

OVERVIEW (AUDIT) PANEL

Monday, 31 July 2017

Commenced: 2.00 pm

Terminated: 2.35 pm

Present: Councillors Ricci (Chair), Affleck (Deputy Chair), Bailey, Bell, Fairfoull, J Fitzpatrick, Pearce, Peet, Taylor and K Welsh

Apologies for Absence: Councillors K Quinn

1. DECLARATIONS OF INTEREST

There were no declarations of interest declared by Members.

2. MINUTES

The Minutes of the meeting of the Overview (Audit) Panel held on 21 November 2016 were agreed and signed as a correct record.

3. AUDIT FINDINGS REPORT (ISA260) - TAMESIDE MBC AND GREATER MANCHESTER PENSION FUND 2016/17

Consideration was given to a report of the First Deputy (Performance and Finance) / Assistant Director (Finance), highlighting the key matters arising from Grant Thornton's audit of the 2016/17 financial statements of both Tameside MBC and Greater Manchester Pension Fund, which Grant Thornton was required to report under the Audit Commission's Code of Audit Practice and the International Standard of Auditing.

It was explained that, whilst the Audit was substantially complete, there was still a small amount of work to be done on property valuations, which the finance team was revisiting and a final, complete Audit Findings report would be submitted to the next meeting of the Panel in order to ensure we meet the legal timescales for closure.

RESOLVED

- (i) That the content of the report and the Audit work completed to date be noted; and
- (ii) That the final and complete Audit Findings report be submitted to the next meeting of the Panel.

4. CAPITAL MONITORING - OUTTURN 2016/17

Consideration was given to a report of the First Deputy (Performance and Finance) / Assistant Director (Finance) summarising the capital monitoring position at 31 March 2017. The report showed projected capital investment of £35.328 million in 2016/17. This was £15.830 million less than the total programmed spend for the year (£51.158 million). Re-profiling of £12.929 million into the next financial year was therefore proposed.

Details of the projected outturn capital investment were shown by service area and Section 3 of the report referred to the most significant scheme variations.

Particular reference was also made to the changes to the approved 3 year capital programme, capital receipts and prudential indicators.

RESOLVED

- (i) That the re-profiling to reflect up to date investment profiles is approved;**
- (ii) That the revised capital programme (including changes) is approved;**
- (iii) That the capital financing statement for 2016/17 is approved;**
- (iv) That the 2016/17 capital outturn position be noted;**
- (v) That the current position in regards to Compulsory Purchase Orders (CPO's) and indemnities is noted; and**
- (vi) That the capital receipts position is noted.**

5. REVENUE MONITORING - QUARTER 4 2016/17

The First Deputy (Performance and Finance) / Assistant Director (Finance) submitted a report detailing the Council's final revenue outturn position for 2016/17 against budgets for the year and showed the net of income and expenditure as a variation to budget. The report demonstrated that at Quarter 4 the Council's overall net revenue expenditure for the 2016/17 financial year was to be £142.2 million compared to a budget for services of £143.4 million, giving a position of £1.234 million less than the budget.

A summary of the annual budget, outturn and variation to budget for each Directorate was provided in the report.

Details were also given of: savings, Council Tax, Business Rates and Sundry Debts, the Capital Outturn position and Care Together programme.

RESOLVED

- (i) That the revenue outturn position be noted;**
- (ii) That the detail for each service area be noted;**
- (iii) That the changes to revenue budgets, as set out in the report, be approved; and**
- (iv) That the Capital Outturn position be noted.**

6. TREASURY MANAGEMENT ACTIVITIES 2016/17

Consideration was given to a report of the First Deputy (Performance and Finance) / Assistant Director (Finance) setting out the Treasury Management activities for the financial year 2016/17. As investment rates were lower than external borrowing rates throughout the year, available cash reserves were used to fund internal borrowing on a temporary basis. This resulted in lower than anticipated borrowing costs with an external interest saving of £6.691 million. Investment returns were £0.803 million higher than estimated.

