

## AUDIT AND GOVERNANCE BOARD

*At a meeting of the Audit and Governance Board held on Wednesday, 26 June 2024 at the Civic Suite, Town Hall, Runcorn*

Present: Councillors Polhill (Chair), Abbott, Begg, Connolly, Dourley, McDermott, N. Plumpton Walsh and Ratcliffe

Apologies for Absence: Councillors Wall, Gilligan and Wallace

Absence declared on Council business: None

Officers present: M. Murphy, S. Baker, G. Ferguson and C. Hill

Also in attendance: M. Green and L. Luddington – Grant Thornton UK Ltd

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

*Action*

#### AGB1 MINUTES

The Minutes of the meeting held on 20 March 2024, were taken as read and signed as a correct record.

#### AGB2 CORPORATE RISK REGISTER REVIEW, MAY 2024

The Board considered a report of the Corporate Director – Chief Executive's Delivery Unit, on the annual update of the Corporate Risk Register for 2023/24.

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. The Risk Control Measures had been reviewed and updated in line with current charges within the Authority and as proposed by managers and internal stakeholders.

It was reported that the risks had been re-prioritised so that people, (the community and staff), took priority. These were set out in the report.

RESOLVED: That

- 1) the review of risks mitigating actions be noted; and

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

#### AGB3 EXTERNAL AUDIT PLAN – 2023/24 YEAR-END

The Board considered a report of the Director - Finance, which set out the 2023/24 year-end Audit Plan, presented by the External Auditor, Grant Thornton UK LLP.

The Board was advised that the External Audit Plan was attached to the report and set out details of risks identified, their approach to the value for money conclusion and audit fees.

RESOLVED: That the contents of the External Audit Plan for 2023/24 year-end be noted.

#### AGB4 INFORMING THE EXTERNAL AUDIT RISK ASSESSMENT

The Board considered a report by the Director - Finance, which presented for information the draft response provided to the annual letter to the Board from Grant Thornton, the Council's external auditors, regarding their year-end audit of accounts work.

The Appendix to the report outlined the draft responses provided to a number of questions contained in a letter from Grant Thornton, which it was proposed to provide to them in order to assist with their year-end audit of accounts.

Following on from the discussion around Mersey Gateway income, it was agreed that prior to an Audit and Governance meeting, a training briefing delivered by Mersey Gateway representatives could be provided for the Board.

RESOLVED: That the draft responses shown in the Appendix be provided to the Council's external auditors.

#### AGB5 INTERNAL AUDIT ANNUAL REPORT AND OPINION – 2023/24

The Board considered a report of the Head of Audit, Procurement and Operational Finance, which summarised the work completed by Internal Audit during 2023/24. It also included the overall assurance opinion on the Council's risk management, control and governance processes.

The Public Sector Internal Audit Standards (PSIAS)

required the Head of Internal Audit to deliver an annual audit opinion and report that could be used to inform the Annual Governance Statement (the *Internal Audit Annual Report 2023/24* was appended to the report).

It was noted that it was the view of the Head of Internal Audit that sufficient audit work was completed during the year to be able to form an overall opinion.

A Councillor commented that the financial challenges faced by the Council were due to underfunding from Central Government and not from poor management and it was agreed that this would be noted in the minutes of the meeting.

RESOLVED: That the Board receives and notes the other report as a source of independent assurance regarding the Council's risk management control and governance processes operating across the Council during 2023/24.

#### AGB6 ANNUAL GOVERNANCE STATEMENT 2023-24

The Board considered a report of the Director - Finance, which sought approval of the 2023/24 Annual Governance Statement (AGS). A copy of the draft Statement was appended to the report.

The AGS provided an overview .

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

Members made the following comments:

- The Council's new Corporate Plan priorities would need to be incorporated in future statements; and
- Would there be a cost to provide the new Corporate Complaints Procedure and the CIPFA Financial Code which were included in the action plan? Officers advised that it was expected that these would be provided through existing resources.

RESOLVED: That the Annual Governance Statement 2023/24 be approved.

#### AGB7 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.

## AGB8 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 20 March 2024. 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 May 2024, 198 days of audit work had been completed, which represented just over 17% of the total planned days for the year. The team was making good

progress finalising prior year work and progressing planned work for 2024/25.

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

Arising from the discussion, Members asked for their concerns around the social supermarkets to be forwarded to the relevant officer and if further information on the plans for the Kingsway Quarter could be circulated to the Board.

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

*Meeting ended at 7.25 p.m.*