

South Cambridgeshire District Council

Minutes of a meeting of the Council held on
Monday, 18 October 2021 at 6.00 p.m.

PRESENT: Councillor Anna Bradnam – Chair
Councillor Peter Fane – Vice-Chair

Councillors: Henry Batchelor, John Batchelor, Ruth Betson,
Dr. Shrobona Bhattacharya, Tom Bygott, Dr. Martin Cahn,
Dr. Claire Daunton, Sue Ellington, Corinne Garvie, Neil Gough,
Bill Handley, Sally Ann Hart, Geoff Harvey, Dr. Tumi Hawkins,
Steve Hunt, Tony Mason, Peter McDonald, Deborah Roberts,
Nick Sample, Bridget Smith, Dr. Aidan Van de Weyer, Bunty Waters,
Heather Williams, John Williams, Dr. Richard Williams and Nick Wright

Councillors Cllr Paul Bearpark, Cllr Gavin Clayton, Cllr Mark Howell, Cllr Fiona Whelan and Cllr Eileen Wilson were in attendance remotely.

Officers:	Patrick Adams	Senior Democratic Services Officer
	Anne Ainsworth	Chief Operating Officer
	Peter Campbell	Head of Housing
	Peter Maddock	Head of Finance
	Rory McKenna	Monitoring Officer
	Liz Watts	Chief Executive

1. Apologies

Council observed an extended period of silence following the tragic death of Sir David Amess MP. Councillor Heather Williams read out a statement on behalf of Councillor Grenville Chamberlain who had known Sir David Amess MP for over twenty years. Councillor Heather Williams, Councillor Bridget Smith and Councillor Gavin Clayton expressed their shock over the MP's murder but also affirmed their support for his family and the democratic ideals that he represented.

Apologies were received from Councillors Grenville Chamberlain, Sarah Cheung-Johnson, Graham Cone, Clare Delderfield, Jose Hales, Alex Malyon, Dawn Percival, Judith Rippeth and Dr Ian Sollom.

2. Declaration of Interest

None.

3. Audit of the 2018/19 Accounts

The Chair reported that she had called this meeting of Council after receiving a request from the Conservative Group to discuss the ongoing audit of the 2018/19

accounts.

Councillor Heather Williams explained that it was important that the update on the auditing of the 2018/19 accounts was discussed at a public meeting to ensure that the Council was open and transparent.

Councillor John Williams, Lead Member for Finance, stated that residents should be able to expect the Council's accounts to be signed off in a timely manner and he apologised that this had not happened. He explained that the 2017/18 accounts had taken two years to be signed off and this had delayed work on the 2018/19 accounts. July's Audit and Corporate Governance Committee were informed that the 2018/19 accounts were expected to be signed off in September but unfortunately the work took longer than expected. In particular the Asset Register needed to be adjusted and completed. The Council's External Auditors had stated that they would use their powers to call a meeting of full Council if the outstanding information was not provided in 14 days. However, they have now confirmed in writing that they have received this information within their deadline and it was now expected that the accounts would be signed off in November. It was hoped that the Council would be able to sign off the 2021/22 accounts by September 2022.

Councillor John Williams proposed and Councillor Neil Gough seconded the recommendation in the report: "To note the position on the Audit of the Accounts for 2018/19."

Councillor Heather Williams proposed and Councillor Nick Wright seconded the following addition to recommendation "... and the Cabinet's commitment to resolving the issues giving as much resource as is needed to get the accounts up-to-date by October 2022 subject to external auditors questions and requests." Councillor John Williams accepted this amendment and it became part of the substantive recommendation without debate.

Councillor Sue Ellington stated that in her experience continuity was one of the most important aspects of a successful workforce. She asked how many interim accountants had been put in place during the last three and a half years. The Head of Finance agreed to provide a written response on this question. Councillor Tom Bygott asked how much had been spent in redundancies, early pension access and gardening leave due to senior accountants leaving the Council. Councillor John Williams stated that the purpose of this meeting was to discuss the 2018/19 accounts and he was not in a position to answer this question. The Chair suggested that this information could be provided outside the meeting.

