

## **AUDIT AND GOVERNANCE COMMITTEE**

**HELD: 26 JUNE 2012**

Start: 7.00pm

Finish: 7.50pm

### **PRESENT:**

Councillor E Pope (Chairman)  
M Forshaw (Vice-Chairman)

Councillors	C Dereli	D O'Toole
	Y Gagen	R Pendleton
	D Griffiths	N Pryce-Roberts
	G Jones	D Westley

Officers Borough Treasurer (Mr M Taylor)  
Borough Solicitor (Mr T Broderick)  
Audit Manager (Mr M Coysh)  
Assistant Member Services Manager (Mrs J Denning)

Also in attendance: Ms C Deegan, Audit Commission

### **1. APOLOGIES**

There were no apologies for absence.

### **2. MEMBERSHIP OF THE COMMITTEE**

In accordance with Council Procedure Rule 4, Members noted the termination of Councillors Cheetham and Grant and the appointment of Councillors O'Toole and Griffiths for this meeting only, thereby giving effect to the wishes of the Political Groups.

### **3. DECLARATIONS OF INTEREST**

Councillor Westley declared a personal interest in agenda item 5 'Annual Governance Statement' in relation to One Connect Limited, as a Member of Lancashire County Council.

### **4. MINUTES**

RESOLVED: That the minutes of the meeting of the Committee held on 4 April 2012 be received as a correct record and signed by the Chairman.

### **5. ANNUAL GOVERNANCE STATEMENT**

Consideration was given to the report of the Borough Treasurer, as contained on pages 7 to 16 of the Book of Reports, which set out the Authority's Annual Governance Statement for 2011/12.

Comments and questions were raised in respect of the following:

- Executive arrangements
- Tender Opening procedures
- Housing Improvement

- One Connect Limited performance
- Major Service Review and the Business Plan

RESOLVED: That the Annual Governance Statement 2011/2012 be approved and commended to the Leader and Managing Directors for signature.

## **6. STATEMENT OF ACCOUNTS**

Consideration was given to the report of the Borough Treasurer, as contained on pages 17 to 122 of the Book of Reports, which provided details on the unaudited Statement of Accounts for the year ended 31 March 2012.

The Borough Treasurer circulated updated pages 24, 52, 53, 59 to 63, 68, 81 and 82 of the Appendix 'Draft Unaudited Statement of Accounts' which provided the missing figures previously omitted from the papers sent out with the agenda.

Comments and questions were raised in respect of the following:

- Icelandic Banks
- Housing Finance
- Exit Package costs
- Trust Funds, in particular the legality of using funds for other purposes.

RESOLVED: A. That the unaudited Statement of Accounts be noted.

B. That a further report to approve the audited statement of accounts be produced for the next meeting of the Committee.

(Note: Councillor Westley left the meeting after this item was considered.)

## **7. INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE**

Consideration was given to the report of the Borough Treasurer, as contained on pages 123 to 126 of the Book of Reports, which detailed progress against the 2012/13 Audit Plan.

Comments and questions were raised in respect of the following:

- Resources – in particular the vacancy in Audit
- Formal investigations – that none had been undertaken

RESOLVED: That the progress in the year be noted.

## **8. INTERNAL AUDIT ACTIVITIES - ANNUAL REPORT**

Consideration was given to the report of the Borough Treasurer, as contained on pages 127 to 138 of the Book of Reports, which presented the Internal Audit Annual Report 2011/12 and the Audit Manager's opinion on the control environment.

Comments and questions were raised in respect of the following:

- The Joint Venture Company (JVC)
- Staffing issue in Audit

RESOLVED: That the Annual Internal audit Report be noted.

**9. REGULATION OF INVESTIGATORY POWERS ACT QUARTERLY MONITORING OF USE OF POWERS**

Consideration was given to the report of the Borough Solicitor, as contained on pages 139 to 142 of the Book of Reports, which reminded Members of the requirement to report to the Committee, on a quarterly basis, in relation to the use made by the Council of its powers under the Act. The Borough Solicitor advised that this provision had not been used in the last quarter.

RESOLVED: That the position on the use of covert surveillance in the last quarter be noted.

**10. AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME**

Consideration was given to the Committee's programme of work, as contained on page 143 of the Book of Reports.

RESOLVED: A. That the work programme be noted.

- B. That the training session on the Statement of Accounts to be held on Tuesday, 25 September 2012 be rescheduled to start at 6.15pm.

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THE CHAIRMAN