

# Bristol City Council Minutes of the Audit Committee

25 March 2024 at 2.00 pm



## **Members Present:-**

Councillors: Andrew Brown – Chair, David Wilcox – Vice Chair, Fabian Breckels, Jonathan Hucker, Guy Poultney, Patrick McAllister.

**Independent Members of the Committee:** Apologies from Adebola Adebayo & Simon Cookson.

## **Officers in Attendance:-**

Denise Murray – Director Finance, Simba Muzarurwi – Chief Internal Auditor, Richard Young – Head of Strategic Finance, Tony Whitlock – Finance Business Partner, Allison Taylor – Democratic Services.

## **Also in attendance:-**

Barrie Morris & Beth Garner – Grant Thornton External Auditors.

## **1 Welcome, Introductions and Safety Information**

The Chair welcomed all parties to the meeting and introductions were made. The Committee noted the emergency evacuation procedure for the Council Chamber if required.

The Chair, noting that it was now the Pre-Election Period and that the meeting was apolitical, asked that nevertheless comments be strictly apolitical.

## **2 Apologies for absence.**

Apologies received from Councillor Geater, Simon Cookson & Adebola Adebayo. Councillor Cole not present.

## **3 Declarations of Interest**



Councillor Pearce declared that he was a Non-Exec Director of Bristol Waste Company during the period of time to which the accounts related.

#### 4 Public Forum

The Committee noted the Public Forum responses to questions. It was agreed that written responses be provided to those Supplementary questions it was not possible to answer at the meeting.

##### Supplementary Questions.

Mike Oldreive – Stepping up Programme.

1. Was the MO aware of the arrangements? When did he become aware? Were other officers aware?
2. When the arrangement was terminated was the £54,000 loan and the cashflow assistance repaid? Please make available a copy of the SLA.

Dan Ackroyd - Stepping Up Programme.

1. What was the rationale behind the public interest test to keep the matter confidential?

Suzanne Audrey – Bristol Beacon

1. When will the Lessons Learned report be available to the public?

Response - The Chair stated that the report would be available for first meeting of the new Municipal Year.

2. The report was supposed to be available in Feb 24. Was it deliberately delayed so that the current administration would not have to answer questions on it?



## 5 Statement of Accounts Year Ended 31 March 2023

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was confirmed that there was a document, which could be provided to the Committee as part of the Action Sheet, which showed the differences between the draft accounts and these final accounts;
2. There was no fundamental difference in the outturn report and what was in the Comprehensive Income & Expenditure Account. It included all accounting adjustments made including capital and pension adjustments. There was a note in the narrative report (page 21) which reconciled the outturn and final numbers in the CIS;
3. It was agreed to report back, as part of the Action Sheet, on how much CIL money had been credited to the capital reserve in 22/23;
4. The Safety Valve decision taken at Cabinet in March was a local agreement made with the DfE and BCC and needed to be taken urgently to ensure that funds were transferred before the end of the financial year. The statutory override was a national arrangement and FC, Cabinet and Schools Forum were aware it had been extended. The accounts were still compliant with the code;
5. GT reported that the objection from a member of the public would be resolved within weeks;
6. The Chair remarked that there were a number of references to alterations to previous accounts and this was a good indicator that the normal pattern of accounts reporting was returning. There being no further comments it was:-

### Resolved –

1. That the Statement of Accounts for the year ended 31 March 2023 be approved.
2. That the signing of the Letter of Representation (attached at appendix 2) be approved.

## 6 Grant Thornton ISA 260 report

The report was summarized for the benefit of the Committee and the following points arose from discussion:-



1. GT wished to put on record that they had been pleasantly surprised and impressed that the finance team and other colleagues had been able to respond to all their detailed enquiries in good time so that this report could be completed. This was testament to the team and the Director of Finance's faith in the process. There was particular thanks to the Finance Business Partner, Tony Whitlock, who was GT's main point of contact;
2. GT was satisfied with Bristol Waste Company's audit of gross expenditure;
3. It was agreed, as part of the Action Sheet, to report back on when the cyber security framework would be in place. It was confirmed that the IT team reviewed access controls to Aggresso and the finance team addressed super user access;

Link to Information Security Policy [ISO/IEC 27001:2022 - Information security management systems — Requirements](#)

4. GT was satisfied that there was not an elevated risk of fraud as revenue streams had robust controlled mechanisms which it was possible to confirm back. Any expenditure in the early part of the new financial year had been correctly allocated there. The issue of savings was not relevant to the financial statements but to the other reporting area of value for money;
5. GT agreed that IT security was an area which management should address but there was nothing in terms of the financial statements of significance to cause concern;
6. It was reported that there had been improvements to the accounting arrangements for financial assets. However, it was necessary to sift through cash related actions both in and out to find a true position;
7. It was reported that Ashton Court was under-insured by £4m;
8. GT confirmed that they undertook enough testing of debtors and creditors in year movements to be confident there was not a risk;
9. GT confirmed that there was no concern that BCC was not a going concern or had a material uncertainty at this point;
10. GT's fees would be £277, 052 which was a £29,000 reduction on last year's fees;
11. There being no further comments the Chair thanked GT representatives for their attendance this municipal year and it was:-

**Resolved – That Grant Thornton's Audit Report for 2022/23 and the action plan agreed by management be noted.**

The Chair thanked members for their attendance this year and thanked officers and Grant Thornton for all their work for the Committee.



Noting that it was Denise Murray's last Audit Committee the Chair thanked her for all her work for the Committee and wished her all the best for the future.

The meeting ended at 3.20pm

**CHAIR** \_\_\_\_\_

