



**MINUTES OF GOVERNANCE COMMITTEE**

**MEETING DATE** **Wednesday, 25 November 2020**

**MEMBERS PRESENT:** Councillor Debra Platt (Chair), Councillor Anthony Gee (Vice-Chair) and Councillors Mark Clifford, Jean Cronshaw, Gordon France, Yvonne Hargreaves and Kim Snape

**OFFICERS:** Gary Hall (Chief Executive), Chris Moister (Director of Governance), James Thomson (Deputy Director of Finance), Tony Furber (Principal Financial Accountant), Ruth Rimmington (Democratic Services Team Leader), Matthew Pawlyszyn (Democratic and Member Services Officer) and Charlotte Fitch (Independent Person)

**APOLOGIES:** Councillor Roy Lees and Peter Ripley (Independent Person)

**20.G.30 Minutes of meeting Wednesday, 16 September 2020 of Governance Committee**

**Decision: The minutes were approved as a correct record.**

**20.G.31 Declarations of Any Interests**

No interests were declared.

**20.G.32 Treasury Management Activity Mid-Year Review 2020/21**

Tony Furber, Principal Financial Accountant presented the Treasury Management Activity Mid-Year Review 2020-21 Report.

The report did not contain anything unexpected considering the Covid-19 pandemic.

The Council achieved a return on interest for the first half of the year with a figure of 0.16%, although considered to be low, it was in excess of the target figure as available rates declined since March 2020, and the current target figure was 0.10%. The LIBID rate was at present a negative figure.

The average daily balance was twice what it was expected to be, and since March 2020, steps had been taken to ensure that the cash flow of the council was positive.

There had been no borrowing for the first half of the year. Consideration was given to borrow earlier in February or March 2021, instead of planned August or September 2021.

PWLB rates have decreased, but not as drastically as investment rates. At the start of the year the 50-year rate was forecast to be 3.1% for the year, but at present was 2.3%. The current base rate was 0.10% and forecast to stay unchanged for at least 2.5 years.

**Decision: The report was noted.**

### **20.G.33 Audit Findings Report**

Barrie Morris from Grant Thornton, updated and informed the Committee that the report could not be presented as the audit had yet to start.

### **20.G.34 Audit Progress Report**

Barrie Morris from Grant Thornton presented the Audit Progress Report.

Grant Thornton were currently waiting for the full set of financial statements to begin the Audit work. There was also outstanding value for money work and planning enquiries that were made at the start of the year.

Finance Officers have made assurances that the statement of accounts would be completed by January 2021. Once received, the audit could be delivered.

Covid-19 impacted progress, and there were elements written prior to the start of the second lockdown.

James Thomson, Deputy Director of Finance added that there were issues with the valuation of assets and the report would not be ready for 30<sup>th</sup> November. A statement will be made on the Council's website. It was hoped that the audit would not run into 2021 financial year as it was not desired to complete two audits simultaneously.

**Decision: The report was noted.**

### **20.G.35 Internal Audit Annual Plan Progress Report April to October**

Chris Moister, Director of Governance provided the progress report.

There was a reluctance to blame Covid-19, but it was a cause for certain issues with the delivery plan. There were capacity issues with staff, as activities were undertaken by the Internal Audit Team to aid the Council's Covid-19 response to support local residents.

The manager of the Audit Team's temporary contract expired at the end of June 2020, and at the end of September an interim senior manager had been appointed pending recruitment. The service will be fully staffed in preparation for the start of the 2021 financial year.

In a small time frame, the Audit Team produced significant work towards Shared Services, small business grants, and benefits work.

Due to the implementation of Lancashire's tier 3 status and the second lockdown, it was unlikely that the full extent of the Internal Audit Plan would be delivered.

It was expected that the audit would carry over into the start of the next year's audit, but there was capacity to ensure both would be delivered.

**Decision: The report was noted.**

#### **20.G.36 RIPA Application Update**

There had been no RIPA Applications.

**Decision: The update was noted.**

#### **20.G.37 Work Programme**

**Decision: The Work Programme was noted.**

#### **20.G.38 Any urgent business previously agreed with the Chair**

Ruth Rimmington, Democratic Services Team Leader updated the Committee about a recent Local Government Association Webinar highlighting hybrid meetings and their use in delivering transparent and robust decision making.

An overview was provided detailing the processes many councils took using emergency powers, and utilising online meetings. It was an acknowledged challenge, but there was an observed improvement in the public perception of local government and its ability to adapt. The use of virtual meetings was seen to be a positive for some Members, particularly those employed, and/or lived in rural areas. Consideration was underway to explore the future use of hybrid meetings, although legislation would be needed from May 2021. A downside about hybrid meetings was the lack informal networking opportunities for Members, and that some Members struggled with digital confidence, either using the technology, or participating virtually.

It was noted that there were less issues in orchestrating and delivering hybrid meetings when a Council's IT department managed all devices rather than Members using their own.

Chorley's IT department was praised, noting that their hard work ensured that the Council's use of hybrid meetings was successful.

The Chair agreed with Ruth, and too, thanked IT.

Chris Moister thanked IT, but also extended thanks to Democratic Services who were also instrumental in enabling hybrid and remote meetings and have placed Chorley at the forefront of delivering hybrid meetings regionally.

Members believed that IT, Ruth and Democratic Services made it possible for Members to remain in contact with their constituents during the pandemic, and praised the hard work taken to ensure any issues and difficulties were resolved quickly.

Chair

Date