

AUDIT & GOVERNANCE COMMITTEE

HELD: Tuesday, 29 January 2019

Start: 6.30 p.m.

Finish: 7.34 p.m.

PRESENT:

Councillor: P Cotterill (Chairman)

Councillors: T Aldridge
R Cooper
C Dereli
N Hennessy
J Witter

T Blane
N Delaney
J Gordon
J Mee

Officers: Borough Solicitor - Mr T Broderick
Borough Treasurer – Mr M Taylor
Member Services/Civic Officer – Mrs J A Ryan

In attendance: Georgia Jones (Grant Thornton)

36 APOLOGIES

There were no apologies received.

37 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillors Wynn and Pope and the appointments of Councillors Delaney and Mrs Witter respectively for this meeting only, thereby giving effect to the wishes of the Political Groups.

38 DECLARATIONS OF INTEREST

There were no Declarations of Interest received.

39 PUBLIC SPEAKING

There were no items under this heading.

40 MINUTES

RESOLVED: That the minutes of the meeting held on the 30 October 2018 be approved as a correct record and signed by the Chairman.

41 GRANT THORNTON - PROGRESS UPDATE

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 379 to 385 of the Book of Reports the purpose of which was to receive an update from the Council's External Auditors Grant Thornton on a range of different matters.

The Chairman invited Georgia Jones from Grant Thornton to present the Progress Report to the Committee.

RESOLVED: That the Grant Thornton Progress Report be noted.

42 **GRANT THORNTON - AUDIT PLAN**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 387 to 403 of the Book of Reports the purpose of which was to receive a report from the Council's External Auditors which set out their plan for the audit of the Council's 2018/19 financial statements and consideration of value for money issues.

The Chairman invited Georgia Jones from Grant Thornton to present the Audit Plan report.

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

- Value for money arrangements in respect of the Housing Revenue Account (HRA)
- Introduction of new software
- External Audit Fees and delivery of the work on time
- Early closure dates for publication of local government accounts, and whether this could subject the Council to penalty fees

RESOLVED: That the report be noted and that the Audit Plan be approved.

43 **RISK MANAGEMENT FRAMEWORK AND POLICY UPDATE**

Consideration was given to the report of the Borough Treasurer as set out on pages 405 to 417 of the Book of Reports which set out details of the operation of the Risk Management Framework over the last twelve months and recommended changes to the current Risk Management Policy.

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

- When training on Risk Management would be undertaken – this is scheduled for October/November
- In relation to the Risk Management Policy a Member asked that the time of year when the Policy was reviewed could be added in the Policy and when the Working Group meets.
- It was noted that there was a typo on page 411 of the report, the second bullet point should say "ambitious" for West Lancashire and not "ambitions".

RESOLVED: (A) That the continuing effective operation of the Risk Management Framework and the comments above be noted.

- (B) That the proposed amendments to the Risk Management Policy as set out in the appendix be endorsed for approval by Cabinet incorporating the additional amendments as noted above.

44 INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 419 to 424 of the Book of Reports which advised of progress against the 2018/19 Internal Audit Plan.

The Borough Treasurer reported 64% of the items on the plan were in progress compared to 62% for the same period in the previous year and outlined the key reasons for this position.

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

- The number of Council house sales sold privately in the past 12 months.
- The planned Treasury Management and Main Accounting audits.

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

45 PROPERTY SERVICES - ARRANGEMENTS RELATING TO THE ENGAGEMENT OF A CONTRACTOR

Consideration was given to the report of the Borough Treasurer as contained on pages 425 to 440 of the Book of Reports which set out details of the issues arising from an internal audit examination of Property Services arrangements with a contractor.

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

- The new procedures and management now in place
- Tendering exercises
- VAT issues

RESOLVED: (A) That progress against the action plan be noted.

- (B) That a follow up audit of Property Services procurement is undertaken during 2019/20 to confirm that the new arrangements are working effectively.

46 RIPA ACT REGULAR 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 report be noted.

47 **WORK PROGRAMME**

Consideration was given to the Committee's Work Programme as set out at page 441 of the Book of Reports.

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

- Members requested the training session to be longer and the possibility of Audit and Governance Committee starting at 7.00pm.
- A training session was requested on Social Value.

RESOLVED: (A) That the Work Programme be noted.

(B) That a training session on Social Value take place in October 2019.

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- CHAIRMAN -