

## South Cambridgeshire District Council

Minutes of a meeting of the Audit and Corporate Governance Committee held on  
Friday, 4 February 2022 at 10.00 a.m.

PRESENT: Councillor Tony Mason – Chair

Councillors: Henry Batchelor  
Geoff Harvey  
Heather Williams

Jose Hales  
Mark Howell

Officers: Patrick Adams  
James Carter  
Peter Maddock  
Rory McKenna  
Liz Watts

Senior Democratic Services Officer  
Interim Project Accountant  
Head of Finance  
Monitoring Officer  
Chief Executive

Auditors: Janet Dawson  
Mark Russell  
Jonathan Tully

Ernst & Young  
Ernst & Young  
Head of Shared Internal Audit

Councillor Nigel Cathcart was in attendance, by invitation.

Councillor John Williams was in attendance remotely.

### 1. Apologies for Absence

Apologies for Absence were received from Councillor Nick Sample. Councillor Henry Batchelor attended as his substitute.

### 2. Declarations of Interest

None.

### 3. Minutes of Previous Meeting

The minutes of the meeting held on 1 December 2021 were agreed as a correct record.

### 4. Completion of the 2018/19 Audit of the Accounts

The Head of Finance presented this report on the completion of the 2018/19 audit of accounts. He explained that the recommendation in the report needed to be amended to read:

“It is recommended that the attached 2018/19 Statement of Accounts is approved, and that any final updates are delegated to the Head of Finance in consultation with the Chair of this committee, in liaison with EY, in the expectation that an unqualified audit opinion will be issued by the external auditors following the committee meeting on 4 February.”

It was noted that the final responsibility for the signing of the accounts lay with the

Head of Finance and this was the reason for the amendment.

The Head of Finance highlighted amendments to the Statement of Accounts in the agenda, which were circulated at the meeting and had been published on the website as a supplement.

The Chair explained that the accounts in the agenda replaced the most recent accounts provided to the Committee and so should now be accepted as the latest version of the accounts. He further explained that if there was a material variance in the 2018/19 accounts they would be taken back to the Committee before being agreed. Councillor Heather Williams suggested that if any changes were made to the accounts the Committee members should be informed.

It was noted that it was expected that the 2018/19 accounts would be signed off by the end of February. Councillor Heather Williams suggested that if the accounts were not signed off by the end of February a meeting of the Committee should be held in early March.

It was agreed that a new timeline regarding the signing off of the 2019/20, 2020/21 and 2021/22 accounts would have to be drawn up.

By affirmation the Committee

**Agreed** that the 2018/19 Statement of Accounts, attached to the report, be approved and that any final updates are delegated to the Head of Finance in consultation with the Chair of this committee, in liaison with EY, in the expectation that an unqualified audit opinion will be issued by the external auditors following the committee meeting on 4 February.

## **5. Draft 2018-19 Audit Results Report from External Audit**

Janet Dawson presented External Audit's draft results report for the 2018/19 accounts. She explained that resolving the outstanding issues should be straightforward and she was confident the work would be completed by the end of the month. However, the work could only be signed off by her and Mark Russell and so in the unlikely event of one of them being unable to carry out this work, there would be a further delay. It was noted that it was planned that work on the 2019/20 accounts was scheduled to begin on 1 March.

### **Timescales**

In response to concerns that there could be further delays, the Head of Finance expressed his confidence that the accounts would be signed off by the end of the month, as there were only two questions that needed to be resolved and these issues did not have a cash impact on the Statement of Accounts. He further explained that the draft accounts for 2019/20 should be ready by 18 March. The Interim Project Accountant stated that on the current evidence the draft 2019/20 accounts should be presented to the Committee at its next meeting on 29 March.

The Head of Finance assured the Committee that once all the outstanding

accounts had been signed off the Council would have a team in place to ensure that future accounts would be prepared in a timely manner.

#### **Work of the interim accountants**

The Head of Finance explained that the Council had two accountants solely dedicated to the accounts and preparatory work had been done in anticipation of the External Auditors starting work on the 2019/20 audit. The Head of Finance agreed to check the notice period for the interim accountants carrying out this work. The Interim Project Accountant assured the Committee that both he and his colleagues were committed to completing the project regarding the outstanding accounts and training the rest of the team on how to deliver the accounts in the future.

#### **External Auditors' fees**

Councillor Heather Williams expressed concern that the External Auditors were attempting to charge over £120,000 more than originally estimated, and that EY had been partly responsible for some of the delay. The Head of Finance replied that he planned to discuss the fees with the External Auditors, but getting the accounts signed off was the priority. Janet Dawson explained that EY were not charging for any delays but only for the work completed.

The Committee **Noted** the report.

#### **6. Regulation of Investigatory Powers Act 2000 (RIPA) - Update on use of RIPA**

The Monitoring Officer informed the Committee that the Council had not used its RIPA powers between the period March to January 2022.

The Committee **Noted** the report.

#### **7. Matters of Topical Interest**

The Chair explained that he was meeting with the External Auditors to discuss training for audit committee members, which would be arranged soon after the elections in May.

#### **8. Date of Next Meeting**

It was noted that the next scheduled meeting would take place on Tuesday 29 March at 10 am. The Chair announced that if the 2018/19 accounts were not signed off in February an extra meeting would be held in early March.

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**The Meeting ended at 11.00 a.m.**

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