

Report of Governance Committee

I am pleased to present the general report of the Governance Committee summarizing the business which was considered on 27 September 2022.

Please note that the report may not reflect the wording used in the minutes, as they have yet to be formally agreed.

Audit Progress Report and Sector Update

1. The committee considered a report of the Council's External Auditor, Grant Thornton who gave members an update on audit progress and the general sector.
2. We were advised the audit for the financial statement of accounts was underway with good progress made with the assistance of the Council's finance team. It was anticipated the audit would meet the deadline of 30 November. The External Auditors explained there were no significant issues to report and they would present the full audit findings report to Governance Committee in November.
3. We asked the External Auditor her view on the consolidated accounts for South Ribble Leisure Limited and asked if the figures would be independent from the authorities main set of accounts. The Director of Finance advised there would be a set of accounts for SRLL and these would be published on Companies House as required and these would be provided in due course.

Internal Audit Interim Report as at 31 August 2022

4. The committee considered a report of the Service Lead (Audit and Risk) that sought to advise members of the work undertaken in respect of the Internal Audit Plan from April 2022 to August 2022 and to give an appraisal of the Internal Audit Service's performance to date.
5. We noted that three reports had been finalized with one adequate rating, one limited rating and one substantial rating The Service Lead (Audit and Risk) explained it was not unusual to see a limited rated report and other Governance Committee's across the North West would also be presented with these reports.
6. We expressed concern at the Utilities Management report and asked if there were any plans to recruit a property manager to look after the Council's portfolio. We were advised by the Director of Commercial that a management post had been created to look after the functions of estates and housing and recruited through an agency. However, the individual left after a short period. Another individual had been interviewed and the authority were in the position to make an offer of employment.

Internal Audit Plan October – March 22

7. The Service Lead (Audit and Risk) presented a report that set out the programme of work to be undertaken by the Internal Audit Service over a six month period.

8. The Service Lead (Audit and Risk) explained the plan was now prepared over a six month period to strengthen Internal Audit's approach to risk based auditing. Ensuring that resources are focused on the highest risk within the Council. The approach also allows the plan to be accurately tailored to the resources available within each six month period.
9. In response to a member enquiry, the Service Lead (Audit and Risk) explained that audits would be selected based on the highest area of risk within the Council.

I would like to recommend that Council note the report.

Councillor Ian Watkinson
Chair of the Governance Committee
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