Councillor Ruth Betson asked how much the Council would be charged in external auditor fees, due to the delay in the signing of the 2018/19 Accounts. Councillor John Williams explained that this matter would have to be discussed with the external auditors.

In response to the suggestion that the meeting should discuss the delays in signing off the 2017/18 accounts, Councillor John Williams explained that this

delay had started under the previous administration. He reported that there had been delays in the signing of the previous years' accounts for at least two years before the current administration was elected in 2018. The Council was now on course to get the 2018/19 accounts signed off next month and then get the next two years of accounts signed off as quickly as possible after that. Extra resources had been acquired to achieve this.

Councillor Dr Richard Williams asked if the 2018/19 accounts would be signed off in November. The Head of Finance explained that the information requested had been provided to the external auditors, who were now sample testing the data provided. The Council was awaiting any resulting queries. He was confident that the 2018/19 accounts would be signed off in November.

Councillor Nick Wright expressed his disappointment that the Lead Cabinet Member for Finance had not spoken about the 2018/19 accounts at the last meeting of the Audit and Corporate Governance Committee. Councillor John Williams explained that it would have been inappropriate for him to argue with the external auditors in a public meeting.

Councillor Nick Wright asked for clarification regarding the comments from the Lead Cabinet Member for Finance that a misjudgement had been made regarding the resources required for the signing of the 2018/19 accounts. Councillor John Williams reiterated that the Council had misjudged how much work was required to prepare the Asset Register, as it appeared some of the historic valuations, going back many years, were not accurate. Additional staff had been recruited, but this had proved insufficient. He added that the impact of the Covid-19 pandemic had diverted officer hours to the paying of Government grants to support the District's businesses, as this had been a bigger priority than the accounts.

Councillor Deborah Roberts stated that it should be a priority of all public bodies to have its accounts up to date to be able to prove that it was acting within its powers and she suggested that the current administration had not made this a priority. She asked if it was sensible for the Council to purchase properties in Cambridge if it did not know how much money it had in its bank account. Councillor John Williams assured Council that the administration did know its financial position and Cabinet received regular reports on this matter. The actual financial differences found by the auditor in the 2018/19 accounts were within the acceptable margins of error.

Councillor Bunty Waters asked how many officers (Full Time Equivalent) were working on the accounts compared to 12 months ago. The Head of Finance stated that currently two officers were working on the 2018/19 accounts, with other officers able to assist when necessary.

Councillor Dr Shrobona Bhattacharya asked if the Lead Cabinet Member for Finance felt sorry for what had happened and whether he should apologise. Councillor John Williams stated that he had already apologised.

Councillor Gavin Clayton asked whether the decision to change the finance

management system had further delayed the signing of the accounts. Councillor John Williams reiterated that the delay had not had any impact on the Council's services. He confirmed that a new accountancy system had been installed, as it was important to have up to date software.

Councillor Heather Williams thanked Councillor Tony Mason for his work as Chair of the Audit and Corporate Governance Committee in liaising with the external auditors and keeping the members of the Committee up to date regarding the position of the 2018/19 accounts. She stated that back in 2018 concerns had been raised regarding the lack of resources and lack of senior management continuity in accountancy. She hoped that the current administration recognised this and would address it.

Councillor Neil Gough thanked the Audit and Corporate Governance Committee and the supporting officers for their work and for the auditors for doing their job. He recognised that it was important that Council understood the reasons for the delay in the signing of the 2018/19 accounts, which included an underestimate of the complexity of the accounts and the impact of the Covid-19 pandemic. Most importantly, the information had been provided to the external auditors and accounts were expected to be signed off next month.

Councillor John Williams explained that the underlying causes of the delay in the signing of the 2018/19 accounts existed before the current administration came to power. There had been a huge effort by everyone involved in the 2018/19 accounts and whilst the amount of work had been underestimated this mistake would not be repeated with the work on the subsequent accounts. He assured residents that the Council's funds were being spent properly.

A vote was taken and by affirmation Council

Agreed to note the position on the Audit of the Accounts for 2018/19 and the Cabinet's commitment to resolving the issues giving as much resource as is needed to get the accounts up-to-date by October 2022 subject to external auditors questions and requests.

The Meeting ended at 7.10 p.m.
