

AUDIT AND GOVERNANCE BOARD

At a meeting of the Audit and Governance Board held on Wednesday, 28 September 2022 at the Council Chamber - Town Hall, Runcorn

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

Apologies for Absence: Councillor J. Bradshaw

Absence declared on Council business: None

Officers present: E. Dawson, M. Murphy, A. Jones and K. Keane

Also in attendance: Stephen Nixon – Grant Thornton

ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

	<i>Action</i>
AGB9 MINUTES	
The Minutes of the meeting held on 6 July 2022 were taken as read and signed as a correct record.	
AGB10 2021-22 EXTERNAL AUDIT UPDATE	
The Board received a progress update regarding the audit of the Council's 2021/22 year-end accounts from Grant Thornton UK LLP.	
It was reported that the audit was close to completion and the Auditor's findings would be reported to the Board in November 2022 alongside the 2021/22 Statement of Accounts prior to their publication by 30 November 2022.	
RESOLVED: That the verbal progress update by the Council's external auditor Grant Thornton UK LLP be received.	
AGB11 PROCUREMENT UPDATE REPORT	
The Board considered a report of the Operational Director, Finance, which provided an update on:	

Operational
Director - Finance

- procurement activity in 2021/22, with an outline of the key actions taken during the year – Members were referred to Appendix A, which presented a total of 116 contracts awarded with their values; and Appendix B which presented details of 78 contract extensions supported and their values;
- the progress achieved in delivering the Council's Procurement Strategy – Appendix C provided updates on progress against the planned actions and demonstrated strong progress against all four themes of the Strategy; and
- the Procurement Bill – this was currently at the Committee Stage in the House of Lords and some refinement of its key provisions were expected. The report outlined some of the key points within the document.

Further to Members questions the following was noted:

- Only contracts above £25,000 are required to be advertised and procured through the Chest;
- For contracts below £25,000 best value is sought by obtaining three quotes from different suppliers. Managers within service areas are usually best placed to understand the local market and which suppliers to approach for quotations. This also helped to make the procurement process more efficient for low value spend;
- The reason for the length of the recent Highways contract award was discussed; and
- Individual service areas of the Council were responsible for determining the specification requirements for the type and nature of products required.

RESOLVED: That the report be noted.

AGB12 ANTI-FRAUD & CORRUPTION UPDATE

The Board considered a report of the Operational Director, Finance, which provided an annual update on developments in regard to the Council's anti-fraud and anti-corruption activity.

It was reported that the Board was responsible for the monitoring and reviewing the adequacy of the Council's anti-fraud and anti-corruption arrangements, which was a key

aspect of the Council's risk management, control and governance framework.

The Board considered information relating to the following activities:

- The fraud risk landscape;
- Reported fraud investigations from 2021/22;
- HR related investigations from 2021/22;
- Whistleblowing complaints received and action taken;
- An update on the National Fraud Initiative;
- Details of fraud investigation related information reported under the Transparency Code;
- Details of ongoing and planned anti-fraud work; and
- Details of the Council's suite of anti-fraud and anti-corruption related policies.

Appended to the report was the Liverpool City Region Combined Authority's *Internal Audit Report – Grant Auditing Arrangements at Local Authorities*, for Halton Borough Council and the Council's Fraud Response Plan.

RESOLVED: That the annual update report be noted.

AGB13 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.

AGB14 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 6 July 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 August 2022, 291 days of audit work had been completed, which represented 28.4% of the total planned days for the year. Planned work continued to progress but it was noted that due to a temporary reduction in staff resources there would be some slippage.

Appended to the report were the executive summaries of the reports issued numbering 2 to 13, as listed in the report.

A further update on resources and coverage would be provided to the Board at its November meeting.

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

Operational
Director - Finance

Meeting ended at 7.10 p.m.