

Minutes

Audit and Scrutiny Committee Tuesday, 3rd March, 2020

Attendance

Cllr Nolan (Chair)	Cllr Hirst
Cllr Tanner (Vice-Chair)	Cllr Mrs McKinlay
Cllr Dr Barrett	Cllr Naylor
Cllr Haigh	Cllr Parker

Apologies

Cllr Chilvers

Substitute Present

Cllr Mrs Fulcher

Also Present

Cllr Hossack

Officers Present

Steve Summers	-	Chief Operating Officer
Jacqueline Van Mellaerts	-	Director of Corporate Resources
Greg Campbell	-	Director of Operations
Neil Harris	-	External Audit, E&Y
Greg Rubins	-	BDO, Internal Audit

379. Apologies for Absence

Apologies were received from Cllr Chilvers and Cllr Fulcher was substitute.

380. Minutes of the previous meeting

The Minutes of the Audit and Scrutiny meeting held on 28th January 2020 were signed as a true record.

381. Annual Audit Letter 2018/19

This report presented the Committee with the Annual Audit Letter issued by the external auditors, Ernst & Young, following the completion of the audit of the 2018/19 accounts.

Members raised concerns regarding out of borough investments made by SAIL. Mr Harris reiterated they were satisfied the Council had engaged with experts and taken appropriate advice to ensure informed decisions in line with the Council's investment strategy.

Members also queried the proposed fee variation of an additional £12,500. Mr Harris advised these were legitimate costs arising from the change in scope of the audit and additional work which needed to be undertaken with regards the valuation of investments properties. The additional fee is proposed to be put before the PSAA to determine the final fee. An update of the final fee will be brought back to Committee.

Following a full discussion Members were asked to:

Note the contents of the report and the Annual Audit Letter.

Reasons for Recommendation

To enable the Council to conclude the Statement of Accounts process for 2018/19.

382. External Audit Plan 2019/20

The External Audit Plan sets out how the Council's external auditors, Ernst & Young intend to carry out their responsibilities in auditing the final accounts for the financial year 2019/20.

Following discussion Members were asked to:

Note the External Audit Plan 2019/20 as shown in Appendix A.

Reasons for Recommendation

To enable the Council to prepare for the Statement of Accounts process for 2019/20.

383. Internal Audit Progress Report 2019/20

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2019/20 internal audit plan.

No reports have been finalised since the last Committee. Internal Audit have issued their draft Treasury Management report to the Council and are awaiting management responses.

Following discussion Members were asked to:

Receive and note the contents of the Internal Audit Progress Report attached in Appendix A.

Receive and note the contents of the Internal Audit Follow Up Report attached in Appendix B.

Reasons for Recommendation

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

384. Internal Audit Plan 2020/2021

This report outlines the Internal Audit Operational Plan for 2020/21, three year Strategic Plan and Internal Audit Charter, as included in Appendix A.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve the recommendations in the report.

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

To approve the Internal Audit Operational Plan 2020/21, three year Strategic Plan and Internal Audit Charter attached in Appendix A.

Reasons for Recommendation

To approve the work programme for the Internal Audit Plan 2020/21.

385. Risk Management

The report updated members of the Audit & Scrutiny Committee on the status of the Council's 2019/20 Strategic Risk Register and high-level Operational Risks.

One risk on the Strategic Risk Register has been decreased all other risk scores have remained the same.

Of the high-level operational risks, the risk scores have remained the same from the recent Committee in January.

Following a full discussion Members were asked:

1. **To note the Strategic Risk Register, as shown in Appendix A.**
2. **To note the risk scores recorded for the high-level Operational Risks, as shown in Appendix B.**

Reasons for Recommendation

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

The Risk and Insurance Officer will continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

386. 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.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve the recommendations in the report.

Following a full discussion, a vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY:**

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

Reasons for Recommendation

To ensure the Council provides quality customer services.

387. Scrutiny Work Programme 2019/20

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

At the Audit and Scrutiny Committee on the 18th June 2019, Min.51 refers, it was agreed that a request form be sent for scrutiny matters be made available to all members immediately following the meetings.

Subsequently officers have received a request from Cllr Dr Barrett regarding the South Essex Partnership Parking (SEPP) arrangements as attached at Appendix B of the agenda.

Cllr Dr Barratt asked for SEPP to be considered as part of the Scrutiny Work Programme to determine whether the current model of on-street parking management and enforcement provided by SEPP is the most effective model in terms of value for money and service for Brentwood residents or whether other potential models could provide advantages.

Following discussion, it was agreed that it would be beneficial for a presentation on the working arrangements of SEPP to be made to members. Members could then gain a better understanding of where responsibilities lie, structure, rationale and the history of SEPP.

Following a full discussion, Cllr Dr Barratt withdrew his proposal until after a presentation is given by SEPP to Members.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve Recommendation 1 in the report.

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

1. **That the Committee considers and agrees the 2019/20 Scrutiny work programme as set out in Appendix A of the agenda.**

Reason for Recommendation

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

388. Urgent Business

There were no items of urgent business.

The meeting concluded at 19.50

