

AUDIT & GOVERNANCE COMMITTEE

HELD: Tuesday, 24 July 2018

Start: 6.30 p.m.

Finish: 7.20 p.m.

PRESENT:

Councillor: P Cotterill (Chairman)
R Pendleton (Vice-Chairman)

Councillors: T Aldridge E Pope
C Dereli A Pritchard
J Gordon C Wynn
J Mee

Officers: Borough Solicitor – Mr T Broderick
Borough Treasurer – Mr M Taylor
Internal Audit Manager – Mr M Coysh
Member Services/Civic Support Officer – Mrs J A Ryan

In Attendance: Andrew Smith (Grant Thornton)
Georgia Jones (Grant Thornton)

14 APOLOGIES

Apologies for absence were received on behalf of Councillor Hennessy.

15 MEMBERSHIP OF THE COMMITTEE

There were no changes to the membership of the Committee.

16 DECLARATIONS OF INTEREST

There were no declarations of interest.

17 PUBLIC SPEAKING

There were no items under this heading.

18 MINUTES

RESOLVED: That the minutes of the meeting held on the 29 May 2018 be approved as a correct record and signed by the Chairman.

19 GRANT THORNTON - AUDIT FINDINGS REPORT

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 75 to 76 of the Book of Reports and on pages 135 to 158 and pages 269 to 294 of the Supplementary Agendas also published. The purpose of which was to receive a report from the Council's External Auditors, Grant Thornton setting out their findings on the audit of the accounts and value for money.

The Chairman invited Andrew Smith and Georgia Jones from Grant Thornton to present the Audit Finding's Report to the Committee. This report reflected the findings from the external audit of the statement of accounts for 2017-18, which had mainly been completed although there were a small number of issues still to be concluded.

Comments and questions were raised in respect of the following:-

- Accounting treatment of pre-payment of monies into the pension fund.
- Matters in relation to fraud where it was felt that sentence should be put in the report to clarify what this meant.

RESOLVED: That the Audit Findings Report in its current format be noted.

20 **APPROVAL OF STATEMENT OF ACCOUNTS**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 77 to 78 of the Book of Reports and on pages 159 to 268 and pages 295 to 296 of the Supplementary Agendas also published. The purpose of which was to approve a Letter of Representation and the Council's Annual Statement of Accounts.

- RESOLVED**
- A.** That the Letter of Representation set out in Appendix 1 of the report be endorsed.
- B.** That delegated authority be given to the Borough Treasurer in consultation with the Chairman of the Audit and Governance Committee to approve the Statement of Accounts set out in Appendix 2 subject to the Audit Findings Report being finalised.

21 **INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 79 to 89 of the Book of Reports which advised of the progress against the 2018/19 Internal Audit Plan.

The Audit Manager reported that delivery of the Internal Audit Plan was satisfactory and that there had been an improvement in performance.

Comments and questions were raised in respect of the following:

- Procurement controls in Property Services
- Management of electronic records
- Cataloguing of records
- Importance of public perception and transparency

RESOLVED: A That the progress in the year to date be noted

- B** That a further report be brought on progress on actions arising from the report on Property Services presented to the Committee previously.

22 **REGULATION OF INVESTIGATORY POWERS (RIPA) ACT - REVIEW OF USE OF POWERS**

In relation to the regular 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 report be noted.

23 **EXTERNAL REVIEW OF INTERNAL AUDIT**

Consideration was given to the report of the Borough Treasurer as contained on pages 91 to 115 of the Book of Reports which advised Members of the outcome of the external review of internal audit's conformance to the Public Sector Internal Audit Statements (the review).

Comments and questions were raised in respect of the following:-

- That all involved in this piece of work be thanked for all their hard work and producing an excellent piece of work

RESOLVED: That the review's overall conclusion that West Lancashire Borough Council's Internal Audit Service generally conforms to the requirements of the Public Sector Internal Audit Standards and those of the Local Government Application Note be noted.

(Notes: 1. At the conclusion of this item the Chairman invited Councillor Pope to formally thank the Internal Audit Manager Mr Coysh for all his work supporting the Audit and Governance Committee and for the service he has given to the Council over the years as Mr Coysh was retiring and this would be his last Audit and Governance Committee. The Chairman, Councillor Cotterill also echoed these comments.

2. Councillor Pope left the meeting at the conclusion of this item and was not present for the remainder of the meeting.)

24 **INTERNAL AUDIT CHARTER**

Consideration was given to the report of the Borough Treasurer as contained on pages 117 to 131 of the Book of Reports the purpose of which was to consider revisions to the Internal Audit Charter.

RESOLVED: That the Internal Audit Charter presented as an appendix to the report be approved to take effect immediately.

25 **WORK PROGRAMME**

Consideration was given to the Committee's Work Programme as set out at page 133 of the Book of Reports.

RESOLVED: That the Work Programme be noted and that the next training session would be on the Development Company.

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- CHAIRMAN -