

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

## **Meeting of Audit Committee**

**Date: Wednesday, 29th June, 2016**

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

- Present:** Councillor M Davidson (Chair)  
Councillors S Buckley (Vice-Chair), B Ayling, Bright, D Garston, Moyies, C Nevin and Ware-Lane
- In Attendance:** S Holland, J Chesterton, C Gamble, T MacGregor, V Dewsbury, L Everard, E Allen, J Denham, D Bonner (Mazars), D Joyce (South Essex Homes), D Lincoln (South Essex Homes) and A Langridge (BDO)
- Start/End Time:** 6.30 - 8.25 pm

### **72 Apologies for Absence**

Apologies for absence were received from Councillor Stafford.

### **73 Declarations of Interest**

The following interests were declared at the meeting:

(a) Councillor Davidson – Agenda Item No. 5 (South Essex Homes: Annual Governance Statement 2015/16 and supporting reports) – Disclosable Non-pecuniary interest: Member of the South Essex Homes Board (withdrew) – (The chair for this item was taken by the Vice-Chairman, Cllr Buckley);

(b) Councillor Ware-Lane – Agenda Item No. 5 (South Essex Homes: Annual Governance Statement 2015/16 and supporting reports) – Non-pecuniary interest: Daughter is an employee of South Essex Homes.

### **74 Minutes of the Meeting held on 30th March 2016**

Resolved:-

That the Minutes of the Meeting held on 30<sup>th</sup> March 2016 be confirmed as a correct record and signed.

### **75 Housing Benefit**

Pursuant to the decision taken at the last meeting of the Committee, Members received a presentation given by Veronica Dewsbury, Housing Benefit Manager, on housing benefit administration.

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

Arising from the presentation, the Head of Finance and Resources undertook to prepare a report to a future meeting of the Committee on debt management across the Authority.

(Councillor Buckley in the Chair)

**76 South Essex Homes: Annual Governance Statement 2015/16 and Supporting Reports**

The Committee considered a report of the Corporate Director for People presenting South Essex Homes' Annual Governance Statement and supporting reports.

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

On consideration of the report, reference was made to the reduction in the number of Southend Councillors on the board of South Essex Homes from four to three representatives. Members of the Committee asked for clarification as to who took this decision and when it was taken.

Resolved:-

That the assurance provided by South Essex Homes regarding the operation of its risk management, control and governance arrangements throughout 2015/16, be accepted.

(Councillor Davidson in the Chair)

**77 Internal Audit Services, Quarterly Performance Report**

The Committee considered a report of the Corporate Director for Corporate Services presenting the results of the audit reviews completed since the last meeting of the committee.

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

Resolved:-

That the assurance provided by the audit work completed this quarter, be noted.

**78 Head of Internal Audit Annual Report 2015/16**

The Committee considered a report of the Corporate Director for Corporate Services providing the following for the 2015/16 financial year:

- The rationale for and an audit opinion on the adequacy and effectiveness of Southend-on-Sea Borough Council's (the Council's) risk management, control and governance processes.

- A statement on conformance with the UK Public Sector Internal Audit Standards (the Standards) and the results of the Quality Assurance and Improvement Programme.

Resolved:-

That the Head of Internal Audit's Annual Report for 2015/16, be accepted.

**79 Annual Governance Statement 2015/16**

The Committee considered a report of the Chief Executive & Town Clerk presenting the Annual Governance Statement for 2015/16 together with actions for 2016/17 and an update on progress made with the 2015/16 action plan.

Resolved:-

That subject to any further views expressed by External Audit, the Annual Governance Statement for 2015/16 be approved and recommended to the Leader of the Council and Chief Executive for authorisation and signature.

**80 BDO: Planning Letter 2016/17**

The Committee considered a report of the Corporate Director for Corporate Services presenting the External Audit Planning Letter for 2016/17.

Resolved:-

That the Planning Letter for 2016/17, be approved.

**81 Corporate Risk Register 2016/17**

The Committee considered a report of the Chief Executive & Town Clerk presenting the 2016/17 Corporate Risk Register.

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

On consideration of the waste management risk, Members expressed concern about the performance of Veolia, the waste collection contractor. Members requested the Corporate Director for Place to advise them of the actions taken to address the problems identified and to improve the quality of the service together with details of the penalties that could be imposed against the contractor for failure to deliver the service in accordance with the terms of the contract.

In the light of the above concerns, Members also requested that the actions to mitigate the risk in relation to waste collection management be reviewed.

Resolved:-

That the 2016/17 Corporate Risk Register be endorsed.

## 82 **BDO: Progress Report to Those Charged with Governance**

The Committee considered a report of the Corporate Director for Corporate Services on the progress made in delivering the 2015/16 Annual Audit Plan.

Resolved:-

That the progress made in delivering the Annual Audit Plan for 2015/16, be accepted.

### **Information items**

The Committee noted the following documents:

- CIPFA Better Governance Forum, Audit Committee Update, Helping Audit Committees to be Effective, Issue 19:
  - Good Governance in Local Government - 2016 Framework
  - Appointing local auditors
- Fighting Fraud & Corruption Locally, The local Government counter fraud and corruption strategy 2016-2019

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