

AUDIT AND GOVERNANCE COMMITTEE

**MEETING HELD AT THE TOWN HALL, SOUTHPORT
ON 21 MARCH 2018**

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

Councillors Bennett, Bliss, McGinnity, Moncur,
Sayers, Shaw and Anne Thompson

35. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Pugh.

The Committee was also advised that Mrs Coule, Head of Regulation and Compliance was unable to attend the meeting due to the recent passing of her father.

RESOLVED:

That the Committee's heartfelt sympathy and condolences be extended to Mrs Coule, Head of Regulation and Compliance on the loss of her father.

36. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interest were received.

37. MINUTES

RESOLVED:

That the Minutes of the meeting held on 6 December 2017, be confirmed as a correct record.

38. EXTERNAL AUDIT PLANNING REPORT 2017/18

The Committee considered a report by Ernst and Young LLP, the Council's external auditors, setting out an overview of the 2017/18 audit strategy including an assessment of key risks and a planned audit strategy in response to those risks. The report included details of the company's fees.

Ms Caroline Davies, representing Ernst and Young LLP, presented the External Audit Plan and answered questions thereon.

RESOLVED:

That the External Audit Planning report 2017/18 be noted.

39. CONSTITUTIONAL AND GOVERNANCE UPDATE – MEMBER CODE OF CONDUCT / WHISTLEBLOWING POLICY

The Committee considered the report of the Head of Regulation and Compliance which provided an update on constitutional and governance matters relating to the Member Code of Conduct and a review of the Whistleblowing Policy.

The proposed amendments to the Member Code of Conduct were shown in Appendices 1 and 1A to the report.

The report also provided updated information about the Whistleblowing Policy and a copy of the on-line Whistleblowing Policy / Procedure was contained in Appendix 2 to the report.

Mr Cowley, Senior Lawyer presented the report on behalf of the Head of Regulation and Compliance and answered questions thereon.

RESOLVED: That

- (1) the amendments to the Code of Conduct indicated in Appendices 1 and 1A be noted and agreed;
- (2) Council be recommended to approve the amendments to the Code of Conduct for incorporation into the Council's Constitution; and
- (3) updated information relating to the Whistleblowing Policy be noted.

40. REVENUE AND CAPITAL BUDGET UPDATE - TREASURY MANAGEMENT POSITION TO JANUARY 2018

The Committee considered the report of the Head of Corporate Resources which provided a review of the Treasury Management activities undertaken to 31 January 2018. This was the third of the ongoing quarterly monitoring reports provided to the Audit and Governance

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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 January 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.

41. INTERNAL AUDIT CHARTER AND PLAN 2018/19

The Committee considered the report of the Chief Internal Auditor on the Internal Audit Charter and Internal Audit Plan 2018/19.

The Chief Internal Auditor presented the report and answered questions thereon.

RESOLVED:

That the Internal Audit Charter and Internal Audit Plan 2018/19 be approved.

42. RISK AND AUDIT SERVICE PERFORMANCE

The Committee considered the report of the Chief Internal Auditor which provided details of the performance and key activities of the Risk and Audit Service for the period 23 November 2017 to 7 March 2018.

The Chief Internal Auditor presented the report and answered questions thereon.

RESOLVED: That

- (1) the progress in the delivery of the 2017/18 Internal Audit Plan and the activity undertaken for the period 23 November 2017 to 7 March 2018 be noted; and
- (2) the contributions made by the Health and Safety, Insurance and Risk and Resilience teams in managing the Council's key risks be

noted.

43. CORPORATE RISK MANAGEMENT

The Committee considered the report of the Chief Internal Auditor which indicated that the Corporate Risk Register had now been fully updated, with one risk closed, one risk escalated and two new risks identified.

The Chief Internal Auditor presented the report and answered questions thereon.

RESOLVED:

That the updated Corporate Risk Register and the nature of the major risks facing the Council, and the controls and planned actions in place to mitigate these risks 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 items of business on the grounds that they would involve the likely disclosure of exempt information as defined in Paragraphs 3 and 7A 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. REVENUE SERVICE - WRITE OFF OF IRRECOVERABLE BUSINESS RATES AND SUNDRY DEBTS WITH BALANCES OVER £10,000

The committee considered the report of the Head of Corporate Resources on the Revenue Service's write-off of irrecoverable Business Rates and Sundry Debts with balances over £10,000.

RESOLVED:

That the individual debts detailed in the appendices to the report totalling £298,284.96, be approved for write-off.

46. FUTURE MEETINGS

The Committee was advised that due to the requirement for all Councils to finalise their Statement of Accounts by the end of July 2018, it was proposed to hold an additional special meeting of the Audit and Governance Committee for approval of the 2017/18 Statement of Accounts on 25 July 2018.

This would be in addition to the meeting of the Audit and Governance Committee, scheduled to take place on 27 June 2018, at which meeting, the Committee would be briefed on the draft Statement of Accounts prior to final approval on 25 July 2018.

The Committee also considered a proposal by the Chair to postpone the September 2018 meeting by one week due to holiday commitments.

RESOLVED:

That approval be given for the following changes to the 2018/19 Audit and Governance Committee meeting schedule:

- (1) an additional special meeting for approval of the 2017/18 Statement of Accounts to be held at 3.00 pm on Wednesday 25 July 2018, Southport Town Hall; and
- (2) the meeting scheduled to take place on 12 September 2018, be postponed for one week until 3.00 pm on Wednesday 19 September 2018, and be held at Bootle Town Hall.