



**MINUTES OF THE AUDIT AND STANDARDS ADVISORY COMMITTEE**  
**Held in the Conference Hall, Brent Civic Centre on Thursday 29 September**  
**2022 at 6.00 pm**

**PRESENT:** Councillor David Ewart (Chair), Councillor Chan (Vice-Chair) and Councillors S.Butt, Choudry, Kabir, Long, Jayanti Patel & Smith.

Independent Member: Vineeta Manchanda.

Also present: Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources and Reform).

**Also Present:** Councillors

1. **Apologies for absence and clarification of alternate members**

None received.

2. **Declarations of Interest**

David Ewart declared a personal interest as a member of CIPFA.

Councillor S.Butt declared a personal interest in Agenda Item 8 (i4B Holdings Ltd & First Wave Housing (FWH) Ltd performance and External Audit Findings) as a Council appointed Director on the Board of both i4B Holding Ltd and FWH Ltd.

Given the reference to completion of Mandatory Training by members within the Standards Report (Agenda Item 6) the Committee was advised that Councillor Choudry had subsequently completed the Equalities Training module, with the monitoring details to be updated accordingly.

3. **Deputations (if any)**

None received.

4. **Minutes of the previous meeting and action log**

**RESOLVED** that the minutes of the previous meeting held on Monday 1 August 2022 be approved as a correct record.

Members also noted the update provided in relation to the Action Log of issues identified at previous meetings. Councillor Chan advised that members had received a copy of the report outlining the Council's approach and support in tackling the Cost-of-Living crisis presented to the Resources & Public Realm Scrutiny Committee on 6 September 2022. The Committee were encouraged to feedback any audit related issues they felt it would be useful to pursue via

Councillor Chan, in order to consider the potential for any more joined up work required with scrutiny.

The Chair also took the opportunity to thank Ben Ainsworth (Head of Finance) for the responses provided on the detailed follow up questions by members in relation to the Draft Statement of Accounts 2021-22.

5. **Matters arising (if any)**

None.

6. **Standards Report**

Debra Norman, Corporate Director Governance, introduced a report updating the Audit and Standards Advisory Committee on gifts and hospitality registered by Members, and the attendance record for Members in relation to mandatory training sessions. In considering the report the Committee noted:

- The summary of gifts and hospitality which had been registered by members during July – September 2022, as detailed within section 3.3 and Appendix A of the report.
- That with the exception of Equalities & Safeguarding Vulnerable Adults training all members had completed the required mandatory training courses including both Standards and Data Protection modules. Having noted the updated provided at the start of the meeting, the Committee were advised that six members were still to complete their Equalities training; two members their Safeguarding Vulnerable Adults training and four members their Corporate Parenting & Safeguarding Children modules, with the specific details provided in Appendix B of the report.
- The positive progress made in terms of completion of the mandatory training modules by members, with further sessions of the relevant training sessions being arranged for those members unable or still to complete the initial programme.

As no further issues were raised the Chair thanked Debra Norman for the update provided and it was **RESOLVED** to note the contents of the report.

7. **Complaints and Code of Conduct**

Debra Norman, Corporate Director Governance, introduced a report providing an annual review of the complaints received pursuant to the Complaints Procedure and a review of the Members' Code of Conduct. In considering the report the Committee noted:

- The summary of complaints received in the last 12 months, as detailed in section 3.4 and Appendix A of the report.
- During this period, the Corporate Director Governance as Monitoring Officer had received and made determinations regarding three councillors allegedly in breach of the Members Code of Conduct. Of these complaints one had been resolved at Initial Assessment stage and two had been resolved at the Assessment Criteria stage. None had been upheld as a breach of the Code

of Conduct. One had been subject to a review request but none had been escalated to hearing/formal investigation stage, with one of the main recurring issues having been highlighted relating to councillors rights to freedom of expression.

- The overview of the complaints procedure provided within section 3 of the report and consistency produced as a result of the detailed procedure and assessment criteria.
- That no additional changes were being recommended as a result of the current review of the Member Code of Conduct Complaints Procedure.

As no further specific issues were raised the Chair thanked officers for the report and it was **RESOLVED** to note the contents of the report and that no recommendations had been identified for referral to the Audit and Standards Committee in respect of any changes required to the Member Code of Conduct Complaints Procedure.

