

MINUTES OF GOVERNANCE COMMITTEE

MEETING DATE Thursday, 24 January 2019

MEMBERS PRESENT: Councillors Alan Ogilvie (Chair), James Patten (Vice-Chair), Warren Bennett, Paul Foster, Michael Green and Ian Watkinson

OFFICERS: Janice Bamber (Interim Head of Shared Assurance Services), Dave Whelan (Legal Services Manager/Interim Monitoring Officer), Darren Cranshaw (Assistant Director of Scrutiny & Democratic Services), Simon Hardman (Grant Thornton PLC), Mark Heap and Coral Astbury (Trainee Governance and Member Services Officer)

OTHER MEMBERS AND OFFICERS: Councillor Margaret Smith (Leader of the Council and Leader of the Conservative Group), Councillor Phil Smith (Cabinet Member (Regeneration and Leisure)), Councillor Susan Snape (Cabinet Member (Finance)), Councillor Colin Clark (Cabinet Member (Corporate Support and Assets)) and Councillor Caroline Moon (Deputy Leader of the Council, Cabinet Member (Neighbourhoods and Streetscene) and Deputy Leader of the Conservative Group)

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38 Apologies for absence

Apologies for absence were received from Councillor David Suthers.

39 Declarations of Interest

None declared.

40 Minutes of the Last Meeting

The minutes of the last meeting held on 22 November 2018 were agreed, subject to minutes number 37 being amended to read that the Section 151 Officer presented the report, not the Deputy Chief Executive (Resources and Transformation).

The Chair referred to minute number 31 and confirmed that he had emailed Committee Members following the meeting and not received any objection to the approach agreed.

RESOLVED (Unanimously):

That the minutes of the Governance Committee meeting held on 22 November 2018, as amended, be agreed.

41 Audit Progress Report

The Committee received a report of the External Auditor detailing the progress being made in the delivery of their responsibilities. The usual wider sector briefing had not been available for the agenda despatch, but would be circulated outside the meeting.

The External Auditor reported that he had met with the Council's Section 151 Officer to discuss the implications of Brexit and further work with Lancashire councils was proposed. The External Auditor had planned their regular meetings with the Finance Team and invites had been sent for their accountants' workshops.

Members of the Committee raised the following key points:

- Confirmation was sought and given that representatives of the Council's Finance Team would be attending the accountants' workshops referred to.
- Reference was made to the last value for money assessment and comments made around the implementation of shared services with Chorley and whether this would be looked at as part of the audit process. Reassurance was provided that External Audit would look at many documents and hold discussions to form their assessment. It was likely that the new leadership team and shared services work would form part of the process.
- The additional work on Brexit would be carried out by Grant Thornton's advisory team and if progressed, the cost met by those councils that wished to be involved. A discussion took place on the best timing for undertaking this piece of work.
- The External Auditor outlined the standards that they work to and how they add value to the audit process, including their ethical standards and regulatory framework.

RESOLVED (Unanimously):

That the report be noted.

42 Housing Benefit Certification Letter

The Committee received the External Auditor's Housing Benefit Certification Letter. It was reported that the letter was very positive and thanks were extended to the Council's Housing Benefit Team for the smooth audit.

Members of the Committee raised the following key points:

- The fact the fee for carrying out the audit remained the same was welcomed.
- Issues raised in previous years had been resolved with additional testing by the External Auditor and the Council, which is more efficient. Reassurance was provided that the External Auditor evidenced the testing undertaken by the Council.
- The positive message about the audit and thanks provided would be shared with the Housing Benefits Team.

RESOLVED (Unanimously):

That the report be noted.

43 Internal Audit Progress Report

The Committee received a report from the Interim Head of Shared Assurance Services summarising the internal audit work undertaken for the South Ribble and the Shared Services element for the period 1 April 2018 to 31 December 2018. The Head of Service outlined the steps she was taking to ensure the audit plan was achieved.

Concern was expressed with the level of staff resources and capacity in place for delivering the internal audit plan. The Deputy Chief Executive (Resources and Transformation)/Section 151 Officer provided reassurance that the changes taken place in the ways of working within the internal audit team would help to deliver the audit plan. New IT systems will also be considered to improve Audit performance in the future plan to improve transactional analysis thus reducing staff time required. It was confirmed that should additional resources be required these would be provided.

A query was raised as to how project specific risks are being managed. It was reported that the Council had a project managers group in place that met regularly to help co-ordinate projects and ensure our project management system was utilised, including risk registers module. Additionally the Programme Board took an overview of projects.

RESOLVED (Unanimously):

1. That the report be noted.
2. An update on progress with the audit plan be provided to the next meeting.
3. A report on the implementation of audit recommendations be provided to the next meeting.

Chair

Date