

## BUSINESS EFFICIENCY BOARD

*At a meeting of the Business Efficiency Board held on Monday, 24 February 2020 at the Civic Suite, Town Hall, Runcorn*

Present: Councillors M. Lloyd Jones (Chair), Wall (Vice-Chair), E. Cargill, A. Lowe, MacManus, N. Plumpton Walsh, Joe Roberts and J. Stockton

Apologies for Absence: Councillors McDermott and G. Stockton

Absence declared on Council business: None

Officers present: E. Dawson, M. Murphy and A. Scott

Also in attendance: Helen Stevenson and John Farron, External Auditors, Grant Thornton

### ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

#### BEB15 MINUTES

The Minutes of the meeting held on 20 November 2019 were taken as read and signed as a correct record.

#### BEB16 CORPORATE RISK REGISTER

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, on the bi-annual update of the Corporate Risk Register.

The Board was advised that the Council recognised its responsibility to manage both internal and external risks as a key component of good corporate governance. At Directorate level, arrangements were in place for the high risk mitigation measures on the Directorate Risk Registers to be reviewed and updated mid-year, in line with Directorate Business Plans. Progress was then reported to Management Team and Policy and Performance Boards.

It was reported that the Risk Control Measures had been reviewed and updated in line with current changes within the Authority and as proposed by managers and stakeholders. The risks had been re-prioritised so that

*Action*

people, (the community and staff), took priority. These were set out in the report.

On the current outbreak of the Coronavirus (also named COVID-19), Members were advised that the Risk Management Team were working closely with Public Health England at a national and local level. The situation was evolving and guidance and advice being regularly updated. Business Continuity Plans were in place to deal with the impact on Council services should the situation worsen.

RESOLVED: That the update of actions be noted.

#### BEB17 ANNUAL GOVERNANCE STATEMENT 2018/19

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, which sought approval of the revised 2018/19 Annual Governance Statement.

The Board was reminded that at its meeting on 24 July 2019, the 2018/19 Annual Governance Statement had been presented, alongside an update report on the external audit of the Council's 2018/19 Statement of Accounts. That report explained that, due to a technical accounting issue, the External Auditor was unable to publish an audit certificate or opinion by the deadline of 31 July 2019. It was noted that the delay in completing the audit of the 2018/19 Statement of Accounts, necessitated that the 2018/19 Annual Governance Statement be updated to reflect developments since the Board originally approved the document.

The revised 2018/19 Annual Governance Statement was attached as an Appendix to the report. It was noted that the Action Plan relating to governance issues for 2019/20 had been updated to reflect developments since 24 July 2019. The remainder of the document remained unchanged from the version previously approved.

RESOLVED: That the revised 2018/19 Annual Governance Statement be recommended for adoption by the Leader of the Council and the Chief Executive.

Strategic Director  
- Enterprise,  
Community and  
Resources

*(N.B. Councillor John Stockton declared a Disclosable Other Interest in the following item of business as he was a Governor at St Martin's Catholic Primary School)*

BEB18 INTERNAL AUDIT PLAN 2020/21

The Board considered a report of the Divisional Manager, Audit, Procurement and Operational Finance, which sought approval for the planned programme of internal audit work for 2020/21.

A risk based Audit Plan had been prepared, designed to enable internal audit to deliver an overall opinion on the Council's risk management and control and governance arrangements.

A copy of the draft Audit Plan for 2020/21 was attached as an appendix to the report. It was noted that the Plan had incorporated four reviews originally included in 2019/20 Audit Plan, that could not be completed during the year due to capacity issues. The Board was advised that, as in previous years, the Audit Plan would need to remain flexible and that changes may be required in order to respond to risks which emerge during the year. Internal Audit would work closely with the Council's external auditor, Grant Thornton, to minimise duplication and to ensure efficient and effective deployment of the overall audit resource.

RESOLVED: That the Board approves the proposed Internal Audit Plan for 2020/21.

Divisional  
Manager, Audit,  
Procurement and  
Operational  
Finance

BEB19 AUDIT PROGRESS 2018/19 FINAL ACCOUNTS

The Board considered a report of the Operational Director, Finance, on the latest position regarding the external audit of the Council's 2018/19 Statement of Accounts.

The Board was advised that the Statement of Accounts set out the Council's financial performance for the year in terms of revenue and capital spending. It presented the year-end financial position as reflected in the balance sheet.

It was reported that due to a number of technical accounting issues, the external auditor was not in a position to publish the audit certificate or opinion on the 2018/19 Statement of Accounts.

It was reported that the Council had published a notice on 31 July 2019 stating the reasons why it had not been able to publish the final Statement of Accounts. The final audited Statement of Accounts would be reported to the

Board once the audit was complete, along with the Audit Findings report.

RESOLVED: That the external auditor's verbal update on progress be noted.

BEB20 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.

BEB21 INTERNAL AUDIT PROGRESS REPORT

The Board considered a report of the Divisional Manager, Audit, Procurement and Operational Finance, which provided Members with a summary of internal audit work completed since the last progress report on 20 November 2019. The report also highlighted matters relevant to the Board's responsibilities as the Council's Audit Committee.

It was noted that a total of 11 Internal Audit reports had been finalised since the last progress report. An overall assurance opinion was provided for each audit engagement. It was reported that there had been no follow-up audit reviews completed since the last progress report with the main focus of activity being on completing as many reviews as possible from the 2019/20 Internal Audit Plan.

As reported elsewhere on the agenda, a total of four audits had been deferred from 2019/20 and would be included in the 2020/21 Audit Plan. However, it was reported that there had been sufficient audit work completed during the year to allow an overall opinion to be formed on the Council's governance, risk management and control. This would be reported to the July meeting of the Board in the Annual Internal Audit Report.

RESOLVED: That the report be noted.

#### **VOTE OF THANKS**

At the conclusion of the meeting, the Chair wished to place on record her thanks on behalf of the Board to Councillor Joe Roberts and Councillor Andrew MacManus for their past contribution as members of the Board. Both Councillors would be standing down from the Council in May 2020 and the Chair wished them well in their future endeavours.

*Meeting ended at 7.30 p.m.*