## 8. **Order of Business**

At this stage in the meeting the Chair advised that he intended to vary to the order of the agenda so that items listed below were considered in the following order:

Item 9 Emergency Preparedness Update

Item 8 Review of Performance & Management of i4B Holdings Ltd & First Wave Housing Ltd along with the External Audit Findings

The minutes reflect the order in which the items were considered at the meeting.

## 9. **Emergency Preparedness update**

Daryl Jooste, Civil Contingencies Manager, introduced a report outlining the progress made since the previous update for the Committee in 2021 around the Council's emergency preparedness arrangements. The report also detailed the type and number of incidents in Brent along with the initiatives and programmes of work under way to enhance the Council's resilience and response arrangements.

Members noted that the report had been resubmitted for consideration, following an initial review by the Committee at its meeting on 1 August 2022 as it had not been possible for Daryl Jooste to attend that meeting in order to present the report.

In considering the report the Committee noted:

- The ongoing efforts being made to recruit additional Emergency Response Officers from across the Council in order to support the existing call out rota arrangements. Current numbers of staff on the rota totalled 23, although following a recent recruitment campaign six additional members of staff had now been identified. Members were assured that current levels of staff remained above the minimum level assessed as being required (14) to support the call-out rota.
- The enhanced contact arrangements established to support any emergency response, which had included the option to set up a dedicated emergency helpline during incidents alongside the standard 24/7 in and out of hours contact arrangements.

- The summary of incidents which had involved an emergency planning response since the previous report in 2021, as detailed within section 3.4 of the report.

The Committee was then invited to raise questions on the report, which are summarised below:

- Given the continued impact of climate change and impact being created by incidents linked to adverse weather conditions requiring an emergency response, members were keen to explore the arrangements being developed as part of the Council's emergency planning response arrangements to address these type of issues. As an example, reference was made to the response that had needed to be provided to the recent wildfires linked to record high temperatures experienced over the summer. In response Daryl Jooste advised that these trends had been recognised, with the additional resilience being built into the emergency response staffing arrangements and other preventative measures therefore key in terms of the ability to respond to these type of incidents over a protracted and longer term period.
- With regards to ongoing collaboration with the emergency services as part of the Council's emergency planning response arrangements, members sought further details on any issues being experienced as a result of the more limited resources available across each service, particularly in relation to the police. In recognising that any effective emergency planning response would require a joined-up response across a range of partner agencies, members were advised of the current arrangements in place with emergency services to focus on the approach towards dealing with civil emergencies, which included a quarterly liaison meeting with emergency response agencies, including the police. Confirmation was also provided in terms of the specific arrangements involving the police that it would be the on-duty police inspector who was responsible for co-ordinating their emergency response and support at any incident.
- Given the number of incidents identified involving house fires, particularly in relation to Houses in Multiple Occupation (HMOs) members were keen to focus on the action being taken to address these issues and ensure the necessary safety measures were being enforced in relation to the way these types of properties were maintained and managed. In response, members were advised of the ongoing focus needed in terms of enforcement specifically related to unlicensed and unregistered HMOs.
- In terms of specific actions which the Committee could take to continue supporting ongoing resilience efforts, members were encouraged to attend the Member Learning & Development event which had been arranged on 10<sup>th</sup> October 2022 focussed on the Council's Emergency Response arrangements and role of partner agencies. Further details on the session would be circulated to all members of the Committee who were also asked to share more widely amongst other councillors.
- As a final issue, details were sought on the welfare support available to those staff involved in co-ordinating and delivering the Council's emergency response at specific incidents. In response members were advised of the welfare assistance and support available, which included relevant training

and the debriefing of staff following each incident along with management support and access to the Employee Assistance Programme.

As no further issues were raised the Chair, on behalf of the Committee, thanked Daryl Jooste and his team for their ongoing work and for the report, and the Committee **RESOLVED** to note the update provided.

10. **To review performance, management and annual accounts of i4B Holdings Ltd and First Wave Housing Ltd**

**10.1(a) Report on i4B Holdings Ltd**

Martin Smith, Chair i4B Holdings, introduced a report providing an update on i4B Holdings Ltd.'s (i4B, the Company) recent performance, accounts outturn, risk register and audit arrangements.

