

# **SOUTHEND-ON-SEA BOROUGH COUNCIL**

## **Meeting of Audit Committee**

**Date: Wednesday, 17th January, 2018**

**Place: Committee Room 1 - Civic Suite**

**Present:** Councillor M Davidson (Chair)  
Councillors H Boyd (Vice-Chair), A Bright, J Moyies, C Nevin\*,  
G Phillips, M Terry and C Willis and Mr K Pandya (Co-opted  
Member)  
\*Substitute in accordance with Council Procedure Rule 31.

**In Attendance:** J Chesterton, C Gamble, L Everard, E Allen, J Denham, C Fozzard,  
T MacGregor, M Dineen, K Lynch and A Barnes (BDO)

**Start/End Time:** 6.30 p.m. - 9.10 p.m.

### **632 Apologies for Absence**

Apologies for absence were received from Councillor Ware-Lane (Substitute: Councillor Nevin).

### **633 Declarations of Interest**

The following interests were declared at the meeting:

(a) Councillor Terry – Agenda Item No.6 (BDO: Grant Claim and Returns Certification Report) and Agenda Item No.8 (BDO: Progress Report to those charged with governance) – Non-pecuniary interest: Wife is teacher (teacher pension fund)

(b) Councillor Moyies – Agenda Item No.10 (Internal Audit, Quarterly Performance Report) – Non-pecuniary interest: Governor of Essex Partnership University NHS Foundation Trust

### **634 Minutes of the Meeting held on Wednesday 6th September 2017**

Resolved:-

That the Minutes of the Meeting held on Wednesday 6th September 2017 be received, confirmed as a correct record and signed.

In referring to the minutes, the Director of Finance and Resources gave a verbal update to the Committee concerning the future governance arrangements for the Council companies, joint ventures and trusts. He reported that the Cabinet had approved the establishment of a Shareholder Board. Each of the Council's organisations would present an annual report to this Board.

**635 Corporate Risk Register**

The Committee received a report of the Chief Executive setting out the 2017/18 Corporate Risk Register and the Quarter 3 updates.

On consideration of the report, a number of specific observations were made in relation to the risk register, including the benefit of showing risk trends more effectively over time, the inclusion of volume indicators in the register, the information sharing opportunities between the Council and health partners, and the suggested review the RAG status of the Healthy Lifestyle Service.

The Committee asked a number of questions which were responded to by officers.

Resolved:

That the 2017/18 Corporate Risk Register and the Quarter 3 updates outlined in Appendix 1 to the submitted report, be endorsed.

**636 Treasury Management Policy for 2018/19**

The Committee received a report of the Chief Executive presenting the treasury management policy for 2018/19 comprising the following documents:

- Treasury Management Policy Statement for 2018/19;
- Treasury Management Strategy for 2018/19;
- Annual Investment Strategy for 2018/19

The Committee asked a number of questions which were responded to by officers.

Resolved:

That the treasury management policy for 2018/19, be endorsed.

**637 BDO: Grant Claim and Returns Certification Report for the Year ended 31 March 2017**

The Committee received a report of the Chief Executive presenting the External Auditor's Grant Claim and Return Certification Report for 2016/17 to the Audit Committee.

The Committee asked a number of questions which were responded to by the BDO External Auditor and officers.

Resolved:

That the Grant Claim and Return Certification Report for 2016/17, be accepted.

**638 BDO: Annual Audit Letter, Audit for the year ended 31 March 2017**

The Committee received a report of the Chief Executive presenting the External Auditor's Annual Audit Letter for 2016/17.

The Committee asked a number of questions which were responded to by the BDO External Auditor and officers.

Resolved:

That the Annual Audit Letter for 2016/17, be approved.

**639 BDO: Progress report to those charged with governance**

The Committee received a report of the Chief Executive on the progress made in delivering the 2016/17 and 2017/18 Annual Audit Plans.

Resolved:

That the progress made in delivering the Annual Audit Plans for 2016/17 and 2017/18, be accepted.

**640 Counter Fraud & Investigation Directorate, Quarterly Performance Report**

The Committee received a report of the Chief Executive providing an update on the progress made by the Counter Fraud & Investigation Directorate (CFID) in delivering the Counter Fraud Strategy and work programme for 2017/18.

Members noted that a report would be prepared on the review of the Council's fraud policies and procedures for submission to the next meeting of the Committee.

The Committee asked a number of questions and made several comments/suggestions in relation to the format of the case summary appendix.

Resolved:

That the performance of the Counter Fraud & Investigation Directorate to date be noted.

**641 Internal Audit, Quarterly Performance Report**

The Committee received a report of the Chief Executive updating Members on the progress made in delivering the Internal Audit Strategy for 2017/18.

Members of the Committee congratulated the relevant officers on the positive outcome of the External Quality Assessment of the Internal Audit Service.

In referring to the Internal Audit review in relation to the Housing Allocations Policy and in response to the position on the implementation of the actions, the Chairman requested the Deputy Chief Executive (People) to prepare a progress report to the next meeting of the Committee.

The Committee asked a number of questions which were responded to by officers.

Resolved:

That the progress made in delivering the 2017/18 Internal Audit Strategy be noted and the amendments to the Audit Plan be approved.

**642 Information Items**

The Committee received and noted Issue 23 of the CIPFA briefings for audit committee members in public sector bodies.

**Chairman:** \_\_\_\_\_