

Bromsgrove District Council



Audit, Standards and
Governance Committee

ANNUAL REPORT

2017 / 2018



Bromsgrove
District Council

www.bromsgrove.gov.uk

MEMBERSHIP



Mike Webb (Chairman)



Steve Colella (Vice Chairman)



Chris Allen-Jones



Richard Deeming



Rod Laight



Peter McDonald



Stephen Peters



Phil Thomas



Michael Thompson

INTRODUCTION

This report provides an overview of the Audit, Standards and Governance Committee's activities during the municipal year 2017/18.

The ultimate responsibility for Audit rests with the Portfolio Holder with responsibility for Finance and the Section 151 Officer. The Portfolio Holder is expected to attend each meeting in line with the Constitution.

During the year the Committee has considered reports on the following subjects:

- Monitoring Officers Report – which details complaints and training which has taken place during the period between meetings.
- Dispensation Reports
- Updates from the external auditors, Grant Thornton in respect of their work.
- Updates on the work of the Internal Audit Team.
- Section 11 Plan Monitoring.
- Quarterly Financial Savings Monitoring Update Reports.
- Corporate Risk Register
- The Risk Champion's Update Report.
- Statement of Accounts.
- Treasury Management Strategy
- Gifts and Hospitality Guidance for Councillors – referred by the Constitution Working Group for Members to consider and comment on.
- Benefits and Compliance Annual Update report 2017/17

Further information about some of the key responsibilities of the Committee are outlined in detail within this report.

THE ROLE OF THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE

Scope and Responsibility

The Audit, Standards and Governance Committee provides independent assurance to the Council in respect of:

- The effectiveness of the Council's governance arrangements
- The Annual Governance Statement
- The Review of the Annual Statement of Accounts
- Risk Management Framework and strategies
- The effectiveness of the Council's financial and non-financial performance
- Anti-Fraud arrangements
- Whistle-blowing strategies
- Internal and external audit activity
- Democratic governance

The Committee is also responsible for the Council's Standards Regime which covers both District and Parish Councils. Areas encompassed within the Standards Regime include:

- Promoting High Standards of Conduct by Councillors and co-opted members of Council bodies.
- Assisting Councillors and co-opted members to observe the Members' Code of Conduct.
- Advising and training Members and co-opted members in respect of the Code of Conduct.
- Formulating advice to members and officers in declarations of gifts and hospitality.
- Granting dispensations to Councillors and co-opted members from requirements relating to interests as set out in the Code of Conduct.
- Considering reports from the Monitoring Officer following investigation into a complaint about elected Members.

Meetings of the Board

The Council's constitution requires the Audit, Standards and Governance Committee to hold quarterly meetings. During the municipal year 2017/18 meetings were held in June and September 2017 and January and March 2018. The Audit, Standards and Governance Committee work programme was reviewed at each meeting with items included as and when considered and agreed by the Committee.

STANDARDS REGIME

There are two main areas which are considered regularly in terms of the Committee's responsibility for Standards.

Monitoring Officer's Report

This covers Member Training, Member Complaints and Parish Council matters.

Dispensation Report

At the start of the year the Committee granted a number of Members' dispensations to discuss matters in which they had an interest.

Parish Council Involvement

The Parish Council representative is able to add any item on to the agenda as required and this is highlighted within the Monitoring Officer's Report.

Investigations and enquiries

This year there have been no investigations about Members which required a Hearings Sub-Committee to be convened.

INTERNAL AUDIT REPORT

During the year the Committee has continued to receive updates on the work of the Internal Audit team including details of the following completed audit reports:

- Community Services- Disabled Facilities Grants
- Waste Management
- Land Charges
- Customer Services
- Treasury Management
- Cash Collection
- Individual Election Registration System

The Annual Report for Internal Audit 2017/18 was considered by the Committee at its meeting on 18th January 2018.

EXTERNAL AUDITORS

During the year the Committee received reports from the current External Auditors, Grant Thornton on the following subjects:

- Auditing Standards 2016/17
- Audit Findings Report
- Annual Audit Letter
- Certification Work Report 2017/18
- Audit Plan
- Progress Reports

The Progress Reports were considered at each meeting of the Committee and covered a range of issues including the following:

- Value for money
- Significant Risks
- The Changing Face of Corporate Reporting
- Financial Statements
- Housing Benefits

As part of the review of the work of the Committee in 2016/17 it was suggested that a new approach to considering the subject of benefit fraud due to the responsibility for benefits investigations being transferred to the DWP from the Council. In future officers suggested that an annual round up of other data relating to benefits and revenues was reported at the end of the financial year. This was acknowledged and a report was received by the Committee at its meeting on 15th March 2018 to this effect.

STATEMENT OF ACCOUNTS

The Audit, Standards and Governance Committee, considered the Statement of Accounts at the meeting on 14th September.

This was the second year that the Committee had considered the Audit Findings and Statement of Accounts. It was noted that the accounts had been submitted a month early in preparation for the revised deadline for local authority accounts which is being brought forward in 18/19. Grant Thornton commented that further year on year improvement that had been made to the accounts, working papers and quality of information made available during the audit.

The external auditors would be issuing an unqualified judgement on the accuracy of the accounts. Grant Thornton were satisfied that, on the basis of materiality, the Council's accounts were accurate

The Committee heard that further work would be required in 18/19 to ensure that the new deadline for the accounts was met, and officers reported that steps were in hand to make sure that this occurred including making sure cover was in place for key posts in the finance team.

The Committee also noted the fact that a qualified value of money conclusion would be issued by the auditors, and that work that had already been started on improvements to address this would continue during 18/19.

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