

SOUTH RIBBLE BOROUGH COUNCIL**COUNCIL MEETING – 24 MAY 2017****REPORT OF THE GOVERNANCE COMMITTEE**

On this occasion the Governance Committee met on 12 April 2017.

External Audit

The committee was joined by external auditor Mark Heap (Engagement Lead – Grant Thornton) who presented the following reports to the committee and responded to members.

2015/16 Grant Claim Report

The auditor confirmed the reported overpayment figure was extrapolated not actual. The committee was pleased to hear it was felt the council had arrangements in place to complete and return timely accurate returns.

2016/17 Audit Plan

During consideration of the 2016/17 audit plan the committee was advised external audit would be keen to see how the council responded to the staff survey through the improvement plan. Also it was too early to comment on progress against the improvement plans targets. The committee asked if the excellent feedback on the borough (such as the Channel 4 programme) would be included in the value for money review and was informed that the criterion and method of assessment were set by the National Audit Office but the auditor was keen to have a balanced picture and reflect all information.

Audit Progress Report

Responding to the committee it was confirmed this was on track along with the target to close the council's accounts by the end of May (current deadline was end of June). Regarding the delivery of good governance and telling the story, the council was being monitored on its performance. The committee received confirmation that the council had responded to challenging questions and as yet there was no further news on councils' retention of business rates. The committee was advised that the possible impact of the Apprentice Levy was being considered and information could be circulated to its members.

2016/17 Closure of Accounts – Approval of Accounting Policies to be included in the Statement of Accounts 2016/17

The committee considered proposed changes to the accounting policies to accompany the council's 2016/17 statement of accounts. It welcomed the notion of accounts being made simpler/easier to understand and awaited examples at the forthcoming member learning hour.

Capital Programme and Efficiency Plan Performance and Improvement Actions 2016/17

Following its request the committee considered and questioned the reasons behind previous underspends and confirmation that actions taken to address this in future were robust. One aspect of this was strict project management and the committee looked forward to the early introduction of an online system. It sought and received clarification that business transformation and budget efficiency were different and would in future be reported separately.

City Deal Update

In considering an update on the City Deal, the committee enquired/sought and received assurances that progress was on track, the financial model evolved with national changes and was valid and work was in train with UCLAN to upskill the local population to cater for the needs of new opportunities.

Fighting Fraud & Corruption Locally – The Local Government Counter Fraud & Corruption Strategy 2016-2019

The considered and noted the council's position and on enquiry was re-assured that any major issues would be brought to its attention.

Internal Audit Plan 2017/18

The proposed plan for 2017/18 was presented which the committee questioned. In particular, the lack of reference to a re-assessment of the audit on licensing and the flexi-time/overtime. In noting the Internal Audit Plan 2017/18 the committee also wanted information on the outcomes/results of the work on the council's licensing function and that on the council's flexi-time and payments for overtime.

Local Code of Governance

The committee considered a revised code in line with current guidance which was noted and that the revised Local Code of Governance would be presented to council.

Review of the Constitution – Cabinet, Scrutiny Committee and Standards Committee

Further to the previous report the committee and its task group had reviewed the terms of reference for these meetings and also the procedure rules for the Cabinet and the Scrutiny Committee.

It was agreed:

That the attached terms of reference and procedure rules be recommended to council for confirmation.

I hereby commend the report to the Council.

COUNCILLOR ALAN OGILVIE
CHAIRMAN OF THE GOVERNANCE COMMITTEE