

AUDIT AND GOVERNANCE BOARD

At a meeting of the Audit and Governance Board held on Wednesday, 23 November 2022 at the Council Chamber - Town Hall, Runcorn

Present: Councillors Polhill (Chair), A. Lowe (Vice-Chair), J. Bradshaw, E. Cargill, Garner, Jones, McDermott, Nolan, Philbin and Wallace

Apologies for Absence: Councillor Harris

Absence declared on Council business: None

Officers present: E. Dawson, M. Guest, M. Murphy, S. Baker and G. Ferguson

Also in attendance: S. Nixon and M. Green – Grant Thornton

ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

	<i>Action</i>
BEB15 MINUTES	
<p>The Minutes of the meeting held on 28 September 2022 were taken as read and signed as a correct record.</p>	
BEB16 CORPORATE RISK REGISTER BIENNIAL UPDATE 2022/23	
<p>The Board considered a report of the Operational Director, Policy, Planning and Transportation, on the bi-annual update of the Corporate Risk Register for 2022/23.</p>	
<p>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 half year monitoring reports which were reviewed and updated at mid-year in line with Directorate Business Plans. Progress was then reported to Management Team and Policy and Performance Boards.</p>	
<p>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 people, (the community and staff), took priority. These were set out in the report.</p>	

RESOLVED: That

- 1) the progress of actions be noted; and
- 2) the robustness of the Corporate Risk Register and the adequacy of the associated risk management arrangements be noted.

BEB17 2021/22 ANNUAL GOVERNANCE STATEMENT

The Board considered a report of the Operational Director - Finance, which sought approval of the final 2021/22 Annual Governance Statement (AGS).

The 2021/22 AGS was originally presented to the Board on 6 July 2022. It had however been updated to reflect developments in the Council's governance arrangements since that date. As in previous years the AGS also included an action plan to ensure that the Council continued to maintain and improve its existing governance arrangements. The action plan from 2020/21 had also been reviewed and updated to reflect current progress.

Once approved the AGS would be signed by the Council Leader and Chief Executive and published on the Council's website.

Arising from the discussion, a Member requested further information on the recent Senior Management restructure which was to become effective shortly. It was agreed that this would be provided to the Board.

RESOLVED: That the Annual Governance Statement 2021/22 be approved.

Operational
Director - Finance

BEB18 2021/22 STATEMENT OF ACCOUNTS, AUDIT FINDINGS REPORT AND LETTER OF REPRESENTATION

The Board considered a report of the Operational Director, Finance, which sought approval for the Council's 2021/22 Statement of Accounts (the latest version of which was enclosed with the Agenda), and the report of the Audit Findings of the External Auditor (Grant Thornton) on the 2021/22 financial statements. The report also sought approval of the Council's Letter of Representation.

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

key elements were detailed in the report.

The External Auditor presented the Audit Findings report which summarised the findings from 2021/22 external audit. Section 2 of the Audit Finding report presented the finding of the External Auditor in respect of matters and risks identified at the planning stage of the audit and additional and significant matters that arose during the course of their work.

It was explained that the audit work is substantially complete, except for work relating to a national infrastructure assets issue that was impacting all organisations with material balances in this area.

In addition the Council was required to provide the External Auditor with a Letter of Representation relating the financial statements, as shown in Appendix 1. The letter was required to be signed by the Chair of the Board on behalf of the Council.

It was noted that on 1 April 2020 the National Audit Office had introduced a new Code of Audit Practice. The Code introduced a revised approach to the audit of Value for Money (VFM). Work on VFM arrangements was ongoing and the External Auditor expected to complete the work by 31 December 2022. The results would be included with the Auditors Annual Report to be published at a later date.

RESOLVED: That

- 1) the draft Letter of Representation in Appendix 1 be approved and any subsequent additions or amendments be approved by the Operational Director - Finance, in liaison with the Chair of the Board;
- 2) the External Auditor's draft 2021/22 Audit Findings Report in Appendix 2 be received and any subsequent additions or amendments be approved by Operational Director - Finance, in liaison with the Chair of the Board; and
- 3) the Council's draft 2021/22 Statement of Accounts in Appendix 3 be approved and any subsequent additions or amendments be approved by the Operational Director - Finance, in liaison with the Chair of the Board.

Operational
Director - Finance

BEB19 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 items of business in accordance with Sub-Section 4 of Section 100A 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 the public interest 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 Sub-Section 4 of Section 100A 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.

BEB20 INTERNAL AUDIT PROGRESS REPORT

The Board received a report from the Divisional Manager – Audit, Procurement and Operational Finance, updating them on the internal audit activity since the last progress report to the Board on 28 September 2022. It also highlighted any matters that were relevant to the Board's responsibilities as the Council's Audit Committee.

Members were referred to appendix one, which listed all the planned work for the year and its current status. The schedule of audits had been updated to reflect the progress made in completing audits since the last update to the Board. By the end of October 2022, 399 days of audit work

had been completed, which represented 39.9% of the total planned days for the year. Planned work continued to progress but it was noted that as reported previously, planned work remained behind target due to staff turnover and delays in filling vacancies.

Appended to the report were the executive summaries of the reports issued numbering 2 to 9, as listed in the report.

RESOLVED: That the Internal Audit Progress Report and comments made be noted.

Meeting ended at 7.10 p.m.