

Audit and Standards Advisory Committee

Thursday 26 September 2019 at 6.00 pm
Board Rooms 1 & 2 - Brent Civic Centre, Engineers Way, Wembley HA9 0FJ

Membership:

Members

Mr Ewart (Chair)

Substitute Members

Councillors:

A Choudry (Vice-Chair)
Donnelly-Jackson
Hassan
Long
Naheerathan
Nerva
Kansagra

Councillors:

S Choudhary, Colacicco, Kabir, Lo and Perrin

Councillors:
Colwill and Maurice

Independent Members

Robert Cawley
Karen McArthur
Margaret Bruce

Independent Advisor

Vineeta Manchanda

For further information contact: Kunwar Khan, Governance Officer
Tel: 020 8937 2037; Email: Kunwar.Khan@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 significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then 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 any other financial benefit in respect of 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 of a trade union).
- (b) The interests 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 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 is the subject of a registrable personal interest.

Agenda

Introductions, if appropriate.

Item **Page**

1 Apologies for absence and clarification of alternate members

2 Declarations of Interest

Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary or personal 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 67.

4 Minutes of the previous meeting 1 - 10

To approve the minutes of the Audit and Standards Advisory Committee meeting held on 10 July 2019 as a correct record.

5 Matters arising (if any)

To consider any matters arising from the minutes of the previous meeting.

Standards Items:

There are no Standards items to be considered at this meeting.

Audit Items:

6 i4B and FWH accounts assurance-testing and the Council's audit process 11 - 48

The Committee at its last meeting on 10 July requested an update report about assurance-testing and the Council's audit process concerning i4B and FWH accounts. This report provides update to the Committee about:

- the progress of FWH and i4B company audits; and
- the proposed new tender and schedule for next year's audit.

Wards Affected: All wards
Contact Officer: Minesh Patel
Director of Finance
Email: Minesh.Patel@brent.gov.uk
Tel: 020 8937 4043

7 Additional Audit Fees 49 - 52

The report provides a brief note on the additional audit fee for KPMG on the objections and also Grant Thornton's request.

Wards Affected: All wards
Contact Officer: Minesh Patel
Director of Finance
Email: Minesh.Patel@brent.gov.uk
Tel: 020 8937 4043

8 To review performance & management of i4B Holdings Ltd 53 - 80

The Audit and Standards Advisory Committee has been provided with a report from i4B Holdings Limited (i4B), with the Council as its shareholder.

Wards Affected: All wards
Contact person: Martin Smith, Chair of i4B Board

9 To review performance & management of First Wave Housing Ltd 81 - 92

The Audit and Standards Advisory Committee has been provided with an update report from First Wave Housing Limited (FWH), with the Council as its guarantor.

Wards Affected: All wards
Contact person: Martin Smith, Chair of FWH Board

10 Internal Audit Progress Report 93 - 102

The report provides update on the progress against the Internal Audit Plan between 1 April and 31 August 2019.

Wards Affected: All wards
Contact Officer: Michael Bradley
Head of Audit and Investigations
Email: Michael.Bradley@brent.gov.uk
Tel: 0208 937 6526

11 Counter Fraud Progress Report 103 - 110

The report provides an update on counter fraud work undertaken this financial year until 31 August 2019.

Wards Affected:
All wards

Contact Officer: Michael Bradley
Head of Audit and Investigations
Email: Michael.Bradley@brent.gov.uk
Tel: 0208 937 6526

12 Strategic Risk Register Update

111 -
124

This report provides an updated version of the Corporate Risk Register. In accordance with the terms of reference for the Audit and Standards Advisory Committee, the report is presented to 'enable the Committee to monitor the effective development and operation of risk management and corporate governance in the Council.'

Wards Affected:
All wards

Contact Officer: Michael Bradley
Head of Audit and Investigations
Email: Michael.Bradley@brent.gov.uk
Tel: 0208 937 6526

13 Treasury Management Mid-term Report

125 -
134

The report updates Members on recent treasury activity.

Ward Affected:
All wards

Contact Officer: Daniel Omisore
Head of Finance, Resources
Email: Daniel.Omisore@brent.gov.uk
Tel: 020 8937 3057

14 The Annual Audit Letter

135 -
150

The Council's external auditors, Grant Thornton, produced a report following completion of the audit of accounts and an Annual Audit Letter. The letter is intended to identify any changes to the accounts, unadjusted misstatements or material weaknesses in controls identified during the audit work. It also provides the findings from the value for money conclusion for the year.

Wards Affected:
All wards

Contact Officer: Minesh Patel
Director of Finance
Email: Minesh.Patel@brent.gov.uk
Tel: 020 8937 4043

15 External Audit Progress Report and Sector Update

151 -
164

The paper provides the Audit and Standards Advisory Committee with a report on progress in delivering Grant Thornton's responsibilities as the Council's external auditors. It also includes a summary of emerging national issues and developments that may be relevant to Brent as a local authority.

Wards Affected:

All wards

Contract person:

Sophia Brown, Engagement Manager

Grant Thornton

Email: Sophia.Y.Brown@uk.gt.com

Tel: 020 7728 3179

16 Update on review the performance of the Committee (self-assessment) 165 - 168

This report provides an update about the effectiveness of the Audit and Standards Advisory Committee (ASAC) following the training workshop held after the previous meeting facilitated by a CIPFA trainer.

Wards Affected:

All wards

Contact Officer: Michael Bradley

Head of Audit and Investigations

Email: Michael.Bradley@brent.gov.uk

Tel: 020 8937 6526

17 Review the Committee's Forward Plan 169 - 170

To note the Committee's Forward Plan and agree a draft agenda items for the next meeting.

Wards Affected:

All wards

Contact officer: Kunwar Khan

Governance Officer

Email: Kunwar.Khan@brent.gov.uk

Tel: 02089372037

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 60.

Date of the next meeting: Monday 20 January 2020



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.