



**MINUTES OF THE AUDIT ADVISORY COMMITTEE
Held on Wednesday 10 January 2018 at 6.30 pm**

PRESENT: Mr Ewart (Chair), Mr Sullivan (Independent Member, via Facetime), and Councillors A Choudry (Vice-Chair), Long, Nerva and Krupa Sheth

Also Present: Councillor McLennan

1. Apologies for absence and clarification of alternate members

Apologies for absence were received from Councillors Davidson and Perrin (with Councillor Long substituting).

Mr Sullivan participated in the meeting remotely due to illness.

2. Declarations of interests

In relation to Agenda item 11, Mr Ewart declared that he was Chair of the Brent Pension Board.

3. Deputations (if any)

There were no deputations.

4. Minutes of the previous meeting

It was **RESOLVED** that the minutes of the previous meeting, held on 5 December 2017, be approved as an accurate record.

5. Matters arising (if any)

(i) IAB Holdings Ltd

It was noted that this item would be included in the agenda for the next meeting of the Committee on 20 March 2018.

(ii) First Wave Housing

The Committee requested that an agenda item, related to the operation of First Wave Housing, be added to the Forward Plan and discussed at the next meeting of the Audit Advisory Committee on 20 March 2018.

(iii) Objections to the Accounts Regarding the Payment to the Council's Former HR Director

It was noted that this matter would be discussed under Agenda item 6.

(iv) Paddington Cemetery Groundwork

It was noted that this matter would be discussed under Agenda item 20.

6. Objections to the Accounts Regarding the Payment to the Council's Former HR Director

Conrad Hall (the Council's Chief Finance Officer) introduced the report and highlighted that following the receipt of the objections, KPMG, the Council's external auditor, had examined them and had issued their opinion. He referred to page 12 to the Agenda pack and said that all recommendations had been agreed by the Local Authority and they had either already been implemented or they had been in the process of implementation. Mr Hall encouraged Members to contact him if they wanted to examine KPMG's decision letters as these could not have been included in the Agenda pack. Andrew Sayers (Partner, KPMG – External Audit) confirmed that the introduction by Mr Hall reflected his position.

The Chair noted that one of the objectors had emailed a copy of the decision letter they had received to all Members of the Committee.

Members enquired who would be appointing the independent person to investigate a potential grievance against a specific member of the Human Resources management team and Carolyn Downs (the Council's Chief Executive) clarified that it would be the Head of Paid Service (the Chief Executive).

The Committee agreed that lessons learned had been identified and there would not be any additional benefits of spending additional time on this issue so the matter could be considered to be fully resolved.

RESOLVED that:

- (i) The contents of the Objections to the Accounts Regarding the Payment to the Council's Former HR Director report, be noted.
- (ii) The Committee noted the three recommendations made by the independent auditor as set out in section five of the report; and
- (iii) The Committee endorsed the Council's response to the recommendations, subject to adding to the management response formal confirmation that the Head of Paid Service would appoint the independent person in these circumstances.

7. Emergency Preparedness Task Group Report

Councillor Nerva introduced the report which summarised the work of the Emergency Planning Task and Finish Group. He commended that the paper was a valuable and informative piece of work which provided a challenge to Elected Members in respect to their role in emergency preparedness and incident response. Councillor Nerva noted the importance of the report being presented to Full Council so other Members could familiarise themselves with it and stressed that it would be essential for emergency planning to be included in the Member Induction training, following the Local Election in May 2018. Carolyn Downs (the Council's Chief Executive) directed the Committee's attention to the recommendations of the Task

and Finish Group (page 25 to the Agenda pack) and said that action had been taken on each of the nine points. She informed Members that there had been a few emergencies to respond to over the Christmas period and noted that the Silver rota, which had been re-established previously, worked particularly well.

