

**MINUTES OF A MEETING OF THE  
AUDIT COMMITTEE  
Town Hall, Main Road, Romford  
24 February 2021 (7.05 - 8.45 pm)**

**Present:**

**COUNCILLORS:**

<b>Conservative Group</b>	Viddy Persaud (Vice-Chair), Roger Ramsey and Judith Holt
<b>Residents' Group</b>	Gerry O'Sullivan
<b>Upminster &amp; Cranham Residents' Group</b>	Gillian Ford
<b>North Havering Residents Group</b>	Martin Goode (in the Chair)

There were no apologies

**60     PROTOCOL FOR VIRTUAL MEETING**

The Committee noted the protocol.

**61     MINUTES OF THE MEETING**

The minutes of the meeting of the Committee held on 28 October 2020 were agreed as a correct record and, due to COVID-19, will be signed by the Chairman at a later date.

**62     ACCOUNTING POLICIES 2021-22**

The report presented to the Committee gave an update to the Accounting Policies for 2021-22.

Members noted that there were no significant changes as the changes had been deferred to 2022-23 due to the COVID-19 pandemic. Members noted that leased assets would be added to the asset sheet and heritage buildings would cover historical buildings of which Havering is reported to have only Upminster Windmill. Committee members expressed concern that other buildings in the borough should be included. It was reported by officers that historic costs were based on current day valuations of what the cost of the asset would have been when it was obtained by the Council.

The Committee noted the accounting policies for 2021-22.

**63     CLOSEDOWN TIMETABLE 2020-21**

The report brought before the Committee gave an update of the progress of the closure of the accounts for 2020-21.

The Committee noted that the Council closed its accounts in July 2020 and the external audit was due to be completed by 30th November 2020 but as at January 2021 it was still ongoing. The Committee noted that the statutory deadline for the publication of draft accounts was 31st May 2021 with the audit to be completed by 31st July 2021.

The Committee noted the report.

**64 LBH COUNCIL & PENSION FUND ANNUAL STATEMENT 2019-20**

The report put before the Committee presented the Council's Pension Fund annual statement for 2019-20.

It was noted by the Committee that the audit date had been extended to the 30th November 2020, however the audit was continuing. It was also noted that the Council had made changes to the going concern disclosures but it was suggested by EY that more changes needed to be made. Members were advised that 1 error had been found in the accounts but this had since been rectified and had no material impact and did not affect usable resources.

The committee agreed all recommendations as set out in the report. Authority was delegated to the Committee Chair and Chief Operating Officer to complete the audit sign off process of the 2019/20 accounts. If necessary, any significant issues would be relayed to the Committee Members.

**65 AGS 2019-20 SIGNIFICANT ISSUES UPDATE**

The report presented to the Committee reported on the progress of the significant governance issues as shown in the 2019-20 AGS.

Committee members were pleased to note that the issues are monitored monthly by the Governance and Assurance board. The Committee questioned the target date for completion to which officers commented that the target is due to the end of the financial year and some issues will be resolved before but stated that some issues would have to be carried over into the next financial year.

The Committee noted the report.

**66 CORPORATE RISK REGISTER**

The Committee received the corporate risk register.

The Committee noted that directorates are keeping their risk registers up to date. Members suggested 2 additional risks of the mental and physical effects of isolation and the risk of the lower levels of skills and training for local business employees following COVID-19 with a view of utilising apprenticeship programmes.

The Committee noted the report.

**67 2021/22 DRAFT INTERNAL AUDIT PLAN**

The Committee received a report that outlined the draft internal audit plan for 2021-22

Members noted it was flexible but focused on the themes in the corporate plan with some areas having been brought forward as they were not considered due to COVID-19, such as parking issues. Members were keen for any other issues to be reported on at the next meeting.

The committee noted the report.

**68 INTERNAL AUDIT & COUNTER FRAUD PROGRESS REPORT**

The report put before the Committee advised on the work taken with regards to the internal audit and counter fraud.

Members noted that reviews of assurance for schools were only for LA maintained schools, housing fraud referrals had doubled but was still relatively low. Members did note that full visits regarding housing fraud could not be carried out due to COVID-19.

The Committee noted the report.

**69 TREASURY MANAGEMENT STRATEGY STATEMENT 2021-22**

The Committee received the Treasury Management strategy statement for 2021-22.

It was noted by the Committee that the requirements for and restrictions placed on investments had not changed significantly. Members commented on the exposure to fossil fuel companies. It was noted that treasury has no investments in Fossil Fuel Companies and the Havering Pension Fund has a very small amount of holdings in these companies in proportion to total assets.

The Committee noted the report.

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**Chairman**