

Minutes of a meeting of the ESPO Finance and Audit Subcommittee held at County Hall, Glenfield on Wednesday, 26 May 2021.

PRESENT

Cllr. P. Butlin (in the Chair)

Dr. R. K. A. Feltham CC

Cllr. A. Hagues

Apologies

Apologies were received from Cllr. S. Clancy (Norfolk County Council) and Cllr. S. Rawlins (Lincolnshire County Council) Cllr. A. Hagues attended as substitute.

Vacancies were held for Cambridgeshire County Council and Peterborough City Council awaiting nominations following the May 2021 Elections.

In attendance

ESPO

Mr. K. Smith – Director

Mr. D. Godsell – Assistant Director

Mr. M. Selwyn-Smith – Assistant Director

Mr. M. Campbell – Assistant Director

Mr. D. Goodacre – Commercial Financial Controller

Leicestershire County Council

Mr. D. Keegan – On behalf of Consortium Secretary

Mr. N. Jones – Head of Internal Audit

Mr. M. Davis – Audit Manager

Mr. M. Seedat – Head of Democratic Services

Ms. C. Tuohy – Democratic Services Office

Mr. P. Carpenter – Peterborough City Council Corporate Director Resources

99. Minutes.

The minutes of the meeting held on 3 February 2021 were taken as read, confirmed and signed.

100. Declarations of interest in respect of items on the agenda.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

101. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.

There were no urgent items for consideration.

102. Head of Internal Audit Service Annual Report 2020-21.

The Subcommittee received a report of the Consortium Treasurer outlining the Internal Audit Service Annual Report 2020-21. A copy of the report, marked 'Agenda Item 4', is filed with these minutes.

Members were pleased to note that the completed audits gave positive opinions on all three components of the 'control environment' i.e. the framework of governance, risk management and control.

One audit returned a partial assurance rating which related to credit control. The HoIAS was confident, having spoken to senior managers, that the issue was well understood and would be resolved in the near future. Work was already underway to mitigate the risk. Members were pleased to note that all other assurance audits undertaken returned 'substantial assurance', the top rating possible.

RESOLVED:

Members noted the contents of the Internal Audit Service Annual Report 2020/21 and recommend the report to the Management Committee for approval.

103. Progress Against the 2020-21 and 2021-22 Internal Audit Plans.

Members received a report of the Consortium Treasurer outlining the progress made against the 2020/21 and 2021/22 Internal Audit Plan. A copy of the report marked 'Agenda Item 5', is filed with these minutes.

Members noted that the Annual Report (minute 102) refers outlined the action being taken and assurance given in respect of the single partial assurance opinion rating.

RESOLVED:

Members noted the contents of the report outlining the progress against the Internal Audit Plan.

104. Date of next meeting.

RESOLVED:

That the next meeting of the Subcommittee be scheduled for early 2022.

105. Exclusion of the Press and Public.

RESOLVED:

That under Section 100(A) of the Local Government Act 1972 the public be excluded from the remaining item of business on the grounds that it will involve the likely disclosure of exempt information during the consideration of the following items of business as defined in paragraphs 3 and 10 of Schedule 12A of the Act, and, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

106. Draft Outturn 2020-21.

The Subcommittee considered an exempt report of the Director and Consortium Treasurer outlining the draft Outturn for 2020-21. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

The exempt report was not for publication as it contained information relating to the financial or business affairs of a particular person (including the authority holding that information).

The Director updated the Subcommittee regarding the impact of Covid-19 on ESPO and its draft outturn. Members were pleased to note that there had been a significant uplift in trading following schools re-opening in March.

Members noted that ESPO's Annual Accounts 2019-20 were still outstanding due to delays resulting from the impact Covid-19, finance staff turnover in ESPO and resourcing from the external auditor Grant Thornton.

RESOLVED:

That the 2020/21 forecast outturn be noted and that the Management Committee be recommended to support the allocation of £400,000 to Building Reserves in line with the practice in previous years.

11.30 am
26 May 2021

CHAIRMAN