Members enquired about the Council's interaction with key stakeholders in the Borough such as Wembley Stadium, the Football Association (FA), places of worship, etc. Questions were focused on joint working, availability of alternative incident control rooms, and provision of refuge. Ms Downs said that in the event of an incident, the Stadium would be the main congregation point. However, the borough had a list of places that could be used if the Stadium was affected or could not be used. Ms Downs informed Members that she had monthly meetings with the Wembley Park partners and a two-hour table top discussion of potential scenarios would take place on 30 January 2018. In relation to availability of control rooms, Members heard that Quintain had their own room so did the FA, while the Police had the ability to institute one depending on the scale and the location of the incident. Furthermore, meetings with places of worship to discuss their preparedness to respond to an incident would be organised and the issue would be raised at the meeting on 30 January 2018.

Councillor McLennan (the Council's Deputy Leader), who was in attendance, asked about joint planning with the National Health Service (NHS). Ms Downs said that Council had been in regular contact with the London Ambulance Service and its main collaboration with the NHS would be related to the use of the mortuary at Northwick Park Hospital which was considered to be a semi-regional one and could be used by other boroughs as well.

In response to a question that related to the monitoring of the implementation of the nine recommendations, Ms Downs said that it would fall within the remit of the Audit Advisory Committee. This view was shared by the Independent Member who said that it would be essential progress updates against actions plans to be provided to the Committee. It was agreed that the topic would be revised in six months time.

RESOLVED that:

- (i) The contents of the Emergency Preparedness Cover Report, be noted;
- (ii) The Committee's appreciation of the work of the Task and Finish Group be formally recorded; and
- (iii) Emergency Preparedness be added to the Committee's Forward Plan to be reviewed in six months time.

8. External Audit Progress Report and External Audit Plan 2017/18

Andrew Sayers (Partner, KPMG - External Audit) introduced the report which provided the Committee with external audit updates since December 2017 and the work planned before the next meeting on 20 March 2018. He noted that KPMG had issued their unqualified assurance statement on the Pooling of Housing Capital Receipts and had completed the previous year's audit. Members heard that grant returns work had been completed and the grant report for 2016/17, summarising the main issues arising from the work, would be issued prior to the next meeting of

the Committee in March 2018. As far as the objection relating to the Lender Option Borrower Option (LOBO) loans was concerned, Mr Sayers noted that KPMG would provide an update on the issue as soon as they receive the information they had requested from the Local Authority. Conrad Hall (the Council's Chief Finance Officer) commented that LOBO loans were a complex matter and said that reasonable progress towards sending substantial information to KPMG had been made.

Mr Sayers said that KPMG had completed their initial planning for the 2017/18 audit and the draft audit plan had been included in the Agenda. However, it was decided that it would be discussed under Agenda item 13.

RESOLVED that:

- (i) The contents of the External Audit Progress Report, be noted; and
- (ii) The discussion on the External Audit Plan 2017/18, be deferred to Agenda Item 13.

9. Proposed Changes to the Planning Code of Practice

Looqman Desai (the Council's Senior Solicitor, Governance) presented the report which informed Members of the proposed changes to the Council's Planning Code of Practice. Mr Desai said that the Planning Code of Practice supplemented the Members' Code of Conduct by providing additional guidance on behaviours expected of all Members and Members of the Planning Committee in particular. The Committee heard that the proposed changes were part of a wider review of the Constitution related to planning procedures, conducted under the supervision of the Constitutional Working Group (CWG). Mr Desai directed Members' attention to paragraph 3.3 of the report (page 108 to the Agenda pack) which summarised the key changes proposed. He also mentioned that two issues which had been raised at the last meeting of the Committee had been included in the revised Planning Code of Practice - paragraph 30 dealt with the issue of meetings between relevant Members of Cabinet and developers, while paragraph 33 addressed pre-application discussions and discussions about undecided applications (page 117 and 118 to the Agenda pack). Mr Desai stressed that particular care had been taken when drafting this aspect of the code and that reference to "discussions" was broad and focused on the subject matter rather than the form of discussions. He explained that guidance issued by the Local Government Association (LGA) and other standards of good practice had been considered. Furthermore, the code is being independently reviewed by a planning expert and that any recommendations for further improvements to the code would be the subject of further consideration. Finally, the code would be reported to Full Council on 22 January 2018 for approval.

