

AUDIT AND GOVERNANCE COMMITTEE

**MEETING HELD AT THE BALLROOM - BOOTLE TOWN HALL,
TRINITY ROAD, BOOTLE, L20 7AE
ON 23 JUNE 2021**

PRESENT: Councillor Robinson (in the Chair)
Councillor Roche (Vice-Chair)

Councillors d'Albuquerque, Dowd, McGinnity,
John Joseph Kelly, Pugh, John Sayers, Shaw and
Sir Ron Watson.

ALSO PRESENT: Mr Richard Tyler, External Auditor - Ernst and Young

1. APOLOGIES FOR ABSENCE

No apologies for absence were received.

2. DECLARATIONS OF INTEREST

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

3. MINUTES OF THE MEETING HELD ON 17 MARCH 2021

RESOLVED:

That the minutes of the meeting held on 17 March 2021 be confirmed as a correct record.

4. EY CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2019-2020

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services in respect of a report submitted by Ernst and Young, External Auditors on Certification of Claims and Returns Annual Report 2019/2020.

Mr Richard Tyler, presented the report on behalf of Ernst and Young and answered questions thereon.

RESOLVED:

That the report be noted.

**5. EY ANNUAL AUDIT LETTER FOR THE YEAR ENDED 31
MARCH 2020**

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services in respect of a report submitted by Ernst and Young, External Auditors on the EY Annual Audit Letter for the year ended 31 March 2020.

Mr Richard Tyler, presented the report on behalf of Ernst and Young and answered questions thereon.

RESOLVED:

That the report be noted.

**6. EY - 2020/2021 AUDITOR WORK ON VALUE FOR MONEY (VFM)
ARRANGEMENTS**

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services in respect of a report submitted by Ernst and Young, External Auditors on the 2020-2021 Auditor Work on Value for Money (VFM) arrangements.

Mr Richard Tyler, presented the report on behalf of Ernst and Young and answered questions thereon.

RESOLVED:

That the report be noted.

**7. EY - SUSTAINABILITY OF LOCAL AUTHORITY FINANCIAL
REPORTING AND EXTERNAL AUDIT IN ENGLAND - THE SIR
TONY REDMOND INDEPENDENT REVIEW**

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services in respect of a report submitted by Ernst and Young, External Auditors on the Sustainability of Local Authority Financial Reporting and External Audit in England – The Sir Tony Redmond Independent Review.

Mr Richard Tyler, presented the report on behalf of Ernst and Young and answered questions thereon.

RESOLVED:

That the report be noted.

8. AMENDMENTS TO MOTIONS AT FULL COUNCIL

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services seeking permission to amend the Constitution in relation to the manner in which amendments to motions at Full Council are dealt with so that they can be dealt with in the same manner as when meetings were held remotely.

The report indicated that when Full Council meetings had been held remotely due to the Covid-19 pandemic, a temporary process had been introduced whereby notice of an amendment to a motion was emailed to the Chief Legal and Democratic Officer no later than 4 pm on the day before the Full Council meeting using a template for submission and stating the names of the mover and seconder of the amendment. If approved as a valid amendment, the notice of the amendment was circulated to all Members by email no later than 4 pm on the day of the Full Council meeting. The report proposed that this process continue and be written into the Constitution.

Mr Richard Clegg, Principal Lawyer, presented the report and answered questions thereon.

Members indicated that they were disinclined to support the proposal which would remove the ability for amendments to motions to be moved during the debate on a motion and expressed the view that it would be wrong to stifle the cut and thrust of debate at Full Council meetings on efficiency grounds.

RESOLVED: That

- (1) the recommendation to amend the Constitution, requiring notice to amend a motion at Full Council, as set out in paragraph 2 of the report be not approved; for the reason that it would be wrong to stifle debate at Full Council meetings on efficiency grounds; and
- (2) the Chief Legal and Democratic Officer be requested to confirm arrangements for future Council meetings with the political group leaders, in respect of motions, amendments to motions and supplementary questions and a template be utilised to make amendments to motions more legible.

