

AUDIT AND GOVERNANCE COMMITTEE

**MEETING HELD AT THE COMMITTEE ROOM - BOOTLE TOWN HALL,
TRINITY ROAD, BOOTLE, L20 7AE
ON 11 DECEMBER 2024**

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

Councillors Conalty, Johnson, Maher, McNabb,
Neary, Pugh and Shaw

33. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Spring.

34. DECLARATIONS OF INTEREST

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

35. MINUTES

The Minutes of the meeting held on 4 September 2024 were approved at the Statement of Accounts meeting held on 20 November 2024

36. CORPORATE RISK MANAGEMENT

The Committee considered the report of the Executive Director - Corporate Resources and Commercial which provided an update on the Corporate Risk Register as detailed in Appendix A to the report.

The report indicated that the ownership of the content of the Corporate Risk Register rested with the Strategic Leadership Board.

Since the last meeting held on 4 September 2024, no new risks had been added to or removed from the Corporate Risk Register in the current quarter.

The external review of the risk management draft report had highlighted a number of recommendations to improve risk management.

There were other on-going initiatives to embed risk management within the Council including assurance mapping and horizon scanning.

Substantial work had been undertaken to attempt to embed risk management across the Council over the past six years through designing a risk framework, providing training, and facilitating the Service and

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Operational Risk Registers using resources across the Risk and Audit Team to facilitate improvements. Recent work had included drafting the Sefton Assurance Framework and undertaking Assurance Mapping to inform the Annual Chief Internal Auditor's Opinion and the Annual Internal Audit Plan.

There was clear evidence of engagement by the leadership team in terms of regularly reviewing the CRR. To demonstrate that risk management was embedded at this level engagement should be universal and consistent over time as highlighted in the update. Improvements required included the consistent regular updating of SRRs, considering the outcome of the ORRs when looking at SRR and sharing the SRR with the relevant Cabinet Member and the Risk team, when requested.

There was one service where the updating of their SRR over the past 12 months had not been timely, within this quarter, a further service area had not updated their SRR, so further work was being undertaken with the services to ensure this was improved. ORRs remained an area to be improved across the Council and the Risk and Audit service were continuing to work with teams to facilitate this across the organisation.

The implementation of the Council's risk appetite would help to further embed risk management within the Council and should improve corporate decision making. The risk management training would assist staff and members to understand the principles of risk management in a consistent manner.

There was further work planned to improve risk management within the organisation through the roll-out of Key Risk Indicators.

The initial findings from the external review of the Council's risk management review had highlighted areas to improve and the team would set out an action plan for the next meeting to consider.

Following consideration of the report, the Committee received a presentation from the Executive Director – Regeneration, Economy and Assets. The presentation updated the Committee on Growth and Strategic Investment Programme Delivery, as follows:

- Risk
- Mitigations
- Mitigations – Governance Processes and Procedures
- Mitigations – Project Controls and Reporting
- Programme Manual – Contents
- Mitigations – Programme and Project Prioritisation
- Mitigations – Central and Regional Government Engagement
- Mitigations – Market Engagement
- Mitigations – Lessons Learned processes
- Continuous Improvement

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Members of the Committee asked questions/commented on the following issues arising from the report and verbal update:

- Recruiting and retaining staff
- Apprenticeships
- Entrepreneurial opportunities
- Working with the Ministry of Housing, Communities and Local Government

The Committee requested an update on the proposed action in place on apprenticeship outcomes and staffing levels i.e. recruitment and retention.

RESOLVED: That

- (1) the updated Corporate Risk Register, the nature of the major risks facing the Council and the planned actions in place to mitigate these risks, be noted;
- (2) Executive Director - Corporate Services and Commercial be requested to bring an update report and/or presentation on the proposed action in place on apprenticeship outcomes and staffing levels i.e. recruitment and retention; and
- (3) the Executive Director – Regeneration, Economy and Assets be thanked for their presentation.

37. DBS CHECKS FOR ELECTED MEMBERS

The Committee considered the report of the Executive Director – Corporate Services and Commercial which outlined proposals for Elected Members to be subject to voluntary DBS checks. It was proposed that all Elected Members and Co-Opted Members should obtain a Basic DBS Check and those Members and Substitute Members sitting on Overview and Scrutiny Committee (Children's Services and Safeguarding) and Overview and Scrutiny Committee (Adult Social Care and Health) and Cabinet Members should obtain an Enhanced DBS Check.

Members of the Committee asked questions/commented on the following issues arising from the report:

- Consulting with the DBS Service
- Basic DBS Checks compared to Enhanced DBS Checks
- Enhanced DBS Checks for all Members
- Safeguarding Vulnerable Groups Act 2006
- The procedure following a DBS caution
- Consulting with relevant organisations
- Frequency of DBS checks

RESOLVED: That

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That Full Council be recommended to introduce a scheme whereby:

- (1) all Elected Members be asked to agree to be subject to a Basic DBS check within one month of taking office;
- (2) all Elected Members who sit on or are substitute members on the Overview and Scrutiny Committee (Children's Services & Safeguarding) and Overview and Scrutiny Committee (Adult Social Care and Health) be asked to agree to be subject to an Enhanced DBS check within one month of being appointed to the Committee;
- (3) all Cabinet Members be asked to agree to be subject to an Enhanced DBS check within one month of being appointed to the Cabinet;
- (4) all co-opted Members to Overview and Scrutiny Committee (Children's Services & Safeguarding) and Overview and Scrutiny Committee (Adult Social Care and Health) be asked to agree to be subject to an Enhanced DBS check;
- (5) It be agreed that such checks outlined above be subject to renewal every 3 years;
- (6) the content of the 'Risk Assessment of Unspent Convictions or Conditional Cautions' attached as Appendix 2 be agreed;
- (7) the Council's Monitoring Officer be authorised to amend Chapter 2 of the Council's Constitution to reflect the above recommendations;
- (8) authority be delegated to the Council's Monitoring Officer to amend the scheme to reflect any subsequent changes to the committee titles;
- (9) further to the letter from the Minister for Local Government of 18th January 2024, the Council calls upon the Council Leader to write to the Secretary of State for Housing, Communities and Local Government requesting that legislation be introduced to make it mandatory for all elected members (and co-opted members) to be subject to enhanced DBS checks; and
- (10) the Council be instructed to use all its influence through organisations such as the Local Government Association to lobby for enhanced DBS checks for all Members.

38. FINANCIAL PROCEDURE RULES

The Committee considered the report of the Executive Director – Corporate Services and Commercial which sought approval for revisions to the Financial Procedure Rules following the most recent review.

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It was a requirement of the Council's Constitution that there was a regular review of the Financial Procedure Rules.

RESOLVED: That

- (1) the revision to the Financial Procedure Rules set out in the Appendix to this report be approved; and
- (2) the duly amended Financial Procedure Rules be referred to the Council for approval

39. FOLLOW UP OF AUDIT AGREED ACTIONS

RESOLVED:

That the Follow up of Audit Agreed Actions be deferred to the Committee meeting due to be held in March 2025.

**40. POLICY AND REVIEW OF WHISTLEBLOWING REFERRALS
2023 - 2024**

The Committee considered the report of the Executive Director – Corporate Services and Commercial which summarised all complaints received by the Council via its whistleblowing policy in the municipal year 2023 to 2024. It was good practice to appraise the Committee of all referrals received by the Council via its whistleblowing policy in accordance with the terms of reference of the Committee and the terms of the policy.

RESOLVED:

That the summary of the referrals received during the municipal year 2023 to 2024 be noted.

41. RISK AND AUDIT SERVICE PERFORMANCE

The Committee considered the report of the Executive Director - Corporate Services and Commercial which detailed the performance and key activities of the Risk and Audit Service for the period 1 August 2024 to 31 October 2024.

The report also discussed the resourcing position across the Team as well as, in particular, the Internal Audit Team, and the response and the actions planned for the rest of the financial year.

Members of the Committee asked questions/commented on the following issues arising from the report:

- Consequences of missing FOI deadlines
- Tree management

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- Aggression towards staff

RESOLVED: That

- (1) the progress on the 2024/25 Internal Audit Plan from 1 August 2024 to 31 October 2024 be noted; and
- (2) the contributions made by the Health and Safety, Insurance, Assurance and Risk and Resilience teams in facilitating the management of the Council's key risks be noted.

42. TREASURY MANAGEMENT POSITION TO SEPTEMBER 2024

The Committee considered the report of the Executive Director - Corporate Services and Commercial which provided Members with a review of the Treasury Management activities undertaken to 30 September 2024. This document was the second report of the ongoing quarterly monitoring provided to the Committee whose role it was to carry out scrutiny of treasury management policies and practices.

Members of the Committee asked questions/commented on the following issues arising from the report:

- Ethical investment policy
- Surplus income forecast

RESOLVED:

That the Treasury Management update to 30 September 2024, the effects of decisions taken in pursuit of the Treasury Management Strategy and the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities be noted.

43. WORK PROGRAMME UPDATE REPORT

The Committee considered the report of the Executive Director – Corporate Services and Commercial on the Audit and Governance Committee Work Programme; and which indicated that it had been developed to help ensure that all of the responsibilities of the Committee set out in its Terms of Reference were discharged during the municipal year.

The report provided an update on reports listed for submission at the meeting held on 4 September 2024 and reasons for non-submission of some of the reports listed. The reports considered at the meeting on 4 September 2024 were listed in the Work Programme for the 2024-25 Municipal Year, which had been approved by the Committee on 20 March 2024.

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That the Audit and Governance Committee Work Programme update on reports listed for submission to the meeting held on 4 September 2024 be noted.

44. EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act. The Public Interest Test has been applied and favoured exclusion of the information from the press and public.

45. UNRECOVERABLE DEBTS OVER £10,000

The Committee considered the report of the Executive Director - Corporate Services and Commercial on the write-off of unrecoverable debts. The report indicated that as outlined within the Council's Schemes of Financial Delegation, all outstanding debts over £10,000 could not be written off without the approval of the Audit and Governance Committee. The Committee was asked to approve the write off of the debts listed in Appendices A, B and C to the report.

Members of the Committee asked questions/commented on the following issues arising from the report:

- Bad debt provision
- Dates of the debts being written-off
- Definition of Sundry Debtors
- Clarification on reasons for debt write-off

RESOLVED: That

- (1) the write off of all individual debts detailed in the appendices to this report be approved; and
- (2) in future reports, more explanatory reasoning be given for debt write-off, when necessary.