

Bristol City Council
Minutes of the Audit Committee

27 August 2020 at 2.00 pm



Members Present:-

Councillors: Chris Jackson, Olly Mead, Liz Radford, Clive Stevens, Tim Kent, Adebola Adebayo and Simon Cookson

Officers in Attendance:-

Simba Muzarurwi (Chief Internal Auditor), Denise Murray (Director - Finance & Section 151 Officer), Alison Mullis, Tony Whitlock and Michael Pilcher

1. Welcome, Introductions and Safety Information

The Chair led introductions and welcomed everyone to the meeting.

2. Apologies for absence.

Apologies were received from:

Cllr Nicola Bowden-Jones

Cllr Mark Brain (Cllr Clive Stevens to Chair)

Jon Roberts will attend from 3pm

3. Declarations of Interest

None received.

4. Minutes of Previous Meeting

The minutes of the 30 July 2020 Audit Committee were agreed as a correct record.

Discussion notes:

- LR mentioned that she had not received response to her question on Item 8.

ACTION DM to follow up with the director of children services re: children social workers getting a one-off payment.



- AA raised a discussion on the Regulation of Investigatory Powers Act 2000 (RIPA) and where it sits in BCC audit meetings. The Chief Internal Auditor (as Value and Ethics Chair) believes that the upcoming RIPA report should be handled by the Value and Ethics Sub-Committee in the first instance, and then referred to the Audit Committee proper for final decision and sign off. This was agreed by the committee.

ACTION OH to arrange a Value and Ethics Committee meeting an hour before the next Audit Committee meeting.

5. Public Forum

The following Public Forum was received:

Statements		
Number	Name	Title
1	Suzanne Audrey	Committee Access to Information
Questions		
Number	Name	Title
1	Suzanne Audrey	Committee Access to Information
2	Suzanne Audrey	Statement of Accounts
3	CLlr Clive Stevens	Fraud E Learning module and Whistleblowing

Discussion notes:

- TK has made 3 requests for information. Only one of these has been accepted. All Councillors have the right of "need to know" which should be enhanced for AC members.
- Audit Committee members will have limited access to information until Full Council gives us the powers we need. This is expected to pass in the September Full Council meeting. As this requires a change to the constitution, going through Full Council is the right approach.
- Members reiterated the specific problem was about accessing a particular report that was on an Audit Committee agenda, it was not about general access. AC members should have the proper access to materials for their own meetings. This report had also already gone to cabinet and OSMB.
- The S.151 Officer reminded members that Audit Committee does not actually undertake the Council's audit function. This is done by audit officers and external agents, who do have access to all the relevant information.
- It was confirmed that Colin Molton is still supplying services to the council.

6. Draft Annual Governance Statement 2019/20

Alison Mullis introduced the report and highlighted the following points:

- At the last meeting, committee had sight of the first draft of this report. At that meeting, members gave feedback and also by email. The statement has been updated in response to this feedback.



- There is one amendment not reflected in this version of the document around companies audit and risk committee is still developing.
- Committee were asked to give any further comments and approve the draft.

Discussion notes:

- The narrative talks about positive trajectory, however members were concerned about the considerable limited or no assurance rate. Officers said the narrative was about governance as a whole, which included significant improvements in areas such as management communication and was not just about assurance rate.
- Members were positive about the changes to the statement and the improvements in general compared to last year.

RESOLVED The Audit Committee approves the Annual Governance Statement as a fair reflection of the internal control and governance environment during 2019/20 and to date.

7. Draft 2019/20 Statement of Accounts

Michael Pilcher introduced the report and highlighted the following points.

- This is an updated version of the report members received at the last meeting. BCC is required to publish accounts by the end of the month, so this report will be published tomorrow (Friday 28 August). There will then be a 30 day public inspection period, where the public can get access to papers (assuming they are not exempt due to personal data or commercial sensitivity).
- The accounts are not for Audit Committee approval, as they will need to be externally audited first.
- A few key changes: there is a narrative report summary overview of the year. A final evaluation of Bristol Holding Company. Completion of expenditure and funding analysis and how it relates to the outturn cabinet report. The company accounts are draft, the final figures will be incorporated into the final accounts. Additional QA and statements on exit packages. Some minor formatting will be needed before publishing.

Discussion notes:

- On p.13 of the report bottom left it says 15.9% waste to landfill for 19/20, then kg waste per household in previous years. This is not comparing like for like and it should be % or kg in all cases.
- Key housing does not seem to have 19/20 figures. Some data may not be available, there is a time lag in some areas of financial reporting. The report uses the latest information available at the time. There have also been Covid-19 related delays.

ACTION MP add explanatory note on the availability of data where relevant.

- There was a discussion on business rates retained by BCC and returned to Government in light of the 100% retention scheme. The Government operates a top-up tariff system. As Bristol's business rate retention figure is higher than the perceived need, we return some of it to central government to distribute to other locations.

ACTION MP add explanatory note on the 100% business rate retention and top-up tariff system.



- There was a discussion on the valuation of Bristol Energy. This valuation was at 31 March. The figure in the accounts may not match the total sale of assets; there will be some movement up to the sale date. Members asked whether it was valued as a going concern and if this affected the price. The valuation was based on the customer base and meter points, not whether it was a going concern. The decision to sell is in the post balance sheet notes.
- The report has list of transactions between companies. Bristol Energy owes £251k interest to BCC. This is for the 19/20 period and has been paid, but the invoice was raised late March so was not paid at balance sheet date
- It was confirmed that City Leap was a dormant company. BCC undertakes the City Leap functions but may move this to a company footing if necessary in future.
- It was confirmed that the Managing Director for Bristol Energy was on a permanent contract.
- The accounts will be open for public inspection, would be helpful to outline public engagement process. Over the next 30 working days, members of the public can contact BCC via a generic email address with their enquiries. In previous years there were drop in sessions, but they will have to be managed differently due to Covid-19. Phone calls, Zoom or socially distanced.
- It was confirmed that public forum documents should be published ahead of meetings.

Meeting ended at 4.00 pm

CHAIR _____

