

Minutes

Audit and Scrutiny Committee Tuesday, 26th September, 2023

Membership/Attendance

Cllr Sankey (Chair)	Cllr Munden
Cllr Naylor (Vice-Chair)	Cllr Rigby
Cllr Hirst	Cllr Wagland
Cllr Marsh	Cllr White
Cllr Mayo	

Substitute Present

Also Present

Cllr Mrs Pound
Cllr Slade
Cllr Barber

Officers Present

Steve Summers	- Strategic Director
Emily Yule	- Strategic Director
Tim Willis	- Interim Director - Resources
Zoe Borman	- Governance and Member Support Officer
Greg Campbell	- Director - Policy and Delivery
Marcus Hotten	- Director - Environment
Janine Combrinck	- Internal Audit, BDO
Andrew Billingham	- Internal Auditor

LIVE BROADCAST

[Live broadcast to start at 7pm and available for repeat viewing.](#)

182. Apologies for Absence

No apologies had been received.

183. Minutes of the previous meeting

The Minutes of the last meeting held on 11th July 2023 were not agreed. Cllr Marsh wished to have the conversation regarding Officers' interests and their publication recorded.

The Minutes will be amended and re-presented to the next Audit & Scrutiny Committee for approval.

Mrs Yule advised Members that in respect of Officers' interests, Senior Officers complete, on an annual basis, a Declaration of Related Party Transactions. This lists any business or personal relationships, which could cause conflict of interest with the work of the Council. Mrs Yule will confirm if there is a requirement for this data to be published.

Mr Willis explained that the Accounts of 21/22 were completed and published some time ago. However, the audit of those draft accounts are currently taking place. The timetable for the Auditor's Opinion was September. This will now be November, as agreed with the External Auditors.

It is unknown when the 22/23 Accounts will be audited. Focus is on achieving the previous year's audit. This is due to Nationwide issues with external auditors.

Members raised concerns regarding public scrutiny and urged officers to push for completion of the audits.

Following an announcement from the Secretary of State regarding a review of the PSAA a member suggested the Council leave the PSAA, appoint their own auditors to ensure transparency. Officers advised the Council were committed to a further 5 years with the PSAA and had been made aware of the increase in fees. However, the Council were responding to the consultation in relation to the fee increase. Members requested consideration of extraction from the 5-year agreement due to breach of contract.

184. Treasury Management April - July Update

This report gave an update on the Council's treasury management activity and performance for the period April to July 2023.

Mr Willis presented the report.

Members raised concerns regarding investments with UK domiciled banks considered for their secure and low risk approach and the validity of these

institutions and the checks undertaken to test their security, morality and ethnicity.

The Council's Treasury Management Strategy was agreed at Council in March and places financial risk as its primary consideration.

The Council uses large banks with reputation in the industry, government agencies or counterparties advised by our treasury advisers.

Mr Willis will investigate as to what checks, if any, are carried out prior to borrowing or investing with financial organisations. He would also respond to a question regarding a UK domiciled bank.

Members noted the report.

185. Internal Audit Progress Report

This report was intended to inform the Audit and Scrutiny Committee of progress made against the internal audit plan. The following reports had been finalised since the last Committee meeting:

- Partnership with Rochford District Council 2022/23 (Moderate/Substantial)
- Car Parking 2023/24 (Moderate/Moderate)
- Tree Management 2023/24 (Limited/Limited)

Members noted the report.

[Cllr Marsh declared a pecuniary interest as her husband is the Arboriculturalist for Brentwood Borough Council and left the chamber whilst this item was being discussed.]

186. Appointment of an Independent Person for the Audit function

This report recommended to Council that an Independent Person (IP) is appointed to the Council's Audit & Scrutiny Committee (for audit business), in line with best practice.

Cllr Sankey **MOVED** and Cllr Naylor **SECONDED** the recommendations in the report. Following a full discussion, it was **RESOLVED** that:

Members were requested to:

It is proposed that the Committee recommends to Council that an Independent Person is appointed for the Council's audit functions, which form part of the business of Audit & Scrutiny Committee.

It is further proposed that the recruitment of the Independent Person is delegated to the Interim Director of Resources in consultation with the Chair of Audit & Scrutiny Committee.

Reason for Recommendations

The Government response in June 2022 to the Local Audit Framework: Technical Consultation set out plans to strengthen local audit framework in light of the Redmond Review. It confirmed that when parliamentary time allows, audit committees will be made compulsory for all local councils, with at least one independent member required on each committee. This follows the CIPFA detailed guidance on the function and operation of audit Committees in Local Authorities which endorsed the approach of mandatory inclusion of a lay or independent member and recommended that, for authorities for whom it is not a requirement at present, they actively explore the appointment of an independent member to the Committee. Ahead of any legislative requirement being implemented, it is recommended that the Council's Audit & Scrutiny Committee therefore takes steps to introduce an Independent Person onto the committee (subject to Council agreement) so that an appropriate person can be recruited as soon as is practicable.

187. Formal Complaints & Performance Indicator Working Group

This report submits the report and recommendations of the Formal Complaints and Performance Indicators Working Group for consideration by the Audit & Scrutiny Committee.

Cllr Sankey **MOVED** and Cllr Naylor **SECONDED** the recommendations in the report. Following a full discussion it was that **RESOLVED** that:

Members were requested to:

R1. To note the Formal Complaints and Performance Indicators Working Group report, as attached at Appendix A, and agree the recommendations contained within it.

Reason for Recommendation

To ensure the Council provides quality customer services.

188. Scrutiny Work Programme 2023/24

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee. This report provided an update of the current scrutiny work programme and was set out in Appendix A.

Cllr Sankey **MOVED** and Cllr Naylor **SECONDED** the recommendations in the report. Following a full discussion, it was **RESOLVED** that:

Members were requested to:

R1. That the Committee considers and agrees the 2023/24 Scrutiny work programme as set out in Appendix A with any additions agreed by the committee at the meeting.

Reason for Recommendation

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee.

189. Urgent Business

There were no items of urgent business to discuss.