

Chairman - Councillor A M Loughran

Present (for all or part of the meeting):-

Councillors:

M G Dodson

P W Jones

I D Fordham

J A Nixon

R A James

Cabinet Member - Councillor R M Smith - Deputy Leader and Resources  
Portfolio

Officers in attendance:-

Mr B Kean

Head of Finance

Mrs J Aupers

Head of Governance

Mr S Baddeley

Chief Internal Auditor

Mr J Dean

Democratic Services Officer

Also present:-

Mr R Percival

Engagement Lead, Grant Thornton

Mr H Samatar

Engagement Manager, Grant Thornton

#### AAC17 **Minutes**

Minutes of the meeting held on 30 July 2019, as published in Digest No 260, were submitted and signed.

#### AAC18 **Annual Audit Letter for Stafford Borough Council**

Considered the Annual Audit Letter as prepared by Grant Thornton summarising the key findings arising from the work carried out by the External Auditors to the Council for the year ended 31 March 2019.

Mr Hamze Samatar, Engagement Manager, Grant Thornton, introduced the report and highlighted the following key areas for Members attention:-

- Key messages and work carried out (as set out in the Executive Summary on page 6 of the agenda);
- Final reports issued and fees charged

Arising from consideration of the report, Members were given the opportunity to raise any questions relating to its content, to which Mr Hamze Samatar responded accordingly.

RESOLVED:- that in exercise of the powers delegated to the Committee the Annual Audit Letter for the Year Ended 31 March 2019 be received.

*The Head of Finance undertook for Members to receive training regarding Pension Fund matters, prior to the next meeting of the Committee.*

#### AAC19 **Audit Progress Report and Sector Update**

Considered the report of Grant Thornton outlining progress in delivering those responsibilities of the External Auditors and providing a summary of emerging national issues and developments relevant to the Council.

Mr Samatar led Members through the report and in particular referred to:-

- Details of progress as at November 2019
- 2018/19 - 2019/20 Audit Deliverables

RESOLVED:- that in exercise of the powers delegated to the Committee the Audit Progress Report and Sector Update be received.

#### AAC20 **Treasury Management Strategy, Minimum Revenue Provision Policy, Annual Investment Strategy 2020/21**

Considered the report of the Head of Finance (V4 02/01/20) seeking approval of:-

- the Prudential and Treasury indicators;
- the Minimum Revenue Provision Policy
- the Treasury Management Policy
- the Annual Investment Strategy for 2020/21

and to note that indicators were subject to change in accordance with the final recommendations of Cabinet and Council, in relation to both the General Fund Revenue Budget and the Capital Programme.

Arising from the debate, the Head of Finance confirmed that there were no current requirements for the Council to seek any borrowing. Following discussions regarding capital expenditure as set out in paragraph 5.23 of the report, Members voted on the recommendations as set out, which were declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee:-

- (a) the following be approved:-

- (i) the Prudential and Treasury indicators;
  - (ii) the Minimum Revenue Provision Policy;
  - (iii) the Treasury Management Policy;
  - (iv) the Annual Investment Strategy for 2020/21;
- (b) it be noted that indicators were subject to change in accordance with the final recommendations of Cabinet and Council, in relation to both the General Fund Revenue Budget and the Capital Programme.

**AAC21 Annual Governance Statement Progress Report**

Considered the report of the Head of Governance (V2 02/01/20) presenting progress in addressing the significant governance issues identified in the Annual Governance Statement for 2018-19.

The Head of Governance referred Members to paragraph 3.2 of the report, prior to detailing progress made against the governance issues as set out on pages 68-70 of the report.

Members then voted on the recommendations as set out, which were declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee the content of the progress report on the Annual Governance Statement for 2018-19 be noted.

**AAC22 Internal Audit Quarter 1 and 2 Report for 2019-20**

Considered the report of the Chief Internal Auditor (V1 23/12/19) presenting the Internal Audit Quarter 1 and 2 Report for 2019-20 and seeking approval of the IT Audit Plan for 2019-20.

The Chief Internal Auditor detailed the performance of the Audit Section as set out in Appendix 1 of the report.

Clarification was provided regarding the awarding of partial assurance in relation to IT Project Management as set out in appendix 2 of the report, and the timing of providing the quarterly reports to the Committee.

Members then voted on the recommendations as set out, which were declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee:

- (a) the Internal Audit report for Quarter 1 and 2 of 2019-20 be noted;
- (b) the IT Audit Plan as set out in Appendix 5 of the report be approved.

*The Chief Internal Auditor undertook to provide details of mobile devices as used by Officers of the Council, as requested.*

**AAC23 Risk Management Report**

Considered the report of the Head of Governance (V1 12/12/19) setting out the details of the Council's Strategic Risk Register as at 30 September 2019.

The Head of Governance highlighted paragraphs 5.6/7 of the report and the corresponding details as set out in the associated Appendix 2.

Members then voted on the recommendations as set out, which were declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee the Strategic Risk Register (as approved by Cabinet) be approved and the progress made in the identification and management of the strategic risks be noted.

*The Head of Governance undertook to review any requirement to update the Councils Risk Policy (in conjunction with the Cabinet).*

**AAC24 Work Programme - Audit and Accounts Committee**

Considered the report of the Head of Law and Administration (V1 06/01/20) presenting the Audit and Accounts Committee's proposed work programme.

Members then voted on the recommendations as set out, which were declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee the Work Programme be received.

**AAC25 Mr Richard Percival, Engagement Lead, Grant Thornton**

It was reported that in line with rotation of Engagement Lead Officers of the External Auditors, this was the last meeting of the Committee to be attended by Mr Richard Percival of Grant Thornton.

RESOLVED:- that the Committee place on record in thanks and appreciation to Mr Richard Percival, Engagement Lead, Grant Thornton for his work in supporting the Council's Audit and Accounts Committee.

CHAIRMAN