

Audit Advisory Committee

Wednesday 20 September 2017 at 6.30 pm
Boardrooms 7&8 - Brent Civic Centre, Engineers Way,
Wembley HA9 0FJ

Membership:

Members

Mr Ewart (Chair)
Mr Sullivan

Councillors:

A Choudry (Vice-Chair)
Davidson
Dixon
Naheerathan
Nerva

Substitute Members

Councillors:

Hoda-Benn, Long, McLeish and Pavey

Councillors:

Kansagra and Maurice

For further information contact: Nikolay Manov, Governance Officer
Tel: 020 8937 1348, Email: nikolay.manov@brent.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:

www.brent.gov.uk/committees

The press and public are welcome to attend this meeting.

Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also a Prejudicial Interest (i.e. it affects a financial position or relates to determining of any approval, consent, licence, permission, or registration) then (unless an exception at 14(2) of the Members Code applies), after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

***Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

- (a) Anybody of which you are a member or in a position of general control or management, and:
 - To which you are appointed by the council;
 - which exercises functions of a public nature;
 - which is directed is to charitable purposes;
 - whose principal purposes include the influence of public opinion or policy (including a political party or trade union).
- (b) The interests a of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward affected by the decision, the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who employs or has appointed any of these or in whom they have a beneficial interest in a class of securities exceeding the nominal value of £25,000, or any firm in which they are a partner, or any company of which they are a director
- any body of a type described in (a) above

Agenda

Introductions, if appropriate.

Item	Page
1 Apologies for absence and clarification of alternate members	
2 Declarations of interests Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary, personal or prejudicial interests in the items on this agenda and to specify the item(s) to which they relate.	
3 Deputations (if any) To hear any deputations received from members of the public in accordance with Standing Order 69.	
4 Minutes of the previous meeting To approve the minutes of the previous meeting as a correct record.	1 - 14
5 Matters arising (if any) To consider any matters arising from the minutes of the previous meeting.	
6 Update on mobilisation and initial operation of I4B Holdings Ltd The report provides an update from the Board of I4B Holdings Ltd on the progress it has made in mobilising the company and delivery against its business plan.	15 - 60
Ward Affected: All Wards	Contact Officer: Conrad Hall, Chief Finance Officer Tel: 020 8937 6529 Email: conrad.hall@brent.gov.uk
7 Review of the Member Learning and Development Programme The paper outlines the member learning and development sessions delivered for members since May 2016, as well as the current quarter of the member learning and development programme (June to December 2017) and the Member induction programme to be delivered following the May 2018 Local Elections.	61 - 68

Ward Affected:
All Wards

Contact Officer: Peter Gadsdon, Director
Performance Policy and Partnerships
Tel: 020 8937 1400
Email: peter.gadsdon@brent.gov.uk

8 External Audit Progress Report 69 - 72

The report summarises the auditing activities undertaken by KPMG in the period June 2017 to September 2017 and provides an overview of actions to be completed by the next meeting of the Audit Committee.

9 Statement of Accounts 2016/17 and External Auditor's Report 73 - 112

To be considered under the remit of the Audit Committee (a separate agenda has been issued).

The Audit Committee is asked to review the report to those charged with Governance from KPMG and:

- consider the key issues and recommendations
- consider the corrected audit differences
- approve the statement of accounts
- approve the letter of representation to KPMG

10 2017/18 Mid-Year Treasury Report 113 - 122

The report updates Members on recent treasury activity.

Ward Affected:
All Wards

Contact Officer: Conrad Hall, Chief Finance
Officer
Tel: 020 8937 6529
Email: conrad.hall@brent.gov.uk

11 Public Sector Audit Appointments Consultation on Auditor Appointment from 2018/19 123 - 126

Full Council decided in January 2017 to accept the invitation of Public Sector Audit Appointments Ltd (PSAA) to opt into a sector led option for the appointment of auditors for five years from 2018/19. PSAA have produced provisional allocations of auditors to authorities, and are consulting on these allocations.

The paper outlines the proposal for Brent Council and the Chief Finance Officer's planned response to the consultation.

Ward Affected:
All Wards

Contact Officer: Conrad Hall, Chief Finance
Officer
Tel: 020 8937 6529
Email: conrad.hall@brent.gov.uk

12 Capital Programme Update

This update was requested by the Audit Advisory Committee in June and reviews the delivery of the Capital Programme and the changes that have been made to improve performance, forecasting and governance.

Ward Affected:
All Wards

Contact Officer: Althea Loderick, Strategic
Director - Resources
Tel: 020 8937 1564
Email: althea.loderick@brent.gov.uk

13 Internal Audit and Counter Fraud Progress Report for the period 1 April - 31 August 2017 133 - 158

The report provides an update on the progress against the internal audit plan for the period 1 April 2016 to 31 August 2017 and a summary of counter fraud work for the first quarter of 2017/18. The appendix to the paper summarises those audits from the 2016/17 plan which have been finalised since the last meeting of the Committee.

Ward Affected:
All Wards

Contact Officer: Conrad Hall, Chief Finance
Officer
Tel: 020 8937 6529
Email: conrad.hall@brent.gov.uk

14 Public Sector Internal Audit Standards (PSIAS) Action Plan 159 - 178

The paper informs Members of the result of the self-assessment of the Internal Audit service against the Public Sector Internal Audit Standards (PSIAS).

Ward Affected:
All Wards

Lead Member: Councillor
Contact Officer: Conrad Hall, Chief Finance
Officer
Tel: 020 8937 6529
Email: conrad.hall@brent.gov.uk

15 Fire Servicing, Maintenance and Responsive Repairs of Fire Installations (Brent Housing Partnership) - Follow of Implementation of Recommendations 179 - 206

As requested at the June 2017 meeting of the Audit Advisory Committee, an update on the status of the implementation of the recommendations in the 2015/16 internal audit report on 'Fire Servicing, Maintenance and Responsive Repairs of Fire Installations' is presented for consideration by Members.

Ward Affected:
All Wards

Contact Officer: Conrad Hall, Chief Finance
Officer
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16 Review of the Frequency of Audit Advisory Committee Meetings

To consider a proposal from the Chair to increase the number of meetings in order to consider items on the Forward Plan in greater detail.

17 Audit Advisory Committee Forward Plan

207 - 208

18 Any other urgent business

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services or his representative before the meeting in accordance with Standing Order 64.

Date of the next meeting: Wednesday 10 January 2018



Please remember to **SWITCH OFF** your mobile phone during the meeting.

- The meeting room is accessible by lift and seats will be provided for members of the public.