

Audit Committee Minutes

Date: 26 July 2018

Time: 7.00 - 8.12 pm

PRESENT: Councillor M C Appleyard (in the Chair)

Councillors G C Hall, M Hanif, A Lee, R J Scott and N J B Teesdale, P R Turner

Also present: Maria Grindley and Sue Gill (External Auditor, Ernst & Young)
Councillor David Watson

17 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Ms C Oliver and Councillor R Wilson.

18 MINUTES

RESOLVED: That the minutes of the meeting held on 31 May 2018 be confirmed as a correct record and signed by the Chairman.

19 DECLARATIONS OF INTEREST

There were no declarations of interest.

20 WDC EMERGENCY PLANS/PROCEDURE RISK OWNER

The Head of Housing and Environment, Nigel Dicker and Divisional Environmental Health Officer and Emergency Planning Officer, Andrew Collinson, attended the meeting to provide information on the Council's emergency planning work. As this was a feature of the Strategic Risk Register it was within the Audit Committee's remit to ask the Risk Owner to attend a meeting and explain how this was being managed.

The following points were noted:

- The Emergency Planning team supported the blue light services and helped facilitate recovery.
- Wycombe District Council has a Memorandum of Understanding with Buckinghamshire County Council to enable a joint response.
- The Wycombe District Council Emergency Plan and other operational response plans were regularly reviewed.
- Neighbouring authorities were also supported in case of any emergencies.
- The Emergency Planning team were involved in exercises with the blue light services to provide sufficient training in the event of an emergency.

- The Chief Executive had recently undertaken training to help facilitate an emergency response.
- Recent activity has included engagement with event organisers, supporting the Royal wedding and the visit by President Trump.

In response to a query Andrew confirmed that if an emergency event occurred then a multiagency plan would come into effect. There was a major trauma centre based at the John Radcliffe Hospital in Oxford however a trauma network across hospitals in the country would provide the best available hospital at the time of any incident. The NHS also had a network with hospitals in Europe so that the best care for patients could be accessed. Patients were tracked and there were also plans in place for repatriation of patients if required. In the sad event of mass casualties there were also emergency mortuary arrangements, with the regional facilities currently based in Reading.

There were two desktop exercises planned and large national exercise being undertaken in the near future in preparation for a large emergency event.

It was noted that the recent promotion of Wycombe Wanderers Football Club had increased the risk factors in relation to an emergency event. Work had been undertaken with the club regarding their emergency planning and response procedures with staff including attendance at live and desktop exercises. Regarding the road access to and from the stadium it was noted that there were contingency plans for people to disperse on foot from the area in case of an emergency. The staff have a contact list of businesses in the area to make sure that lorries and other vehicles do not obstruct the highway.

The Chairman thanked Nigel and Andrew for the update. The Committee agreed that an update should be provided to the Committee on an annual basis, also due to the importance of the subject that an all member seminar be arranged to update Members. It was queried that due to the important nature of the subject if attendance to the training for members could be made compulsory.

21 HOUSING BENEFIT SUBSIDY AUDIT - APPOINTMENT OF INDEPENDENT REPORTING ACCOUNTANT

The Committee considered a report which provided information on the appointment of the Independent Reporting Accountant for the housing benefit subsidy audit for 2018/19.

It was noted that after a formal tender process Ernst and Young LLP (EY) had been appointed to undertake the external audit of the Councils financial statements from 2018/19. They are also the current provider for both the financial accounts and the Housing Benefit subsidy claim certification. The Committee were informed that as EY already provide these services and for continuity and cost efficiency it aids consistency to also engage EY for this role.

RESOLVED: That Ernst & Young LLP (EY) be appointed as the Independent Reporting Accountant for the purpose of performing the

housing benefit subsidy certification work for 2018/19 in line with the Department for Works and Pension (DWP) Guidance.

22 TREASURY MANAGEMENT ANNUAL REPORT 2017-18 - CABINET REPORT

The Committee received a report presented to Cabinet on 4 June 2018 in respect of Treasury Management as required the by Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice. The report outlined the treasury management activities and performance for 2017/18.