Amar Dave (the Council's Strategic Director of Regeneration and Environment) informed the Committee that Councillor Perrin, who had sent his apologies, wished the new requirements on pre-application discussions etc. to refer specifically to breakfast, lunch or dinner meetings. Mr Desai responded that the code already made adequate provision for such meetings by focusing on the subject matter of such discussions rather than their timing or whether they were formal or informal. He said that the requirements aimed to strike a proper balance between promoting

public confidence in the integrity of the planning process and the legitimate reality of local government life. For example, additional controls had targeted matters of strong public interest, such as pre-application and application discussions. This led to a question about how notes of meetings with developers would be made available to the public. Mr Desai advised that according to the LGA guide, notes should be placed on the relevant planning file. Members generally indicated their approval of this practice.

In response to a question on what being “actually biased” meant which was referred to in paragraph 5 of the code (article 5 on page 112 to the Agenda pack), Mr Desai explained that actual bias occurred in a situation where the decision maker had a direct or financial interest in the outcome of a decision and it occurred rarely. The term ‘actually biased’ had been used to draw a distinction between the two types of bias recognised by the law: namely, actual bias and apparent bias which is when it might appear to a fair minded and informed observer that there was a real possibility of bias. He said that once the code had been approved, further guidance and a Monitoring Officer Advice Notice could be issued to help Members understand specific terms. Furthermore, there would be specialised training on the Planning Code of Practice for Members appointed to the Planning Committee. Members suggested that payments of Special Responsibility Allowances should be made conditional upon satisfying any mandatory training requirements.

Regarding declaring approaches at meetings, Alice Lester (the Council’s Head of Planning Transport and Licensing) said that Members currently declared if they had been asked to speak on someone’s behalf and this worked well. Carolyn Downs (the Council’s Chief Executive) reminded Members that Councillors who sat on the Planning Committee had to make independent decisions on planning matters placed in front of them, irrespective of any conversations they might have had. Furthermore, there was no legal rule against Members discussing applications.

The Independent Member acknowledged the reputational risk for the Council if the review of the code was not carried out correctly. He also commented on the need to follow best practice.

In response to a Member’s enquiry about the benefits of deferring an application when Members are minded to make a decision contrary to officer recommendations, Ms Lester explained that this was still possible and that in the future if the Planning Committee did not wish to defer the application, the matter would need to be put a vote first.

Due to the limited time available prior to the deadline for submission of reports to be presented at Full Council, it was agreed that an updated version of the Planning Code of Practice would be circulated to Members electronically and they would be able to make further comments at the Full Council meeting.

RESOLVED that:

- (i) The Proposed Changes to the Planning Code of Practice report, which would be reported to Full Council for approval on 22 January 2018, be noted.
- (ii) An update report on any issues arising under the code be presented to the Audit Advisory Committee in 12 months.

10. **Order of Business**

RESOLVED that Agenda items 10 and 11 be discussed together.

11. **Payroll Audit Report and Pensions Administration Audit Report**

Althea Loderick (the Council's Strategic Director of Resources) introduced the Audit Report on the Payroll service and said that one of the key findings of the limited assurance paper was that checks and balances were not where they should have been. Ms Loderick informed Members that the recommendations of the report had been accepted and there had been changes in the overall management of the service as it had moved to the finance area of the Department of Resources.

In relation to the limited assurance audit of the Council's Pensions Administration, Ms Loderick informed Members that there had been issues with Capita (the previous provider of the service) that had been related to performance. Those had been addressed and Brent would be moving away from the contract as the Council would be working with the Local Pensions Partnership (LPP). It was noted that the Pensions Administration Audit Report would be submitted to the Pensions Board.

