

Bromsgrove District Council



Audit, Standards and
Governance Committee

ANNUAL REPORT

2018 / 2019



Bromsgrove
District Council

www.bromsgrove.gov.uk

FOREWORD

I am pleased to present the Audit, Standards and Governance Committee's 2018/19 Annual Report. It records the continued progress the Council has made in providing a thorough, independent assessment of the wide range of controls and corporate governance.

This report reflects the wide work programme incorporated within this committee's work and clearly shows that the Council's business is compliant and transparent. The report demonstrates the value to the Council and the public in ensuring that improvements to the governance of the Council are being delivered.

The assessment of the 2018/19 report is described as "xxxx for VFM and xxxxxx". This is pleasing in that it maintains the excellent progress made over recent years and affirms a strong base position to take the Council forward over the coming years.

I would like to thank the 151 Officer, Monitoring Officer, Democratic Services and members of the committee for their continued support over the last year and for the continued progress being made. As chairman I believe that the Audit, Standards and Governance Committee provide a valuable contribution to the development of standards and protocols across the Council's governance in an effective and compliant way.

Chairman

Cllr Steve Colella

MEMBERSHIP



Steve Colella (Chairman)



Mike Webb (Vice Chairman)



Chris Allen-Jones



Chris Bloore
(From Jan 19)



Helen Jones



Rod Laight



Peter McDonald
(From June 18 to Jan 19)



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 2018/19.

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.
- Benefits and Compliance Annual Update report 2017/18

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 2018/19 meetings were held in July and October 2018 and January and March 2019. 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 has been one formal complaint (member to member District) and that the complaint had been resolved locally between the two group leaders. 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:

- Internal Audit Annual Report and Draft Audit Opinion 2017/18
- Internal Audit External Assessment 2017/18 Progress Report
- Internal Audit Monitoring Report
- Internal Audit - Progress Report
- Internal Audit Charter
- Internal Audit – Progress Report
- Internal Audit – Draft Audit Plan 2019/20

EXTERNAL AUDITORS

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

- External Audit Finding Report
- External Audit Opinion 2017/18
- Audit Fee Letter 2018/19
- Sector Update
- Communicating with Audit, Standards and Governance Committee
- External Audit Plan
- Housing Benefit 2017/18 Certification Letter

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

STATEMENT OF ACCOUNTS

The Audit, Standards and Governance Committee, considered the Statement of Accounts at the meeting in July 2018.

This was the third year that the Committee had considered the Audit Findings and Statement of Accounts. It was noted that the Statement of Accounts was approved by 30th May 2018 and submitted to Grant Thornton. This met the new statutory date of 31st May for accounts to be submitted. The Statement of Accounts has to be audited and approved by 31st July 2018 which is two months early than in previous years to meet the revised statutory timeline.

It was recommended that Council approve the Statement of Account for 2017/18, including the Accounting Policies provided in the report. Included within the Statement of Accounts there were a number of core financial statements that provide a summary of the financial position of the Council.

The external auditors issued an unqualified judgement on the accuracy of the accounts for 2017/18. Grant Thornton was satisfied that, on the basis of materiality, the Council's accounts were accurate

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