

LEE VALLEY REGIONAL PARK AUTHORITY

AUDIT COMMITTEE MINUTES 25 JUNE 2020

Members
in remote attendance: Frances Button (Chairman) Simon Walsh
John Bevan John Wyllie
Graham McAndrew

Officers
in remote attendance Shaun Dawson - Chief Executive
Simon Sheldon - Director of Finance & Resources
Dan Buck - Corporate Director
Keith Kellard - Head of Finance
Victoria Yates - Head of HR
Vince Donaldson - Senior Contracts & Quality Manager
Sandra Bertschin - Committee & Members' Services Manager

Also in remote attendance: Stuart Coogan – Mazars (internal auditor)
Neil Harris – Ernst & Young (external auditor)
Joe Ryan – RDHS (Health & Safety consultancy)

Part I

182 DECLARATIONS OF INTEREST

There were no declarations of interest.

183 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 27 February 2020 be approved and signed.

184 PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

185 ANNUAL REPORT ON THE WORK OF INTERNAL AUDIT 2019/20 AND AUDIT PLAN 2020/21 Paper AUD/110/20

The report was introduced by the Director of Finance & Resources highlighting that an opinion of Substantial Assurance had been provided by the Internal Auditors.

Stuart Coogan (Mazars) advised that:

- no impairments or restriction in scope had been found in the audit;
- the context of operational activities audited in the 2019/20 Internal Audit Report had changed and follow up work may need to be adjusted to account for changes in controls and management;
- there had been three 'limited' assurances and work to address these areas was in progress; and

- overall the position was positive.

In response to a Member regarding the impact of Covid-19:

- Stuart Coogan advised that the 2020/21 work plan included contingency time and that could be used to form an opinion on the impact of Covid-19 if required; and
- the Director of Finance & Resources advised that the end of year audit will focus on the Authority's 'going concern' status as a result of Covid-19 and that the Risk Register now included a sub-register on the environment around Covid-19.

(1) the annual report of the Internal Auditors for 2019/20 detailed in Appendix A to Paper AUD/110/20 was noted; and

(2) the annual Audit Plan for 2020/21 as detailed in Appendix B to Paper AUD/110/20 was approved.

186 EXTERNAL AUDIT PLAN AND FEES UPDATE

Neil Harris (EY) gave an oral update including:

- productive discussions had been held with the Finance team regarding preparedness for audit of the end of year financial statements;
- judgement would also be made on the financial viability of the Authority as a 'going concern' in response to financial constraints because of Covid-19. Any material uncertainty will need to be disclosed, such as funding gaps, cost pressures and reduction in income;
- also to be included will be judgements on valuations, material uncertainties and Pension Fund volatility because of Covid-19;
- the EY audit team was well prepared and ready to start the audit next week;
- he had been kept informed of the new arrangements for S151 responsibilities and was content that the proposed agreement with the London Borough of Enfield was adequate and he had no significant concerns; and
- determination by Public Sector Audit Appointments of EY's request for additional fees for the 2018/19 audit was expected shortly.

In response to queries from the Chairman regarding conduct of the audit, Neil Harris advised:

- there would be consistency of staff at Audit Manager level. The Audit Manager knew the Authority and the procedures to be completed;
- any concerns regarding conduct of the audit should be raised with the Audit Manager, but as the Authority's Head of Finance was always well prepared and worked proactively with the auditors, no issues were anticipated;
- in light of social distancing a lot of the audit would be undertaken remotely and the use of technology platforms would be encouraged;
- he was cautious about an end of July target to conclude the audit as although areas of work under EY's control would be prioritised, EY had less control over provision of Pension Fund assurances as information was provided by another organisation and EY were dependant on timely receipt of the required information; and
- should he have any particular concerns during the audit he would raise these at the earliest opportunity.

The Chief Executive advised that the Authority was developing a strategic recovery plan in response to Covid-19 to ensure confidence in the Authority as a 'going concern'.

187 ANNUAL REPORT ON HEALTH & SAFETY AND
HEALTH & SAFETY AUDIT PLAN 2020/21

Paper AUD/109/20

The report was introduced by the Corporate Director, including appreciation of RD Health & Safety's ongoing support in relation to Covid-19.

Joe Ryan (RDHS) advised:

- the Authority had a strong and effective system over risk and Health & Safety which provides a higher level of assurance;
- for 2020/21 Health & Safety audits a stretch target of 95% was recommended;
- RDHS continued to support the Authority in regard to Covid-19 and reopening of venues.

Members commended the Health & Safety Annual Performance Review by RDHS.

In response to a Member's concern regarding staff access to broadband in order to access e-learning modules and other resources it was advised that:

- e-learning platforms could be accessed by staff without being on the Authority's network;
- should staff not have home broadband they could access broadband by visiting a venue;
- given the current prolonged period of working from home, considerable focus had been given to provision of mental health and wellbeing e-learning and resources.

- (1) the annual report of RD Health & Safety for 2020/21 detailed in Appendix A to Paper AUD/109/20 was noted;**
- (2) the aims and objectives for 2020/21, set out in Appendix A in the annual report of RD Health & Safety; and**
- (3) the signing of this year's Health & Safety Policy Statement attached as Appendix B to Paper AAUD/109/20 was approved.**

188 RISK REGISTER 2020/21

Paper AUD/111/20

The report was introduced by the Corporate Director, including that Covid-19 and 'going concern' sub risk registers had been developed.

The Chairman commended updates to the Strategic Risk Register.

- (1) the Corporate Risk Register included at Appendix A and the sub-registers at Appendices B and C of Paper AUD/111/20 was approved.**

189 PROVISION OF FINANCIAL MANAGEMENT AND ACCOUNTANCY SUPPORT
JULY 2020 – JULY 2021

The Chief Executive advised:

- subject to consideration by the Audit Committee, Executive Committee had earlier approved entering into a Service Level Agreement with the London Borough of Enfield for the provision of financial management and support as set out; and
- the arrangement with the London Borough of Enfield would provide opportunities for professional development and other benefits to the Authority's Finance staff.

The Chairman advised she had attended the earlier Executive Committee when two senior finance officers from the London Borough of Enfield had provided reassurance as to the benefits of the proposed Service Level Agreement. Following Executive Committee she had sought to obtain an organisation chart for the London Borough of Enfield. The Committee agreed that subject to receiving an organisation chart showing the management structure as stated by the two senior finance officers, it was supportive of entering into the proposed Service Level Agreement.

Chairman

Date

The meeting started at 1.01pm and ended at 2.07pm