

	Full Council 16 September 2019
	Report from the Vice Chair of the Audit & Standards Advisory Committee
Update Report from the Vice-Chair of the Audit and Standards Advisory Committee	

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Debra Norman, Director of Legal, HR, Audit and Investigations Tel: 020 8937 1578 Email: debra.norman@brent.gov.uk

1.0 Purpose of the Report

- 1.1 The Audit & Standards Advisory Committee (ASAC) and Audit & Standards Committee (ASC) have met once since the last update provided to Council on 8th July 2019. This paper is a brief update on the areas covered in those meetings.

2.0 Recommendations

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

3. Detail

3.1 Audit and Standards Advisory Committee – July 2019

Internal Audit Annual Report 2018/19

This was the annual report from the Head of Audit and Investigations. It included the opinion of the Head of Audit on the overall adequacy and effectiveness of the Council's internal controls and presented a summary of the Internal Audit work undertaken during the year. The report showed a generally

good level of control in the Council's key systems based on the work of the Internal Audit team.

Treasury Management Out-turn Report 2018/19

The report updated members on Treasury Management activity and confirmed that the Council had complied with its relevant Prudential Indicators.

Review of the performance of the Committee (self-assessment)

The Committee self-assessed its effectiveness building on the training workshop held after the last meeting facilitated by a CIPFA trainer. Items for further work centred on: liaison with the Scrutiny function; Risk Management, and the constitution, skills and conduct of the Committee.

Annual Counter Fraud Report

This report provided an annual summary of the counter fraud work undertaken for the period 1st April 2018 to 31st March 2019. The report detailed the depth and breadth of the work of the Investigations team including highlighting some key cases.

3.2 Audit and Standards Committee - July 2019

Statement of Accounts 18/19 and the External Auditor's Audit

The Audit and Standards Committee has responsibility for considering issues raised by the external auditors as part of the process of approving the annual statement of accounts. The Committee reviewed the following reports from the external auditor:

- Brent Council Audit Findings Report, and
- Brent Council Pension Fund Audit Findings Report.

In discussing the subsidiary accounts of Investment for Brent (i4B) and First Wave Housing (FWH) as part of the Council's Statement of Accounts 2018/19 and the audit process, the Committee noted the advice given by Grant Thornton to the Audit and Standards Advisory Committee on 10 July that the two subsidiary components (i4B and FWH) would not impact on Brent's Statement of Accounts 2018/19 as both of these did not meet the 'materiality' criteria. As a follow up action it was agreed that a financial update report on i4B and FWH accounts be presented at the next Audit & Standards Advisory Committee meeting.

The Chair expressed a view that the Audit and Standards Committee, in future, would like to see full details in advance on subsidiary companies (e.g. i4B and FWH) before considering to grant its approval of the Council's Statutory Accounts. The Chair and Members also felt that the external auditors needed to provide better details on the reconciliation work, particularly concerning 'supplier reconciliations'.

After this discussion, and following on from the consideration undertaken at the Audit and Standards Advisory Committee meeting, the Audit and Standards Committee unanimously agreed to accept the recommendation and approve the Statement of Accounts and two letters of representation to Grant Thornton.

Report sign off:

Councillor A. Choudry

Vice-Chair Audit & Standards
Advisory Committee