

## **Report of the Governance Committee**

1. This report summarises the business undertaken at the Governance Committee meeting held on 26 May 2021.

## **Chorley Borough Council Audit Progress Report – May 2021**

2. Georgia Jones, Grant Thornton, informed she is now the Engagement Lead for the 20/21 audit. She outlined and summarised the work to be undertaken in the review of the statutory accounts for the year.
3. She noted that the 2019/20 audit was still to be finalised and that although a little behind schedule, at this point she expected the completion of the 2020/21 audit to be delivered by 30<sup>th</sup> September.

We noted the update.

## **Review of Compliance with CIPFA Financial Management Code**

4. We welcomed Louise Mattinson, Director of Finance, to present the CIPFA Financial Management Code. A self assessment against the criteria outlined in the Code has been completed and actions identified to improve compliance with this. The Code has been issued in response to the poor financial management and overall financial weaknesses identified at several of councils across the country.
5. The Code will support good practice and assist with financial sustainability.
6. We noted the update.

## **Internal Audit Annual Report 20/21**

7. Dawn Highton, Service Lead Audit and Risk detailed the function of the Internal Audit Report.
8. Covid-19 impacted the ability to carry out a detailed review. The implementation rate achieved was 64%, below target.
9. An annual opinion could not be given due to the inability to undertake a significant volume of work, this however did not reflect negatively on the Council.
10. Data provided indicates that some business support grants paid in the early stages of the pandemic matched with the National Fraud Initiative (NFI). This does not mean there is fraudulent activity but does trigger an investigation to the matched applications.
11. The Quality and Assurance Programme will identify where action is needed for delivery over the year.
12. We noted the report.

## **Review of the Effectiveness of Internal Audit**

13. The Internal Audit Service needs to comply with public sector guidelines and periodic assessments are to be undertaken to Local Government Guidelines.
14. We noted the report.

## **Annual Review of the Council's Counter Fraud Policies**

15. The Counter Fraud Policies have been reviewed and updated. There were separate strategies for bribery and fraud, but these have been compiled and aligned through guidance from CIPFA.
16. The Fraud Response Plan has been updated and it includes the roles and responsibilities when fraud is reported. The whistleblowing policy has also been amended.

17. The purpose of the policies is to ensure confidence at every level of the organisation that concerns can be raised, with full knowledge of how if needed. The report is available to be viewed online and all Officers to be given mandatory training.
18. We noted the report.

#### **Draft Annual Governance Statement 2020/21**

19. Dave Whelan, Service Lead - Legal presented the Draft Annual Governance Statement for consideration and approval which is designed to ensure the Council maintained a sound system of governance and to demonstrate and review the effectiveness while continuously seeking to achieve best value in delivery.
20. We approved the Draft Annual Governance Statement.

#### **RIPA Application Update**

21. No RIPA Applications were made
22. We noted the report.

#### **Recommendation**

23. To note the report.

Councillor Debra Platt

Chair of Governance Committee

MP