RESOLVED: That the treasury management report for 2017/18 as presented to cabinet be noted.

23 EXTERNAL AUDITOR'S ISA 260 AUDIT RESULT REPORT

Maria Grindley, the responsible EY partner and signature to the accounts and external audit manager Sue Gill, presented Ernst & Young's Audit Results Report and findings from the 2017/18 audit.

The Committee were informed that the auditors proposed to issue an unqualified opinion on the financial statements and Value for Money Opinion. The audit results had demonstrated that the Council had prepared its financial statements adequately.

In response to a query the EY partner explained that an unadjusted difference in the pension disclosures outlined in the report related to a difference between the estimate from the actuary used in the financial statements and the actual year-end value of the Buckinghamshire Pension Fund (of which the Council is an admitted body). However this is not unusual when estimates are used and it was confirmed that the Council was not expected to adjust for this amount.

In response to a further query it was noted that local government accounting was different to the corporate sector and this was set out by Government.

The external auditors noted that the Statement of Accounts were submitted three months in advance to previous years and thanked officers for all the work and their professional manner in enabling these to be submitted on time.

RESOLVED: That the Auditor's Results Report be noted.

24 APPROVAL OF 2017/18 STATEMENT OF ACCOUNTS

The Head of Finance Dave Skinner and Chief Accountant, Hasina Shah presented the Statement of Accounts for 2017/18.

The Committee were taken through key figures in the Accounts and were also asked to note the Annual Governance Statement for 2017/18 which had been

approved by the Committee on 31 May 2018 and signed by the Leader and Chief Executive.

The key factors affecting the Council's accounts were summarised as follows:

- This year the draft statement of accounts were prepared one month earlier to comply with legislation. Following the public inspection period and audit the Statement of Accounts must be submitted to Committee for approval and then published by 31 July.
- Under the CIPFA Code of Practice the Council does not meet all the requirements for Group Accounts for Higginson Park Charity as it does not have rights to any return from the charity. Therefore, the Council has not prepared the Group Accounts.
- There had been net increase in Comprehensive Income and Expenditure surplus during 2017/18 to £31.6m due to the following:
 - change in accounting of CIL income;
 - additional income from the Sports Centre Contract,
 - increase in Capital receipts,
 - changes in fair value of investment properties,
 - actuarial gains on pension assets.
 - offset by increase in capital grants or funding provided to third parties.
- There was a healthy balance sheet with Long Term Assets increased by £25m and net worth increased by £32m.
- Regarding Cash Flow it was noted that the net movement of £10m was mainly from investment activities.

In response to a query it was noted that pension contributions made by the Council were as per the actuarial assessed requirements and contractual decisions.

It was noted that the £1.2m extension to Risborough Springs Swim and Fitness Centre was subject to planning permission.

The Chairman thanked the officers for the report and the work involved.

RESOLVED: That

- i) the signed Annual Governance Statement for 2017/18 alongside the Statement of Accounts be noted,
- ii) the External Auditor's letter of representation as attached at Appendix B be approved,
- iii) the Statement of Accounts for 2017/18 be approved.

The Committee noted the Higginson Park Charity Accounts for 2017/18 with a net expenditure of the trust of £0.45m with assets worth £5,458m.

Members noted that the accounts would be audited by Seymour Taylor Audit Limited.

Recommended to Council: That the Higginson Park Charity Annual Report and Financial Statements for 2017-18 be approved.

26 AUDIT COMMITTEE WORK PROGRAMME

The Audit Committee work programme as appended to the agenda was reviewed by the Committee.

RESOLVED: That the work programme be noted.

27 INFORMATION SHEETS

RESOLVED: That the following Information Sheet be noted:

- i) 03-2018 Ernst & Young Local Government Audit Committee Briefing.

28 SUPPLEMENTARY ITEMS

There were no supplementary items.

29 URGENT ITEMS

There were no urgent items.

Chairman

The following officers were in attendance at the meeting:

David Skinner	- Head of Finance & Commercial
Jemma Durkan	- Senior Democratic Services Officer
Andrew Collinson	-
Nigel Dicker	- Head of Environment & Housing
Hasina Shah	- Chief Accountant