

AUDIT & GOVERNANCE COMMITTEE

HELD: Wednesday, 30 October 2024

Start: 7.00 pm

Finish: 7.32 pm

PRESENT:

Councillor: N Hennessy (Chairman)
R Molloy (Vice-Chairman)

Councillors: C Coughlan J Mee
A Owens S Patel
A Fennell T de Freitas

Also in attendance Councillor J Finch
(Virtually)

Officers: Alison Wood, Corporate Finance Manager (Deputy 151)
Catherine Kirwan, Procurement Manager
Jennifer Lunn, Senior Legal Executive / Assistant Solicitor
Melanie Moorey, Principal Auditor
Judith Williams, Assistant Solicitor
Hollie Griffith, Planning Assistant Solicitor
Jill Ryan, Principal Democratic Services Officer
Kim Webster, Democratic Services Officer

33 APOLOGIES

There were no apologies for absence received.

34 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillor E Pope and the appointment of Councillor T de Freitas for this meeting only, thereby giving effect to the wishes of the Political Groups.

35 URGENT BUSINESS

There were no urgent items of business.

36 DECLARATIONS OF INTEREST

Councillor N Hennessy declared a pecuniary interest in respect of Agenda Item 16, Quarterly Exemption Report, due to her role as Chairman of the Lancashire Fire and Rescue Authority and therefore left the meeting and took no part in the decision-making process in relation to this item.

37 MINUTES OF PREVIOUS MEETING

RESOLVED: That the Minutes of the Meeting held on the 31 July 2024 be received as a correct record and signed by the Chairman.

38 PUBLIC SPEAKING

There were no items under this heading.

39 STATEMENT OF ACCOUNTS 21-22 AND 22-23

Consideration was given to the Statement of Accounts 21-22 and 23-24 report from our External Auditors Grant Thornton.

The Chairman welcomed and invited Georgia Jones of Grant Thornton to present the report to the Committee.

The Committee considered the Statement of Accounts 21-22 and 23-24 report as contained on pages 17 to page 290 of the Book of Reports which had been presented to Members to seek the approval of the Council's Annual Statement of Accounts for 2021-22 and 2022-23 and that the Independent Auditor reports and audit certification for the Financial Statements 2021-22 and 22-23 be noted.

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

- Clarity on the statement "To be a financially sustainable Council by 2023" as detailed on priority point 4 of 6 on the Council's vision, on page 25.
- How many other Councils are currently affected by backstop legislation.
- The robust savings plan.
- Asset sealing calculations.

RESOLVED: (A) That the Statement of Accounts for 2021-22 accounts as set out in Appendix A to the report be approved.

(B) That the Statement of Accounts for 2022-23 accounts as set out in Appendix B to the report be approved subject to a restatement of the pension asset from £26.678m to nil, following receipt of a retrospective asset ceiling calculation from our actuary, Mercer.

(C) That the option within the Independent Auditors Report for the Financial Statements 2021-22 and audit certification be noted.

40 DRAFT STATEMENT OF ACCOUNTS 23/24

Consideration was given to the report of the Director of Finance and Corporate Resources as contained on pages 291 to 422 of the Book of Reports. The purpose of the report was to note and review the Draft Statement of Accounts for 2023-24.

The Chairman invited the Corporate Finance Manager (Deputy 151) to present the report.

RESOLVED: That the Statement of Accounts for 2023-24 set out in Appendix A of the report be noted.

41 LETTER OF REPRESENTATION

Consideration was given to the Letter of Representation 2021-2022 and 2022-2023 report from our External Auditors Grant Thornton.

The Chairman invited Georgia Jones of Grant Thornton to present the report to the Committee.

The Committee considered the Letter of Representation 21-22 and 22-23 report as contained on pages 423 to page 434 of the Book of Reports which had been presented to Members for approval.

RESOLVED: (A) That the Letter of Representation for 2021-22 accounts be approved.

(B) That the Letter of Representation for 2022-23 accounts be approved.

42 EXTERNAL AUDIT 23-24 PROGRESS REPORT

Consideration was given to the External Audit Progress Report 2023-24 report from our External Auditors Grant Thornton.

The Chairman invited Georgia Jones of Grant Thornton to present the report to the Committee.

The Committee considered the External Audit Progress report for 2023-24 as contained on pages 435 to pages 454 of the Book of Reports which had been presented to Members to note the External Audit Report on the Statement of Accounts for 2023-24.

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

- If the progress level was at the point it should be.

RESOLVED: That the External Auditor report on the Statement of Accounts for 2023-24 be noted.

43 INTERNAL AUDIT ACTIVITIES - PROGRESS REPORT

The Deputy Chief Executive submitted a report to provide Members with the Internal Audit Progress Report.

The Chairman invited the Principal Auditor to present the report.

The Committee considered the report as contained on pages 455 to 466 of the Book of Reports, which had been presented to Members to advise of the progress made against the 2024/25 Internal Audit Plan.

Comments and questions were raised in respect of the following:

- Whether there was any significant financial loss from the three referrals detailed in the report in relation to fraud.
- A point was raised around the agency staffing report.

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

44 **REGULATION OF INVESTIGATORY POWERS ACT - ANNUAL SETTING OF THE POLICY AND REVIEW OF USE OF POWERS**

The Chief Legal and Democratic Services Officer submitted a report on the Council's Regulation of Investigatory Powers Act – Annual Setting of the Policy and Review of use of Powers (RIPA).

The Committee considered the RIPA activity as contained on pages 467 to 468 of the Book of Reports, which had been presented to Members. The Report also included the RIPA Policy attached as an appendix to the Report as contained on pages 471 to 489 of the Book of Reports.

RESOLVED: That the Council's RIPA Activity and the RIPA Policy contained at Appendix 1 of the Report be noted.

45 **OUTSTANDING AUDIT RECOMMENDATIONS**

The Deputy Chief Executive submitted a report to provide Members with the Outstanding Audit Recommendations.

The Chairman invited the Principal Auditor to present the report.

The Committee considered the report as contained on pages 495 to 504 of the Book of Reports, which had been presented to Members for approval.

RESOLVED: That the status of outstanding audit recommendations and progress to date to ensure they are implemented be noted.

46 **WORK PROGRAMME**

Consideration was given to the Committee's 2024/25 Work Programme as set out on page 505 of the Book of Reports.

RESOLVED: That the Work Programme be noted.

47 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of that Act and as, in all the circumstances of the case,

the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information

48 **QUARTERLY EXEMPTION REPORT**

The Director of Finance and Corporate Resources (151 Officer) submitted a report on the Council's grants of exemptions from Public Contracts Regulations 2015 and/or the Council's Contract Procedure Rules.

The Vice-Chairman invited the Procurement Manager to present the report.

The Committee considered the Quarterly Report on Procurement Exemptions as contained on pages 507 to 548 of the Book of Reports which had been presented to Members.

A question was raised on the number of exemptions that had been submitted since the last meeting of the Audit and Governance Committee.

RESOLVED: That the Council's exemption activity as reported in the appendices to the report be noted.

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Chairman