

MINUTES
OF A MEETING OF THE
STANDARDS AND AUDIT COMMITTEE

held on 28 November 2019

Present:

Mrs C Storey (Chair)
Cllr I Johnson (Vice-Chair)

Cllr S Ashall Cllr L S Lyons
Cllr J E Bond Cllr M A Whitehand

1. MINUTES

RESOLVED

That the minutes of the Committee held on 19 September 2019 be approved and signed as a true and correct record.

2. APOLOGIES FOR ABSENCE

No apologies for absence were received.

3. DECLARATIONS OF INTEREST

In accordance with the Officer Procedure Rules, the Head of Democratic and Legal Services, Peter Bryant, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which he was a Council-appointed Director. The interest was such that speaking was permissible.

In accordance with the Officer Procedure Rules, the Finance Director, Leigh Clarke, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she was a Council-appointed Director. The interest was such that speaking was permissible.

4. URGENT BUSINESS

There were no items of Urgent Business.

5. ANNUAL AUDIT AND INSPECTION LETTER STA19-018

The Chairman welcome Leigh Lloyd Thomas from BDO to the meeting for an update on the External Audit for the 2018/19 Statement of Accounts.

The Committee was advised that the Auditor was not yet in a position to sign off the Accounts although work was taking place to deal with the remaining queries. There had been three areas which had been explored by the Auditor so that the necessary Audit

assurance could be provided: consolidation adjustments relating to the group companies owned by the Council; valuation of investment properties held by the Thamesway Group; and a revised revaluation of the car parks owned by the Council.

Following questions, it was noted that the work was almost complete and the Auditor intended to issue an opinion by the end of the calendar year. Consideration was being given to submitting a December balance sheet to the Auditor so that an earlier start could be made to next year's Audit. Mr Lloyd Thomas stated that the statutory timescale for the Audit was two months with a risk of delays if substantive queries were raised. It was noted that the Council could make a representation to the Public Sector Audit Appointments Board over the process nationally in due course.

RESOLVED

That the update be received.

6. INTERNAL AUDIT CHARTER STA19-017

James Graham, Head of Internal Audit, introduced the Internal Audit Charter which was reviewed annually to define the purpose, authority and responsibility of Internal Audit in accordance with the UK Public Sector Internal Audit Standards.

Leigh Clarke, Finance Director, reported that the Council outsourced Internal Audit provision to Mazars and set a budget to ensure that there was sufficient funding to achieve the annual Plan, which was consulted on with the Council's Corporate Management Group.

RESOLVED

That the Internal Audit Charter be approved.

7. INTERNAL AUDIT PROGRESS REPORT STA19-016

James Graham reported that due to a restructure at Mazars there had been some short-term pressure on workloads which had affected progress during the current year. As part of the current year's Internal Audit Plan there were six remaining Audits with a start date still to be confirmed. All six were expected to begin by the end of the financial year and completed by June 2020. A knock-on effect to the Audit work for next year was not anticipated.

It was noted that Mazars was paid for its work as each Audit report was issued.

The Committee was advised that two final reports had been issued recently: Counter Fraud and Thamesway Milton Keynes Energy Centre Health and Safety. The Counter Fraud Audit had been allocated two high priority recommendations for a fraud risk assessment to be carried out and the development of a Counter Fraud and Corruption Strategy. It was added that the Counter Fraud resource within Councils nationally had reduced when the Housing Benefit Fraud had been taken on by the Department of Work and Pensions. Consideration would take place as to whether the extent of the work carried out internally, together with that undertaken by New Vision Homes, required further staff resource.

There was noted to be one outstanding high priority recommendation from previous Audits in relation to the Homelessness Reduction Act Audit, which was noted to be in train. It was stated that the Homelessness Reduction Act had been a huge piece of work for Housing

Services and that the new OPENHousing IT system was due to be launched in December 2019.

As requested at a previous meeting of the Committee, an update on the recommendations contained within the Business Continuity Audit was included within the report. Noting that the management response to two of the recommendations stated that sufficient staff resource would be required, it was stated that the Committee would be advised as to whether the actions had been completed on schedule.

RESOLVED

That the report be received and progress against the 2019-20 Internal Audit Plan and implementation of Internal Audit recommendations be noted.

The meeting commenced at 7.00 pm
and ended at 7.50 pm

Chairman: _____

Date: _____