

## AUDIT AND GOVERNANCE COMMITTEE

**HELD: 25 MARCH 2014**

Start: 7.00pm

Finish: 8.30pm

### PRESENT:

Councillors: Pope (Chairman)  
Forshaw (Vice Chairman)

Baldock	Greenall
Dereli	Pendleton
Gagen	Savage
Griffiths	Westley

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

In attendance: Mr J Unsworth, Revenues and Benefits, One Connect Ltd  
Mr G Small, Engagement Manager, Grant Thornton (External Audit)

### 35. APOLOGIES

Apologies for absence were received on behalf of Councillor G Hodson and Ms K Murray (Grant Thornton).

### 36. MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of membership of Councillors Grant and Jones and the appointment of Councillors Griffiths and Baldock for this meeting only, giving effect to the wishes of the Political Groups.

### 37. DECLARATIONS OF INTEREST

Councillors Dereli and Westley declared a personal interest in agenda item 5 'Grant Thornton Certification Work Report 2012/13', agenda item 6 'Grant Thornton – Audit Plan' and agenda item 7 'Grant Thornton Update Report and Audit Commission Fraud Briefing' arising from their membership of Lancashire County Council and Councillor Savage indicated that she would leave the room if there was anything directly referring to her employment with Lancashire County Council and the potential for a pecuniary or disclosable pecuniary interest in those items.

### 38. MINUTES

RESOLVED That the minutes of the last meeting of the Committee held on 28 January 2014 be approved as a correct record and signed by the Chairman.

**39. GRANT THORNTON CERTIFICATION WORK REPORT 2012/13**

Consideration was given to the report of the Borough Treasurer which introduced the reports of the External Auditors Grant Thornton, as circulated and contained on pages 355 to 370 of the Book of Reports which set out details of the External Auditor's findings from their certification of 2012/13 claims and returns.

Mr J Unsworth, Revenues and Benefits, One Connect Ltd gave a presentation to members in order to address the issues raised at the previous meeting in relation to Revenues and Benefits activity, in particular:

- (i) The current position in relation to:
  - Audit Outputs for 2013-14
  - Local Authority Error Trends 2006/7 to 2013/14
  - Current Performance Status
- (ii) The 2014-15 Work Programme in relation to service delivery and audit function:
  - Objectives
  - Actions

Comments and questions were raised in respect of the following:

- Acceptable error levels
- System migration
- Training
- The number of affected clients
- Welfare reform and Universal Credit implications
- Turnaround times for applications
- Cross cutting work between the Council and One Connect Ltd in relation to financial assistance.

RESOLVED That the presentation from One Connect Ltd and the findings by the External Auditor's, Grant Thornton, be noted.

**40. GRANT THORNTON - AUDIT PLAN**

Consideration was given to the report of the Borough Treasurer, as contained on pages 371 to 386 of the Book of Reports, which detailed the External Auditor's Audit Plan of the Council's 2013/14 financial statements.

RESOLVED That the report be noted.

**41. GRANT THORNTON UPDATE REPORT AND AUDIT COMMISSION FRAUD BRIEFING**

Consideration was given to the report of the Borough Treasurer, as contained on pages 387 to 424 of the Book of Reports, which detailed the External Auditor's update report and outlined progress regarding the delivery of their responsibilities against their audit plan.

Comments and questions were raised in respect of the following:

- Reference to “79% of Councils anticipate Tipping Point soon” and what impact future cuts will have on the provision of statutory duties
- Social Housing Fraud cases
- Future topics for training

The Chairman asked that Members e-mail the Borough Treasurer with suggestions for future training.

RESOLVED That the report be noted.

#### **42. LOCAL CODE OF GOVERNANCE**

Consideration was given to the report of the Borough Treasurer, as contained on pages 425 to 436 of the Book of Reports, which detailed the results of the annual review of the Council’s Local Code of Governance.

RESOLVED That the Local Code of Governance for 2014/15, attached as Appendix 1 to the report, be approved.

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

Consideration was given to the report of the Borough Treasurer, as contained on pages 437 to 442 of the Book of Reports, which advised on progress against the 2013/14 Internal Audit Plan.

RESOLVED That the progress in the year to date be noted.

#### **44. INTERNAL AUDIT PLAN 2014/15**

Consideration was given to the report of the Borough Treasurer, as contained on pages 443 to 446 of the Book of Reports, which provided details on the background to the preparation of the 2014/15 Internal Audit Plan and presented it for approval.

RESOLVED That the Internal Audit Plan, attached as an Appendix to the report, be approved.

#### **45. REGULATION OF INVESTIGATORY POWERS ACT QUARTERLY MONITORING OF USE OF POWERS**

In relation to the quarterly monitoring of activity under the Regulation of Investigatory Powers Act 2000 (RIPA) it was reported that there was no relevant activity to bring to the attention of the Committee.

RESOLVED That the update be noted.

#### **46. WORK PROGRAMME**

Consideration was given to the Committee’s programme of work as set down at page 447 of the Book of Reports.

RESOLVED

That the Work Programme be approved and proposals for future training sessions be forwarded to the Borough Treasurer.

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CHAIRMAN