

SOUTH RIBBLE BOROUGH COUNCIL

COUNCIL MEETING 24 JULY 2013

REPORT OF THE GOVERNANCE COMMITTEE MEETING HELD ON 26 JUNE 2013

Budget Outturn Report 2012/13

- Learned that the positive impact of some significant one-off items occurring in the financial year, together with some efficiencies achieved, had meant a surplus of £0.721 million could be transferred to general reserves
- Felt that officers concerned in delivering the budget should be congratulated in view of the challenging economic climate

Draft Core Financial Statements for year ending 31 March 2013

- Received a report highlighting the salient points in the draft core statements and looked forward to considering the full Statement of Accounts in detail at a briefing session over the summer
- Expressed concern again at the actuarial assumptions on the net pension liabilities which were beyond the Council's control and could vary significantly from year to year

Revised Local Code of Governance

- Received a report on the revised code outlining the Council's commitment to the principles of good governance and welcomed the inclusion of the role of Scrutiny, the role of the Head of Internal Audit and partnership arrangements
- Commended the Director of Corporate Governance on the readability of the report and pleased to recommend the report for adoption by full Council (see agenda item 11)

Draft Annual Governance Statement

- Received a report outlining the Council's governance arrangements and a review against the Local Code of Governance
- Learned that future plans to improve and strengthen the governance environment included modernising the corporate complaints process and addressing the issue of vexatious or unreasonable complaints

Treasury Management Outturn Report 2012/13

- Pleased that the Council was continuing to comply with its Prudential and Treasury Indicators and that the return on investments (1.17%) had exceeded the benchmark of 0.39%
- Agreed to recommend to Council that the Treasury Strategy should be amended slightly to refer to its new and former bankers and to the limits that applied to the Council's investments (see agenda item 10)

Internal Audit Annual Report 2012/13

- Received a report summarising the work of the Internal Audit Service and providing an evaluation of the effectiveness of the council's internal audit system and giving a positive Audit opinion on the adequacy and effectiveness of the control environment
- Commended the ongoing commitment to the team's professional development

Internal Audit – Compliance with International Auditing Standards

- Pleased that information requested by Grant Thornton, gathered in the course of a review by the Internal Audit service, showed that the council's arrangements for ensuring that the financial statements were free from material misstatements were sound
- Authorised me as committee chairman, and the Chief Executive as the Section 151 statutory Chief Finance Officer, to sign the assurance letters requested by Grant Thornton

Year End Risk Monitoring Report 2012/13 Outturn and Revised Corporate Risk Register 2013/14

- Pleased to note the progress made to address the key risks and opportunities in the Corporate Risk Register during 2012/13
- Noted the revised Corporate Risk Register for 2013/14 and that a new strategic risk, rated red, had been identified to 'manage the impact of the government's proposals for reform to welfare, health & social care and housing' in response to national policy developments and that the risk relating to 'continue to ensure the delivery of affordable housing' had been reduced to amber to reflect an upturn in planning applications and new developments

Review of the Constitution 2013/14

- Agreed to the following programme of work for 2013/14
 - Council meeting minutes
 - Protocol for partnership arrangements
 - Public participation in Council and other meetings

Local Audit and Accountability Bill

- Received a report about the Local Audit and Accountability Bill notifying that councils would be responsible for appointing their own external auditors from an open and competitive market
- Informed that although details had yet to be set out in legislation, councils would have to consult and take account of the advice of an independent auditor panel

I hereby commend the report to Council.

COUNCILLOR WARREN BENNETT
CHAIRMAN OF THE GOVERNANCE COMMITTEE