

Committee(s): Ordinary Council	Date: 13 th October 2021
Subject: Chairs report for Audit and Scrutiny Committee	Wards Affected: All
Committee Chair: Cllr Charles Nolan	
Report of: Jacqueline Van Mellaerts, Corporate Director of Finance & Resources	For Information

The Audit & Scrutiny Committee met on the 28th September with the updates set out below:

Unaudited Statement of Accounts 2020-21 and Annual Governance Statement.

In March 2021 MHCLG published The Accounts and Audit (Coronavirus) (Amendment) Regulations 2021 (SI 2021/263). These extended the statutory audit deadline for 2020/21 for all local public authorities in England, police and fire bodies.

The draft accounts publication deadline was extended from 1st June to 1st August. Public Inspection notices and the Unaudited Statement of Account 2020/21 along with the Annual Governance Statement were published on the Council's website on 29th July 2021 in advance of the inspection period 2nd August to 10th September 2021. No notices of objections were received.

For local authorities the publication deadline for audited accounts for 2020-21 has been moved from 31 July 2021 to 30 September 2021. The Council was previously advised our audit has been postponed due to insufficient audit resources and to preserve the quality of the audit it will not commence until after the publication deadline. The Committee has been advised that EY LLP will commence their audit from 1st November for approx. 6-8 weeks.

A notice of explanation will be published alongside the Council's unaudited accounts on our website from 30th September to meet appropriate legislation.

<https://www.brentwood.gov.uk/-/statement-of-accounts>

Certification of Housing Benefit Subsidy Claim 2019/20

The Council, being responsible for managing housing benefits, is able to claim subsidy toward the costs of these benefits from the Department of Work & Pensions (DWP). The claim is subject to certification. The Council has engaged BDO LLP to undertake the certification of its housing benefit subsidy claim for the financial year ending 31 March 2020. The deadline for the submission of the certified claim for 2019/20 would normally have been 30 November 2020. Due to the ongoing impact of the COVID-19 pandemic, the Council has obtained a deadline extension to 31 May 2021. BDO completed their work and certified the claim on 27 May 2021. The total value of the housing benefit subsidy claim for 2019/20 was £10,410,541. BDO

did not make any amendments to the claim form following their work. They did identify some minor errors in the assessment of claims which, if extrapolated by DWP across the entire claim, could result in a reduction in subsidy of £8,428. Any such reduction is at the discretion of DWP, as they do provide an allowance within the subsidy system to recover local authority errors. DWP will make a final determination regarding the amount of subsidy to be paid later in the year.

Internal Audit Progress 2021-22

The following reports have been finalised since the last committee and were reported to Audit and Scrutiny Committee on 28th September 2021. The audit summaries and recommendations can be found in the report.

- Covid-19 grants expenditure (Substantial/Moderate)
- Local development plan (Substantial/Substantial)
- IT Data Breaches (Substantial/Moderate)

Risk Management

The Committee regularly review the councils strategic and operational Risk Registers.

The committee noted 12 Strategic risks on the register. 2 Low, 4 Medium, 3 High, and 3 Very High.

The committee also noted 52 operational risks on the register. 21 low, 20 Medium, 7 High & 4 Very High.

The Risk Registers have been reviewed to align them to the Corporate Strategy, as well as presenting them in a more appropriate format.

Scrutiny Work Programme

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee. A number of actions and reviews have been carried out on the programme.

- Notes from the previous Local Development Plan working group which met on 14 July 2021 & 15th September 2021 were presented to the Audit & Scrutiny Committee.
- A Working Group meeting took place on 14th September to review the Axis Strategic Asset Management contract and the Committee was presented with the review.
- A Brentwood Leisure Trust Members Working Group meeting took place on 10th August 2021 and the notes were presented to the Audit & Scrutiny Committee.

- Performance Indicators and Formal complaints working group took place on the 4th August and presented an update to the committee.