

Audit and Standards Advisory Committee

Thursday 26 July 2018 at 6.00 pm

Boardrooms 7&8 - Brent Civic Centre, Engineers Way,
Wembley HA9 0FJ

Membership:

Members

David Ewart (Chair)

Substitute Members

Councillors:

A Choudry (Vice-Chair)
Kansagra
Lo
Mashari
Nerva

Councillors:

S Butt, Kabir, Long and Stephens

Councillors:

Colwill and Maurice

Independent Members:

Margaret Bruce
Robert Cawley
Sheila Darr
Karen McArthur

Independent Advisor:

Eugene Sullivan

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 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 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 or 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 <ul style="list-style-type: none">➤ To approve the minutes of the Audit Advisory Committee meeting held on 20 March 2018 as a correct record.➤ To approve the minutes of the Standards Committee meeting held on 27 March 2018 as a correct record.	1 - 18
5 Matters arising (if any) To consider any matters arising from the minutes of the previous meeting.	
Standards Items	
6 Standards Update The report updates the Audit and Standards Advisory Committee on gifts and hospitality registered by Members and a recent High Court case on standards.	19 - 24
Audit Items	
7 Emergency Preparedness Update Following the Emergency Preparedness Task Group Report by Councillor Ketan Sheth and presented to Audit Advisory Committee in January 2018, it was resolved that an Emergency Preparedness item be added to the Committee's forward plan to be discussed in July 2018. This report briefly outlines the progress made against the	25 - 28

recommendations in the report, details the type and number of incidents in Brent since the writing of the report and provides some information around initiatives and programmes of work under way to enhance our resilience and response arrangements.

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| 8 | Report on i4B Holdings Ltd and First Wave Housing Ltd | 29 - 90 |
| | <p>The Audit and Standards Advisory Committee has been provided with a report from i4B, with a cover report from the Council as i4B's shareholder. At its last meeting the Committee requested that a more rounded view of risks was presented, with a clearer delineation between those risks being managed by the Council and those being managed by i4B.</p> | |
| 9 | Brent Council Borrowing Strategy 2018/19 - 2020/21 | 91 - 118 |
| | <p>The Audit and Standards Advisory Committee is asked to consider the borrowing strategy set out in Appendix A.</p> | |
| 10 | 2017/18 Treasury Management Outturn Report | 119 - 132 |
| | <p>The report updates members on Treasury Management activity and confirms that the Council has complied with its Prudential Indicators for 2017/18.</p> | |
| 11 | Internal Audit Annual Report 2017/18 | 133 - 148 |
| | <p>This is the annual report from the Head of Audit and Investigations. It includes an opinion on the overall adequacy and effectiveness of the Council's internal controls and presents a summary of the Internal Audit work undertaken during the year.</p> | |
| 12 | Counter Fraud Annual Report 2017/18 | 149 - 160 |
| | <p>This report provides an update on the counter fraud work for the period 1 January 2018 to 31 March 2018 (Quarter 4) including key activity for the year end.</p> | |
| 13 | Brent Council Annual Governance Statement 2017/18 | 161 - 178 |
| | <p>The report sets out the draft Annual Governance Statement (AGS) for 2017/18 as required by the Accounts and Audit Regulations 2015.</p> | |
| 14 | Risk Management Framework Review | 179 - 186 |
| | <p>The report provides the conclusions of a Risk Management Framework Review and feedback on a new approach that has been piloted with two departments. The final part of this report provides a draft implementation plan to embed and enhance Brent's Risk Management culture and provide ongoing assurance on the currency and validity of the Corporate Risk Register.</p> | |

15 External Audit Progress Report

To follow.

16 Statement of Accounts & External Auditor's Report

187 - 190

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 appendices to this report are to be published as a supplement.

17 Draft Statement of Accounts

To follow.

18 Forward Plan and Agenda for the Next Meeting

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To note the Committee's Forward Plan and agree a draft agenda for the next meeting, which would be reviewed and finalised by the Chief Finance Officer, the Head of Audit and the Chair of the Committee one month after the date of the current meeting.

19 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: Wednesday 17 October 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.