Details were also given of the following:-

- Debt;
- Interest Rates;
- Activities 2016/17;
 - Borrowing
 - Rescheduling
 - Year-end position
 - Investments – managing cash flow
 - Interest payable and receivable in the year;
- Current Activities;
- Greater Manchester Metropolitan Debt Administration Fund; and
- Prudential Limits.

RESOLVED

- (i) That the treasury management activities undertaken on behalf of both Tameside MBC and the Greater Manchester Metropolitan Debt Administration Fund (GMMDAF) be noted;
- (ii) The outturn position for the prudential indicators, as appended to the report, be approved; and
- (iii) That the counterparty limit for GMPF be increased from £50 million to £75 million.

7. AUDITED STATEMENT OF ACCOUNTS 2016/17

As there was still a small amount of work to be done in order to complete the Audit (Minute 3 above refers), it was requested that consideration of this item be deferred to the next meeting of the Panel.

RESOLVED

That the report be deferred to the next meeting of the Panel.

8. ANNUAL GOVERNANCE STATEMENT 2016/17

As there was still a small amount of work to be done in order to complete the Audit (Minutes 3 and 7 above, refers), it was requested that consideration of this item be deferred to the next meeting of the Panel.

RESOLVED

That the report be deferred to the next meeting of the Panel.

9. GRANT THORNTON - ASSURANCE FROM OVERVIEW (AUDIT) PANEL CHAIR AND MANAGEMENT 2016/2017

The Head of Risk Management and Audit Services explained that, Grant Thornton, as part of their risk assessment procedures were required to obtain an understanding of management processes in relation to fraud risk assessment, laws and regulations and going concern consideration as part of their annual audit. The report presented the response to the letters and questionnaires received from Grant Thornton for consideration by the Panel ahead of the document being signed by the Chair of the Panel and the Assistant Director (Finance).

RESOLVED

- (i) That the content of the report and the responses detailed in Appendices A and B to the report, be noted; and
- (ii) That the schedule be signed by the Chair of the Panel and the Assistant Director (Finance).

10. SCRUTINY REPORT - CARERS IN TAMESIDE

A report was submitted by the Chair of the Integrated Care and Wellbeing Scrutiny Panel, which commented on the Executive response made by Councillor Brenda Warrington (Adult Social Care and Wellbeing) in June 2016 to the Scrutiny review of Carers in Tameside and the recommendations made to support future services, which was concluded in November 2016.

RESOLVED

That the recommendations detailed in Section 8 of Appendix 2 to the report be noted.

11. SCRUTINY ANNUAL REPORT 2016/17

Consideration was given to a report of the Director of Governance and Pensions, giving details of the Scrutiny Panels Annual Report, which was published in order to inform the Council and the communities of Tameside about their work during the past year.

RESOLVED

That the content of the report be noted.

12. SCRUTINY ANNUAL WORK PROGRAMME 2017/18

The Director Governance and Pensions, submitted a report detailing the work programmes for the Scrutiny Panels for 2017/18 as follows:-

Integrated Care and Wellbeing Scrutiny Panel

1. Homecare Provision
2. Suicide Prevention

Place and External Relations Scrutiny Panel

1. Approach to Community Safety Partnership Working in Tameside (carried from 2016/17)
2. Business Growth

Discussion ensued with regard to the role/remit of the Scrutiny Panels and their work programmes for 2017/18 and, in particular, Members sought clarification with regard to the newly established Voice of the Child Overview Panel and its programme of work going forward.

The Executive Director of Governance and Pensions agreed to submit a report to the next meeting of the Panel, giving further details of the ongoing work of the Scrutiny Panels in their role of reviewing service delivery and identifying improved ways of working. She further explained that a programme of work for the Voice of the Child Overview Panel was currently being considered and that this would be included in the report to the next meeting of the Strategic Planning and Capital Monitoring Panel.

RESOLVED

- (i) **That the report and Scrutiny Annual Work Programme 2017/18 be noted; and**
- (ii) **That a report be submitted to the next meeting of the Panel detailing the ongoing work of the Scrutiny Panels including the future Work Programme for the Voice of the Child Overview Panel.**

13. URGENT ITEMS

The Chair reported that there were no urgent items for consideration at this meeting.

CHAIR