

BUSINESS EFFICIENCY BOARD

*At a meeting of the Business Efficiency Board held on Wednesday, 18 September 2013
at the Civic Suite, Town Hall, Runcorn*

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

Apologies for Absence: Councillors Lea and A. Lowe

Absence declared on Council business: None

Officers present: I. Leivesley, M. Murphy, C. Williams, S. Baker, G. Ferguson and E. Dawson

Also in attendance: None

ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

Action

BEB15 MINUTES

The Minutes of the meeting held on 22nd May and 26th June 2013 were taken as read and signed as a correct record.

BEB16 FRAUD AND CORRUPTION - ANNUAL UPDATE

The Board considered a report of the Strategic Director, Policy and Resources, which provided an update with details of developments in respect of the Council's counter fraud and corruption arrangements.

It was reported that the Council had a well-established framework of policies, procedures and functions that collectively helped to manage the risk of fraud and corruption. Key elements of the framework were set out in the report for information.

The report identified the key fraud risks faced by local authorities which were set out in the report for information.

Members were provided with information regarding the Benefits Investigation Unit (BIS), Single Fraud Initiative

Service (SFIS) and National Fraud Initiative (NFI). It was noted that from 2015 the Cabinet Office would take responsibility for the NFI.

RESOLVED: That the Board endorse the actions being taken to counter fraud and corruption.

BEB17 ANNUAL GOVERNANCE STATEMENT 2012/13

The Board received a report of the Strategic Director, Policy and Resources which enabled Members to consider and approve the Annual Governance Statement (AGS) for 2012/13.

It was noted that the AGS had been previously submitted to the Board on 26th June 2013 and a number of changes to the document were agreed.

It was reported that under the Accounts and Audit Regulations 2011 the Council had to produce an Annual Governance Statement, in a format recommended by CIPFA/SOLACE, to accompany the Statement of Accounts.

Appended to the report for information was the updated 2012/13 draft AGS and a Development Plan that set out the actions agreed to further develop the Council's governance framework.

RESOLVED: That

1. the Council's Annual Governance Statement, as amended by the Board at its meeting on 26th June 2013, be approved; and
2. the Annual Governance Statement to be signed by the Council Leader and Chief Executive be approved.

Leader/Chief
Executive

BEB18 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 Waste Management (Wave 3);
- Review of Library Services (Wave 5);
- Review of Learning & Achievement (Wave 5);
- Review of Halton Supported Housing Network (Wave 5);
- Supplier Relationship Review (Wave 5);
- Review of Highway Services (Wave 5);
- Review of Child Protection (Children in Need Service) (Wave 4);
- Review of Employment, Learning & Skills (Wave 4); and
- Review of Intermediate Care (Adult Social Care) (Wave 4).

RESOLVED: That the report and comments made be noted.

BEB19 2012/13 STATEMENT OF ACCOUNTS, AUDIT FINDINGS REPORT AND LETTER OF REPRESENTATION

The Board received a report of the Operational Director, Finance which sought approval of the Annual Statement of Accounts and set out the report of the External Auditor on the 2012/13 financial statement and requested approval of the Council's Letter of Representation.

Members were informed of the Statement of Accounts, which detailed the Council's financial performance for the year in terms of revenue and capital spending and presented the year-end financial position as reflected in the balance sheet.

It was reported that the Statement for 2012/13 had been prepared in full compliance with International Financial Reporting Standards (IFRS) and as a result there had been relatively few changes in the format from last year.

The report set out key sections within the Statement and it was noted that in overall net terms the Council had underspent its 2012/13 revenue budget by £502,000. The overall outturn report was presented to Executive Board and departmental outturn reports were available on the Council's Intranet. The Board was advised that as a result the Council's General Fund Balance would increase by £502,000 to £8,067,000.

With regard to capital expenditure, this was £50.3m compared with planned expenditure of £57.8m. This represented 87% delivery of the capital programme for which 20% slippage was anticipated throughout the year.

The District Auditor presented the Audit Findings Report which summarised the findings from the 2012/13 external audit.

The Board wished to place on record their thanks to Colette Williams from Grant Thornton for the audit and also to Ed Dawson and his team for all the work carried out in producing the Statement.

RESOLVED: That

1. the draft Letter of Representation in Appendix 1 be approved and any subsequent additions or amendments be approved by the Chair of the Business Efficiency Board in conjunction with the Operational Director Finance;
2. the External Auditor's draft 2012/13 Audit Findings Report in Appendix 2 be received and any subsequent additions or amendments be approved by the Chair of the Business Efficiency Board in conjunction with the Operational Director Finance; and
3. the Council's draft 2012/13 Statement of Accounts be approved and any subsequent additions or amendments be approved by the Chair of the Business Efficiency Board in conjunction with the Operational Director Finance.

Operational
Director Finance

BEB20 ARRANGEMENTS FOR SECURING FINANCIAL RESILIENCE

The Board received a report of the Operational Director, Finance, which sought approval for the report prepared by the Council's external auditor (Grant Thornton) to determine whether the Council had proper arrangements in place for securing financial resilience.

In light of the financial challenges facing the Council over the medium term it was vital that the Council had a strong financial base in place in order to be able to deal with the future funding cuts and also allow it to continue to grow. During the period 2011/12-2014/15 Local Government spending would be cut by 33% which would be followed by a further 10% cut in year 2015/16. Financial austerity was expected to continue until at least 2017/18.

The External Auditor had reviewed the financial resilience of the Council by reviewing:

- Key indicators of financial performance;
- The approach to strategic financial planning;
- The approach to financial governance; and
- The approach to financial control.

It was noted that the overall conclusion from the External Auditor was that the Council had good arrangements in place for securing financial resilience. Arrangements met or exceeded adequate standards and key characteristics of good practice appeared to be in place.

RESOLVED: That the report entitled Review of Halton Borough Council's Arrangements for Securing Financial Resilience for the year ended 31st March 2013, be received.

BEB21 2012/13 GRANT CERTIFICATION WORK PLAN

The Board received an update report on the work the Council's External Auditor (Grant Thornton) would undertake on certification of claims for grant the Council had been in receipt of during 2012/13. Various grant paying bodies required external certification of claims for grant or subsidy and returns of financial information.

Members noted the grant certification work plan which provided a summary of the expected claims and returns for the year end 31st March 2013 as identified by the Council. The indicative fee for the cost of the works for expected claims and returns was £17,851.

RESOLVED: That the grant certification work plan be approved.

BEB22 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.

Councillor Roberts declared a disclosable other interest in the following item due to being a governor of a school.

BEB23 INTERNAL AUDIT - QUARTER 1 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, recommendations and actions from the internal audit work completed.

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

Meeting ended at 8.00 p.m.