



**Minutes of Governance Committee**

**Meeting date Wednesday, 31 July 2024**

**Members present:** Councillor Alan Platt (Chair), Councillor (Vice-Chair) and Councillors Julia Berry, Christine Heydon, Samantha Martin, Dedrah Moss, Chris Snow, Neville Whitham and Michelle Beach

**Officers:** Louise Mattinson (Director of Finance), Daryl Cassidy (Principal Financial Accountant/Deputy S151 Officer), Oliver Dent (Senior Financial Accountant), Tasneem Safdar (Head of Legal and Procurement), Dawn Highton (Head of Audit and Risk), Georgia Jones (Grant Thornton UK LLP) and Ben Storey (Democratic and Member Services Officer)

**Apologies:** Councillor Mark Clifford

**Other Members:** Councillor Charlotte Fitch (Independent Person) and Peter Ripley (Independent Person)

## 16 Apologies

Apologies were received from Councillor Mark Clifford who was substituted by Councillor Michelle Beach.

## 17 Declarations of Any Interests

No interests were declared.

## 18 Minutes of meeting Wednesday, 22 May 2024 of Governance Committee

### **Resolved: (Unanimously)**

That the minutes of the last meeting, held on Wednesday 22 May 2024, be agreed as an accurate record for signing by the Chair.

## 19 External Audit Update Report

The Chair welcomed Georgia Jones from the council's external auditors, Grant Thornton to the meeting and invited her to present their progress update report.

Work to deliver the Audit Plan was now underway following receipt of the council's 2023-2024 accounts and the Value for Money (VfM) work was scheduled to begin

imminently. This, and an update on recommendations from last year would be included within the Auditors Annual Report and presented to the committee at its November meeting.

The Committee's attention was drawn to the audit fees for 2023-2024 as set by the Public Sector Audit Appointments (PSAA) following a tender process, and also additional fees charged in respect of the 2022-2023 audit.

The Audit Findings Report, Opinion and Auditors Annual Report are anticipated to be completed by November 2024 and be presented to committee at its meeting the same month.

Members were advised that there had been changes to the audit backstop, which had now been set as February 2025, however the extended period should not be required as work on this year's audit is scheduled to be completed by the end of 2024.

In relation to the additional ISA 315 fees, it was confirmed that as a new audit standard introduced in 2022-2023 this had not been incorporated into the initial tender process for the year and had therefore been added to reflect the extra work it required around general ICT controls. The fee for Chorley was comparable to other district authorities.

Reassurance was sought from the committee that the audit would be completed on schedule, given that the housing benefit subsidy certification work had not yet started. This work was now undertaken by a specialist grant team within Grant Thornton but was expected to be completed as expected.

Confirmation was provided that the Chorley's Productivity Plan had been completed, approved and submitted to the Ministry of Housing, Communities and Local Government prior to the deadline of 19 July 2024, however due to the change in central government it unclear what the next steps would be.

**Resolved – that the report be noted.**

## **20 Treasury Management Outturn Report 2023/24**

The Director of Finance and S151 Officer was invited to present the outturn report which summarised treasury management performance and compliance with prudential indicators for the 2023-2024 period.

The report covered treasury management activities over the year and included capital expenditure and financing, the council's borrowing need and the treasury position as at 31 March 2024. In addition the report included a commentary on the local and national environment provided by the council's financial advisors, Link Asset Services.

The Committee questioned whether general increases in costs would negatively impact on the capital programme. In response, it was acknowledged that there had been slippage in the programme but this was as a result of changing timescales for delivery of projects and not due to the funding being available. Once agreed the capital scheme is set and will be delivered, however budgets may be reprofiled into a subsequent quarter or financial year to align with any changes to the projects timescales. Consequently, holding on to funds longer than expected does present

investment opportunities which can generate income to support the capital programme. Where there is a risk a project may go over budget, there is often a 'value engineering' exercise undertaken to identify any efficiencies or cost savings that could be achieved. Any changes to an agreed budget would require a further decision from either the Executive Cabinet, or if necessary, Full Council.

The guidance within the report provided by the council's financial advisors, Link Asset Services, is just one element of the regular financial forecasts and economic data that the council is able to access and informs better decision making on financial affairs.

**Resolved – that the report be noted.**

## **21 Governance Committee Annual Report**

The Chair invited the Head of Audit and Risk to present the first Annual Report of the Governance Committee for 2023-2024 which sought the Committee's approval to present the Annual Report to the next Full Council meeting.

The production of an Annual Report had been an action that had arisen following the effectiveness review undertaken last year, which measured the Committee against Chartered Institute of Public Finance and Accountancy (CIPFA) best practice.

The report summarises the role of the Governance Committee, its membership, officer support, training programme, reports considered over the year and its future work programme.

Responding to a query over where feedback on the committee's performance would be sought from, it was acknowledged that there hadn't been a formal survey undertaken, but the team took a proactive approach in reviewing meeting minutes and informal feedback from external auditors or the council's statutory officers.

**Resolved – that the Annual Report of the Governance Committee be presented to Full Council for consideration.**

## **22 Standards Update - 2023/24**

The Chair invited the Head of Legal and Procurement and Deputy Monitoring Officer to present the report which summarised the number and nature of complaints received and investigated in 2023-2024.

The number of complaints remained low and this demonstrated good behaviour amongst members. The use of social media was a factor in a number of cases, however this area had recently been reviewed and strengthened by the Committee with a new protocol adopted by Council in April 2024.

Questions were asked regarding the cases that had been paused or discontinued, however it was agreed that feedback would be provided after the meeting.

The Committee's Independent Members noted that the update provided a useful benchmark, and whilst overall showed good levels of behaviours demonstrated that action was taken when needed.

**Resolved – that the report be noted.**

**23 RIPA Application Update**

The Deputy Monitoring Officer confirmed that there had been no RIPA applications made since the last meeting of the Governance Committee.

**24 Work Programme**

The Committee's work programme for the remainder of the 2024-25 municipal year was noted.

**25 Any urgent business previously agreed with the Chair**

Following discussions with the Monitoring Officer, the Chair proposed that as there had been no further issues or disruptions to council meetings, and that the General Election had now passed, that he write to the Leader of the Council to recommend that the suspension of standing orders related to public speaking at meetings be lifted.

The Committee were supportive and endorsed the proposal.

**Resolved – that the Chair of the Governance Committee write to the Leader of the Council to recommend that the suspension of standing orders regarding public speaking at council meetings be lifted.**

Chair

Date