

## **Decisions of the Audit Committee**

15 September 2022

Councillor Arjun Mittra (Chair)  
Councillor Edith David (Vice-Chair)

Councillor Humayune Khalick    Councillor Alex Prager    Independent Member Geraldine Chadwick  
Councillor Rohit Grover        Councillor Paul Lemon      Independent Member Richard Harbord

### **1. MINUTES OF LAST MEETING (Agenda Item 1):**

Prior to the consideration of the minutes the Chair welcomed everyone in attendance to the meeting. He noted the sad passing of the Queen and invited Members to stand for a minutes silence.

RESOLVED that the minutes of the meeting held on 16 June 2022 be agreed as a correct record.

### **2. ABSENCE OF MEMBERS (IF ANY) (Agenda Item 2):**

None.

### **3. DECLARATION OF MEMBERS' DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS (IF ANY) (Agenda Item 3):**

The Chair noted a Pecuniary interest in relation to item 11. He noted that he was a School Governor at Coppetts Wood School. The Chair withdrew from the meeting for the item and took no part in the consideration or voting process on the item. As a result of this the Vice-Chair, Councillor Edith David chaired the meeting for that item only.

### **4. REPORT OF THE MONITORING OFFICER (IF ANY) (Agenda Item 4):**

None.

### **5. PUBLIC QUESTION AND COMMENTS (IF ANY) (Agenda Item 5):**

None.

### **6. MEMBERS' ITEMS (IF ANY) (Agenda Item 6):**

None.

### **7. INTERNAL AUDIT EXCEPTION RECOMMENDATIONS REPORT AND Q1 (Agenda Item 11):**

At the start of the item the Chair reminded the Committee that he had made a declaration. He therefore left the meeting and took no part in the consideration of the item. For the duration of the item only, Councillor David took the Chair.

The Head of Internal Audit introduced the report. She provided a full outline of the report including appendix A.

Members had the opportunity to consider each section of appendix A. During the considering of the item the Committee requested that service representatives are in attendance to answer questions from the Committee when there is Limited Assurance provided.

### **Premises, Licensing and Gambling**

The Head of Internal Audit gave an overview of the premises, licensing and gambling section of the report. In doing so she outlined the reasons why limited assurance had been determined. Members noted the summary of the findings as contained in the report. The Committee Members had the opportunity to provide comments and ask questions. The Executive Assurance Director responded to questions and noted that work was to be undertaken including contract monitoring.

### **Private Residential Blocks – Fire Safety**

The Head of Housing and Regeneration was in attendance in order to answer questions, which she duly did. Members sought clarification on the process for tracking measures for blocks of flats. Members noted that there was an improvement plan that highlighted all works that were in process.

Independent Member Geraldine Chadwick requested to know if Officers were happy with the progress with the actions. It was noted that progress had been slow and actions had not been progressed as expected.

The Vice - Chair thanked the Head of Housing and Regeneration for her attendance.

### **Commercial Rents and Lease Renewals**

The Head of Property and Portfolio Management was in attendance to answer questions. Councillor Grover requested to note the legal status of occupancy for the tenants covered by the Commercial Rents and Lease Renewals findings. He also requested to know what rent reviews were in place to maximise the Council's position. Councillor Lemon also sought clarification on this point and furthermore in regard to performance reviews. The Head of Property and Portfolio Management gave a verbal response to these points.

The Vice - Chair thanked the Head of Property and Portfolio Management for her attendance.

### **Coppetts Wood School**

Members had the opportunity to make comment and ask questions. Independent Member Geraldine Chadwick noted that this was a poor report and the Schools Financial Value Standard (SFVS) self-assessment was not accurate and represented a conflicted perspective. She urged that the school take immediate actions to rectify the points in the report while adding that this could be achieved without being overbearing to the school's resources.

The Committee had the opportunity to consider the report in detail.

**Resolved:**

That the Audit Committee noted the work completed to date on the internal audit Q1 report – 1st April to 30th June 2022.

