

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Audit and Governance Committee**
held on Thursday, 3rd October, 2019 at Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor R Fletcher (Chairman)

Councillors C Bulman (substitute for Cllr S Handley), D Edwardes, B Evans,
S Hogben, M Houston, A Kolker and M Sewart

Councillors in attendance

Councillors J Rhodes and A Stott

Officers in attendance

Frank Jordan, Executive Director Place
Jane Burns, Executive Director Corporate
Jan Bakewell, Director of Governance and Compliance
Josie Griffiths, Head of Audit and Risk Management
Michael Todd, Acting Internal Audit Manager
Paul Goodwin, Deputy S151 Officer
Juan Turner, Compliance and Customer Relations Officer
Lianne Halliday, Senior Manager - Procurement
Rachel Graves, Democratic Services Officer

30 APOLOGIES FOR ABSENCE

Apologies were received from Councillors R Bailey, A Gregory and
S Handley.

31 DECLARATIONS OF INTEREST

No declarations of interest were made.

32 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public in attendance.

33 MINUTES OF PREVIOUS MEETING

Consideration was given to the minutes.

Minute 19 – Annual Report of the Monitoring Officer

The Director of Governance and Compliance reported that the previous
Monitoring Officer had dealt with the questions but had not shared the
responses with all Committee members.

There were a number of new councillors who had not attended code of conduct training and a training session would be arranged shortly.

At the time of the last meeting, the number of code of conduct complaints outstanding for over 3 months was 3, and the average time taken to deal with complaints was around 8 weeks.

Minute 25 Annual Governance Statement

It was confirmed that the director for Cheshire Residents First Ltd would not be taking part in commissioning any services.

RESOLVED:

That the minutes of the meeting held on 30 July 2019 be confirmed as a correct record.

34 EXTERNAL AUDIT UPDATE AND ANNUAL AUDIT LETTER 2018/19

Alistair Newall of Mazars presented the Annual Audit Letter 2018/19 and an update on the external audit work.

With regards to the Annual Audit Letter, Other Reporting Responsibilities section, he reported that the WAG Group audit reporting requirements had been completed and submitted to the National Audit Office.

The audit work for 2018/19 had been completed and he had met with Officers to debrief them on the audit.

He highlighted that consultation was being carried out on the new Code of Audit Practice 2020/21. It was also highlighted that a review of local authority financial reporting was to be carried out and a 'call for views' had been issued.

It was noted that 40% of councils had not met the 2018/19 audit deadline. The Committee recorded their thanks to Officers for their work to ensure that the Council had met these audit deadlines.

RESOLVED: That

- 1 the Annual Audit Letter and the Audit Progress Report be noted;
and
- 2 Officers be thanked for their work to ensure that the Council met the audit deadlines.

35 MALADMINISTRATION DECISION NOTICES FROM LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN:

The Committee considered a report on the decision notices issued by the Local Government Ombudsman between 1 July and 31 August 2019.

It was reported that three decision notices had been issued which concluded that there had been maladministration causing injustice – details of which were set out in Appendix 1 to the report.

The Committee requested that another column be added to the report format in Appendix 1 to detail the processes and actions which had been put in place to stop a complaint happening again.

The Committee sought clarification on enforcement action undertaken by the Council and were informed that the range of enforcements actions carried out was being reviewed to ensure the resources available were better used.

RESOLVED:

That the contents of the report be noted.

36 TREASURY MANAGEMENT ANNUAL REPORT 2018/19

The Committee considered the Treasury Management Annual Report 2018/19.

The report detailed the Council's capital expenditure and financing during the year and the impact of this on the Council's underlying capital financing requirements. The report identified how the Council had borrowed in relation to the capital financing requirement and also set out investment and debt activity.

RESOLVED:

That the Treasury Management Annual Report for 2018/19 be noted.

37 ANNUAL REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE 2018/19

The Committee considered the Annual Report of the Audit and Governance Committee 2018/19.

The report had been deferred from the last meeting to allow members to forward any comments to the Head of Audit. It was reported that no comments had been received.

The Annual Report would be presented to Council on 17 October 2019.

RESOLVED:

That the Audit and Governance Committee Annual Report 2018/19 be presented to Council.

38 COUNTER FRAUD UPDATE

The Committee considered a report which provided an overview of developments taking place nationally, an update on counter fraud activity in Cheshire East and the ongoing work to ensure compliance with best practice and improvements to resilience to the threat of counter fraud and corruption.

RESOLVED:

That the contents of the report be noted.

39 COMMITTEE WORK PLAN

The Committee considered the Work Plan for 2019/20.

The report detailed the items which had been re-scheduled for later meetings.

The Work Plan session for committee members arranged for 30 September had been cancelled and would be re-scheduled to take by the December meeting of the Committee.

RESOLVED:

That the Work Plan be noted and that it be brought back to the Committee throughout the year for further development and approval.

40 CONTRACT PROCEDURE RULE NON-ADHERENCES

The Committee considered a report on the number and reasons for Waivers and Non-Adherences (WARNs), which had been approved between 1 July 2019 and 31 August 2019.

RESOLVED:

That the report be noted.

41 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 as amended on the grounds that it involves

the likely disclosure of exempt information as defined in Paragraph 3 of the Schedule 12A of the Local Government Act 1972 and the public interest would not be served in publishing the information.

42 CONTRACT PROCEDURAL RULES NON-ADHERENCES

The Committee considered the WARNs.

RESOLVED:

That the WARNs be noted.

The meeting commenced at 2.00 pm and concluded at 3.00 pm

Councillor R Fletcher (Chairman)