

**SOUTH RIBBLE BOROUGH COUNCIL  
COUNCIL MEETING 21 NOVEMBER 2012**

**REPORT OF THE GOVERNANCE COMMITTEE MEETING HELD ON  
26 SEPTEMBER 2012**

**Audited Statement of Accounts 2011/12**

- pleased to approve the Statement of Accounts and welcomed the fact that the auditors' findings had resulted in only a few minor adjustments
- reassured that the Council was dealing well with the financial constraints it currently faced by delivering efficiency savings but maintaining service standards
- reassured that the healthy level of reserves acted as a safety margin, putting the council in a strong position to address eventualities
- thanked the outgoing External Auditor, the Audit Commission, for its services to the council and looked forward to an opportunity to meet the incoming External Auditor, Grant Thornton, at the next meeting
- praised officers for their hard work and positive approach to the audit and external auditors

**Budget Monitoring Report - Q1: April to June 2012/13**

- noted a net underspend of £0.293m but aware that the situation could change as the exact impact on the budget of issues such as the localisation of the council tax support scheme and the implementation of the local retention of business rates regime became clearer
- learned that the £89K saving under review of the vehicle fleet had been achieved through good deals on second-hand vehicles and maintenance & servicing being carried out internally
- pleased to note that planning fee income was significantly above budget, largely due to five major planning applications being submitted in Q1

**Treasury Management Activity – Mid-year review**

- received a report on the mid-year review of the council's treasury and investment strategies
- pleased to note that the council had now recovered 43% of its deposit in Landsbanki (total recovery of 100% expected) and 75% of its deposit in Heritable (total recovery of 86-90% expected)
- requested that the council look at the possibility of investing in Community Banks
- noted that there was no proposed change to the Treasury Management Strategy at this time but that slight changes might be considered over the next six months
- thanked the Principal Financial Accountant for his assistance and clarity of reports and wished him well for his forthcoming retirement

**Internal Audit Progress Report as at end of July 2012**

- pleased that the Internal Audit Plan was on target to be achieved and all reviews completed to date had been given either substantial or adequate ratings
- looked forward to receiving a report on proposed Internal Audit Performance Indicators at the January meeting following a baseline review
- pleased to note that the Internal Audit Service had secured another 30 days' work in 2013 at St Catherine's Hospice
- congratulated the member of the team who had successfully completed the Diploma in Internal Audit Practice and sent warm wishes to the Principal Internal Auditor who had recently left the service

### **Update on the National Fraud Initiative**

- received a report outlining the council's work on the Audit Commission's National Fraud Initiative which had been carried out every two years since 1996 and involved over 1300 organisations
- learned that just £939M of fraud, overpayment and error had been identified in the public sector since 1996 against a total of £20.3bn (£2.2bn in local government) and questioned whether national systems were good enough or the total fraud figure was incorrect

### **Complying with the Equality Act 2010**

- pleased to learn that the council was making good progress in meeting the requirements of the Act
- welcomed the inclusion in the committee report template of 'the impact on equality' and changes to the impact assessment process for use on major changes to services or policies

### **Review of the Constitution**

- agreed the timetable of meetings for the 2012/13 review

I hereby commend the report to Council.

COUNCILLOR PAUL FOSTER  
VICE-CHAIRMAN OF GOVERNANCE COMMITTEE