

REPORT TO: AUDIT COMMITTEE

DATE: 27 FEBRUARY 2020

REPORT TITLE: CHANGES MADE TO THE 2018/19 STATEMENT OF ACCOUNTS

DIRECTOR: MALCOLM COE, DIRECTOR OF INVESTMENT AND CORPORATE SERVICES

AUTHOR: SELONGE RUSSELL, HEAD OF FINANCE AND PROCUREMENT

Purpose of Report

- 1 To inform the committee of a few minor narrative changes that have been made to the published Statement of Accounts for the 2018/19 financial year.

Recommendation

- To note a small number of narrative changes to the 2018/19 Statement of Accounts, (detailed in Appendix 1), as approved by the Chair of the Audit Committee.

Background / Issues for Consideration

- 2 The 2018/19 draft Statement of Accounts were published on the WECA website by the required statutory deadline of 31 May 2019. The audit committee initially considered these accounts on 31 July 2019 before providing final approval on 16 October 2019.
 - 2.1 Upon final reading of the narrative, a few minor changes were made to the text, subsequent to 16 October, as approved by the Chair of the audit committee. For completeness, these changes are detailed in Appendix 1.

Consultation

- 3 The WECA draft statement of accounts were published on the authority's website on 31 May 2019 and made available for public inspection as required under the Accounts and Audit Regulations (England) 2015.
 - 3.1 The Chair of the audit committee has been kept fully informed of any proposed changes to the accounts and has approved all changes within the final published version.

- 3.2 Regular dialogue continues to take place between the Director for Investment and Corporate Services and the Section 151 Officers from the constituent authorities on all financial issues that impact on the West of England.

Other Options Considered

- 4 The Statement of Accounts are produced in compliance within the required regulatory framework, guidance and policies. As such, no alternative options are considered.

Risk Management/Assessment

- 5 The publication of the Authority's Financial Statements forms a core part of WECA's governance and risk management processes. As required by statute, an Annual Governance Statement has been published and is integrated within the core Statement of Accounts document.
- 5.1 The Authority has been assessed as a viable 'going concern' although future uncertainty on volatile funding streams, such as 100% Business Rate Retention and Mayoral Capacity funding, remains a risk that is kept under regular review.

Public Sector Equality Duties

- 6 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 6.1 The Act explains that having due regard for advancing equality involves:
- Removing or minimising disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- 6.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.
- 6.3 The authority's Statement of Accounts can be made available in different formats and / or languages, as required, in order to improve ease of access.

Finance Implications, including economic impact assessment where appropriate:

- 7 The Statement of Accounts reflect the financial accounting position of the Combined Authority as at 31 March 2019 (as required by legislation). Management Accounting reports are published throughout the year evidencing progress, and spend, against the authority's set budget.

Advice given by: Malcolm Coe, Director of Investment and Corporate Services

Legal Implications:

- 8 The publication, and audit, of the Authority's Financial Statements is in accordance with the Accounts and Audit Regulations (England) 2015.

Advice given by: Shahzia Daya, Director of Legal Services

Climate Change Implications

- 9 On 19 July 2019, the West of England Combined Authority declared a climate emergency, recognising the huge significance of climate change and its impact on the health, safety and wellbeing of the region's residents. The Combined Authority is committed to taking climate change considerations fully into account as an integral part of its governance and decision making process.

Each report/proposal submitted for Combined Authority / Joint Committee approval is assessed in terms of the following:

Will the proposal impact positively or negatively on:

- * The emission of climate changing gases?
- * The region's resilience to the effects of climate change?
- * Consumption of non-renewable resources?
- * Pollution to land, water or air?

Particular projects will also be subject to more detailed environmental assessment/consideration as necessary as part of their detailed project-specific management arrangements

- 9.1 This report purely relates to minor changes to the narrative statement within the authority's published accounts and, as such, does not have any direct impact on Climate Change issues.

Appendices:

Appendix 1 – Narrative changes made to the Statement of Accounts post 16 October 2019

Background papers:

WECA Draft Statement of Accounts 2018-19:

<https://www.westofengland-ca.gov.uk/wp-content/uploads/2019/05/WECA-financial-statements-31.3.19-310519-FINAL-Unaudited-V2.pdf>

Statutory Accounts 2018/19 – report to the audit committee on 16 October 2019

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird / Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email: democratic.services@westofengland-ca.gov.uk

Amendments made, (post 16 October 2019), to the WECA Statement of Accounts 2018/19

P1	Changed the comparative year on page 1 paragraph 4 on the staff number from 2017 to 2018.
P2	Removed the reference to the Joint Spatial Plan (JSP) in first paragraph under section 1 Infrastructure.
P2	Removed the paragraph that starts 'We will continue to work closely with Government....'
P3	Insertion on last sentence on first paragraph. 'This will help address core employment and skills required per annum...'
P'5	Removed the word 'However' in first paragraph and removed 'at a relatively early stage of' within the same sentence.
P8	Included a footnote to explain the expenses category - The total figure covers a wide range of organisational costs including; staff travel, business mileage, staff expenses conferences, room hire / venue hire, software licences, professional subscriptions and memberships, training and non-recoverable VAT.
P12	Removed the paragraph that starts 'WECA have been granted additional powers to shape public transport policy...' as this is not a new responsibility.
P21	Section 5.7 – added the word 'organisational' next to the word support.
P23	On the box "Engaging comprehensively with institutional stakeholders" – removed the Role of LEP in the last column.
P23	On the box "Engaging with individual citizens and service users effectively" – removed wider process to be devised in the last box.
P26	On the box "Developing the Entity's Capacity" – removed 'Workforce Development Strategy (Draft)' in the last column and added reference to training plan.
P26	On the box "Developing the capability of the entities leadership and other individuals" – removed 'Workforce Development Strategy (in draft)' and removed the word 'draft' after Learning and Development Strategy and Leadership Development Strategy. Added reference to training plan.
P63	CE Salary – updated the date on the previous year salary as per the audited accounts to March 2018 from 1.04.2017 to 01.05.2017.