The Committee expressed concern why some of the issues that had been highlighted in the reports had not been addressed sooner – in particular, there was not a procedure for recovering money that had been overpaid, and this could have been tackled earlier. Michael Bradley (the Council's Head of Audit & Investigations) said that he agreed with the points raised by Ms Loderick and the Members of the Committee and spoke about the need to follow up on the implementation of the recommendations, in view of the outstanding recommendations from the previous audit.

In relation to the estimated length of decline of the policies and procedures, Ms Loderick added that it was difficult to determine the length. She commented that some of the factors that might have led to the current situation where service reductions, change of staff and lack of proper documentation of the work being done. This led to question about the aspects audit should be looking at in order to provide long-term assurance. Conrad Hall (the Council's Chief Finance Officer) pointed out that in respect of some back office and transactional services, cheaper service did not always mean worse service. He referred to Payroll where not all the work had been documented properly and said that the solution would be related to implementing controls, standards and procedures in the right management culture. As far as the Pensions Administration was concerned, Mr Hall said that some of the problems were due to historical anomalies of data. He emphasised that although sometimes one-off additional resources could help, it was important to have the work done properly and in the right way.

Members commented that the organisation could be going through further changes and enquired about the principles that had to be followed to ensure that a similar situation would not occur again. Mr Hall responded that some of the issues identified were related to the way the services interacted with the rest of the organisation. Having clear frameworks for various procedures would help, however, the development of these could take time so the answer to that question was related to risk analysis which could identify areas of concern and ensure that the organisation could respond accordingly.

The Independent Member asked if any statistical sampling had been carried on from which a probable error rate (overpaid and underpaid) could be determined. He also emphasised that the financial loss to Brent was the total of overpayments and underpayments because Brent had a duty to correct underpayments wherever possible but wouldn't always have the ability to recover overpayments arising from errors by Brent staff. It was acknowledged that some errors may have been caused by third parties. In such case Brent should seek compensation from third parties if it was thought reasonable and practical to do so for the sums involved and the probability of success. Mr Bradley said that the overpayments report had tried to detail their level, but the key point identified was related to the lack of appropriate controls. The Independent Member acknowledged that controls should be re-established and be seen to be working. It would be appropriate to bring an update to a future meeting advising whether past errors have been eradicated and restitution made where possible.

RESOLVED that:

- (i) The contents of the Payroll Audit Report, be noted;
- (ii) The contents of the Pensions Administration Audit Report, be noted; and
- (iii) An update on the implementation of the recommendations of the reports be provided as soon as appropriate.

12. **Strategic Risk Register Cover Report**

Michael Bradley (the Council's Head of Audit & Investigations) informed Members that the Strategic Risk Register had been updated by the risk owners since the last meeting of the Committee. He said that a full review of the risk management framework would be carried out between January and March 2018. It would take a different approach which would be reflected via workshops and exercises with senior managers. The review would include an assessment of how consistent and effective the identification, assessment and mitigation of risk was and it would look at the effectiveness of reporting to senior management and the Audit Advisory Committee.

The Chair commented that progress in the right direction has been made. He enquired whether classification of risk had been considered specifically with regard to area which although low likelihood of occurring might have a very significant impact if materialising. Furthermore, the Independent Member stressed the importance of having plans to respond to the risks in the Strategic Risk Register and questioned whether directorate risks should be presented to the Committee. In response, Mr Bradley said that the thresholds for moving risks between registers would be reviewed and that the intention was to reflect this in future reporting.

The Committee expressed its support for the review of the risk management framework.

RESOLVED that:

- (i) The contents of the Strategic Risk Register Cover Report, be noted; and

- (ii) An update on the review of the risk management framework be provided at a future meeting of the Committee.

