



MINUTES

Audit and Standards Committee

Date:	Thursday, 16 November 2017
Venue:	Town Hall, St Annes.
Committee Members Present:	Councillor John Singleton JP (Chairman) Councillor David Donaldson (Vice-Chairman) Councillors Delma Collins, Peter Collins, Susan Fazackerley, Edward Nash
Officers Present:	Paul O'Donoghue, Ian Curtis, Dean Francis, Lyndsey Lacey- Simone

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. No interests were declared on this occasion.

2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Audit and Standards Committee held on 21 September 2017 as a correct record for signature by the Chairman.

3. Substitute Members

The following substitution was reported under Council procedure rule 24 (c):

Councillor Susan Fazackerley for Councillor Graeme Neale.

Decision Items

Prior to the introduction of this matter, the Chairman welcomed Dean Francis, Senior Auditor to the meeting.

4. Annual Audit Letter 2016/17

In the absence of a representative of KPMG, the Chairman invited Paul O Donoghue, Chief Financial Officer to address the committee on the contents of the Annual Audit Letter issued by the Council's external auditors, KPMG for the financial year 2016/17.

In brief, Mr O'Donoghue 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 and a summary of the outcome of the audit work at Fylde was set out on page 7 of the report.

Mr O'Donoghue reported that in arriving at their conclusions, the auditors considered financial governance, financial planning and control processes, and how the Council is prioritising resources and seeking to improve efficiency and productivity.

A copy of the Annual Audit Letter was included as an appendix to the report.

Following Mr Donoghue's presentation, the Chairman invited questions and comments from members as appropriate.

Following consideration of this matter it was RESOLVED: To note the content of the Annual Audit Letter and pass on the committee's thanks and appreciation to the finance/wider teams for their contribution to the excellent report from PKMG which had resulted in no high priority recommendations or misstatements.

5. Mid-Year Prudential Indicators and Treasury Management Monitoring Report 2017/18

The Chairman invited Paul O'Donoghue, Chief Financial Officer, to present the mid-year Prudential Indicators and Treasury Management monitoring report. In doing so, he explained that the report had been prepared in line with the recommendations of CIPFA's (Chartered Institute of Public Finance Accounts) Code of Practice on Treasury Management 2011.

In brief, he outlined the background to the preparation of the report and explained to the committee updates on the UK economy/outlook; the regulatory position; debt management/investment strategy together with details of compliance with prudential indicators and any associated risk.

Included as appendices to the report were: Glossary of Treasury Terms & Treasury Management and Prudential Indicators Frequently Asked Questions together with a copy of the Prudential Indicators.

At the conclusion of the presentation, the Chairman invited questions and comments from members of the committee. Clarification was sought on the types of short and long term investments the Council made and further information on the slippage items referred to in the report. These were addressed in turn by Mr O' Donoghue.

Following consideration of this matter it was RESOLVED to recommend to Council that the revised Prudential Indicators and Limits, as detailed in Appendix B of the report be approved.

6. DCLG Consultation on Disqualification Criteria for Councillors and Mayors

Ian Curtis (Head of Governance) was invited by the Chairman to present the report. In doing so, Mr Curtis advised the committee that the Department for Communities and Local Government (DCLG) is consulting on proposals to update criteria disqualifying individuals from standing for, or holding office as a local authority member, if they are subject to:

- The notification requirements set out in the Sexual Offences Act 2003 (commonly referred to as 'being on the sex offenders register');
- A civil injunction granted under section 1 of the Anti-social Behaviour, Crime and Policing Act 2014; or
- A Criminal Behaviour Order made under section 22 of the Anti-social Behaviour, Crime and Policing Act 2014.

Mr Curtis advised that any changes to the disqualification criteria would require changes to primary legislation. The proposed changes would not act retrospectively.

Included as an appendix to the report was a copy of the DCLG Publication – 'Disqualification criteria for Councillors and Mayors: Consultation on updating disqualification criteria for local authority members'.

Various questions that were raised by members on the committee on this matter were addressed by Mr Curtis.

The Chairmen drew members' attention to paragraph 13 of the report which sought a response to 6 questions posed as part of the consultation process and the committee responded accordingly.

Following consideration of this matter it was RESOLVED: to authorise the Head of Governance (on behalf of the Council) to respond to the questions contained in the consultation paper as follows:

- a) Agree (b) Disagree (c) Agree (d) Agree (e) Do not believe to have any effect on local authorities discharging their Public Sector Equalities Duties under the Equality Act 2010 (f) No further comments.

Information Items

7. Annual Governance Statement – Action Plan

Further to the request of the committee at its meeting on 20 July, this information report provided members with an update on the implementation of three outstanding issues identified in the 2017 Annual Governance Statement. The table in the report set out the current position in relation to each of the three items.

The Chairman sought clarification on the work undertaken to address the action relating to the 'Review and update business continuity arrangements and plans' as set out in the table. This was addressed by Mr Curtis.

An undertaking was given to invite Gary Marcus (Corporate Support Officer) to the next meeting of the committee to present an updated report on progress made in relating to the business continuity arrangements and plans.

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