

**AUDIT AND GOVERNANCE COMMITTEE**

**MEETING HELD AT THE TOWN HALL, BOOTLE  
ON 19 SEPTEMBER 2018**

PRESENT: Councillor Brennan (in the Chair)

Councillors Blackburne, Linda Cluskey, McGinnity,  
Pugh, John Sayers, Shaw, Anne Thompson and  
Sir Ron Watson

**21. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Roche and Roscoe (Substitute for Councillor Roche); and Ms Caroline Davies and Mr Hassan Rohimum, External Auditors, Ernst and Young.

**22. DECLARATIONS OF INTEREST**

No declarations of any personal or disclosable pecuniary interest were received.

**23. MINUTES**

RESOLVED:

That the Minutes of the meeting held on 25 July 2018 be confirmed as a correct record.

**24. REVENUE AND CAPITAL BUDGET UPDATE - TREASURY  
MANAGEMENT POSITION TO JULY 2018**

The Committee considered the report of the Head of Corporate Resources which provided a review of the Treasury Management activities undertaken to 31 July 2018. This was the first of the ongoing quarterly monitoring reports provided to the Audit and Governance Committee whose role it is to carry out scrutiny of treasury management policies and practices.

The Service Manager, Treasury and Capital presented the report and answered questions thereon.

RESOLVED: That

- (1) the Treasury Management update to 31 July 2018 be noted; and
- (2) the effects of decisions taken in pursuit of Treasury Management Strategy and the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities, be noted.

## **25. DAVID EDEN - NEW CHIEF INTERNAL AUDITOR**

The Head of Corporate Resources introduced Mr David Eden, who had recently been appointed as the Council's Chief Internal Auditor, replacing Ms Laura Williams who had left the Council in August 2018.

The Chair welcomed Mr Eden on behalf of the Committee and congratulated him on his appointment.

## **26. RISK AND AUDIT SERVICE PERFORMANCE**

The Committee considered the report of the Head of Corporate Resources which provided details of the performance and key activities of the Risk and Audit Service for the period 14 June 2018 to 7 September 2018.

The Chief Internal Auditor presented the report and he and the Head of Corporate Resources answered questions on the following issues:

- action taken in respect of amelioration of risks deemed to be 'major';
- actions taken by the Council following the Grenfell Tower fire disaster;
- a request for details of insurance companies contracted by the Council;
- requests for information on actions being taken in respect of Sefton's coastal defences at Crosby and Hightown;
- a request for information on the statutory compliance inspection of the Atkinson, Southport – in particular, measures being taken to ensure full compliance; and
- a request for information on the opinions used in the audit reports.

RESOLVED: That

- (1) the progress in the delivery of the 2017/18 and 2018/19 Internal audit Plans and the activity between 14 June 2018 and 7 September 2018 be noted;

AUDIT AND GOVERNANCE COMMITTEE- WEDNESDAY 19TH  
SEPTEMBER, 2018

- (2) the contributions made by the Health and Safety, Insurance and Risk and Resilience teams in managing the Council's key risks be noted; and
- (3) an update report on issues raised by Members be submitted to next meeting.

## **27. CORPORATE RISK MANAGEMENT**

Further to Minute No. 11 of 27 June 2018, the Committee considered the report of the Head of Corporate Resources on the updated Corporate Risk Register, indicating that since that meeting, the Corporate Risk Register had been fully updated, with two new risks identified and no risks having been removed or de-escalated from the Register.

The Chief Internal Auditor presented the report and he and the Head of Corporate Resources answered questions thereon.

Arising from discussion, a request was made for future risk tables to be presented with risk levels shown from highest risk to lowest risks in descending order.

RESOLVED: That

- (1) the contents of the Corporate Risk Register be noted, in particular, the nature of the major risks facing the Council and the controls and planned actions in place to mitigate these; and
- (2) the Corporate Risk Register be submitted to future meetings with highest risk to lowest risks presented in descending order.

## **28. AUDIT AND GOVERNANCE COMMITTEE EFFECTIVENESS**

The Committee considered the report of the Head of Corporate Resources on the results of a recent survey of Audit and Governance Committee Members and proposing to develop the Committee's effectiveness in line with good practice guidance from CIPFA.

The Chief Internal Auditor and the Head of Corporate Resources presented the report and answered questions thereon.

Arising from discussion, the issue of training for Members was raised as being a key factor for improving the effectiveness of the Audit and

AUDIT AND GOVERNANCE COMMITTEE- WEDNESDAY 19TH  
SEPTEMBER, 2018

Governance Committee and it was suggested that it would be beneficial to hold interactive Member Briefing / Training Sessions lasting no more than half an hour prior to meetings of the Audit and Governance Committee.

RESOLVED: That

- (1) the report and the results of the recent survey of Audit and Governance Committee members in respect of their views on effectiveness of the performance of the Committee be noted;
- (2) to work with the Committee to develop proposals to improve the Committee's effectiveness; and
- (3) the proposal to hold half hour interactive Member Briefing / Training Sessions prior to future meetings of the Audit and Governance Committee, be agreed.