13. **Preparing the Annual Internal Audit Plan 2018/19**

Michael Bradley (the Council's Head of Audit & Investigations) introduced the report and informed members that the Audit & Investigations Team had started preparing the Annual Internal Audit Plan for 2018/19. He said that it would be discussed at Directorate Management Team (DMT) and Council Management Team (CMT) meetings before being presented to the Committee for a final approval. Mr Bradley highlighted that this was a suitable stage for Members to point issues out or suggest areas to be included in the Plan.

The Committee discussed the importance of engaging as many Elected Members as possible as it was essential for them to have a view and raise matters that were important to them. Members heard that the Vice-Chair would include the Plan in his report to Full Council on 22 January 2018 and it was suggested to publish an article in the Members' Information Bulletin.

In response to a question about the number of days of audit work available, Mr Bradley said that the estimated 1,100 days reflected the resources available and the final number would be confirmed at the next meeting of the Committee. Conrad Hall (the Council's Chief Finance Officer) commented that the estimated days were above the average and on the high end for a local authority in London. Furthermore, the number of days reflected the need for audit at Brent, which was relatively high. Mr Hall reflected on the need to have contingency to reflect the volatility of the public sector and to allow the Council to react to events and increase audit resources if necessary. Speaking of resources, he added that there were vacant posts in the team that had to be filled to ensure the delivery of the Plan.

Referring to the External Audit Plan 2017/18, the Independent Member drew the Committee's attention to page 94 of the Agenda Pack and endorsed the inclusion of First Wave Housing Limited and I4B Holdings Limited in the authority other area of audit focus due to the companies being set up recently and the risks associated with this. Furthermore, he said that he expected the structures and procedures of the companies to be features on the Internal Audit Plan 2018/19 so changes could be evaluated.

RESOLVED that:

- (i) The contents of the Preparing the Annual Internal Audit Plan 2018/18, be noted;
- (ii) The contents of the External Audit Plan 2017/18, be noted; and
- (iii) An article on the Plan be included in the Members' Information Bulletin.

14. **Closure of Accounts 2017/18**

Benjamin Ainsworth (the Council's Head of Finance - Financial Management) presented the paper and highlighted that the statutory deadlines had been revised as outlined in paragraph 3.2 on page 210 to the Agenda pack:

- Preparation of draft financial statements, signed by the Chief Finance Officer and published on the website – 31 May
- Approval (by the Audit Committee) and publication of financial statements with audit opinion – 31 July.

Conrad Hall (the Council's Chief Finance Officer) pointed out that the change in the deadlines meant that it would no longer be practical to bring the draft accounts to a formal meeting of the Audit Advisory Committee. However, it would be his intention to circulate the draft accounts for comments and to convene a briefing session for Members so they could understand what was in the accounts and ask questions on them. Such a session would take place before the end of May 2018.

Mr Ainsworth said that his Team had started preparing for the new deadlines, but detailed planning and review of the accounts were required. The Finance Directorate Management Team (DMT) would monitor progress closely and a target of 30 April for the preparation of the 2017/18 accounts had been agreed.

Andrew Sayers (Partner, KPMG – External Audit) confirmed that KPMG would be liaising with the Council to ensure that the proposed timetable worked well and commented that it was satisfying to hear that planning for the closure of accounts had already started. He spoke about the areas KPMG audited as part of the Financial Statement Audit and the Value for Money Audit. He confirmed that the materiality threshold was £12m but that any errors over £600,000 would be reported, as well as smaller ones if they were sensitive or of particular relevance to the Committee.

RESOLVED that:

- (i) The contents of the Closure of Accounts 2017/18 paper, be noted;
- (ii) The approach being taken to ensure that the Council was able to meet its statutory obligations be noted;
- (iii) The draft accounts be presented to Cabinet and circulated to Members of the Audit Advisory Committee;
- (iv) A briefing session for all Elected Members be convened prior to the end of May 2018; and
- (v) Meetings of the Audit and the Audit Advisory Committees be scheduled in the last five workings days of July 2018.

