

Minutes of **Governance Committee**

Meeting date **Tuesday, 29 November 2022**

Members present: Councillors Ian Watkinson (Chair), Colin Sharples (Vice-Chair), Damian Bretherton, Alan Ogilvie, David Shaw, Kath Unsworth and Karen Walton

Officers: Chris Moister (Director of Governance), Louise Mattinson (Director of Finance and Section 151 Officer), Georgia Jones (Grant Thornton), Steve Kenyon (Senior Management Accountant), Hanne Birchall (Senior Financial Accountant) and Clare Gornall (Democratic and Member Services Officer)

Other members attending in person: Councillor Keith Martin

Other members attending virtually: Councillor Caleb Tomlinson

Public: 0

25 Apologies for absence

Apologies were received from Councillor Margaret Smith.

It was noted that Councillor Karen Walton was present in substitution for Councillor Margaret Smith.

26 Declarations of Interest

There were none.

27 Minutes of meeting Tuesday, 27 September 2022 of Governance Committee

Resolved (unanimously):

That the minutes be agreed as a correct record for signing by the Chair.

28 Audit Findings Report

The Council's External Auditors, Grant Thornton UK LLP, presented a report which provided members with its findings and conclusions relating to the statutory audit of the Council's Statement of Accounts for the period ending 31 March 2022.

The External Auditor also referred to the recommendation at Appendix A (page 32) Cash to bank reconciliation. The issue was one of control (i.e. routine monthly reconciliations) and management had agreed to this.

Members queried as to the size or percentage of the small account monies. The External Auditor explained that the matter related to a small account of the Council's rather than the main account and it did not affect the overall position. It was something the Council is still working following the recommendation the previous year and was expected to be completed by 31 December 2022. It was agreed that the Director of Finance provide information to members regarding the specific details of the small account in terms of the size of transactions / balances outside the meeting.

Resolved (unanimously):

That the report be noted.

29 Statement of Accounts 2021/22

The Director of Finance presented the audited Statement of Accounts 2021/22 for approval.

She reported that the Independent Auditor's Report, once completed was to be included on page 89 of the Statement and that the Council was on target for publication of the document on the website by Christmas.

Members raised a query in relation to figures on page 95 in that the cost of council services was stated to be £21.7 million this year compared to £11.8 million last year. The Director of Finance agreed to provide a detailed explanation to members outside the meeting.

In response to a member query the Director of Governance indicated that he was happy with recommendation 5 to authorise the Director of Finance and Chair of Governance Committee to sign the Letter of Representation.

A query was made in relation to the Risk Register on page 78 – RO6 Capacity and skills i.e. would it affect ability to deliver the Capital Programme. The Director of Finance explained that the data presented related to quarter 4 of 2021/22. She gave assurances that the position had moved on since then and that this would be reported in due course.

As regards the pooling arrangements for business rates next year, the Director of Finance indicated that councils had been informed of a complete change in 2023/24 but so far this has not progressed. Therefore all Lancashire Authorities have been asked if they wish to continue with the pooling arrangements. South Ribble have submitted an expression of interest and are awaiting the outcome following the provisional Government Settlement expected around 22/23 December.

Resolved (unanimously):

1. To approve the audited Statement of Accounts for 2021/22 (Appendix A), subject to any amendments which, in the opinion of the Director of Finance

(Section 151 Officer), are minor in nature, i.e. defined as non-material to the financial position of the council;

2. To delegate authority to the Director of Finance, in consultation with the Chair of Governance Committee, to make such amendments;
3. If the Director of Finance is of the opinion that any such amendments are material to the financial position of the council, to reconvene the Governance Committee to approve the new Statement of Accounts;
4. To authorise the Director of Finance and Chair of Governance Committee to sign the Letter of Representation (Appendix B).

30 Treasury Management Mid Year Review 2022/23

The Deputy Director of Finance presented a report on Treasury Management Performance and compliance with Prudential Indicators for the period ending 30 September 2022. The report also presented monitoring figures for the quarter ending 30 September 2022, including updated interest rate forecasts from Link Asset Services.

Resolved (unanimously):

That the report be noted.

31 Constitution - Planning Committee

The Director of Governance submitted a report informing members of a Council Notice of Motion that had requested changes to the Constitution in respect of Planning Committee procedures.

The changes related to two issues:

- One proposal effectively prohibiting members of the Cabinet from sitting on Planning Committee; and
- And two recommending changes to when a member may request that a planning application can be considered by Planning Committee.

A supplementary report was subsequently issued by the Director of Governance recommending that the Committee establish a Constitution Working Group to consider the proposed Notice of Motion and other proposed constitutional changes.

The Committee was in agreement with the proposal to set up a Constitution Working Group to consider the Notice of Motion. Other members in attendance, Councillors Caleb Tomlinson and Councillor Keith Martin, expressed their views on the Notice of Motion. It was suggested that they and any other members as appropriate be invited to present their views to the Working Group as evidence for this piece of work.

Resolved (unanimously):

1. That a Constitution Working Group be established to consider the Notice of Motion and other constitutional changes;

2. That members of the Committee be invited to express interest in sitting on the Working Group before the end of the year with a view to setting up a meeting in the New Year.

Chair

Date