

GOVERNANCE & AUDIT COMMITTEE
19 JULY 2023
7.30 - 8.15 PM



Present:

Councillors O'Regan (Vice-Chair, in the Chair), Allen, Ejaz, Haffegge, Neil, Robertson and Zahuruddin

Also Present Virtually:

Councillor Hayes

Apologies for absence were received from:

Councillors Karim

Statement from Councillor Karim

Councillor Karim joined the meeting to make a statement to Committee members on a matter relating to the last Planning Committee, for which he apologised.

9. Declarations of Interest

There were no declarations of interest.

10. Minutes of previous meeting

RESOLVED that the minutes of the meeting of the committee held on the 21 June 2023 be approved as a correct record.

11. Urgent Items of Business

There were no urgent items of business.

12. External Audit: Audit Results Report - 2020-21 Financial Statements

Andrew Brittain, Ernst & Young presented the External Audit Results Report for the 2020/21 accounts.

Members were reminded that the audit had been delayed by matters at the Berkshire Pension Fund which had now been resolved.

It was noted that an unqualified audit opinion was being issued on the financial statements and an unqualified value for money opinion.

A signed management representation letter was required to complete the audit, signed by the Chair of this meeting and Stuart McKellar as Section 151 officer.

It was noted that there were some differences to be noted in the report, some of which had not been corrected due to their immateriality to the audit opinion. There were no significant differences which required Committee's attention.

In response to questions, the following points were noted:

- There was no minor issues document to follow, however a separate report would be issued within 3 months which was referred to as the Annual Auditor's opinion to include detail on the value for money conclusion. If a difference was below the reporting threshold of £291k it was not reported on.
- Multiple small differences could accumulate, and if the audit process identified differences which were representative of a larger population, these errors would be extrapolated to see if the cumulative difference required reporting. This had not been the case during the audit.
- The one adjustment to the accounts related to the Berkshire Pension Fund, This is subject to a separate audit but any misstatements also need to be reflected in the Council's accounts if material.

13. **Financial Statements 2020/21**

Arthur Parker, Chief Accountant presented the Financial Statements 2020/21.

The unique position of these delayed accounts was noted, in addition to the unique nature of the 2021 accounts taking account of the pandemic and COVID spending. The Council had received central government grants and had administered relief grants to business rates on behalf of central government. During the 2020/21 year, there had been an underspend of £3.6m which enabled the general reserves to be bolstered.

Arthur commented that the 2020/21 year had ended with the Council in a strong financial position, which remained the case for the 2022/23 financial year as reported to Executive.

Members' attention was drawn to one reporting error for 2020/21 accounts which related to the valuation of a community centre and a boundary error. This error was not material and therefore the accounts had not been adjusted. The other areas of change were outside of the Council's control in respect of the Berkshire Pension Fund.

In response to questions, the following points were noted:

- It was not unusual to get an unqualified opinion on financial statements, but the value for money opinion conclusion was more often modified.
- The difference relating to the community centre in the 2020/21 accounts had been picked up in the 2021/22 accounts.
- Members were reminded of the strategic risks and challenges which the Council faced, and which had been budgeted for accordingly through contingency funds. The strategic risks and challenges were taken from the strategic risk register which was presented to this Committee every 6 months.

RESOLVED that

- 1 The Financial Statements for 2020/21 attached at Annexe A be approved;
- 2 The Chairman of the meeting be authorised to sign and date the Statement of Accounts on behalf of the Committee;
- 3 The Chairman of the meeting be authorised to sign and date the Letter of Representation.

14. **Annual Standards Report**

Sanjay Prashar, Borough Solicitor presented the Annual Standards report, which captured the standards activity and any Code of Conduct complaints during the year.

The report highlighted 18 Code of Conduct complaints; however it was noted that of these, 13 had been brought by two individuals about two instances. All of the complaints during the year had been brought against Borough Councillors, but none had been upheld. The Bracknell Forest complaints figures compared favourably to that of neighbouring authorities.

Governance & Audit Committee had agreed in previous years to continue with the Bracknell Forest local Code of Conduct model.

Training was ongoing for new Councillors to cover the obligation of members under the Code of Conduct.

Arising from questions, the following points were noted:

- The report would be publicly available and would be presented to Council. No details of any individual had been included in the report.
- The Code of Conduct was a living document, and a Code of Conduct working group had been convened under the previous administration to review it. It was noted that a review of the Code of Conduct could be undertaken as part of a Constitution review, and any proposed Constitution amendments would be brought before this Committee for review.

RESOLVED that the Standards output in 2022/23 as set out in Appendix B to the report be noted.

CHAIRMAN