

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 27 August 2014, starting at 6.30pm
Present: Councillor J Hill (Chairman)

Councillors:

P Ainsworth	J Shervey
I Brown	M Thomas
A Knox	

In attendance: Fiona Blatcher from Grant Thornton.

Also in attendance: Chief Executive and Head of Financial Services.

182 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillors R Bennett, G Mirfin, R Newmark, R Sherras and N C Walsh.

183 MINUTES

The minutes of the meeting held on 25 June 2014 were approved as a correct record and signed by the Chairman.

184 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

185 PUBLIC PARTICIPATION

There was no public participation.

186 THE AUDIT FINDINGS

Fiona Blatcher submitted a report on behalf of Grant Thornton which outlined the audit findings and key matters arising from the audit of the Council's financial statements for the year ended 31 March 2014. She informed Committee that Grant Thornton anticipated providing an unqualified opinion on the financial statements as there were no significant issues and just a small number of amendments which did not affect the Council's reported financial position. The key messages arising from the audit of the Council's financial statements were:

- working papers were of a good standard and received responses to queries on a timely basis;
- few errors were identified in the financial statements. The intention was to issue an unqualified opinion;
- the value for money conclusion based on the review of the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources was again to give an unqualified conclusion.

The report highlighted the audit findings against significant risks, other risks including operating expenses, employee remuneration, welfare expenditure, internal controls, value for money, fees and communication of audit matters.

Three items were identified as part of the action plan:

- Strengthening arrangements for obtaining disclosures in respect of related party transactions.
- Council Members should receive a summary 'Corporate Risk Register' containing the highest strategic risk for scrutiny.
- Quarterly performance monitoring to Corporate Management Team be re-introduced.

The Chairman thanked Grant Thornton for this report and also conveyed thanks to the Director of Resources and her financial team.

RESOLVED: That the report be noted.

187 REVIEW OF THE COUNCIL'S ARRANGEMENTS FOR SECURING FINANCIAL RESILIENCE

Fiona presented a report on behalf of Grant Thornton which included comparisons to Ribble Valley Borough Council's statistical nearest neighbour authorities as a benchmarking group. The report gave an overview of arrangements for key indicators of performance, strategic financial planning, financial governance and financial controls. The key indicators included liquidity, borrowing, workforce, performance against budgets and reserve balances. Graphs were also included showing comparisons with other "like Councils". The assessment in all these areas met or exceeded adequate standards.

RESOLVED: That the report be noted.

188 LETTER OF REPRESENTATION

The Director of Resources submitted a report which included the Letter of Representation that Grant Thornton had required to be signed before they would sign off the accounts. This letter sets out assurances from the Council to Grant Thornton that relevant accounting standards had been complied with, and gave further assurances that the Council had disclosed information where to withhold it would have undermined the accuracy and reliability of the statement of accounts.

RESOLVED: That Committee approve the Director of Resources signing the Letter of Representation for 2013/14 on behalf of the Council.

189 APPROVAL OF AUDITED STATEMENT OF ACCOUNTS FOR 2013/14

The Director of Resources submitted a report asking Committee to formally approve the Statement of Accounts for 2013/14 following the completion of the audit. These had been previously approved subject to audit. The final approved version had to be published by the end of September 2014. The Head of

Financial Services reported that he was pleased that in the main there had only been minor adjustments to the draft accounts recommended by the Auditors which were a change relating to the pensions note and a change to a note relating to monies being received from East Lancs PCT which should now be split between East Lancs CCG and Lancashire County Council. There had also been minor amendments to the Annual Governance Statement. Following receipt of the Auditors opinion the accounts would be published on the website prior to the deadline of 30 September 2014.

RESOLVED: That Committee approve the audited Statement of Accounts for 2013/14 along with the audited Annual Governance Statement for 2013/14.

190 INTERNAL AUDIT PROGRESS REPORT 2014/15

The Director of Resources submitted a report for Committee's information on the internal audit work progress to date for 2014/15. The report included a full audit plan for Committee's information and the Principal Auditor gave a brief update on a follow up audit carried out at the Platform Gallery/VIC.

RESOLVED: That the report be noted.

191 EXCLUSION OF PRESS AND PUBLIC

That by virtue of the next item of business being exempt information under Category 3 of Schedule 12A of the Local Government 1972 the press and public be now excluded from the meeting.

192 RISK MANAGEMENT – UPDATE ON RED RISKS

The Director of Resources submitted a report providing Members with an update on the current areas of high risks for the Council as identified on the risk register. At the present time there were four red risks included on the register:

- Kerbside recycling and waste paper collection.
- Planning appeals – award of costs.
- Core Strategy – Inspector finding the plan unsound due to disagreement with the Council's position.
- Core Strategy – Inspector finding the plan unsound due to conflict with new legislation.

Committee discussed the ongoing discussions with the County Council with regard to kerbside recycling and the waste paper collection and to the fact that the current consultation period on the Core Strategy would be completed on 5 September 2014 which would enable the Inspector to complete his report.

RESOLVED: That the report be noted.

The meeting closed at 6.53pm.

If you have any queries on these minutes please contact Jane Pearson (414430).