

AUDIT AND GOVERNANCE COMMITTEE

**MEETING HELD AT THE TOWN HALL, BOOTLE
ON 14 DECEMBER 2011**

PRESENT: Councillor Hands (in the Chair)
Councillor Tonkiss (Vice-Chair)

Councillors Brady, Lord Fearn, Mclvor and Moncur

ALSO PRESENT: Mr. P. Chambers from PricewaterhouseCoopers

24. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Brennan, Friel, Maher, Parry and Shaw and Councillors McGinnity and Robertson (Substitute Members).

25. DECLARATIONS OF INTEREST

No declarations of interest were made.

26. MINUTES OF PREVIOUS MEETING

RESOLVED:

That the Minutes of the meeting of this Committee held on 28 September 2011 be confirmed as a correct record.

27. EXTERNAL AUDIT - ANNUAL AUDIT LETTER 2010/11

Mr. P. Chambers from PricewaterhouseCoopers, the Council's external auditors, presented the Council's Annual Audit Letter, which provided an overall summary of the key issues considered as part of the audit work undertaken on accounting matters and systems of internal control during 2010/11 and a summary of the recommendations made during that period, which had previously been reported to the Committee.

RESOLVED:

That the Annual Audit letter for 2010/11 be noted.

28. DOUBTFUL DEBT POLICY - UPDATE

Further to Minute No. 16(5) of the meeting held on 28 September 2011, the Committee considered the report of the Head of Corporate Finance and ICT on the current policies relating to the provisions made in the annual accounts against general and Council Tax debts and an update on the current review of the Council's debt management and recovery arrangements.

RESOLVED:

That the report be noted.

29. TREASURY MANAGEMENT 2011/12 - HALF YEAR UPDATE

The Committee considered the report of the Head of Corporate Finance and ICT reviewing the Treasury Management activities undertaken in the first half of 2011/12 against the Treasury Management Policy and Strategy document 2011/12. The report also provided details of an amendment of the credit ratings approved by Council on 24 November 2011.

RESOLVED:

That the report be noted.

**30. INTERNAL AUDIT PLAN 2011/12 PERFORMANCE REPORT -
APRIL TO NOVEMBER 2011**

The Committee considered the report of the Head of Corporate Finance and ICT which provided a summary of internal audit work undertaken during the period April to November 2011. The Committee was required to be appraised of and review Internal Audit work as part of its review of the internal control environment and overall Governance arrangements.

The report also provided details of the performance trend of Arvato's Benefit Fraud Investigation Team.

RESOLVED: That

- (1) the report be noted;
- (2) the revised format of the report, which included the dates of issue and responses to audit reports be approved; and
- (3) the appreciation of the Committee be recorded for the overall work undertaken by the Internal Audit Section and in particular, the improved standard of the reports submitted to the Committee.

**31. RECOMMENDATION ESCALATION POLICY FOR NON
RESPONSE**

Further to Minute No. 18(2) of the meeting held on 28 September 2011, the Committee considered the report of the Head of Corporate Finance and ICT on the proposed principles to be utilised for the establishment of an escalation policy/process in order to establish a process by which Members of the Committee can be apprised of and take appropriate action in respect of the lack of responses to audit recommendations and reports, non agreement of recommendations and the failure to implement previously agreed recommendations.

RESOLVED:

That the principles set out in the report be approved to enable officers to produce an escalation policy for submission to the next meeting of the Committee.

32. 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 items of business on the grounds that they 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 had been applied and favoured exclusion of the information from the press and public.

**33. INTERNAL AUDIT FRAUD REPORT - APRIL TO NOVEMBER
2011**

The Committee considered the report of the Head of Corporate Finance and ICT which provided a summary of the proactive and reactive anti-fraud and investigation work undertaken during the period April to November 2011 by the Internal Audit Team.

RESOLVED: That

- (1) the report be noted; and
- (2) the appreciation of the Committee be recorded for the work undertaken by the Internal Audit Section on an investigation into the inappropriate use of school computer equipment, referred to in the report.

34. CORPORATE RISK REGISTER - UPDATE

The Committee considered the report of the Head of Corporate Finance and ICT on the Corporate Risk Register which had been updated to reflect the Council's corporate objectives and monitor the Council's strategic risks.

RESOLVED:

That the updated Corporate Risk Register be approved.