

Audit, Governance and Standards Committee

MINUTES of the OPEN section of the Audit, Governance and Standards Committee held on Monday 19 February 2018 at 7.00 pm at Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Paul Fleming (Chair)
Councillor James Barber (Vice-Chair)
Councillor Catherine Dale
Councillor Dora Dixon-Fyle MBE
Councillor Renata Hamvas
Councillor David Hubber
Councillor Andy Simmons

OFFICER SUPPORT: Doreen Forrester-Brown (Director of Law and Democracy)
Emma Marinos (Director of Modernise)
Jennifer Seeley (Director of Finance)
Jo Anson (Head of Financial and Information Governance)
Julie Foy (Head of Human Resources)
Emily Nice (Head of Organisation Transformation)
Matt Dean (Grant Thornton)
Paul Dossett (Grant Thornton)
Angela Mason-Bell (BDO)
Greg Rubins (BDO)
Gerald Gohler (Constitutional Officer)

1. APOLOGIES FOR ABSENCE

In the absence of the chair, the vice-chair Councillor James Barber chaired the meeting until the chair's arrival.

Apologies for absence were received from the independent members Bill Dee and Charles Wynn-Evans; and for lateness from Councillor Paul Fleming (Chair).

2. CONFIRMATION OF VOTING MEMBERS

The members present were confirmed as the voting members.

3. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

The vice-chair informed the meeting that the following items had been circulated prior to the meeting:

- Supplemental agenda No. 1
- Closed agenda.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

5. MINUTES

RESOLVED:

That the minutes of the meeting held on 22 November 2017 be agreed as a correct record and signed by the chair.

6. GOVERNANCE TOPIC: UPDATE ON HR

At 7.15pm, Councillor Paul Fleming (chair) arrived and chaired the remainder of the meeting.

The committee heard from Emma Marinos, Director of Modernise; Julie Foy, Head of Human Resources and Emily Nice, Head of Organisation Transformation. Members asked questions of the officers.

RESOLVED:

1. That a gender and ethnicity breakdown of the council's apprentices be circulated to members of the committee.
2. That officers come back to the committee in autumn 2018 with information regarding:
 - a. the link between retrospective contract decisions and staff changes
 - b. the gender pay gap including among contracted out staff and the negotiations the council is conducting around this
 - c. measures the council is putting in place around well-being and mental health for its staff.

7. INTERNAL AUDIT OPERATIONAL PLAN 2018-19 AND STRATEGIC PLAN 2018-19 TO 2020-21

The meeting heard from Angela Mason-Bell and Greg Rubins from BDO who introduced the report. Members had no questions.

RESOLVED:

That the internal audit plan for 2018-19 attached as Appendix A of the report be approved.

8. GRANT THORNTON - INFORMING THE AUDIT RISK ASSESSMENT FOR SOUTHWARK COUNCIL AND SOUTHWARK PENSION FUND

Paul Dossett and Matt Dean from Grant Thornton introduced the report. Members had no questions.

RESOLVED:

1. That Grant Thornton's report on informing the audit risk assessment for Southwark Council and the Pension Fund, including the management comments, be noted.
2. That it be noted that these responses are consistent with the committee's understanding.
3. That the committee did not wish to make further comments at this time.

9. GRANT THORNTON - EXTERNAL AUDIT CERTIFICATION LETTER

Paul Dossett and Matt Dean from Grant Thornton introduced the report. Members asked questions of the officers.

RESOLVED:

That the external audit certification letter for Southwark Council attached as Appendix A of the report be noted.

10. GRANT THORNTON AUDIT PLANS FOR SOUTHWARK COUNCIL AND SOUTHWARK PENSION FUND 2017-18

Paul Dossett and Matt Dean from Grant Thornton introduced the report. Members had no questions.

RESOLVED:

That Grant Thornton's audit plan for Southwark Council and draft audit Southwark Pension Fund 2017-18 (as attached as Appendices A and B of the report) be noted.