In presenting the report the Committee noted:

- i4B's performance remained sound with them continuing to provide good quality homes at affordable rents for people who may otherwise have been in temporary accommodation, having provided 386 homes to residents since its inception including the additional fully let 153 unit Key Worker block.
- i4B's financial position remained on track, with the business expecting to break even by 2022-23 and the possibility of a marginal surplus in line with their original expectation when the business was initially established that it would take approximately 5 years before surplus funds were accrued.
- The update provided in terms of operational performance with the ongoing focus in relation to void turnaround times, repair and response times and target rent collection levels.
- That two significant risks had been identified on the risk register:
  - Climate Change and Health & Safety Compliance. The risks related to climate change involved work being completed on properties to bring them up to energy efficiency bands B or C. There was concern that the cost of improvement could be unaffordable and threaten the viability of the company.
  - The second significant risk involved Health & Safety Compliance following a Compliance Audit that concluded that there were operational areas that were not working as well as they could. As a result of concerns expressed the Board had already implemented a response including an immediate piece of work to gather evidence on each property in their portfolio and follow up on any areas of concern. A further longer term piece of work would be implemented by Brent Housing Management to improve safe and reliable systems, including record keeping to ensure compliance.
- There were a range of external economic factors that could affect the future financial viability of i4B that included the rate of inflation, increased interest rates and affordability of properties. The Committee were advised that it would be necessary to find a balance of the economic factors in order to maintain i4B's financial stability.

**10.1(b) i4B Holdings Ltd External Audit Findings Report**

The Committee then moved on to consider the report from Grant Thornton (External Auditors) presenting the results of the audit undertaken in relation to the i4B financial statement and accounts for the year ended 31 March 2022. Stephen Dean, Grant Thornton, presented the report and the Committee noted:

- Although to be finalised the audit work had been substantially completed and, subject to the outstanding matters being finalised as detailed in the report, the auditors had advised there were currently no matters of which they were aware that would require modification of their audit opinion.
- There were no significant risk areas in the report or any issues which needed to be brought to the Committee's attention other than the auditors recognising the change in the accounting system mid-year to Oracle Cloud which had created some challenges in ensuring all the transactions had been correctly included. The auditors were satisfied that after reconciling the transactions to the financial statements that the transactions provided were complete.
- A minor discrepancy has been picked up by the auditors with regards to a loan interest calculation in 2017/18 which totalled a difference of £114,000. This was not a material difference and therefore not adjusted in final balance sheet.
- That the calculation of bad debt provision would be included in the final report.

#### **10.2(a) Report on First Wave Housing Ltd**

Martin Smith then moved on, as Chair of First Wave Housing Ltd, to introduce the report providing an update on First Wave Housing Limited's (FWH) recent performance, accounts outturn, risk register and audit arrangements.

- The Committee were advised that First Wave continued to perform well with approximately 200 homes provided to Brent residents through First Wave Housing.
- As a well established housing provider in Brent it was highlighted that the process of providing management services for First Wave properties was simpler than that of i4B with the structure of the organisation.
- First Wave's financial position remained strong due to regular operating profits, positive cash flow and high levels of rent collection.
- Operational issues were in line with i4B and remained high on the Board's priority to improve operational performance by re-vamping systems and processes.
- It was noted that whilst the same issues around climate change and economic factors that applied to i4B were also true of First Wave Housing, the economic uncertainty was to a lesser extent than for i4B.

#### **10.2(b) FWH Ltd External Audit Findings Report**

The Committee then moved on to consider the report from Grant Thornton (External Auditors) presenting the results of the audit undertaken in relation to the i4B financial statement and accounts for the year ended 31 March 2022. Stephen Dean, Grant Thornton, presented the report and the Committee noted:

- The accounts were scheduled for signing off on the 30 September 2022.
- There were no significant risk areas in the report or any issues which needed to be brought to the Committee's attention other than the auditors recognising the change in the accounting system mid-year to Oracle Cloud which had created some challenges in ensuring all the transactions had been correctly included. The auditors were satisfied that after reconciling the transactions to the financial statements that the transactions provided were complete.
- The final report would include any control matters that were of relevance.

