

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CORPORATE GOVERNANCE COMMITTEE held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Wednesday, 13 November 2019.

PRESENT: Councillor Dr P L R Gaskin – Vice-Chairman.

Councillors P Kadewere, D N Keane, H V Masson, D J Wells and Mrs S R Wilson.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors S M Burton, E R Butler, D A Giles, L W McGuire and J P Morris.

### 36 MEMBERS' INTERESTS

No declarations were received.

### 37 APPROVAL FOR PUBLICATION OF THE 2018/19 ANNUAL FINANCIAL REPORT

With the aid of a report (a copy of which is appended in the Minute Book) the Committee were informed of the process for finalising and publishing the Council's Annual Governance Statement and Annual Financial Report for 2018/19. The Annual Governance Statement had already been approved at the Committee's 25th July 2019 meeting.

The Finance Manager was pleased to report that an unqualified audit opinion had now been provided on the 2018/19 accounts and drew attention to the uncertainty around an adjustment to the previous year's surplus/deficits which had been requested by the Ministry of Housing, Communities & Local Government. This would not have a material impact upon the accounts and would be treated as a cash payment. The auditors had raised the accounting records, timeliness of deliverables and bank reconciliation as issues within the accounts which were similar to those which had been raised the previous year. Members were informed that significant progress had already been made to ensure that information presented within the accounts were comprehensive and understandable.

Having welcomed Mr S Patel of Ernst & Young LLP to present the Audit Results Report which summarised the preliminary audit conclusions, Mr Patel extended his thanks and appreciation to Officers, Members and the Finance Team for assisting with the audit during these challenging times. Attention was then drawn to the outstanding issues relating to property, plant and equipment and income and expenditure testing where it as reported that investigations into both had now been completed. Additional fees associated with delays in delivering the audit were yet to be determined and a meeting would be held with the Finance Team to consider how the audit could be delivered more efficiently and effectively in future years.

A number of questions had been raised and responded to at the meeting. Matters that were discussed included the Council's increasing pension liability, the adjustment which had been made to confirm the correct valuation of one of the District Council's car parks, clarification on the meaning of "overriding controls", the reasons why there was no formal data migration strategy and plan, the likely cost of additional audit fees in light of the delays by the auditors to deliver the audit within the required timeframe and the treatment of business rates within the accounts.

Having been informed that the significant resource issues experienced by the auditor had now been resolved and in receiving assurances that the process to complete the audit of the 2019/20 accounts was underway, the Committee then discussed the events at Northamptonshire County Council. In doing so, the Corporate Director (People) advised that the Council had worked hard to recognise and understand the demography of Huntingdonshire's population and that efforts were being made to ensure that back office processes were operating as robustly and rigorously as possible. The forthcoming appointment of a new Assistant Director for Corporate Services would focus on operational services and respond to the challenges faced by the authority.

Having extended their thanks and appreciation to Officers and the Finance Team for their hard work during the audit of the accounts, it was

#### RESOLVED

- (a) that the Auditor's Results Report as attached as Annex A of the report now submitted be received and noted;
- (b) that the Letter of Representation as attached as Annex B of the report now submitted be approved and the Section 151 Officer be authorised to sign it on behalf of the Council; and
- (c) that, subject to the auditors confirming an unqualified opinion on the Annual Financial Report 2018/19, delegated powers be given to the Chairman of the Committee and Finance Manager (as Section 151 Officer) to authorise and sign the Annual Financial Report, as attached as Annex C of the report now submitted, on behalf of the Council.

Chairman