



Full Council
12th July 2021

**Report from the Director of Legal,
HR, Audit & Investigations**

Update Report from the Audit and Standards Advisory Committee

Wards Affected:	All
Key or Non-Key Decision:	Council
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. **Purpose of the Report**

- 1.1 This report provides a summary of the activities carried out by the Council's Audit and Standards Advisory Committee (ASAC) since the last update provided on 23 November 2020. The ASAC is responsible for considering and advising the relevant council bodies on various governance matters relating to audit activity, the council's regulatory framework, and members' standards of conduct.
- 1.2 The Audit and Standards Committee, which is responsible for various governance matters including reviewing and approving the Annual Statement of Accounts, adopting the council's Annual Governance Statement and promoting high standards of conduct by members and co-opted members has not met during this period

2. **Recommendation**

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

3. **Detail**

3.1 The ASAC has met three times in this period.

3.2 Audit and Standards Advisory Committee – 8 December 2020

3.2.1 Standards Report (including Gifts and Hospitality)

An update was provided on gifts and hospitality registered by members, and the attendance record for members in relation to mandatory training sessions.

3.2.2 Review of the performance and management of i4B and First Wave Housing

An update was provided on the performance, business plan, risk register and audit arrangements of i4B Holdings Ltd and First Wave Housing Ltd.

3.2.3 Treasury Management Mid-Term report

An update was also provided on treasury activities for the first half of the financial year 2020/21.

3.2.4 Treasury Management Strategy

This report presented the draft Treasury Management Strategy (TMS) 2021/22 for consideration. The final version of the TMS, incorporating the views of the Committee, was included in the annual budget setting report presented to Cabinet.

3.2.5 External Audit Report Findings 19/20

The Committee also received an update on the management response to the 2019/20 external audit findings report.

3.2.6 Internal audit Quarterly report

An update on progress against the Internal Audit Plan was also provided for the period 01 May to 31 October 2020.

3.2.7 Counter Fraud Quarterly report

The Committee also received a summary of the counter fraud activity for 2020/21 up to Q2 and the impact of Covid-19 arrangements on the service.

3.2.8 Corporate Risk Register Update

An update was also provided on the Council's Risk Management position and updated Corporate Risk Register.

3.2.9 External Audit Letter

A report was provided from Grant Thornton summarising the key findings arising from the work it had carried out at the Council and its subsidiaries for year ended 31 March 2020.

3.2.10 External Audit Update and Sector Report

Finally a report was also provided from Grant Thornton on progress in delivering its responsibilities as the Council's external auditors, along with a summary of emerging national issues and developments.

3.3 Audit and Standards Advisory Committee – 31 March 2021

3.3.1 Standards Report (including Gifts and Hospitality)

A further update was provided on gifts and hospitality registered by members, and the attendance record for members in relation to mandatory training sessions.

3.3.2 Review of the member Development Programme and Member Expenses

Members also received a summary of the Member Learning Development Programme since January 2020 and information regarding the Members' Expenses Scheme. An overview was also provided of upcoming member learning and development sessions

3.3.3 Internal Audit Annual Plan 21/22

The draft Internal Plan for 2021/22 was presented to the Committee along with the basis on which the plan had been prepared. The plan included an audit review of the Council's arrangements to manage cyber security risks following serious incidents in other local authorities.

3.3.4 Departmental Risk Management

A summary of the management of risk at departmental level across the Council was also provided for members.

3.3.5 External Audit Plan 20/21

The Committee also received an overview of the planned scope and timing of the statutory external audit 2020/21 for those charged with governance.

3.3.6 External Audit Update and Sector Report

A report was provided from Grant Thornton on progress in delivering its responsibilities as the Council's external auditors, along with a summary of emerging national issues and developments.

3.3.7 Value For Money Presentation on the New Code

Finally the Committee also received a presentation from Grant Thornton on the new Value for Money arrangements in the new Code of Audit Practice.

3.4 Audit and Standards Advisory Committee – 11 May 2021

3.4.1 Annual Standards Report

This meeting received an update on member conduct issues and the work of the Audit & Standards Advisory Committee, Audit & Standards Committee and the Monitoring Officer during 2020.

3.4.2 Review of the Use of Regulation of Investigatory Powers Act 2000

A report was also provided on the Council's use and conduct of surveillance techniques in accordance with the Regulation of Investigatory Powers Act (RIPA) 2000, in compliance with its annual reviewing obligations as set out in the Council's RIPA policy and procedures.

3.4.3 Treasury Management Outturn Report

Members also received an update on Treasury Management activity in compliance with the Council's Prudential Indicators for 2020/21.

3.4.4 Internal Audit Annual report

A report was also provided on the overall adequacy and effectiveness of the Council's internal controls along with a summary of the internal audit work undertaking during 2020/21.

3.4.5 Counter Fraud Annual report

Members also received a report on counter fraud activity during 2020/21.

3.4.6 Pension Fund External Audit report 202/21

Finally an overview was also provided of the planned scope and timing of the Brent Pension Fund external audit 2020/21 for those charged with governance.

3.5 Forward Plan Items

3.5.1 Listed below are the reports that are due to be presented to the next meeting on 26 July 2021:

1. Corporate Risk Register Update (this will include reference to a current corporate risk on cyber-attacks which the Committee will review with interest);
2. External Audit progress report;
3. Annual Governance Statement;

4. Performance and management of i4B Holdings Ltd and First Wave Housing Ltd;
5. Emergency Preparedness, and
6. Standards Report (including gifts and hospitality).

Report sign off:

DEBRA NORMAN

Director of Legal, HR, Audit &
Investigations