



<b>MINUTES OF</b>	<b>GOVERNANCE COMMITTEE</b>
<b>MEETING DATE</b>	<b>Wednesday, 22 January 2020</b>
<b>MEMBERS PRESENT:</b>	Councillor Debra Platt (Chair), Councillor Anthony Gee (Vice-Chair) and Councillors Yvonne Hargreaves, Steve Holgate, Roy Lees and Kim Snape
<b>OFFICERS:</b>	Gary Hall (Chief Executive/Statutory Finance Officer), Janice Bamber (Interim Audit and Risk Manager), Chris Moister (Director of Governance) and Ruth Rimmington (Democratic and Member Services Team Leader)
<b>APOLOGIES:</b>	Councillors Eric Bell and Jean Cronshaw
<b>OTHER MEMBERS:</b>	Simon Hardman (Grant Thornton UK LLP)

#### **20.G.1 Minutes of meeting Wednesday, 20 November 2019 of Governance Committee**

**Decision – That the minutes of the Governance Committee meeting held on 20 November 2019 be confirmed as a correct record for signature by the Chair.**

The Chair welcomed the two Independent Persons Charlotte Fitch and Peter Ripley to the meeting.

#### **20.G.2 Declarations of Any Interests**

There were no declarations of any interests.

#### **20.G.3 Chorley Borough Council Certification Letter 2018/19 - this item has been withdrawn from the agenda as there is no longer a requirement for the to produce a certification report**

#### **20.G.4 Audit Progress Report and Sector Update**

Simon Hardman, Grant Thornton, presented the Audit Progress Report and Sector Update. Grant Thornton have begun planning the 2019/20 and will issue a detailed audit plan, setting out the proposed approach. The interim audit will begin in February 2020.

The scope of work around Value for Money is set out in the guidance issued by the National Audit Office. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources". Details of the initial risk assessment to

determine the approach will be included in the Audit Plan. The aim is to give a Value For Money Conclusion by 31 July 2020.

Grant Thornton certify the Council's annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions. The certification work for the 2018/19 claim was completed on 29 November 2019, in advance of the 30 November deadline. The work identified no issues and Grant Thornton thanked the Housing Benefits team for their assistance throughout the process. The Committee also recorded their thanks to the team.

Officers have been invited to a Financial Reporting Workshop in February, which will help to ensure that the Finance Team are up to date with the latest financial reporting requirements for local authority accounts.

Grant Thornton are currently reviewing the impact of issues impacting on both the cost and timing of audits. A letter will be sent to the Section 151 Officer regarding proposed changes to the fees, before the next Governance Committee.

Simon Hardman advised that Richard Watkinson, a colleague from Grant Thornton who had worked extensively at Chorley, is moving to pastures new. Officers and Members recorded their thanks to Richard for his contribution to Chorley Council and wished him well for the future.

**Decision: That the update be noted.**

#### **20.G.5 Internal Audit Progress Report as at 31 December 2019**

Janice Bamber, Interim Audit and Risk Manager, presented the report which set out a summary of Internal Audit work undertaken for Chorley Council and the Shared Services element for the period 1 April 2019 to 31 December 2019.

An updated appendix had been circulated which detailed the progress. 21% of the audits are completed and 68% are in progress or at draft report stage.

For "Asset Management – repairs & maintenance" and "Commercial Properties" a gap analysis has been completed which identifies the actual processes / controls against the defined expected processes / controls. Areas of control weakness have been identified and an action plan to address these issues has been agreed with Management. Internal Audit will review the progress against the action plan at the end of quarter four. Gary Hall, Chief Executive, acknowledged the impact of market forces and a shortage of specialist skills in this area. The team is now fully staffed and moving forward.

The Vice-Chair, Councillor Tony Gee, queried the current position in relation to the investigation at South Ribble. Gary Hall acknowledged that the length of the investigation had not been anticipated. A significant resource from within Internal Audit has been put into this and it should be substantially completed by the end of the year. Janice Bamber noted that the two temporary auditors and one auditor acting up into the Principal Auditor role have been extended until the end of March 2020 which will ensure that the audit plan is completed.

In response to a query Gary Hall noted that Governance Committee can receive the detailed Internal Audit reports in cases where an assurance of "limited" has been

given, but it is not practical for the Committee to consider every report. The Committee works within a governance framework of checks and balances. Simon Hardman, Grant Thornton, noted that they would also highlight any issues of concern to the Committee as part of their External Audit role. The Overview and Scrutiny Performance Panel could scrutinise an area regarding performance and value for money.

**Decision: To note the report.**

## **20.G.6 Standards Complaints 2019 update**

Chris Moister, Director of Governance, presented the report which updates the Committee on activities undertaken in relation to Standards and the code of conduct in 2019.

Following a review by the Committee on Standards in Public Life, Local Government Ethic Standards, the Governance Committee undertook a detailed review of both the code of conduct and the processes in place for receiving and considering complaints. A working group considered the recommendations of the report in detail, and supported by the Independent Person, resolved to adopt the best practice recommendations where required. Some of the recommendations require a change in Regulations before they can be implemented.

Training was provided to all new members and offered to all existing members of the council. This was well received with positive feedback being given both from newly elected and established councillors.

A session was also provided to Parish Clerks at the liaison meeting which concentrated particularly on the changes to best practice brought forward by the report. The working groups consideration of the proposals was also shared with clerks.

There have been no complaints about the conduct of Chorley Council councillors this year.

Two complaints have been received about Parish Councillors. The first related to a matter where the conduct whilst likely to be a breach of the code, was undertaken when not acting as a councillor and the matter is closed. The second complaint is ongoing as the complainant has brought further matters to the Monitoring Officers attention to support the allegations.

The volume of complaints received does not suggest there are any standards issues within Chorley, although this should not mean the council should be complacent.

From April 2020, Chorley Council and South Ribble Borough Council will have a shared Monitoring Officer. It is proposed to align where appropriate the codes of conduct and processes. This is not perceived to have a significant impact for either council as the codes of conduct are already very similar.

In May this year, the council will be having all out elections with a number of experienced councillors indicating they will not be standing for election. This is likely to mean a higher than usual number of new councillors being elected. The Monitoring Officer is working with Democratic Services on the induction for these new

members to ensure that they are properly trained on the code of conduct. The focus should be on respect, although it is correct for there to be challenge, challenge needs to be demonstrated in the right way.

Members noted the process for dealing with informal complaints and that under the new shared arrangements either the Monitoring Officer or the Deputy Monitoring Officer will be available for Members to query matters.

The Committee noted that Parish Councillors and clerks can access advice from the Monitoring Officer or the Deputy Monitoring Officer by telephone, email and at Chorley Liaison and the Borough clerks meeting.

**Decision: That the report be noted.**

### **20.G.7 RIPA Application Update**

Chris Moister, Director of Governance, reported that no RIPA applications had been made.

### **20.G.8 Work Programme**

The Committee considered the work programme which set out the reports to be considered at each Governance Committee meeting throughout the Council year.

Chair

Date