

SOUTH RIBBLE BOROUGH COUNCIL
COUNCIL MEETING 20 NOVEMBER 2013

REPORT OF THE GOVERNANCE COMMITTEE MEETING HELD ON 25 SEPTEMBER 2013

SRBC Audited Statement of Accounts 2012/13

- Pleased to note that the accounts showed better than anticipated results, allowing the authority to add to both the general and the earmarked reserves
- Reassured that measures had been put in place to implement the auditors' recommendations relating to additional checking on transactions between members and the Council
- Learned that the Council had now recovered 94% of its deposit in Heritable Bank

External Audit – Audit Findings Report

- Pleased to receive confirmation and thanks from the external auditors that the audit had gone very well, with high quality working papers and close co-operation with Financial Services staff throughout
- Acknowledged that there were challenging times ahead for all local authorities but delighted with the Value for Money conclusion that our arrangements were good and sound
- Reassured by the external auditors and the Chief Executive that the standard of the audit had been maintained in spite of a significantly reduced fee with added value through the benchmarking report
- Thanked the external auditors for an excellent report and Council officers for their work on the 2012/13 audit

External Audit – Financial Resilience Report

- Informed by the external auditors that the Council's current level of reserves was helpful in the context of the budget deficit
- Welcomed Grant Thornton's benchmarking of ourselves and 15 other local authorities deemed by the Audit Commission to be our nearest statistical neighbours against a number of indicators including working capital ratio, long term borrowing, sickness absence levels and out-turn against budget

External Audit – Governance Committee Update Report

- Received a report on progress made by Grant Thornton in delivering its responsibilities as our external auditor
- Provided with an overview of a number of emerging issues and developments such as the Spending Round 2013 and challenge questions on whether and how the Council might respond to them
- Concluded that this new report was useful and should be added to our future work programme

Budget Monitoring Statement – Month 4 (July) 2013/14

- Acknowledged again that all local authorities were facing stark challenges but satisfied with the level of reserves given that the budget deficit position in 2016/17 was estimated to have increased to £3.13m and pleased with the number of efficiencies made and savings realised to date
- Informed that some of the underspend on employee costs relating to staff vacancies was due to some vacancies not having been filled due to ongoing service reviews or because completed service reviews had identified that certain posts were no longer necessary due to different ways of working

Internal Audit – 1st Interim Report as at 26 July 2013

- Pleased to learn of the early involvement of Internal Audit staff in advising on financial probity on projects such as Wesley Street Mill and Community Infrastructure Levy
- Once again commended the work of the Internal Audit Service and its ongoing commitment to the continuing professional development of its staff

Review of the Constitution 2013/14

- Agreed the timetable for the review and urged members of the Constitution Task Group to seek the views of other members on the elements of this year's review
- Authorised the Monitoring Officer to work with me and Cllr Foster as vice-chairman to finalise the Terms of Reference for the Constitution Task Group

Forward Plan

- Noted the forward plan without further debate

I hereby commend the report to Council.

COUNCILLOR WARREN BENNETT
CHAIRMAN OF THE GOVERNANCE COMMITTEE