



MINUTES

Audit and Standards Committee

Date:	Thursday, 16 January 2020
Venue:	Town Hall, St Annes.
Committee Members Present:	Councillor John Singleton JP (Chairman) Councillor Ed Nash (Vice-Chairman) Councillors Paula Brearley, Delma Collins, Peter Collins, Ellie Gaunt, Brian Gill, Sally Nash-Walker.
Officers Present:	Paul O'Donoghue, Ian Curtis, Dawn Highton, Tara Walsh
Other Attendees Present:	Mr Joe Stone, representative from Deloitte LLP Ms Debbie Storr, Investigating Officer

1. Declarations of Interest

Members were reminded that any disclosable pecuniary interests should be declared as required by the Localism Act 2011 and any personal or prejudicial interests should be declared as required by the Council's Code of Conduct for Members. There were no declarations of interest.

2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Audit and Standards Committee meeting held on 28 October 2019 as a correct record for signature by the Chairman.

3. Substitute Members

The following substitution was reported under Council Procedure Rule 23 (c):

There were no substitute members on this occasion.

Audit Decision Items

4. Deloitte LLP Certification of Claims and Returns – Annual Report 2018/19

Mr Joe Stone, representative of Deloitte LLP, presented the certification of claims and returns annual report for 2018/19. He explained that the letter presented to the committee confirmed the certification of one claim, the Housing Benefit Subsidy claim.

It was noted there were no exceptions or errors found, and there were no observations to report or amendments to the claim form. In addition, Mr. Stone advised that there were no recommendations for the council arising from certifying the claim.

It was therefore RESOLVED to note the contents of the Certification of Claims and Returns annual report for 2018/19.

5. Annual Audit Letter 2018/19

Mr Joe Stone, representative of the Council's external auditors (Deloitte LLP), was invited by the Chairman to provide an overview of the contents of the Annual Audit Letter 2018/19, which had previously been issued by them.

Mr Stone explained that the Letter contained the auditor's opinion on the Council's performance and financial management. It also included their opinion on the Council's preparation of its financial statements. Members were advised that the judgements contained within the Audit Letter were based upon inspection activity that had been undertaken as part of the audit.

During the discussion of the item questions were asked in regards to the 5 recommendations referred to on page 16 of the report. Mr Stone clarified that the recommendations referred to in the report were in relation to property valuations. Members asked that more detail of the recommendations be provided in the final letter.

It was RESOLVED to:

1. Note the contents of the Annual Audit Letter for 2018/19.
2. Request that a more detailed overview of the five recommendations, highlighted on page 16 of the report, be included in the final Annual Audit letter.
3. Thank Deloitte LLP for conducting a professional external audit.

6. Internal Audit Interim Report as at 27 December 2019

(The Vice-Chairman, Councillor Ed Nash, arrived at the meeting during the presentation of this item).

Dawn Highton, Head of Internal Audit, was invited to present the report. In doing so, she outlined the progress of planned audits against the internal Audit Plan and an overview of the performance of the Internal Audit Service at the end of December 2019.

Appendix A provided a "snapshot" of the overall progress made in relation to the 2019/20 Internal Audit Plan and appendix B provided information on Internal Audit performance as at the 27th December 2019.

During the discussion of this item a number of questions were raised. These related to; the scope of appendix a, outstanding reviews from previous years, and the position with the ICT review. These were addressed in full by Ms Highton.

Members requested that a detailed report of all outstanding actions be brought to a future meeting of the Audit and Standards committee for information purposes.

The committee AGREED to:

1. Note the report
2. Request that information on the outstanding actions, detailed on page 28 of the report, be provided at a future meeting of the Committee

7. Effectiveness of the Audit and Standards Committee

Dawn Highton, Head of Internal Audit, was invited to present a report relating to the effectiveness of the Audit and Standards Committee. In doing so, Ms Highton outlined on the findings of a self-assessment exercise carried out to compare the Council's current Audit Committee arrangements with the guidance issued by CIPFA (Audit Committees – Practical Guidance for Local Authorities and Police 2018). The purpose of which was to ensure that the Council continues to operate in accordance with best practice. Full details of the self-assessment had been included as an appendix to the report.

In conjunction with the guidance issued by CIPFA, the report also sought members to consider the possibility of appointing an independent member to help when deliberating and challenging audit elements of the Audit and Standards committee.

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Following on from the above, Ms Highton explained that the report also outlined the results of a knowledge and skills self-assessment which had been issued to all members of the Committee. Details had been included as an appendix to the report. It was noted that as a result of the assessment, two areas of training had been identified.

Questions were asked in relation to the role of the independent person and the circulation of CIPFA's new guidance.

Following a detailed discussion, it was AGREED:

1. To note the content of the self-assessment of good practice
2. That in 12 months the committee reconsider the appointment of an independent member
3. To note outcome of the Knowledge and Skills self-assessments completed by members of the Committee

8. Fighting Fraud and Corruption Locally - The Local Government Counter Fraud Strategy

Dawn Highton presented the results of an assessment carried out to compare the Council's current arrangements on fighting fraud, with the Local Government Counter Fraud & Corruption Strategy.

Ms Highton explained that the assessment had been carried out in 2018 and had identified 5 areas where the Council's current arrangements could be strengthened. All of these areas had since been implemented.

Following discussion, the committee AGREED to note the report.

Mid-Year Update on the Strategic Risk Register

At this juncture, members requested that a full report on the strategic risk register be presented to Committee in March 2020.

Audit Information Items

9. The Corporate Plan 2020-2024

A copy of the first draft of the emerging Corporate Plan 2020-2024 was included as an appendix to the covering information report.

The Committee was advised that the final draft of the Corporate Plan would be presented to Full Council on 20th April 2020.

10. Regulation of Investigatory Powers Act 2000: Authorisations

In line with the requirements to report on a quarterly basis regarding the use of covert surveillance and covert human intelligence sources, the information report advised that in the quarter to December 2019, there had been no authorised operations.

Exempt Decision Item

11. Exclusion of the Public

Members of the committee were invited to consider passing a resolution excluding the public from the meeting for the consideration of item 10 below in accordance with the provisions of Section 100(4) of the Local Government Act 1972. This was on the grounds that the business to be discussed was exempt information as defined in paragraphs 1 and 2 (Information relating to an individual and Information which was likely to reveal the identity of the individual) of Schedule 12A of the Act.

It was RESOLVED to exclude the public.

12. Issue Raised with the Monitoring Officer

Following an introduction by Ian Curtis, who had been acting on behalf of the Monitoring Officer, members considered investigation reports from Mike Dudfield, and Debbie Storr, (external investigators) in relation to the alleged conduct of a parish councillor.

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Following a discussion on the report, the Committee RESOLVED: to accept the findings of both reports and, in respect of the report which had found by way of sanction, request that the Clerk of the Town/Parish Council concerned write a letter to the Councillor concerned.

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