15. **Treasury Management Strategy 2018/19**

Sawan Shah (the Council's Finance Analyst - Accountancy / Treasury) presented the draft Treasury Management Strategy for 2018/19 which contained details about

the Council's current investment and borrowing position and approach to investments and borrowing for the forthcoming financial year. The Strategy's final version, alongside with the views of the Committee, would be included in the budget report to be approved by the Council on 26 February 2018. Mr Shah drew the Committee's attention to key parts of the document:

- As a result of the recent rise in interest rates, the return on the Council's investments had increased over the early part of the year. However, the impact of the rate on borrowing costs had been limited because the Council's debt portfolio was predominantly made up of fixed rate Public Works Loan Board (PWLB) borrowing. It was expected that the Council's borrowing portfolio would remain stable for up to 12 months.
- An increase in interest rates by the Bank of England had contributed to the slightly higher return. However, the Council's Treasury Management advisers, Arlingclose, forecast that the official UK Bank Rate would likely remain at 0.5% for the immediate to medium-term. Any increase in the bank rates would be expected to be limited and at a gradual pace.
- The Council had a low-risk approach to its investment strategy and this had led to a lower yield. The performance of the Council's investment portfolio had been reasonably good in comparison with other local authorities which indicated that the Council's Treasury Management Strategy had been successfully executed over the recent years.

In response to a question about the UK Municipal Bonds Agency (MBA), Conrad Hall (the Council's Chief Finance Officer) explained that as the Council did not foresee an immediate need to borrow, and as it was aware of the risks of joint and several liability, it did not take any part in setting up the Municipal Bonds Agency (MBA). However, it remained on the Authority's list of potential borrowing sources and the option of joining the MBA was continually under review.

A Member of the Committee enquired about the reclassification of the Council as a retail client under the revised Markets in Financial Instruments Directive regulations and the position of other authorities on this matter. Mr Shah explained that many other authorities were opting up to professional client status as was Brent. He directed the Committee to pages 226 and 227 to the Agenda pack which contained a list of institutions which met the Council's credit worthiness criteria and noted that despite the fact that the jurisdictions of some institutions were abroad, most of them had UK-based operations which meant that any deposits were likely to be kept in the UK part of the organisation and fall within the scope of the directive.

The Independent Member commented that the draft Treasury Management Strategy dealt well with complicated issues. Referring to the implementation and approval process, he said that he had spoken to Mr Hall regarding the process for Cabinet and Council approval of the actual Treasury Management Strategy in terms of the balance between Borrowing and Investments. This process should highlight any deviation between the current and desired balance between Borrowing and Investments. Where appropriate Council and Cabinet should be made aware of any limiting factors affecting the pace at which the Council can achieve the desired balance. Mr Hall agreed that this would be included in the final version that would be presented to Full Council on 26 February 2018.

RESOLVED that draft Treasury Management Strategy 2018/19, be noted.

16. **Internal Audit & Counter Fraud Progress Report for the Period 1 September - 31 December 2017**

Michael Bradley (the Council's Head of Audit & Investigations) provided an update against the Annual Audit Plan for 2017/18. He reminded Members that there had been 62 audit projects included in the plan. Work had commenced on 16 of them and seven audits had been added to the plan. 12 audits had been completed to draft or final stage. Nine of them had an assurance option associated with them – three had reasonable assurance, three had limited assurance and three related to consultancy work and did not have an assurance rating attached. Mr Bradley said that one of the limited assurance reports was on IT Disaster Recovery and explained that as this had been considered by the Emergency Planning Task and Finish Group it would only be presented to the Committee if required. Furthermore, Mr Bradley referred to the proactive counter fraud activity (page 241 to the Agenda pack) which focused on identifying issues before they could materialise. Members of the Committee expressed their consent with the work in this area as it gave strength to the service.