Having considered each report the Chair invited Committee members to ask any questions or points of clarity they may have, with the following points of discussion summarised below:

- In response to a query regarding what forecasting had been completed by i4B to try and understand the potential impact of economic uncertainty and how these concerns could be mitigated effectively, the Committee heard that i4B regularly undertook modelling to manage preparedness for potential risks.
- The Committee were advised that i4B had a stock of borrowing capacity that had been secured at a good rate, therefore in the short term continued purchases were viable for approximately 30-40 additional properties under the current loan agreement. Additionally, in the event that interest rates continued to rise but property values fall, i4B would maintain a stable position to make further viable purchases.
- In response to a Committee question regarding how long the council could continue to lend money to i4B given the multiple budgetary pressures, it was clarified that lending would still be possible, however interest rates would be higher. Ongoing work to secure loans at the best rates continued to take place parallel to the monitoring of the challenging financial climate.
- The issue of void turnaround terms was highlighted as a concern due to the loss of revenue from empty properties and the hardships faced by those waiting for accommodation. It was confirmed that i4B were equally concerned with the issue around void performance, with multiple issues affecting the turnaround time that included labour shortages and supply chains coupled with the need to review some internal processes. These concerns were high on the Board's priorities and discussions had taken place with Brent Housing Management who were leading with a remedial plan. It was re-iterated to the Committee that realistically it would take some time to embed new processes and see a significant positive impact on void turnaround times.
- In relation to a Committee query regarding ownership and timescales on the action plan, the Committee were reassured that there would be timescales linked to management actions.
- Further details were sought regarding why the collection rate for FWH was higher than that of i4B. In response members were advised that it was not a performance management issue as both i4B and FWH rents were collected by the same team. It was felt there were three key differences in why collection rates were more challenging for i4B that included a higher percentage of i4B residents claiming Universal Credit, i4B rents were

- generally higher than FWH rents with many i4B tenants also likely to be a more vulnerable cohort.
- The Committee heard that a plan had been devised to increase rent collections for i4B that included increased signposting to sources of support for residents struggling to pay their rent and the pending appointment of a Sustainability Officer whose sole role would be support residents to manage their rent and stay in their properties.
  - A final question was raised as to whether there were contingency funds to support the remedial works that properties would need to support improved energy efficiency as well as additional funds for freeholders which may require funding for their own remedial works for their buildings that homed i4B units. The Committee were advised that there was provisional funding set aside for this, however this had not been called upon by freeholders as yet. In terms of the broader picture the Board noted that climate concerns would be a sector wide issue moving forward and as such preparedness was vital. i4B had responded to this as a risk as part of their business plan modelling, findings from this concluded that to achieve an energy efficiency rating of B it was likely that each property would need between £30-40k of improvements. The costs involved would have implications on a capital programme for energy works going forward and could affect the purchasing of additional properties as further considerations would be given to potential costs involved in ensuring energy efficiency.

As no further issues were raised the Chair thanked Martin Smith for attending the meeting in order to present both the i4B Holding Ltd and FWH Ltd reports and it was **RESOLVED**:

- (1) To note the performance update reports provided in relation to both i4B Holding Ltd and FWH Ltd and continued focus required on the key risks and performance issues identified.
- (2) To note both the i4B Holdings Ltd and FWH Ltd Audit Findings report.

## 11. **Statement of Accounts**

David Ewart (as Chair) open consideration of this item by advising the Committee that the report provided by the Corporate Director Finance & Resources detailed progress, since previous consideration of the draft Statement of Accounts at the Committee's previous meeting on 1 August 2022, in approving the Council's Statement of Accounts for 2020/21 and providing a draft Letter of Representation for consideration in advance of final sign off and Grant Thornton being able to issue a final audit opinion.

In considering the report the Committee noted its role in considering any issues raised by the External Auditors as part of the process for approving the Council's annual statement of accounts, with the basis for this being the "report to those charged with governance" also referred to as the ISA260 report. The Council's external auditors, Grant Thornton, produced the report following completion of the audit of accounts with the report intended to identify any changes to the accounts, unadjusted misstatements or material weaknesses in controls identified during the audit work. It also provided the findings from the value for money conclusion for the year.