11. INTERNAL AUDIT AND ANTI-FRAUD UPDATE

The meeting heard from Angela Mason-Bell and Greg Rubins from BDO who introduced the report. Members asked questions of officers.

Members asked that officers consider the steps the council takes when it finds out that a tenant who has applied for right-to-buy has untaxed income and it suspects money laundering, and to provide information setting out these steps to a future meeting of the committee.

Members also asked that future reports include the total number of housing waiting list

applications, as well as those referred to the team.

Members suggested officers use Southwark Life to warn residents about the practices of some companies making offers to tenants who are eligible for right-to-buy.

RESOLVED:

1. The update on the internal audit work as attached as Appendix A of the report be noted.
2. The update on the anti-fraud work as attached as Appendix B of the report be noted.

12. ANNUAL REPORT ON THE COUNCIL'S RISK REGISTER AND REFRESH OF THE RISK MANAGEMENT POLICY STATEMENT AND STRATEGY

The meeting heard from Jo Anson, Head of Financial and Information Governance. Members asked questions pertaining to the report.

Members asked for the following to be added to the risk register:

- The potential collapse of a third party service provider
- The lessons learned and recommendations from the Grenfell Tower tragedy and the issues around the Ledbury estate, and the council's ability to deal with such events.

RESOLVED:

1. That the annual report on the council's risk register be noted.
2. That the refresh of the risk management policy statement and strategy be noted.
3. That the following further references be added to the risk register.

13. SOUTHWARK MEMBER INDUCTION PROGRAMME 2018

The meeting heard from Doreen Forrester-Brown, Director of Law and Democracy, and Emily Nice, Head of Organisation Transformation. Members asked questions of the officers.

Members asked for training sessions on how members can best represent their constituents at licensing sub-committee and planning meetings to be included in the induction programme and for all training sessions to be offered on at least one alternative date.

RESOLVED:

1. That the progress which has been made in the implementation of electronic summons be noted.
2. That the completion of the project to roll out mobile technology to all members be noted.

3. That the draft Southwark Member Induction Programme 2018 be noted and agreed.

14. DRAFT WORK PROGRAMME FOR 2018-19

Members considered the information in the report.

RESOLVED:

1. That the proposed draft work programme for 2018-19 be noted.
2. That the work programme for 2018-19 set out in Appendix 2 of the report be agreed without any changes.

15. ANNUAL REPORT OF AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

Members reviewed the information in the report.

RESOLVED:

1. That no amendments need to be made to the draft self-assessment of good practice attached at Appendix 1 of the report.
2. That this report on the committee's work and performance in 2017-18 be forwarded to all councillors, without amendments.

16. APPOINTMENT OF NON-VOTING CO-OPTED MEMBERS OF THE CIVIC AWARDS SUB-COMMITTEE FOR 2017-18

Councillors considered the information considered in the report under item 18.

RESOLVED:

1. That the short-listed nominations for the positions of co-opted members of the audit, governance and standards (civic awards) sub-committee outlined in the closed report be reviewed
2. That nominations as appropriate be agreed.

17. UPDATING OF WHISTLEBLOWING POLICY AND PROCEDURE

The meeting heard from Doreen Forrester-Brown, Director of Law and Democracy. Members asked questions related to the report.

Members asked officers to correct the telephone number of the UNITE union in the policy, to add emails for the contacts listed and to ensure that these contact details be kept up to date.

RESOLVED:

That the recent changes to the council's whistleblowing policy and procedure be noted.

At 9pm the following motion was passed:

"That the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in category 1 of paragraph 10.4 of the access to information procedure rules of the Southwark Constitution."

18. APPOINTMENT OF NON-VOTING CO-OPTED MEMBERS OF THE CIVIC AWARDS SUB-COMMITTEE FOR 2017-18

Additional information on the nominees was tabled at the meeting.

The committee considered the closed information relating to this item. Please see item 16 for the decision

Meeting ended at 9.25 pm

CHAIR:

DATED: