

AUDIT AND GOVERNANCE COMMITTEE

HELD: 27 JANUARY 2015

Start: 7.00pm

Finish: 8.15pm

PRESENT:

Councillors: Pope (Chairman)

Dereli	G Hodson
Devine	Jones
Forshaw	Owens
Gagen	Pendleton
Greenall	West
	Westley

Officers: Borough Treasurer (Mr M Taylor)
Borough Solicitor (Mr T Broderick)
Audit Manager (Mr M Coysh)
Principal Member Services Officer (Mrs S Griffiths)

In attendance: Karen Murray, Director Grant Thornton (External Audit)

26. APOLOGIES

There were no apologies for absence.

27. MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of membership of Councillors Whittington, Pryce-Roberts and Savage and the appointments of Councillors Forshaw, West and Devine for this meeting only, giving effect to the wishes of the Political Groups.

28. DECLARATIONS OF INTEREST

Councillor Pendleton declared a non-pecuniary interest in agenda item 8 (Internal Audit Activities – Quarterly Update) in relation to the internal audit report on NNDR, in view of his association with the Tanhouse Community Enterprise Board.

29. MINUTES

RESOLVED That the minutes of the last meeting of the Committee held on 23 September 2014 be approved as a correct record and signed by the Chairman.

30. ANNUAL AUDIT LETTER

Consideration was given to the report of the Borough Treasurer as contained on pages 379 to 386 of the Book of Reports that introduced the Annual Audit Letter for the Year Ended 31 March 2014, attached as an Appendix, produced by the External Auditors, Grant Thornton.

Karen Murray from Grant Thornton attended the meeting and responded to questions, referencing details set down in the Annual Audit Letter and provided information on the key findings arising from the work that had been carried out, summarised within the Letter.

RESOLVED: That the Annual Audit Letter, prepared by the External Auditors, Grant Thornton, be noted.

31. GRANT CERTIFICATION LETTER

Consideration was given to the report of the Borough Treasurer which introduced the letter of the External Auditors Grant Thornton, as contained on pages 387 to 392 of the Book of Reports which set out details of the External Auditor's findings from their certification of 2013/14 claims and returns.

RESOLVED That the findings by the External Auditor's, Grant Thornton, be noted.

32. INTERNAL AUDIT CHARTER

Consideration was given to the report of the Borough Treasurer as contained on pages 393 – 400 of the Book of Reports which proposed revisions to the Internal Audit Charter.

In considering this item Members sought clarification on items within the following Sections of the revised Charter:-

- Definition of Internal Audit
- internal audit responsibility
- independence and objectivity

The Chairman proposed an amendment to paragraph 2 within the Audit Reporting Section of the revised Charter to include reference to the Chairman of the Audit & Governance Committee.

RESOLVED That the Internal Audit Charter attached as Appendix 1 to the report be approved to take effect from 1 April 2015, subject to the following amendment:-

Appendix 1 “ Audit Reporting” paragraph 2 – insert ‘Chairman of ‘ before the ‘Audit & Governance Committee’ in line 4.

33. INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE

Consideration was given to the report of the Borough Treasurer, as contained on pages 401 to 408 of the Book of Reports, which advised of progress against the 2014/15 Internal Audit Plan.

The Audit Manager advised that 69% of the items were currently in progress in line with 69% for the same period in 2013/14.

Comments and questions were raised in respect of the following:

- Revenue and benefits reconciliations – current position
- Individual electoral registration – number of lost voters/non registration/number of non matches in West Lancashire/role of DWP
- CCTV – risks associated with access and storage of footage/positioning of cameras

The Audit Manager reported that officers anticipate the revised CCTV Code of Practice report will be reported to Cabinet in March 2015.

In relation to Revenues and Benefits reconciliations the Chairman gave an undertaking that a progress report would be submitted to the next meeting of the Audit & Governance Committee on 24 March 2015.

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

34. EXTERNAL REVIEW OF INTERNAL AUDIT

Consideration was given to the report of the Borough Treasurer as contained on pages 409 - 412 of the Book of Reports which sought Members’ views on the commissioning of an external review of internal audit.

- RESOLVED A. That the requirement by The Public Sector Internal Audit Standards for an external review of internal audit be undertaken by way of an Independent professional body.
- B. That no expression of interest be made to the Lancashire Districts peer review process.

35. REVIEW OF ANTI-MONEY LAUNDERING POLICY

Consideration was given to the report of the Borough Treasurer contained on pages 413 – 436 of the Book of Reports on the results of a review of the Council’s Anti-Money Laundering Policy and Guidance and Procedure Notes.

RESOLVED That the updated Anti-Money Laundering Policy and Guidance and Procedure Notes, as set out in Appendices 1 and 2 to the report, be endorsed, subject to:

“Guidance & Procedure Notes (Appendix 2) 4th paragraph – ‘substitute ‘will’ for ‘can’ in the last line.

36. 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) the Borough Solicitor reported that there was no relevant activity to bring to the attention of the Committee.

RESOLVED That the update be noted.

37. WORK PROGRAMME

Consideration was given to the Committee’s work programme as set out at page 437 of the Book of Reports.

It was proposed that future topics for training sessions would be Housing Finance on 24 March 2015, Financial Annual Accounts for June 2015 and Procurement for September 2015 and Housing Options Process at some time in the future.

RESOLVED A. That the topics for the following training sessions be approved.

24 March 2015 – Housing Finance
June 2015 – Financial Annual Accounts
September 2015 – Procurement
Housing Options Process – future meeting

B. That the Work Programme as revised (taking account of A. above) be approved.

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CHAIRMAN