

Audit, Governance and Standards Committee

MINUTES of the OPEN section of the Audit, Governance and Standards Committee held on Tuesday 22 November 2022 at 6.30 pm at Ground Floor Meeting Room G01A - 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Barrie Hargrove (Chair)
Councillor Graham Neale
Councillor Gavin Edwards
Councillor Andy Simmons
Councillor Michael Situ
Councillor Emily Tester

**OFFICER
SUPPORT:** Michael Scorer, Strategic Director of Housing and Modernisation
Duncan Whitfield Strategic Director of Finance and Governance
Doreen Forrester-Brown, Director of Law and Governance
Tim Jones, Finance Manager
Ian Ogden, Local Land Charges Manager
Mobeen Zafar, Head of Security and Infrastructure
Angela Mason-Bell, BDO
Ciaran McLaughlin, Grant Thornton LLP

1. APOLOGIES FOR ABSENCE

As the chair was not in attendance at the start of the meeting, Councillor Graham Neale as the vice chair opened the meeting.

Apologies for absence were received from Internal Audit, Greg Rubins and Nick Baker from BDO.

Apologies for lateness were received from the Chair, Councillor Barrie Hargrove

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 Chair agreed to accept item 11, Treasury management strategy, as late and urgent.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

5. MINUTES

The minutes of the meeting held on 17 October 2022 were agreed as a correct record.

6. GOVERNANCE CONVERSATION: MICHAEL SCORER

Michael Scorer, strategic director of housing and modernisation, presented the governance structures of the department. Members had questions for the officer.

The strategic director clarified that as part of the audit plan process the report is reviewed by the senior management team at their meeting. This is subsequently followed by a progress report on the delivery of the recommendations in the plan.

Members thanked the strategic director for his attendance

7. INTERNAL AUDIT AND ANTI-FRAUD PROGRESS REPORT: NOVEMBER 2022

Angela Mason-Bell, BDO, introduced the report. Members had questions of the auditors.

Councillor Gavin Edwards requested that officers could consider whether to involve members of either the audit, governance and standards committee or the overview and scrutiny committee in the development of the Fairer Future Procurement Framework and Procurement Guidelines. Officers undertook to bring a draft of the review to the committee for their consideration.

The committee agreed to invite officers to attend the meeting to give an update on any audits where the 'management implementation dates' have consistently slipped and responses are still awaited. The committee agreed to look at the most high-risk audit or the three oldest outstanding audits still awaiting responses, subject to officers' recommendations.

RESOLVED:

That the audit, governance and standards committee noted the report, as attached at Appendix A of the report.

8. SELECTION CRITERIA FOR INDEPENDENT MEMBERS OF THE AUDIT, GOVERNANCE AND STANDARDS (CIVIC AWARDS) SUB-COMMITTEE

Doreen Forrester-Brown, director of law and governance, and monitoring officer presented to the Committee.

Members requested that officers review whether the criteria as set out are inclusive of the protected characteristics. Due to the sub-committee comprising of only four independent members, fulfilling the criteria may prove challenging.

Councillor Hargrove proposed the following amendment to the criteria set out in paragraph 8;

Invitees should:

- Have a good understanding of the borough and its diverse communities
- Ideally be familiar with the borough's Voluntary and Community Sector (VCS)
- Be able to understand and evaluate nominations for Civic Awards
- Not be a nominee or represent an organisation that is nominated.

The Chair advised the committee if they have any suggested nominations to send those through to Martin Kovats, community projects manager.

RESOLVED:

1. That the committee agreed the amended criteria set out above for inviting individuals to join the audit, governance and standards (civic awards) sub-committee ('the civic awards sub-committee') for evaluating nominations for the 2023 Civic Awards.
2. That the committee consider any recommendations they would have for individuals or groups to be invited to join the civic awards sub-committee.

9. PUBLIC INTEREST REPORTS UPDATE

Ciaran McLaughlin, Grant Thornton LLP, presented to the committee.

Officers undertook to look into offering an online briefing to all councillors ahead of the budget-setting meeting of council assembly in February 2023.

RESOLVED:

1. That the audit, governance and standards committee noted Grant Thornton's report 'Lessons from recent Public Interest Reports and other interventions' 2022 (Appendix 1)
2. That the audit, governance and standards committee agreed to circulate the report to all councillors

10. GRANT THORNTON AUDIT UPDATE REPORT

Ciaran McLaughlin of Grant Thornton LLP updated the committee.

The committee were reminded that the 2020/21 audit had not yet been signed off due to the national infrastructure assets issue. It is understood that the statutory override is due to be laid before parliament on 30 November 2022 and will come into effect on 25 December 2022. Following this, the 2020/21 audit will be signed off in January 2023.

The full details of the findings of the 2021/22 audit will be presented at the next meeting of the committee.

11. TREASURY MANAGEMENT STRATEGY

Tim Jones introduced the report. Members had questions of the officer.

RESOLVED:

1. That the Audit, Governance and Standards committee note:
 - a. The draft Treasury Management Strategy and Capital Strategy for 2023-24,
 - b. The significant movements in the macro-economic environment and financial markets worldwide in 2022-23 and that this will require a reset of the Council's Treasury Management Strategy,
 - c. That the council continues to invest in an ambitious long-term capital programme that provides significant ongoing benefits throughout the Borough and, in some cases, revenue streams to support council services.

12. WHISTLEBLOWING COMPLAINTS AND OUTCOMES

Doreen Forrester-Brown, director of law and governance, and monitoring officer, presented to the committee. Members had questions for the officer.

Officers undertook to enquire as to whether the message on the whistleblowing policy and process can be included in the Chief Executive's weekly message to all staff.

RESOLVED:

That the audit, governance and standards committee notes this report.

13. MEMBERS' CODE OF CONDUCT COMPLAINTS PROCEDURE

Doreen Forrester-Brown, director of law and governance, and monitoring officer, presented to the committee. Members had questions for the officer.

RESOLVED:

That the audit, governance and standards committee agrees the proposed updates to the Members' Code of Conduct Complaints Procedure as indicated in Appendix 1.

Meeting ended at 8.34 pm

CHAIR:

DATED: