

Minutes

Audit, Scrutiny and Transformation Committee Monday, 7th March, 2016

Attendance

Cllr Mrs Murphy (Vice-Chair)	Cllr Mynott
Cllr Barrett	Cllr Pound
Cllr Clark	Cllr Trump
Cllr Mrs Hones	Cllr Wiles

Apologies

Cllr Faragher (Chair)
Cllr Mrs Slade

Substitute Present

Cllr Wiles substituting for Cllr Faragher

Officers Present

Chris Leslie	- Finance Director
Claire Mayhew	- Governance and Member Support Officer
Philip Ruck	- Head of Paid Service
Sue White	- Risk and Insurance Officer
Andrew Barnes	- BDO, Internal Audit
Greg Rubins	- BDO, Internal Audit
Christine Connelly	- Ernst & Young, External Audit
Debbie Hanson	- Ernst & Young, External Audit

366. Apologies for Absence

Apologies were received from Cllr Faragher who was substituted by Cllr Wiles and Cllr Mrs Slade with no substitute.

367. Appointment of the Vice-Chair

Cllr Mrs Murphy **MOVED** and it was **SECONDED** by Cllr Mrs Pound that Councillor Hones be made Vice-Chair for the duration of the meeting only.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY**.

368. Minutes of the Previous Meeting

The Minutes of the 25 January 2016 Audit, Scrutiny and Transformation Committee were approved as a true record.

369. Annual Certification Report 2014/2015

The report presented the External Auditor's annual report in respect of the Certification of Claims and Returns.

Cllr Mrs Murphy **MOVED** and Cllr Mrs Hones **SECONDED** the recommendation in the report.

A vote was taken by a show of hands and was **RESOLVED UNANIMOUSLY**.

- 1. That Members note the contents of the Certification of Claims and Returns Annual Report 2014/15 in Appendix A.**

REASON FOR RECOMMENDATION

For Members to review the findings of the external audit's certification work.

370. External Audit Plan 2015/2016

The Audit Plan report set out how Ernest & Young intended to carry out their responsibilities as the Council's External Auditor.

The plan summarised our initial assessment of the key risks driving the development of an effective audit for the Council, and outlined our planned audit strategy in response to those risks.

After a full discussion. Members asked that consideration be given as to an appropriate date for the Audit timetable sign off meeting which usually takes place in July.

A motion was **MOVED** by Cllr Mrs Murphy and was **SECONDED** by Cllr Mrs Hones.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY**.

- 1. That Members note the External Audit Plan 2015/2016.**

REASON FOR RECOMMENDATION

The Audit Plan will inform the statutory audit opinion.

371. Internal Audit Progress Report

The report detailed the progress to date against the 2015/16 internal audit plan that was agreed with the Audit and Scrutiny Committee in March 2015.

The report also included an update on the progress of the implementation of the recommendations raised in 2014/15.

The reports presented to the Committee had been completed since the last Committee and a summary of the findings were included in the progress report.

- Planning (limited assurance)
- Safe and clean Environment (moderate assurance)

After a full discussion, a motion was **MOVED** by Cllr Mrs Murphy and **SECONDED** by Cllr Mrs Hones.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY**.

- 1. That Members would receive and note the contents of the reports.**

REASON FOR RECOMMENDATION

To monitor the progress or work against the internal audit plan.

372. Internal Audit Plan 2016/2017

The report outlined the proposed work programme for Internal Audit for 2014/17, including the operational plan for 2016/17.

A motion was **MOVED** by Cllr Mrs Murphy and was **SECONDED** by Cllr Mrs Hones to approve the recommendation in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY**.

- 1. That the Committee approved the Internal Audit Plan for 2014/17 and the Operational Plan for 2016/17.**

REASON FOR RECOMMENDATION

To approve the work programme for Internal Audit for 2014-17, including the operational plan for 2016/17.

373. Internal Audit Charter

This report advised the Committee that the Charter was a requirement of Public Sector Internal Audit Standards (PSIAS). It formally defined internal audit's purpose, authority and responsibility. It also established internal audit's position within Brentwood Borough Council and defined the scope of internal audit activities.

The Charter had been presented to the Committee In March 2015 and had been updated for 2016/17.

A motion was **MOVED** by Cllr Mrs Murphy and was **SECONDED** by Cllr Mrs Hones to agree the recommendation in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY.**

- 1. That the Committee note and approve the internal Audit Charter for 2016/17.**

REASON FOR RECOMMENDATION

The Charter is a requirement of Public Sector Internal Audit Standards (PSIAS). It formally defined internal Audit's purpose, authority and responsibility.

374. Strategic Risk Review

The report updated Members of the Audit, Scrutiny and Transformation Committee on new, closed or changes to strategic risks.

After a full discussion, a motion was **MOVED** by Cllr Wiles and **SECONDED** by Cllr Mrs Murphy to approve the recommendation in the report.

A vote was taken by a show of hands was it was **RESOLVED.**

- 1. That the Strategic Risk Register and risk scores recorded for each risk accurately represented the current status of each risk.**

REASON FOR RECOMMENDATION

Risk Management continues to be embedded quarterly within the Senior Management Team reports, where Heads of Service discuss the top level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.

In addition the Risk and Insurance Officer will work with Managers to ensure that any new or emerging risks are identified, assessed and managed appropriately.

375. Update on Revenues and Benefits Shared Service

This report looked at the financial pressures the Council faced to cut costs whilst continuing to transform and improve services agreed to undertake a full service review of the Revenues and Benefits Service in September 2014.

The first stage of Phase 1 of the Revenues and Benefits Service review was the introduction of a partnership arrangement with Basildon Borough Council. This was improved by the Finance and Resources Committee on the 11 February 2015. This included a recommendation that a review of the Revenues and Benefits Partnership be undertaken by the Audit and Scrutiny Committee 12 months after the agreement came into effect.

The aim of the partnership was to provide a number of benefits including a single joint management structure, sharing of specialist/support staff, aligning of contracts and joint procurement and share a single hosted, resilient , IT Platform.

The second stage of Phase 1 of the service review was a complete restructure of the Revenues and Benefits service. This was approved by the Policy, Finance and resources Committee on the 30 June 2015 with the view of providing a flatter, leaner structure, with less top tier management but greater numbers of officers who are empowered to fulfil their roles to enhance the service we provide to customers.

Details of the progress of the Partnership arrangement were set out in 4.1 to 4.5 of this report.

A motion was **MOVED** by Cllr Mrs Murphy and **SECONDED** by Cllr Mrs Hones to approve the recommendation in the report.

The Head of Paid Services gave recognition to officers who had worked on this project to implement it and deliver it within the requested timescales.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY**.

- 1. That Members note the progress of the Revenues and Benefits Partnership arrangement between Brentwood and Basildon as set out in 4.1 to 4.5 of the report.**

REASON FOR RECOMMENDATION

To enable the Council to deliver effective and efficient Revenues and Benefits Services for the benefit of the Council and its customers.

376. Work Programme 2015/2016

The report looked at the work of the Audit, Scrutiny and Transformation Committee which would be delivered both by Members working in groups and through the formal Committee reports. The Audit, Scrutiny and Transformation Committee would make recommendations to decision making committees and Council as necessary. The Audit, Scrutiny and Transformation Committee was invited to consider its 2015/16 work programme.

Members requested that the Budget Scrutiny working group be continued. The Chair agreed this would continue as part of the work programme.

The Member/Officer Communications/Members Casework Cross Party Working Group was raised and a meeting of the Group would be arranged outside of the Committee.

A motion was **MOVED** by Cllr Mrs Murphy and **SECONDED** by Cllr Mrs Hones to approve the recommendation in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY**.

- 1. That the Audit, Scrutiny and Transformation work programme 2015/16 at Appendix A was approved.**

REASON FOR RECOMMENDATION

To enact the provisions of Part 4.4 of the Constitution that the Audit and Scrutiny Committee agrees its work programme at each meeting of the Committee.

377. Termination of Meeting

In accordance with Rule 28 of the Council's Procedures Rules, the business of the meeting not having been concluded by two hours after its start, the Committee voted to continue with the meeting for 30 minutes.

378. Report on Transformation

The report was to provide an overview of the Transformation Programme that the Council had started.

The paper presented to the Committee in September 2015, referred to Phase 1 of the Transformation agenda which focused on the delivery of the Customer Access Strategy and New ways of Working.

A motion was **MOVED** by Cllr Murphy and **SECONDED** by Cllr Hones to agree the recommendation in the report.

A vote was taken by a show of hands and it was **RESOLVED**

- 1. To agree the approach to the Transformation Programme and the associated activities.**

REASONS FOR RECOMMENDATION

To formalise and set out transformation phase 1 plan that identifies a clear and structured approach.

379. Urgent Business

There were no items of urgent business.

The meeting concluded at 20:58 pm