



MINUTES OF THE AUDIT AND STANDARDS ADVISORY COMMITTEE
Held in the Conference Hall, Brent Civic Centre, on Monday 1 August 2022 at
6.00 pm.

PRESENT David Ewart (Chair) and Councillors Chan (Vice Chair), S Butt, Choudry, Kabir, Long, J Patel and Smith.

Independent Advisor: Vineeta Manchanda

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

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

2. **Declarations of Interest**

Councillor Saqib Butt declared that he was a Director on the Board of I4B / First Wave Housing.

3. **Deputations (if any)**

None.

4. **Minutes of the previous meeting and Action Log**

It was **RESOLVED** that the minutes of the previous meeting held on 7 June 2022 be approved as a correct record.

Regarding the Action Log of the previous meeting, Councillor Chan noted that expressions of interest had been received from Committee Members in Officers presenting an item to the Committee on the current Cost of Living Emergency.

As a result of this proposal, it was agreed for the Chair and Vice-Chair of the Audit and Standards Advisory Committee to discuss with the relevant Scrutiny Chairs to agree the most appropriate way to bring this issue to the Committee.

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

Financial Inclusion Dashboard Presentation

A short presentation on the Financial Inclusion Dashboard was presented to the Committee, by Sadie East (Operational Director, Transformation) and Asha Vyas (Head of Customer Services and Assessments).

As a result of the presentation, the following points were raised, which are summarised below:

- It was noted that the data was being compiled from individual systems already within the Council. Once the integration of systems was complete, there would be further information within the dashboard. It was also noted that every effort was made to gather information from hard to reach communities.
- It was asked if the data sets would increase to include residents who were at risk of falling in to debt in the future; it was noted that a current aspect that was analysed was where residents were changing payment types, as well as other indicators.
- It was confirmed that personal details of residents were safely stored by the Council; there was a strategic view and an Officer view within the system, meaning that only Officers working on cases could access residents' details
- It was clarified that there was an indication whether a resident or family was in receipt of Free School Meals on the system.
- In response to a query around how quickly data could be received by the system, it was updated that the dashboard was updated daily, and that a practitioners network had been set up, comprising of services working alongside the income and debt team to ascertain where targeted help was required. As more data became available, the Council were carrying out an Outcome Based Review which would assess how the Council's ways of working as a whole would change. When this Review was completed, it was suggested that the results be presented at a future meeting of the Committee.

Officers were thanked for their presentation, and the Committee noted the update provided.

6. **Standards Report (including gifts and hospitality)**

Bianca Robinson, Senior Constitutional and Governance Lawyer, introduced a report updating the Committee on gifts and hospitality registered by Members, and the attendance record for Members in relation to mandatory training sessions. The report also updated the Committee on the provisional appointment of an Independent Person and the Government's response to the review by the Committee on Standards in Public Life.

In considering the report the Committee noted:

- Members were required to register gifts and hospitality received in an official capacity worth an estimated value of at least £50. This includes a series of gifts and hospitality from the same person that add up to an estimated value of at least £50 in a municipal year.
- It was updated that Councillor Patel's declaration within appendix one should have read as £77, and the register had been updated to reflect this.
- It was updated that in terms of Member Development, one session remained on diversity and inclusion. All training had been well attended by Members.

Full details of attendance at mandatory sessions will be provided to the committee in September.

- After the CSPL review, it was noted that the full government response had set out the recommendations that the Govt. accepted would ensure high ethical standards were maintained. The CSPL report had initially been published in January 2019 with 26 recommendations, with the LGA implementing the first of these in 2020. 6 of these recommendations involved strengthening sanctions for Members breaching the code of conduct, though there were currently no plans from national government to implement these proposals.

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

- It was clarified that the LGA code of conduct was not mandatory to be adopted by local authorities, though many local authorities have adopted the full Code or some proposals to add to their current codes of conduct.
- It was asked if there were plans for the Brent website to show the complaints received against Councillors, and it was noted that this was set out within the annual report.
- The Committee noted that it would be helpful to see where Brent's code of conduct differed to the proposals set out in the LGA guidance. It was agreed that this annotation would be circulated to Members of the Committee. (*Action: Bianca Robinson/Debra Norman*)

As no further issues were raised the Chair thanked Bianca Robinson for the updates provided and it was **RESOLVED**, subject to the actions identified above, to note the contents of the report.

7. External Audit Progress Update

Sheena Phillips, External Audit (Grant Thornton), introduced the verbal report.

In presenting the report the Committee noted:

- Sheena Phillips had been appointed as the new Audit Manager, replacing Sophia Brown.
- The main risk identified from the previous year's audit was the new Oracle online system implementation, with no other risks flagged yet.

It was **AGREED** to note the verbal report.

8. Emergency Preparedness Update

Carolyn Downs, Chief Executive, introduced this item. This report briefly outlines the progress made since the 2021 report, details the type and number of incidents in Brent and provides some information around initiatives and programmes of work underway to enhance the Council's resilience and response arrangements. Due to the absence of Lead Officer (Daryl Jooste), it was agreed that this report be brought to the next meeting of the Audit and Standards Advisory Committee on 20 September 2022 for further discussion.