9. CORPORATE RISK MANAGEMENT

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services on the updated Corporate Risk Register, indicating that since the last meeting the Corporate Risk Register had been reviewed and updated.

Mr David Eden, Chief Internal Auditor presented the report indicating that two new risks had been added or escalated from the Service Risk Registers to the Corporate Risk Register, namely:

- Gaps in understanding of community needs; and
- School debts transferring back to the Council

No risks had been de-escalated from the Corporate Risk Register to the Service Risk Register; and one risk had not been updated with revised contact and confirmed that it remained up to date – namely:

- Failure to manage pandemic.

Mr Eden reminded the Committee that at the Audit and Governance Committee held on 18 December 2019, it had been agreed that for future meetings, a short presentation would be made by a risk owner on one of the risks listed in the Corporate Risk Register. In this respect, Mr Stephen Watson, Executive Director – Place had been invited to provide a presentation to the Committee on one of the risks listed in the Corporate Risk Register relating to the impact on the Sefton economy of Covid-19, EU Exit, winter and austerity. Accordingly, Mr Watson gave a presentation to the Committee and answered questions thereon.

RESOLVED: That

- (1) the contents of the Corporate Risk Register, particularly the nature of the major risks facing the Council and the controls and planned action in place to mitigate these risks be noted;
- (2) Mr Watson be thanked for his informative presentation on the risks associated with the Sefton economy and measures being put into place to reduce / remove the risks; and
- (3) the Head of Children's Social Care be invited to a future meeting to provide a presentation on one of the risks in the Corporate Risk Register relating to Children's Social Care.

10. RISK AND AUDIT SERVICE PERFORMANCE

The Committee considered the report of the Executive Director of Corporate Resources and Customer Services which provided details of the progress in the delivery of the Internal Audit Plans for 2020/21 and 2021/22 and the performance and key activities of the Risk and Audit Service for the period 7 March 2021 to 13 June 2021.

Mr David Eden, Chief Internal Auditor presented the report and answered questions thereon.

RESOLVED: That

- (1) the progress in the delivery of the 2020/21 and 2020/22 Internal Audit Plans and the activity undertaken for the period 7 March 2021 to 13 June 2021 be noted; and
- (2) the contributions made by the Health and Safety, Insurance, Assurance and Risk and Resilience Teams in managing the Council's key risks be noted.

11. BOOTLE NEW STRAND AND SURROUNDING AREA - COUNCILLOR SIR RON WATSON

The Committee considered a report submitted in accordance with Rules 115 and 116 of Chapter 4 of the Constitution by Councillor Sir Ron Watson in relation to Bootle New Strand and surrounding area.

Councillor Watson presented his report and suggested that it would be helpful for a meeting to be held with the Chair and Vice Chair of the Audit and Governance Committee and representatives from the other political groups with the Cabinet, to provide an update on the position in respect of the Strand and surrounding area and to enable questions to be raised.

Mr Stephen Watson – Executive Director Place indicated that the Strand had been purchased to help in the regeneration of the Bootle area and a report on Bootle Strand Shopping Centre – Business Plan 2021/22 to 2023/24 was to be considered by Cabinet tomorrow - 24 June 2021.

Mr Stephen Watson also clarified that the rejected planning application referred to in Councillor Watson's report had been made by a third party and not by Sefton Council.

Arising from discussion it was recommended that the report be referred to officers for response.

Councillor Watson stated that he did not feel it appropriate that Officers should be asked to provide a response to his report on the Bootle Strand

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and surrounding area as officers were not the decision makers; and in accordance with Rule 96 of Chapter 4 of the Council's Constitution he requested that his dissent to recommendation 2 below, be recorded.

RESOLVED: That

- (1) Councillor Watson's report on the Strand and surrounding area be noted; and
- (2) the report be submitted to Officers for response and report back to the meeting of the Audit and Governance Committee on 15 September 2021.