Ciaran McLaughlin, Grant Thornton External Audit, was then welcomed to the meeting and invited to provide the Committee with an update on the progress in completing the audit of the 2021-22 accounts and their ISA260 report. Whilst Brent's 2021-22 Statement of Accounts had been finalised and signed off, members were advised that the audit process had been delayed as a result of a national issue previously reported relating to the accounting requirements for the calculation of asset values of highways infrastructure. As this was still to be resolved and would potentially require legislative action by the Department for Levelling Up, Housing and Communities, there had been a need to pause the completion of the audit process pending this being addressed.

In terms of current progress, Members noted that the audit work had commenced and was substantially complete with the anticipated result being an unqualified audit opinion being issued, however it would not be possible to confirm this until any change in relation to the accounting requirements around the treatment of Highway Infrastructure assets had been resolved. As a result, this was also expected to impact on the ability to meet the deadline for publication of the final accounts by 30 November 2022 with the necessary revisions to the CIPFA accounting Code of Practice not anticipated to be until late November 2022.

The Chair thanked Ciaran McLaughlin for the update and advised that as a result of the delays outlined there would be a need to recommend to the Audit & Standards Committee that they consider authorising the Chair of that Committee to sign off the required letter of Representation and Statement of accounts, subject to a written assurance being provided that all outstanding matters and adjustments contained in the audit findings report have been made and that if there are any material adjustments required following the resolution of the infrastructure assets issue, these should be brought back to the next committee for sign off and also sent to the Chair of the Audit and Standards Advisory Committee and the Independent Advisor to the Committee.

With no further issue raised the Committee took the opportunity to thank all officers involved in the preparation of the accounts and it was **RESOLVED**:

- (1) To note the reasons for the current pause and delay in the final audit being completed whilst the infrastructure issue was being addressed by CIPFA and the Department for Levelling Up, Housing and Communities.
- (2) To note the proposed recommendation to be made to the Audit & Standard Committee in relation to the process for final approval of the Letter of Representation to Grant Thornton and sign off of the Statement of Accounts.

## 12. **LB Brent 2021/22 Audit Findings Report**

The Committee then moved on to consider in detail the report, introduced by Ciaran McLaughlin, Grant Thornton External Audit, outlining the key issues and findings in relation to the current position on the statutory audit of the Council's 2021-22 Statement of Accounts.

In considering the report the Committee noted:

- In terms of journals, debtors and creditors, this work had been completed subject to final review. Income and expenditure testing was being discussed with management but these issues were not expected to result in the need for any significant adjustments. Subject to completion of this process and resolution of the accounting requirements in relation to highway infrastructure assets it was anticipated that an unqualified audit opinion would be issued.
- In terms of the initial Value for Money assessment no significant weaknesses had been identified to date, with the final outcome due to be reported to Committee once completed.
- Moving on to materiality, having been advised of the approach adopted and revisions in relation to the financial statements and performance members were advised that no major issues had been identified in terms of the assessments and qualitative factors considered.
- The review undertaken as part of the audit in relation to the following areas of significant risks identified within the Audit Plan:
  - Fraud in expenditure recognition – whilst a projected misstatement had been identified in relation to an insurance policy this had been recorded on the unadjusted error schedule and at this stage no other issues had been identified in respect of the risk identified;
  - Valuation of land and buildings – whilst identifying a control point in relation to the Council needing to obtain a formal valuation certified by their valuer when applying indexation to determine the year end valuation of land and buildings this was not expected to have any significant impact and no other issues had been identified to date in relation to the risk identified;
  - Valuation of pension fund net liability – with no significant issues based on the revised IAS 19 report identified in respect of the risk identified;
  - New Oracle Cloud system implementation – subject to the internal control issues identified in the audit Action Plan attached as Appendix A to the report which included recommendations in relation to the segregation of duties; audit logging; monitoring of scheduled processes and secure maintenance of project documents on which management actions had already been identified, no other issues had been identified;
  - Valuation of Council dwellings - whilst identifying a control point in relation to the Council needing to obtain a formal valuation certified by their valuer once indexation had been applied, no other significant issues had been identified to date;
- The key estimates and judgements considered as part of the enhanced audit requirements, as detailed within Section 2 of the report.
- The assessments provided in relation to the Council's Internal Control mechanisms and accompanying recommendations and Action Plan detailed in response to the issues identified during the course of the audit. These included:
  - Income Population Listing (High Risk);
  - Review of opening & closing balance (High Risk);
  - IT Audit Control Findings re Oracle Cloud (High Risk);
  - PPE Valuation findings;
  - Oracle New System Implementation - reconciliation