In considering the report the Committee noted:

- Currently there were 23 staff who undertake duties according to a call out rota (down from 30 a year ago). It was updated that recruitment campaign will commence shortly to bring the numbers back to full strength, and the Committee would be provided with an update at the next meeting.
- It was asked how easily Members of the public could report emergencies in an easier way than the Emergency Online Form; it was noted that the majority of cases were dealt with either internally by the Council or in conjunction with partner organisations.
- It was confirmed that there were currently no plans to prevent the sales of disposable barbecues in Brent shops.
- Daryl Jooste's efforts were recorded by the Committee, and it was agreed to cover more detailed questions at the next meeting of the Committee.

As no further issues were raised the Chair thanked officers for the report and the Committee **RESOLVED**, subject to the report returning to the Committee at the next meeting, to note the report.

9. **Internal Audit 2021-22 Annual Report – Addendum Report**

Debra Norman presented this report. This report was an addendum to the 2021-22 Annual Internal Audit report, which was as presented to the Audit and Standards Advisory Committee on 7th June 2022. The report provided an update in relation to the audit work that has subsequently been completed in accordance with the 2021-22 Internal Audit Plan.

Key issues highlighted were as follows:

- This report was updating the Committee on a further five audits which had taken place since the publication of the Annual Report.
- Any work remaining from the 2021-22 plan would be carried over to the 2022-23 plan, which was in line with normal practice.
- The Committee were updated that the Public Sector Internal Audit Standards (PSIAS) required that an External Quality Assessment (EQA) of Internal Audit is undertaken at least every five years. Brent's Internal Audit function was last subject to an EQA in December 2018, which provided a '*generally conforms*' conclusion. In accordance with the PSIAS, the next EQA would be due in 2023; however, this had been brought forward following the appointment of a new Head of Internal Audit in October 2021, as in-line with recommended practice.
- This review would be arranged through the London Audit Group (LAG), with Brent's audit function to be reviewed by Caroline Gitre, the Head of Internal Audit for the London Borough of Barnet, who it was updated was fully independent, with no actual or perceived conflicts of interest.
- All members of the Audit and Standards Advisory Committee would receive a questionnaire to fill out as part of this review.

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

- The delay to sign-off for remaining audits of 2021-22 was due to unforeseen audits coming up, with staff requiring to be taken away from other work streams in order to be able to work on this.
- If the response to the EQA outlined in the report were to be negative, action would be taken by the senior manager with oversight of the audit function in order to remedy issues identified.
- In response to a query regarding the equalities programme of work, it was noted that a permanent equalities officer had been appointed, and the Borough Plan would be approved in October if agreed by Members.
- It was asked if the survey referenced in the report would be circulated to previous members of the Committee, and it was noted that this should be the case.

It was **RESOLVED**

- 1) To note the summary of audits completed since the update provided on 7th June 2022 (Appendix 1).
- 2) To agree the External Quality Assessment Engagement Plan (Appendix 2).

10. **Draft Statement of Accounts 2021/22**

Sin-Yee Tang, Senior Finance Analyst, introduced the item. This report presented the Council's draft 2021/22 Statement of Accounts to members of the Audit & Standards Advisory Committee.

Key issues highlighted were as follows:

- It was noted that Brent had surpassed the statutory target of 30th July to publish its draft accounts, publishing at an earlier date of the 4th July. The final, audited accounts would be presented in September.
- The Committee's attention was drawn to the narrative statement, contained within appendix 1 of the report. It was noted that the DSG had an overspend of £4.6 million, which was largely down to increased levels of demand in Special Educational Needs and disability funding.
- The Council's general fund position had reached a break even, which was reported to Brent Cabinet earlier in the year.
- Within the HRA, there was an overspend of £600,000, which was due to an accounting adjustment to reflect capital spending on the Granville new homes block.
- The Committee's attention was also drawn to the balance sheet – in particular significant movements on property, plant and equipment balances, the majority of which was due to an increase in revaluation, totalling £165 million.
- The revaluation of reserves was noted to be higher than in previous years, mainly as a result of the indexation rate of specialised assets within the land and building category, as well as the effects of Covid-19 in the previous year.
- It was suggested to the Committee that more detailed financial questions be addressed to Sin-Yee Tang via email, with the questions at the Committee

focused on high-level questions. Members agreed a timeframe of 3 weeks to submit these questions to Sin-Yee Tang.

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

- It was asked if there was a general revaluation policy, and it was updated that this policy was this to be reviewed every five years.
- On the point of the revenues of the Council compared to reserves, the Committee were updated that a guidance mark that 5% of revenue should be used as general unallocated reserves and it is the responsibility of the Council's section 151 officer to assess the adequacy of the level.
- It was noted that the narrative was helpful in terms of setting the financial context. It was updated that in light of the Redman Review in the previous year, the Council were taking steps to make financial accounts easier to digest and understand for members of the public.

The Chair thanked officers for the update provided and it was **RESOLVED** that the Committee notes the draft Statement of Accounts for 2021/22 submitted to external audit.

11. **Review of the Committee's Forward Plan**

It was agreed to note the Committee's Forward Plan.

12. **Any other urgent Business**

It was noted that this would be the final meeting under the current organisational structure of the Council, and the lead officer for the Committee going forward would be the Corporate Director of Finance and Resources. The Committee were assured that this would have no effect on the safeguards of the running of the Committee. Debra Norman was thanked by Members and Officers for her work and efforts in her period overseeing the Committee and it was noted she would continue to be involved in relation to Standards issues.

The meeting closed at 7:20pm

DAVID EWART
Chair