

AUDIT AND RISK MANAGEMENT COMMITTEE

Monday, 21 September 2020

<u>Present:</u>	Councillor	JE Green (Chair)	
	Councillors	T Anderson K Cannon A Gardner P Gilchrist K Greaney	K Hodson AER Jones S Whittingham G Wood

63 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state what they were.

Councillor Stuart Whittingham declared a personal, non-prejudicial interest by virtue of his being an Executive Member of the Council.

64 ALDERMAN DAVID ELDERTON

The Chair announced that it was his sad duty to announce the recent passing of former Councillor and past member of the Audit and Risk Management Committee, Alderman David Elderton. The Chair expressed his personal condolences to David's family and friends.

The Committee then observed a period of silence in tribute to former Councillor, Alderman David Elderton.

65 ANNUAL GOVERNANCE STATEMENT

Shaer Halewood, Director of Resources and Investment (Section 151 Officer) introduced her report that set out the draft Annual Governance Statement for consideration. A final version was scheduled report to the Committee at its next meeting in November 2020.

The Director of Resources apprised the Audit and Risk Management Committee that it was necessary for the Council to have approved and adopted a Code of Corporate Governance that complies with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and to report publicly through the Annual Governance Statement the extent to which the governance processes outlined in the Code were operating effectively in practice.

The report informed how (the) Framework identified seven core principles of good governance:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimize the achievement of the intended outcomes.
- Developing the entity's capacity including the capability of its leadership and the individuals within it.
- Managing risk and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

Following the Director of Resources introduction, Iain Miles, Audit Manager apprised Members how the Annual Governance Statement had, as in previous years, been prepared in accordance with the CIPFA/SOLACE Delivering Good Governance in Local Government 2016 Framework and Guidance and had been evidenced from the following sources:

- Review of the key governance processes in place; Collation and review of Chief Officers' Governance Assurance Statements;
- Meetings with key Council officers; and
- Consideration of any relevant reports by external review agencies.

The Annual Governance Statement 2019/20 covered the period from 1 April 2019 to 31 March 2020 and therefore any significant governance issues identified were those which had occurred during this period. Members were further apprised that it was also required to take account of any key event, for example the COVID-19 pandemic, that commenced in 2019/20 but had continued to have an impact on the governance of the Council until the time of publication of the AGS.

The AGS included a summary of the significant action take in respect of the five significant governance issues identified in last year's AGS.

Members questioned the officers and highlighted specific areas of interest, namely the inclusion of information on the area of Business Continuity Planning and sought assurances on the matter of financial resilience.

RESOLVED - That

- 1) the initial draft of the Annual Governance Statement be noted; and**
- 2) the final Annual Governance Statement will be presented to the Audit and Risk Management Committee for approval at its next scheduled meeting in November 2020.**

2019/20 STATEMENT OF ACCOUNTS UPDATE

Diane Grisdale, Senior Finance Manager - Policy, Strategy and Financial Accounts introduced the report of the Director of Resources and Investment (Section 151 Officer) that presented the draft, unaudited, 2019/20 Statement of Accounts. Also included were a guide and extra information in relation to the accounts.

The Statement of Accounts set out the Council's financial position as at the 31 March 2020 with a summary of its income and expenditure for the year ended 31 March 2020.

The Senior Finance Manager - Policy, Strategy and Financial Accounts apprised the Audit and Risk Management Committee (ARMC) that the draft, unaudited Accounts had been published on the Council's website in line with the revised statutory deadline of 31 August 2020.

This report provided background information on the reasons why the Council prepares annual Accounts and the revised publication timetable for 2019/20.

The report also provides commentary on:

- the main Statements contained within the Accounts,
- the public inspection period currently underway, and
- arrangements being made to implement an external audit of the full Accounts by the Council's appointed auditor.

The Senior Finance Manager - Policy, Strategy and Financial Accounts responded to questions from Members on a number of key areas that included depreciation, statutory adjustments and minimum revenue provision.

The Audit and Risk Management Committee agreed that further discussion on the expectation on auditors, financial sustainability take place, and that this be managed through meetings with the ARMC Chair and Political Spokespersons ahead of final sign-off on the accounts.

RESOLVED – That the draft, unaudited, 2019/20 Statement of Accounts be noted, and that further observations be provided via the Chair and Party Spokesperson prior to final sign-off on the accounts.

Following the decision of Committee, Members received a short verbal report from Mark Stocks, External Auditor on the sustainability of Local Authority Audits, transparency, investing in training and the pricing of audits.

ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR - COVID-19 UPDATE

At the Chair's request, and with the agreement of the Audit and Risk Management Committee, Members considered a report from Ministry of Housing Communities and Local Government - Dame Mary Ney's rapid

stocktake of lessons learnt from the Leicester City/Leicestershire experience of responding to a local surge in COVID-19 cases.

The report informed the following learning points and good practice:

Learning Points

1. Review the national and local governance frameworks to clarify the interface between them, how councils will be engaged and to strengthen local political oversight.
2. Councils need to exercise local outbreaks scenarios so they are well prepared.
3. The management and effectiveness of announcements of changes in local restrictions could be improved by the use of a checklist of requirements.
4. Ongoing work is required to improve the testing data available, in particular, data on ethnicity and workplace.
5. Councils should ensure they understand their communities and have community cohesion arrangements in place so that community and business engagement is effective.
6. In devising tactical control plans don't underestimate the range of skills and local knowledge that councils can deploy at pace from across the organisation.
7. There is scope to further the role of local councils and to move to a more preventative whole system approach on the ground bringing together scaling up of testing, tracing and supporting self-isolation and shielding.
8. There is a need to refine the application of the new regulatory framework in achieving compliance of businesses and events.
9. In Civil Contingencies arrangements, the role of local political leaders and local elected representatives should be reviewed.

Good Practice

10. Implementation of a Local Political Oversight Board to provide a forum for local political leaders to have collective oversight of the management of the outbreak.
11. Integration of the PHE Incident Management Team into local resilience structures and establishing a joint outbreak management team.
12. Community and Business Engagement building on local knowledge and community cohesion work.

13. The local approach to scaling up testing – City Reach – used on the ground teams drawing on the local knowledge of council staff, local NHS staff and volunteers to undertake door to door visits.

14. Tracing contacts using the range of existing council data bases and systems as well as on the ground teams.

15. Bespoke Data Base built to capture activity and testing outcomes of the City Reach Teams.

David Armstrong, Assistant Chief Executive provided a short status report and local summary of the Covid-19 responses undertaken by Wirral Council and other partnership organisations.

Elsbeth Anwar (Assistant Director Public Health Consultant) then provided a summary of key learning points on the governance, local planning procedures, preparation, testing, local intelligence and data in Wirral. The Assistant Director Public Health Consultant apprised Members of detail on a variety of programmes that provided evidence of Wirral Council's positive efforts and success in working with local communities and businesses.

The Audit and Risk Management received assurance that the lessons being learned in other Local Authorities across the country were helping form effective arrangements to tackle the pandemic in Wirral, and across the Liverpool City Region.

The Chair thanked the officers for their reports.

RESOLVED – That the verbal reports be noted.