- The matters which had been identified as significant for discussion with management during the course of the audit, which had been focussed around:
  - the impact of the war in Ukraine on the Council's budget and cost of living crisis, with it having been assessed that the Council had established reasonable arrangements to mitigate against the associated risks identified;
  - Value of infrastructure assets and presentation of gross cost and accumulated depreciation in the PPE note – with a formal update of the CIPFA code awaited in order to review compliance;
- The communication requirements identified during the audit process with sufficient audit evidence having been provided to enable a conclusion that no material uncertainty in relation to going concern had been identified and that use of the going concern basis of accounting in the preparation of the financial statements was appropriate.
- The confirmation and assurance provided in relation to the independence and ethical standards of the auditors.

The Chair then invited the Committee to raise questions on the report, with the responses summarised as follows:

- In response to a query relating to the adequacy of internal controls around implementation of the Oracle Cloud system, members' attention was drawn to the management actions identified within the Audit Action Plan included within Appendix A of the report. The actions being taken to address the issues identified in relation to the segregation of duties, audit logging and monitoring of processes had been acknowledged with further assurance provided in relation to the level of testing undertaken on journals (particularly those identified as high risk areas) and no issues having been identified as a result. It was also recognised that initial implementation had been based on a "lift and shift" approach from the previous system with further reviews now underway in relation to use of additional functionality taking account of cost, system performance and dependencies. Confirmation was also provided that similar issues and risks in Oracle Cloud implementation had been identified within other local authorities when switching to the new system.
- In response to a query regarding the valuation of dwelling, land and buildings, it was confirmed these assets had been subject to valuation by a professional valuer.
- A query was raised on the valuation of properties and to what extent expert valuers were factoring in the issue of climate change. Members were advised this had been recognised as an issue in terms of accounting requirements with initial guidance having been issued in relation to Financial Statement reporting and the main focus on Value for Money considerations. Confirmation was provided that these issues had been raised with the valuers to ensure they were following the relevant guidance and it was anticipated that this focus would increase as part of the asset valuation process and considerations in relation to remediation works.

As no further issues were raised the Chair thanked officers and the External Auditors for their efforts and it was **RESOLVED** to note the contents, key issues and findings contained within the Audit Findings report.

In terms of next steps, the Committee were updated that a Letter of Representation from management would be required before the audit and Statement of Accounts could be formally signed off. As completion of the audit had needed to be paused, however, the Committee was asked to consider making the following recommendation to the Audit & Standards Committee in relation to the sign off process, which it was **RESOLVED** to agree:

On the basis of the discussion and comments made at the Audit and Standards Advisory Committee, the Audit and Standards Committee agrees authorising the Chair of that Committee to sign the required letter of Representation and Statement of accounts, which are expected to be unqualified, subject to a written assurance being provided that all outstanding matters and adjustments contained in the audit findings report had been made. If there were any material adjustments required following the resolution of the infrastructure assets issue, these would be brought back to the next Committee for sign off and also sent to the Chair of the Audit and Standards Advisory Committee and the Independent Advisor to the Committee.

