

AUDIT AND RISK MANAGEMENT COMMITTEE

20 JULY 2022

MINUTE EXTRACT

18 EXTERNAL AUDIT ANNUAL AUDIT REPORT 2020-21, AUDITORS REPORT COMPANY GOVERNANCE 2020- 21 AND MERSEYSIDE WASTE VALUE FOR MONEY REPORT 2020-21

The auditor from Grant Thornton introduced the report of the Director of Resources which presented the Council's external auditors (Grant Thornton) completion of the Council's main audit 2020-21 Accounts in January 2022. The auditors Annual Audit Report of the key issues/findings from their audit was attached, including two further reports, the Value for Money report on Merseyside Waste and the review of the Governance of Companies and other investments. The Audit Reports contained a set of recommendations for the Council to Implement, although significant progress had been made in addressing these recommendations.

The auditor expressed concern over the use of resources and the risk consideration but acknowledged that there was a savings plan and reduced use of reserves.

Members queried elements in the report and it was established that

- The detail on minimal revenue provision was concerned at overall expenditure not specific projects
- Monitoring and reporting since the report was written had been assisted by an independent panel and a finances Star Chamber
- Not all risks were aimed to be eliminated but mitigated
- Further reports would be brought to the Committee on specific issues such as minimal revenue provision
- Officers had agreed the recommendations where they were able and they were being acted upon
- Officers would discuss with other Committee leads the potential for taking additional information to be included within the performance reports to other Committees
- Launching specific initiatives, such as the community bank, may require considerable specific experience and staff resources in order to mitigate risks
- Audit fees were based on potential risk

The Chair proposed an additional recommendation to bring back future reports, as highlighted in Appendix 4 from the Director of Resources to this Committee. This was agreed.

Resolved – That

- (1) the reports and appendices be approved and be forwarded for approval to the Policy and Resources Committee and full Council and then published on the Council website;**
- (2) further reports on the progress of the auditors recommendations be brought back to Audit and Risk Management Committee.**