaken. Whilst the pandemic had unavoidably had an impact on some work, for example in respect of visits to schools, there were currently no major concerns reported; and a further update would be provided to Members at the Committee's next meeting, with a full annual report to the meeting after that. In discussion Members were advised on how different aspects of issues arising from the Covid-19 pandemic were reflected in the management of the Strategic Risk Register, which was itself subject to regular reporting to this Committee.

RESOLVED – That the content of the report be noted.

23. ACCOUNTS AND AUDIT COMMITTEE WORK PROGRAMME 2020/21

The Audit and Assurance Manager submitted a report which set out the work plan for the Committee for the 2020/21 municipal year. It outlined areas to be considered by the Committee at each of its meetings over the period. It was noted that the work programme helped to ensure that the Committee met its responsibilities under its terms of reference and maintained focus on key issues and priorities as defined by the Committee. The programme was flexible, with items added or rescheduled if this ensured that the Committee best met its responsibilities. Members' attention was drawn to the work to be undertaken as part of the Committee's next meeting, which would include an update on the STAR procurement service.

RESOLVED – That the content of the work plan set out in the report be noted.

24. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED - That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

25. STRATEGIC RISK UPDATE - CYBER SECURITY

The Chief Digital Officer was in attendance to deliver a presentation on the Council's cyber security arrangements. In discussion, Members were briefed on the principal sources of threat to cyber security, mitigation measures in place, key tools and mechanisms for enhancing security, the outcome of evaluations, work to be done and key partner resources.

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In discussion, Members raised a broad range of issues in connection with the Council's arrangements, including: the Council's approach to training on relevant issues; the security of the Council's networks and further enhancement measures; the impact of issues affecting the Council's key partners; and the interpretation of evaluation scores deriving from external audit input. It was suggested and agreed that a future update could helpfully include a summary briefing on evolving technologies in relation to data storage, retrieval and security.

RESOLVED – That the content of the presentation, and the issues raised by Members, be noted.

The meeting commenced at 6.30 p.m. and finished at 7.58 p.m.