

BUSINESS EFFICIENCY BOARD

At a meeting of the Business Efficiency Board held on Wednesday, 12 March 2014 in the Civic Suite, Town Hall, Runcorn

Present: Councillors A. Lowe (Chairman), M Lloyd Jones (Vice-Chairman), Cole, Fry, Lea, MacManus, N. Plumpton Walsh, Roberts and G. Stockton

Apologies for Absence: Councillors McDermott and Wainwright

Absence declared on Council business: None

Officers present: E. Dawson, I. Leivesley, M. Murphy, L. Temple-Murray and M. Simpson

Also in attendance: L. Temple-Murray and Grant Thornton

ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

Action

BEB29 MINUTES

The Minutes of the meeting held on 27 November 2013, were taken as read and signed as a correct record.

BEB30 CERTIFICATION REPORT 2012/13

The Board considered a report of the Operational Director, Finance, which presented the Certification Report from the Council's external auditor, Grant Thornton, which followed the audit of grant claims and returns for the financial year 2012/13.

It was reported that Grant Thornton were required to certify certain claims and returns submitted by the Council. The certification typically took place six to nine months after the claim period and represented a final but important part of the process to confirm the Council's entitlement to funding.

It was reported that Grant Thornton had certified four claims and returns relating to expenditure of £126 million. A full summary was appended to the report for information. It was further noted that three claims were subject to amendment and no qualification letters had been issued.

RESOLVED: That the report be noted.

BEB31 BUSINESS EFFICIENCY BOARD UPDATE REPORT

The Board received a report of the Operational Director, Finance, which set out the progress Grant Thornton had made in delivering their responsibilities as the Council's external auditors and provided a summary of national issues and developments that would be relevant to Halton as a Council.

The report set out the following:-

- 2013-14 accounts audit plan;
- interim accounts audit;
- 2013-14 final accounts audit;
- value for money conclusion;
- other areas of work; and
- other activity undertaken.

Members were advised that the interim work was planned to be completed in April 2014 and no issues for concern had been identified so far.

In relation to emerging national issues and developments that were relevant to Halton, the following points were noted:-

- income from charging;
- business rate collection;
- audit commission research – tough times 2013;
- support for UK high streets;
- final local government financial settlement 2014/15;
- better care fund;
- local audit and accountability audit;
- potential for procurement fraud;
- 2016 tipping point;
- alternative delivery models in local government;
- simplifying and streamlining the presentation of local authority financial statements;
- property, plant and equipment valuations; and
- changes to local government pension schemes.

Tabled at the meeting was an additional document entitled "Benchmarking your Arrangements for Securing

Financial Resilience". The document detailed graphs which compared financial resilience ratings for Halton and Cheshire. The ratings were green, amber and red and it was reported that for 2012/13 Halton was assessed as 'green' across the four themes and the twenty two categories. The report further set out benchmarking against results for all Council's, Cheshire Council's and Unitary Authority Council's that used Grant Thornton as their external auditors. Members were advised that, overall the data presented a very positive message for Halton, however there would be challenges in the future.

Arising from discussion of the report Members noted that the information was useful and requested that a graph be provided comparing Merseyside Authorities with Halton. In response it was noted that only 3 authorities in Merseyside used Grant Thornton, however this information would be circulated.

The Board further discussed the 2016 Tipping Point issue and noted that many local authorities would be facing difficulties in light of the Government funding cuts.

In addition Members discussed examples of procurement fraud and changes to the public sector pension scheme.

The Chair wished to place on record the Board's congratulations to the Finance Team with regards to the "green" rating for financial resilience.

RESOLVED: That the report and comments made be noted.

BEB32 EFFICIENCY PROGRAMME UPDATE

The Board considered a report of the Strategic Director, Policy and Resources, which informed Members of progress made to date with the Efficiency Programme.

It was noted that up to date workstream information was available via the Efficiency Programme Office's team site at: <http://hbc/Teams/EFFIC/Pages/Home.aspx>

The report set out updates on progress to date of current workstreams as follows:

- Review of Child Protection (Children in Need Service) (Wave 4);
- Review of Employment, Learning and Skills (Wave 4);

- Review of Intermediate Care – Adult Social Care (Wave 4);
- Review of Library Services (Wave 5);
- Review of Learning and Achievement (Wave 5);
- Review of Halton Supported Housing Network (Wave 5);
- Supplier Relationship Review (Wave 5); and
- Review of Highways Services (Wave 5).

In relation to the Children in Need Service, Members queried use of Inglefield from residents who lived outside of Halton and requested a breakdown be provided on the demographics of families who used the facility for weekend breaks. In response it was noted that this information would be circulated to Board Members.

RESOLVED: That the report and comments made be noted.

BEB33 INTERNAL AUDIT PLAN - 2014-15

The Board received a report of the Strategic Director, Policy and Resources, which provided details of the proposed Internal Audit Plan for 2014/15. The Audit Plan outlined the planned programme of internal audit work for the year.

It was reported that the Internal Audit Plan was designed to provide sufficient coverage across the organisation to enable the Head of Internal Audit to deliver an overall opinion on the Council's risk management and overall assurance framework.

The Internal Audit Plan for 2014/15 was appended to the report for information and provided details of how the Council's Internal Audit resources were to be deployed during the year.

Members were advised that a total of 1,138 days of audit work was planned based on a forecast staffing resource of 6.5 FTE staff, after making provisions for maternity leave, sickness, staff training and development and management time.

It was further noted that the Audit Plan would be kept under review throughout the year and regular progress reports would be provided to the Board. Members were further advised that the Plan was a working document and was subject to change if necessary.

Arising from the discussion of the report Members noted that the proposed audit of social media would examine controls regarding its use and also focus upon how the Council could exploit the use of social media to engage with the local community. The Board further discussed the planned audit on discretionary housing benefit payments and the significant pressure placed upon this budget.

RESOLVED: That the Board approve the proposed Internal Audit Plan for 2014/15.

BEB34 SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- 1) Whether Members of the press and public should be excluded from the meeting of the Board during consideration of the following item of business in accordance with Section 100A (4) of the Local Government Act 1972 because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972; and
- 2) Whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

RESOLVED: That as, in all the circumstances of the case, the public interest in maintaining the exemption outweighed that in disclosing the information, members of the press and public be excluded from the meeting during consideration of the following item of business in accordance with Section 100A(4) of the Local Government Act 1972 because it was likely that, in view of the nature of the business, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972.

Note: Councillor M Lloyd Jones declared a Disclosable Other Interest in the following item of business as a Governor of a school.

BEB35 INTERNAL AUDIT QTR 3 - PROGRESS REPORT

The Board considered a report of the Operational Director, Finance, which provided a summary of Internal Audit work completed since the last progress report.

The report set out key issues and recommendations and results from the work undertaken following up the implementation of previous internal audit recommendations.

RESOLVED: That the Internal Audit work completed for quarter 3 be noted.

Meeting ended at 7.25 p.m.