Responding to a question about the decrease of the recovery of properties, Mr Bradley explained that 13 properties had been recovered as a result of fraud or irregular activity up to the end of the second quarter of the year. This was a reduction of 50% compared to the same period last year, but if the period until the end of November 2017 was taken into account, the total number of recoveries was 30 which was comparable with last year's performance. Mr Bradley noted that there could be a slight reduction in recoveries in the final quarter due to a slow-down in referrals and a temporary disruption due to a service restructure.

In relation to Blue Badge fraud, Members said that they would appreciate if communication on this could be expanded and they welcomed the evidence that the authority had some control over the issue. However, they asked if fraud related to resident parking permits was rising and Mr Bradley responded that the misuse of permits could be added to the fraud plan for the following year.

The Independent Member commented that he found it difficult to interpret numbers into trends and Mr Bradley responded that he would look into that.

RESOLVED that Internal Audit & Counter Fraud Progress Report for the Period 1 September – 31 December 2017, be noted.

17. **Public Sector Internal Audit Standards (PSIAS) Progress Report**

Michael Bradley (the Council's Head of Audit & Investigations) introduced the report and said that progress had been made on a vast majority of areas where improvements were needed. He informed Members that the Internal Audit Service had requested a peer review and steps had been taken to undertake one in the spring of 2018. The peer review would assess the Service independently against the Public Sector Internal Audit Standards (PSIAS).

The Committee discussed the process of appointing a Chief Audit Executive (CAE). The Chair commented on the importance of following the guideline that Committee Members should not participate in recruitment process and noted that despite the

fact that he had spoken to the candidates during the last recruitment drive, he did not formally participate in the process. This view was supported by Carolyn Downs (the Council's Chief Executive) who said that although Members' views would be taken into account, they would not be part of the formal decision.

The Independent Member welcomed the peer review. He spoke of the importance of updating the action plans of all internal reports regularly and he commented on the usefulness of progress reports being presented to the Committee on a regular basis to illustrate what had been achieved and what remained outstanding.

RESOLVED that:

- (i) The contents of the Public Sector Internal Audit Standards (PSIAS) Progress Report, be noted; and
- (ii) An update on the preparations for the PSIAS be provided to future meetings of the Committee.

18. **Audit Advisory Committee Forward Plan**

Order of The Committee noted that an agenda item, related to the operation of First Wave Housing, would need to be added to the Forward Plan.

The Chair encouraged Members to notify the Head of Audit and Investigation and the Governance Team if they wanted to propose an item to be added to the Forward Plan or the agenda for a specific meeting

RESOLVED that:

- (i) The contents of the Audit Advisory Committee Forward Plan, be noted; and
- (ii) An agenda item, related to the operation of First Wave Housing, would need to be added to the Forward Plan.

19. **Order of Business**

RESOLVED that Agenda item 20 be considered in public until further notice.

20. **Update - Paddington Cemetery Groundworks**

Michael Bradley (the Council's Head of Audit & Investigations) reminded Members that the review had been undertaken following concerns raised by a Councillor in an email dated 10 November 2017. Members heard that the Audit and Investigation report that had been presented to the Committee on 5 December had been welcomed by management who had provided a response, outlined in paragraph 3.3 of the report (page 284 to the Agenda pack). Mr Bradley said that further work had been undertaken and had confirmed initial findings, i.e. that there was not any provable evidence of fraud on the evidence provided to date.

RESOLVED that the contents of the Paddington Cemetery Groundworks update, be noted.

21. **Exclusion of Press and Public**

It was **RESOLVED** that the press and public be excluded until the end of the meeting as the remainder of the discussion on the Paddington Cemetery Groundwork item contained exempt information, as defined under paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972.

22. **Update - Paddington Cemetery Groundworks (continued)**

Mr Bradley confirmed that he had met with Councillor Duffy as per resolution (ii) under Minute item 14 (see page 7 to the Agenda pack) and that the Internal Audit Service would consider concerns as information was made available. The Committee noted the report and it was **RESOLVED** that no additional work be undertaken.

23. **Any other urgent business**

None.

The meeting closed at 8.43 pm

DAVID EWART
Chair