

**Minutes of a meeting of Audit Committee
held on Wednesday, 19th April, 2023
from 7.00 pm**

Present: M Pulfer (Chair)
S Hicks (Vice-Chair)

M Cornish I Gibson

Absent: Councillors L Stockwell, K Adams and A Boutrup

1. TO RECEIVE APOLOGIES FOR ABSENCE.

Apologies were received from Councillors Adams, Boutrup and Stockwell and the Committee agreed for Councillor Hicks to act as Vice Chairman for the meeting.

2. TO RECEIVE DECLARATIONS OF INTEREST FROM MEMBERS IN RESPECT OF ANY MATTER ON THE AGENDA.

None.

3. TO CONFIRM THE MINUTES OF THE PREVIOUS MEETING HELD ON 21 FEBRUARY 2023.

The minutes of the meeting of the Committee held on 21st February were agreed as a correct record, with 3 in favour and 1 abstention and signed by the Chairman.

4. TO CONSIDER ANY ITEMS THAT THE CHAIRMAN AGREES TO TAKE AS URGENT BUSINESS.

None.

5. ANNUAL GOVERNANCE STATEMENT 2022-23.

Louise Duffield, Director of Resources and Organisational Development, introduced the report which sets out Mid Sussex District Councils Annual Governance Statement (AGS) 2022/23 for consideration and approval at Appendix A, signed by the Executive Leader and Chief Executive of the Council.

A Member was disappointed in the reduction of Scrutiny Committees noting this was a reduction of the Councils governance framework and this should be reviewed if possible. A Member noted the Councils Charity Trustee role and whether this type of governance should be referenced in the report. The Director of Resources and Organisational Development confirmed the Annual Governance Statement is specifically focussed on financial governance. The Chairman asked for clarity on the

hybrid working pattern of staff and the Director of Resources and Organisational Development advised this was approximately a 50/50 split between office and home.

As there were no further questions, the Chairman took Members to a vote on the recommendation which was agreed unanimously with 4 in favour.

RESOLVED

The Committee considered and approved the AGS for inclusion in the Statement of Accounts 2022/23.

6. FINANCIAL STATEMENTS 2020-21.

Louise Duffield, Director of Resources and Organisational Development, introduced the report which had been presented to the Committee in March 2022. However, the sign off of the financial statements had been delayed due to an objection. Following extensive work the objection had been dismissed and the financial statements are now complete. Kevin Suter, Ernst & Young drew Member's attention to Appendix A and Appendix B of the report and advised the content of the objection had been included in the report.

In response to a Member question regarding the Capital values of properties, Kevin Suter confirmed this was a sample of the data rather than each individual transaction. The Director of Resources and Organisational Development advised work was underway to improve the book valuation process.

Members discussed the objection in detail including the property valuation and payment to third parties. Kevin Suter confirmed no further third party transactions had been made and that this audit only considers 2021, however, although previous years audits were now closed the same audit would apply.

In response to a Member asking for clarity on materiality and pension adjustments, Kevin Suter confirmed the pension adjustment is non-material. In terms of the sampling process, he clarified that if an error was uncovered as part of the process, all factors are considered to determine if further data needs to be sampled. He confirmed the land value of Hurst Farm is considered as a whole and the percentage is a share of the receipt in accordance with the landowner agreement, the percentage does not relate to the valuation.

The Director of Resources and Organisational Development noted that work was already underway to improve the process for exempt minutes as recommended in the report and the cost of the objection to the Council was circa £35k.

Finally, a Member noted it would be useful to have an overview of all the areas that are scrutinised by Scrutiny Committee Members to see the work being done and to highlight those areas that could be improved.

As there were no further questions the Chairman took Members to a vote on the recommendations which were agreed unanimously with 4 in favour.

RESOLVED

The Committee:

- i. Agreed the Auditors Annual Report having consideration of the Audit Results Report together with previous considerations and the resolution on 1 March 2022;
- ii. Approved the Signed the Financial Statements for the year ending 31 March 2021 and the Letter of Representation

7. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE 10.2 DUE NOTICE OF WHICH HAS BEEN GIVEN.

The Chairman thanked officers for their work and Members for their diligence.

The meeting finished at 7.32 pm

Chairman