

	Full Council 8 July 2019
	Report from Councillor Choudry (Vice-Chair Audit & Standards Advisory Committee)
Update Report from Vice-Chair of the Audit and Standards Advisory Committee	

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Michael Bradley, Head of Audit & Investigations Tel:020 8937 6526 Email: michael.bradley@brent.gov.uk

1. Purpose of the Report

- 1.1 This report provides a brief summary of the activities carried out by the Council's Audit and Standards Advisory Committee since the last written update in November 2018. Members have met four times since then.

2. Recommendations

- 2.1 Full Council is asked to note the contents of the report.

3. Detail

- 3.1 The brief details are as follows:

Audit and Standards Advisory Committee – 11 December 2018

Quarterly Update on Gifts and Hospitality

The report updated the Audit and Standards Advisory Committee on gifts and hospitality registered by Members and a recent case involving the Freedom of Information Act and Independent Persons.

Planning Code of Practice Review update

The report updated the Committee on the outcome of the Independent Review, and the consequential recommended changes in relation to the Planning Code of Practice. This review was required under the Constitution.

External Audit Progress Report

The paper provided the Committee with a report on progress in delivering Grant Thornton's responsibilities as the Council's external auditors. It also included a summary of emerging national issues and developments.

Internal Audit External Quality Assessment

The report provided an update to the Committee on the findings of an external quality assessment that was carried out of the Brent Internal Audit Service.

Audit and Standards Advisory Committee – 5 February 2019

Emergency Preparedness Update

The report outlined the progress made since an update to the Committee in July 2018. It detailed the type and number of incidents in Brent and provided information around initiatives and programmes of work under way to enhance resilience and response arrangements.

External Audit Plan

This document provided an overview of the planned scope and timing of the statutory audit of Brent Council for those charged with governance.

Accounting Policies

This report set out the accounting policies the Council was required to adopt each year in terms of producing the Statement of Accounts.

Local Audit Quality Forum

The Vice Chair reported on various seminars attended, including Practical Help for Audit Committees, which had allowed him the opportunity to focus on: Compliance, Productivity, Outputs, Quality and Added Value. Details of this are due be discussed at the next Audit Committee in July.

2019/20 Treasury Management Strategy

The report presented the draft Treasury Management Strategy for 2019/20 for consideration by the Committee.

Report on i4B Holdings Ltd

This report provided the Committee with an update on i4B Holdings Ltd's (i4B) recent performance, proposed 2019/20 Business Plan, audit arrangements, and risk register. (Copy attached)

Report on First Wave Housing Limited

The report provided the Committee with an update on First Wave Housing Ltd's recent performance, 2019/20 Business Plan, audit arrangements, and risk register.

Annual Review of the Internal Audit Charter

The report set out the revised Internal Audit Charter.

Internal Audit Progress Report for the period September 2018 to January 2019

This report provided an update on progress against the Internal Audit Plan for the period 1 September 2018 to 30 April 2019. There were no material issues to report.

Counter Fraud Quarterly Progress Report 2018-19

The report provided an update on the counter fraud work undertaken for the period 1 April 2018 to 31 December September 2018.

Audit and Standards Advisory Committee - Self Assessment options

The report provided options for the conduct of an assessment of the performance of the Audit and Standards Advisory Committee.

Audit and Standards Advisory Committee – 20 March 2019

Annual Review of the Member Development Programme and Members' Expenses

The purpose of this report was to provide members of the Committee with a summary of the Member Development Programme since last reported to Committee, and to provide information regarding the Members' Expenses Scheme.

Annual Standards Report (including quarterly update on Gifts & Hospitality)

This was the Monitoring Officer's Annual Report to the Committee for 2018. It provided an update on Member conduct issues, the work of the Committee, the Audit and Standards Committee and the Monitoring Officer during 2018.

Draft Internal Audit and Investigations Annual Plan 2019/20

This report set out the draft Internal Plan for 2019/20 and the basis on which the plan had been prepared.

In accordance with the terms of reference for the Committee and in accordance with the Public Sector Internal Audit Standards, the Committee reviewed and approved the 2019/20 Internal audit plan.