**8. UPDATE ON THE AUDIT OF THE 2020.21 STATEMENT OF ACCOUNTS (Agenda Item 7):**

A BDO representative, Mr Michael Asare Bediako, was in attendance to update the Committee on the progress of the audit statement which he duly did.

The Chair noted that appendix A was marked to follow when the agenda had been published. It was noted that appendix A had been received, published and circulated to Members.

Independent Member, Richard Harbord noted that all authorities were faced with Audit problems. He added that the position would only get worse, he said that the report contained a number of key issues which need to be addressed.

Councillor Grover made a statement that highlighted the timelines that outlined how late reporting was, he said he had concerns in regards to the level of risk that the council was exposed to.

The S151 Officer gave a verbal response that underpinned the Council's risk in the event that the accounts is not reported within the municipal year. Councillor Grover said that essentially there is no external audit plan which puts the council at risk. Mr Bediako said that he had no choice but to uphold the audit regulations and he added that this meant he was governed by legislation and required to complete work in order to be confident on their audit opinion and recommendations.

The Committee noted the position and request that their concerns be noted in respect to the factors that are delaying the sign off for the Council's 2020/21 statement of accounts.

The Chair gave thanks to the Council's closing team for their efforts in producing and publishing the draft accounts within the statutory deadline.

Having considered the report the Audit Committee:

**Resolved:**

That the Audit Committee noted the factors that are delaying the sign off of the council's 2020/21 Statement of Accounts.

**9. EXTERNAL AUDIT PLAN 2021-22 (Agenda Item 8):**

The Chair noted that the BDO representatives, Mr Michael Asare Bediako and Ms Lisa Blake, were in attendance to update the Committee on the progress of the audit which he duly did. They provided comments in regard to why delays had occurred

The Chair noted that the Committee had called this meeting in order for the Council to make progress on this item. He said on behalf of the committee they were not happy that a report was not available, he requested that concerns be considered by BDO.

Having considered the report the Audit Committee:

**Resolved:**

The Audit Committee noted the delay to the production of BDO's audit plan for 2021/22.

**10. GRANTS CERTIFICATION WORK REPORT 2020.21 (Agenda Item 9):**

The Audit Committee received the report and noted the progress of the external auditors work in respect of the certification of grants for 2020/21.

Having considered the report the Audit Committee:

**Resolved:**

1. That the progress on the Teachers' Pensions Audit are noted by the Committee
2. That the Committee noted the report and requested that Councillor Mitra in his capacity as Chair write on behalf of the committee to capita regarding outstanding queries relating to the Teacher's Pension Audit for 2020/21

**11. ANNUAL REPORT OF THE AUDIT COMMITTEE 2021-22 (Agenda Item 10):**

The Executive Director of Assurance introduced the report and gave an overview of appendix A.

The Committee had the opportunity to consider the report.

**Resolved:**

1. That the Audit Committee approved the Annual report for 2021-22.
2. That the Audit Committee noted that the Annual Audit report for 2021-22 be reported to Full Council.

**12. AUDIT COMMITTEE COVER REPORT CAFT Q1 2022-2023 (Agenda Item 12):**

The report was introduced by the Executive Director for Assurance. Members noted that the report covered the period 1st April 2022 to 30th June 2022 and represented an up-to-date picture of the work undertaken by Corporate Anti-Fraud Team (CAFT) during that time.

The Chair gave thanks to Officers for all the hard work especially for work that has been conducted with other Boroughs.

The Committee had the opportunity to consider the report.

**Resolved:**

That the work of the Corporate Anti-Fraud Team referred to in appendix 1 be acknowledged

**13. WORK PROGRAMME 2022-23 (Agenda Item 13):**

**Resolved:**

That the Work Programme be noted

**14. ANY ITEM(S) THE CHAIRMAN DECIDES ARE URGENT (Agenda Item 14):**

None.

The meeting finished at 20:58