

AUDIT AND GOVERNANCE COMMITTEE

**MEETING HELD AT THE TOWN HALL, SOUTHPORT
ON 10 SEPTEMBER 2014**

PRESENT: Councillor Roberts (in the Chair)
Councillor McGinnity (Vice-Chair)

Councillors Ashton, Atkinson, M. Dowd, Lord Fearn,
John Joseph Kelly, Lewis and Papworth

10. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Brennan and his substitute Councillor Mahon, Councillor Lappin and Councillor Shaw.

11. DECLARATIONS OF INTEREST

No declarations of interest were received.

12. MINUTES

RESOLVED:

That the Minutes of the meeting held on 25 June 2014 be confirmed as a correct record.

**13. HEALTH SCRUTINY GUIDANCE - PROPOSED AMENDMENTS
TO THE CONSTITUTION**

The Committee considered the report of the Director of Corporate Services on proposed amendments to the Constitution, partly as a result of new health scrutiny guidance. The proposed amendments had been considered and approved by the Overview and Scrutiny Committee at its meeting held on 2 September 2014.

RESOLVED: That

- (1) the text attached at Appendix A to the report be added to the terms of reference for the Overview and Scrutiny Committee (Health and Social Care) in Chapter 6 of the Council's Constitution; and
- (2) the Constitution be amended to enable the full Council to formally respond to consultations by relevant NHS bodies and relevant service health providers on substantial re-configuration proposals.

14. STATEMENT OF ACCOUNTS 2013/2014

The Committee considered the report of the Head of Corporate Finance and ICT detailing the 2013/14 Statement of Accounts for consideration and approval following the completion of the audit by the External Auditors, PricewaterhouseCoopers (PWC). The report included an Executive Summary of the Accounts, the Annual Governance Statement and the "Letter of Representation" from the Council to the External Auditors for approval.

The Council, or nominated Committee charged with the responsibility for Governance must approve the Statement of Accounts following the completion of the annual audit. The Audit and Governance Committee had been delegated with this responsibility and consequently must approve the audited accounts for 2013/14 by 30 September 2014.

The Head of Corporate Finance and ICT outlined the content of the report and answered questions from Members on various aspects of the Statement of Accounts.

The report also included the External Auditor's report to those charged with Governance, which gave details of the significant audit and accounting matters to be considered, together with recommendations in relation to weaknesses identified in internal control systems.

Mr. I. Looker and Mr. R. Thomas from PWC, provided Members with a brief summary of the audit process, indicated that an unqualified opinion on the value for money aspects of the accounts was expected and answered questions from Members on various issues.

RESOLVED: That

- (1) the 2013/2014 Statement of Accounts be approved;
- (2) the Annual Governance Statement be approved;
- (3) the comments of PriceWaterhouseCoopers be noted;
- (4) the Letter of Representation be approved and the Chair and the Head of Corporate Finance and ICT be authorised to sign it on the Council's behalf; and
- (5) the Committee's thanks to the staff of the Corporate Finance and ICT department and PriceWaterhouseCoopers be recorded.

15. TREASURY AND CAPITAL ACTIVITY - OUTTURN 2013/14

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The Committee considered the report of the Head of Corporate Finance and ICT on Prudential Indicators and Treasury Management activities undertaken for 2013/14. This included the Treasury Management position to July 2014.

RESOLVED:

That the report be noted.

16. TREASURY MANAGEMENT 2014/15 - POSITION TO JULY 2014

The Committee considered the report of the Head of Corporate Finance and ICT which provided details of the Treasury Management activities undertaken in the current financial year up until 31 July 2014.

RESOLVED:

That the Treasury Management update to 31 July 2014 be noted.

17. RISK SERVICES UPDATE - APRIL TO SEPTEMBER 2014

The Committee considered the report of the Head of Finance and ICT which provided an update on Risk Management Services for April to September 2014.

RESOLVED:

That the report be noted.

18. AUDIT PLAN 2014/15 - INTERNAL AUDIT PERFORMANCE REPORT - APRIL TO AUGUST 2014

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 1 April to 31 August 2014. The Committee was required to be apprised of and review Internal Audit work as part of its review of the internal control environment and overall Governance arrangements.

RESOLVED:

That the report be noted.

19. INTERNAL AUDIT FRAUD REPORT

The Committee considered the report of the Head of Corporate Finance and ICT which provided a summary of the proactive anti-fraud and

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corruption and investigation work undertaken during 2014/15 by the Internal Audit Team, together with brief details of completed investigations.

RESOLVED:

That the report be noted.

**20. INTERNAL AUDIT REPORT AND CONFIDENTIAL REPORTING
POLICY**

The Committee considered the report of the Director of Corporate Legal Services indicating that it was proposed to review the Council's Confidential Reporting Policy in line with recommendations made by Warrington Borough Council, whose latest version of their Public Concern at Work Policy was appended to the report.

RESOLVED:

That a task group consisting of Councillors Papworth, Roberts and Shaw be appointed to assist officers with the review of this important Policy with a view to reporting back to the Committee at its meeting on 10 December 2014.

21. CONSTITUTION UPDATE

The Committee considered the report of the Director of Corporate Legal Services on work on a number of issues which involved potential amendments to the Constitution.

RESOLVED: That

- (1) the Council be recommended to approve the proposed amendments to the Constitution arising from the Openness of Local Government Bodies Regulations 2014/2095, thereby amending the Rules of Procedure in Chapter 4 to incorporate the following:-
 - (i) While a meeting of the Council, Cabinet, a Committee or Sub- Committee is open to the public, any person attending is permitted to report on the meeting by filming, photographing or making an audio recording of proceedings at the meeting. They may also use any other means for enabling persons not present to see or hear proceedings at such a meeting as it takes place or later and may use any communication method, including the internet, to publish, post or otherwise share the results of the person's reporting activities.
 - (ii) Should a person cause a disturbance at a meeting whilst reporting on the proceedings, for example by:

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- moving to areas outside the areas designated for the public without the consent of the Chair,
- making excessive noise in recording or setting up or re-siting equipment during the debate/discussion,
- using intrusive lighting and/or flash photography, or
- asking for people to repeat statements for the purposes of recording,

then the provisions of Rules 103 to 106 (Chapter 4) (Members' conduct and disturbance by the public) shall apply.

- (iii) Nothing in this Rule shall allow any person to report on any part of a meeting, without the consent of the meeting, whilst the public is excluded to allow it to debate confidential or exempt matters; and

- (2) that a task group consisting of Councillors Papworth, Roberts and Shaw be appointed to review in detail the remaining proposed changes to the Constitution set out in paragraph 1.8 of the report, with a view to reporting back to the Committee at its meeting on 10 December 2014.

22. 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 Paragraphs 3 and 7 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.

23. INTERNAL AUDIT FRAUD REPORT

The Committee considered the report of the Head of Corporate Finance and ICT which provided a summary of the ongoing investigations and new referrals of suspected fraud dealt with by the Internal Audit Team since the meeting of the Committee held on 26 March 2014.

RESOLVED:

That the report be noted.

24. CORPORATE RISK REGISTER

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Further to Minute No. 9 of 25 June 2014, the Committee considered the report of the Head of Corporate Finance and ICT setting out a revised Corporate Risk Register.

RESOLVED:

That the report be noted and the updated Corporate Risk Register be approved.