Annual Report and Certification of Grants and Returns 2017/18

This report summarised the results of work carried out on the Authority's 2017/18 grant claims and returns. This included the work completed under the Public Sector Audit Appointment (PSAA) certification arrangements, as well as the work on other returns under separate engagement terms.

Review of the Use of the Regulation of Investigatory Powers Act (RIPA) Powers in 2018

The report explained the Council's use and conduct of covert surveillance techniques when investigating serious criminal offences relying on the powers made available to local authorities in Part II of the Regulation of Investigatory Powers Act 2000 (RIPA).

Corporate Risk Register Update

This report provided an updated Corporate Risk Register, which is reviewed by the Cabinet and following a review of the effectiveness of the Risk Management approach and a series of workshops with departmental management teams. In accordance with the terms of reference for the Committee, the report was presented to 'enable the Committee to monitor the effective development and operation of risk management and corporate governance in the Council. It is also important that other member review this report and forward their comments to the Audit Committee / Internal Audit.

In addition to this, there are inherent risks which the Council faces which are owned and monitored at departmental level. These have previously been identified as:

- Safeguarding (Children and Adults);
- Business Continuity;
- Information Governance;
- Legislative Compliance;
- Fire safety;
- Emergency planning;
- Fraud and Corruption;
- Financial Stability, and
- Health and Safety.

London Counter Fraud Hub

This report provided a briefing to the Committee on the "London Counter Fraud Hub" noting that, subject to comments made, the Council was considering entry into the contract as a Participating Authority, which would be by way of an individual Cabinet Member decision.

Internal Audit External Quality Assessment update

This report provided an update on an external assessment of internal audit that was conducted during October 2018 in accordance with Standard 1312 of the UK Public Sector Internal Audit Standards (PSIAS). The principal objective of the assessment was to assess internal audit's conformance to the PSIAS.

Update on Financial and Procedural Rules Governing the Mayor's Charity Appeal

The purpose of this report was to update the Committee on the recommended changes to be made to the financial and procedural rules for governing the Mayor's Charity Appeal; and seek the Committee's approval of the same.

Audit and Standards Advisory Committee – 20 April 2019

External Audit Progress Report and Sector Update

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

Annual Governance Statement

The paper presented the Annual Governance Statement for consideration, prior to formal approval by the Leader and Chief Executive. This was a very detailed document which included some changes from prior years.

Committee Self-Assessment Workshop

At the closing of this Committee session, an independent facilitator and governance expert from CIPFA undertook a well-attended workshop with members of the Audit and Standards Advisory Committee. This focused on key areas of the Committee's activities and asked for feedback on areas of strength as well as opportunities to strengthen the framework and performance for the committee. A list of proposed actions for the Committee's consideration will be presented to the next meeting in July.

The meeting was well received by all members of the Committee and allowed opportunity for the External colleagues to express their views. Similar meetings of this kind are planned in the future.

Audit and Standards Advisory Committee – Activity in June 2019

Member Learning and Development session

A Learning and development session was held for all members of the Audit and Standards Advisory Committee on 17th June 2019. This was an annual event intended to advise and prepare the members of the Committee for the wide-ranging and often complex issues that are presented to them. Presentations were made by senior officers on the following topics: Committee purpose and structure; Treasury Management; Financial Governance and position; Internal Audit and Counter fraud.

The session was attended by some members and was well received.

- 3.2 As mentioned above, a lot of procedural work has been completed by both Internal and External Audit groups which have been presented to the Audit & Standards Advisory Committee. Internal Audit will need to revisit certain areas where internal controls needed to be reappraised to ensure risks and control exposures are well maintained and where possible appropriate measures are in place.

- 3.3 Overall, at this stage the Audit & Standards Advisory Committee is satisfied with the progress of work on both the Internal and External Audit Programmes. The next meeting in July will highlight any Audit issues but an early review of the Statement of Accounts (2018/19) do not show any exceptional issues to the report.
- 3.4 After the formal review of the Statement of Accounts (2018/19), the Audit Committee will sign off the Accounts.

Report sign off:

Councillor M.Aslam Choudry
Vice-Chair Audit & Standards
Advisory Committee