### 13. **LB Brent Pension Fund 2021/22 Audit Findings Report**

Ciaran McLaughlin, Grant Thornton External Audit, introduced a report, which updated the Committee on the Pension Fund audit findings for the year ended 31 March 2022. In considering the report, the Committee noted:

- That the audit work was now substantially complete and subject to the final outstanding queries being resolved the External Auditors anticipated being able to issue an unqualified audit opinion.
- The approach towards the materiality assessments as identified in Section 2 of the report.
- The risks identified within the Audit Plan, in relation to management override controls, valuation of Level Three investments and new system evaluation recognition in contributions. Having been evaluated however, the audit work had not identified any significant issues in respect of the risks identified
- The key estimates and judgements considered as part of the enhanced audit requirements with no significant issues having been identified to date.
- The communication requirements identified during the audit process with sufficient audit evidence having been provided to enable a conclusion that no material uncertainty in relation to going concern had been identified and that use of the going concern basis of accounting in the preparation of the financial statements was appropriate.
- With regards to any outstanding matters, it was noted that this centred around finalising the review process and the delay in being able to sign off the Pension Fund Statement of Accounts and Audit as a result of the pause in the Council's Statement of Account sign off process.

The Committee was then invited to raise questions on the report, which are summarised below:

- Given the impact of recent market turmoil on Pension Funds nationally, further details were sought on the potential need for any reconsideration of the original statement of accounts. In response, Ciaran McLaughlin advised

that no guidance had yet been issued on the need to consider the impact of market adjustments with any additional assessment therefore dependent on the impact relating to materiality thresholds of the financial statements and Fund performance.

- Further details were also sought regarding the difference between materiality thresholds for the Pension Fund and Council's main Financial Statements. In response, members were advised that the thresholds applied would relate to the value of net assets and changes identified since the planning stage and also took account of the overall value of the Fund along with the nature of benefit payments and contributions from and to the Fund.

As no further issues were raised the Chair thanked all those involved for their work in preparing the financial statements and it was **RESOLVED** (in noting the reasons outlined for the delay in final sign off of the accounts and recommendation made to the Audit & Standards Committee as a result) to note the contents key issues and findings contained within the Pension Fund Audit Findings report.

#### 14. **Planning Code of Practice Review**

Biancia Robinson, Senior Constitutional and Governance Lawyer, introduced a report updating the Committee on the outcome of an Independent Review undertaken in relation to the Council's Planning Code of Conduct and changes being recommended as a result.

In considering the report the Committee noted:

- The requirement within the Code of Conduct for an independent review relating to operation of the Code to be undertaken once every four years, with the last review completed in 2018.
- The Planning Advisory Service (PAS) had been commissioned to undertake the current independent review, with a copy of the full review, outcome and recommendations having been attached as Appendix A to the committee report.
- The key findings identified as a result of the review, as detailed within section 3 of the committee report. Whilst identifying some areas for consideration the review had found that these were not critical or likely to put Brent at risk of challenge if not implemented immediately with the overall review being complimentary of the way in which the Code and Planning Committee operated, including the professionalism and conduct of councillors and officers at meetings. In commending Brent's approach, the review had also identified the Code as representing national best practice and one which it recommended was used as a benchmark by other Councils.
- The recommendations and comments made as a result of the review (as detailed within Appendix B of the report) had been subject to consideration by officers, with the recommended changes to the Code identified as a result having been set out within Appendix C of the report.

The Committee was then invited to raise questions on the report, which are summarised below:

- Clarification was sought on the level of Special Responsibility Allowance (SRAs) provided for members of the Planning Committee with members advised, in response, of a planned review of SRAs across all committees to be undertaken by the Constitution Working Group later in the year based on the outcome of a further review by London Councils Independent Remuneration Panel.
- As part of any review of the duties undertaken by members of the Planning Committee it was highlighted that in person site visits had now recommenced with members also expected to be engaged in pre application briefings for relevant schemes and on which additional guidance was currently being finalised.
- In response to a query on the independent review process, confirmation was provided that this had involved engagement with councillors and officers as opposed to local residents.

Members commended those officers involved for the outcome of the review and recognition provided in relation to Brent's Code as national best practice and as no further issue were raised it was **RESOLVED**:

- (1) To note the report and outcome of the Independent Review.
- (2) To note that the changes recommended to the Planning Code of Practice as a result of the report would now be referred to Full Council for formal approval.

#### 15. **Review the Committee's Forward Plan**

It was **RESOLVED** to note the Committee's current Forward Plan and Work Programme for 2022-23 and date of the next meeting as Tuesday 07 December 2022.

#### 16. **Any other urgent business**

None.

The meeting closed at 8.10 pm

David Ewart  
Chair