

GENERAL PURPOSES AND AUDIT COMMITTEE

Meeting Held on Wednesday 29 June 2016 at 6.30pm, Council Chamber,
Town Hall, Katharine Street, Croydon, CR0 1NX

MINUTES PART A

Present: Councillor Karen Jewitt (Chair)
Councillor Kathy Bee (Vice Chair)
Councillors: Jeet Bains, Jan Buttinger, Jason Cummings,
Sherwan Chowdhury, Mike Fisher, Patricia Hay-Justice,
Maddie Henson and Joy Prince .

Independent non-voting member, Mr Muffaddal Kapasi.

Also Present: Councillor Simon Hall, Cabinet Member for Finance & Treasury
Jacqueline Harris-Baker, Acting Borough Solicitor & Monitoring Officer
Chris Long and Rufaro Dewu, Grant Thornton, external auditors
Richard Simpson, Assistant Chief Executive, Corporate Resources
& S151 Officer,
Lisa Taylor, Assistant Director of Finance & Deputy Section 151 Officer
Dave Philips, Mazars, Internal Audit Manager
Simon Maddocks, Head of Governance
Sarah Ireland, Director of Strategy, Communities & Commissioning
Malcolm Davies, Head of Insurance Risk & Corporate Programme
Officer,
Graham Cadle, Assistant Chief Executive, Customer & Transformation

A14/16 Apologies for Absence

An apology for absence was received from Councillor Humayun Kabir,
Councillor Maddie Henson deputised.

Non-Voting independent member Mr Nero Ughwujabo did not attend.

A15/16 Minutes of the meetings held on 23 March 2016 and 23 May 2016 (agenda item 2)

RESOLVED: that the Minutes of the meetings held on Wednesday 23
March 2016 and Monday 23 May 2016, be noted and agreed and
signed by the Chair.

A16/16 Disclosure of Interest

None

A17/15 Urgent Business

None

A18/16 Exempt Items

The Committee **Noted** that there were no Part B agenda items.

A19/16 Boundary Review Submission (agenda item 6)

The Cabinet Member for Finance and Treasury, Councillor Simon Hall supported by the Director of Strategy, Communities and Commissioning gave a short presentation in relation to the Council's Boundary Commission submission. The Council had requested a review by the Local Government Boundary Commission to address current and forecast variations in electoral equality.

The Chair thanked the Cabinet Member and the Director for the comprehensive presentation and the subsequent question and answer session.

The Majority Group Members **RESOLVED** to agree the recommendations in the report. The Minority Group Members abstained from agreeing the recommendations in the report and requested clarity in relation to figures that had been previously quoted.

A20/16 Grant Thornton reports (agenda item 7)

Chris Long and Rufaro Dewu of Grant Thornton introduced their reports.

The Committee **noted** the contents of Audit Plan for Croydon Council Pension Fund and General Purposes and Audit Committee Progress and Update Report for Croydon Council.

Members of the Committee asked questions and received oral replies which gave clarity of each report. The general concerns related to indicated risks as outlined in the report. Grant Thornton representatives confirmed that the risks identified were not significant.

The Committee discussed their particular concerns regarding the outcome of the EU Referendum; Grant Thornton representatives confirmed that the figures before the committee were related to 31 March 2016. The full impact on the markets and the consequences of the outcome of the referendum were not yet evident, unknown.

Grant Thornton advised that due to changes to reporting deadlines, authorities would be required to submit annual draft accounts by end of May and audited by end of July. Currently draft accounts are submitted 30th June 2016. Richard Simpson and his team were able to provide

Grant Thornton with the draft account by 6 June and the final account was prepared and submitted by 21 June 2016

The Chair thanked Grant Thornton representatives for their report.

A21/16 Members ICT Provision (agenda item 8)

Graham Cadle, Assistant Chief Executive, Customer and Transformation was in attendance to present this report to the Committee.

The report outlined the proposed mechanisms which would delivery significant changes whilst providing Members with an increase in agile working coupled with a tailored IT service.

Members were informed that support will be available on a group and or individual basis. Changes to the Scheme of Members' Allowances were explained to the Committee which would fund the new ways of agile working.

Following consideration the Committee **RESOLVED** to approve the adoption of the revised Scheme of Members' Allowances Part 06.A of the Constitution as detailed in the previously circulated report.

A22/16 Financial Performance Report for 2015/16 (agenda item 9)

The Committee **RESOLVED** to:

- 1.1 Approve the levels of reserves and provisions set out in section 7.4 of the previously circulated report, as recommended by the Section 151 Officer;
- 1.2 Note the Council's outturn position, and the progress of the Council's current Financial Strategy objectives;
- 1.3 Note the departmental outturn variances as contained within Table 2 and Appendix 1 of the previously circulated report;
- 1.4 Note that a report seeking final approval of the accounts following their review by external audit will be presented prior to the deadline of the 30th September 2016.

A23/6 Anti-Fraud Update Report 1 April 2015 – 31 March 2016 (agenda item 10)

The Committee **RESOLVED** to note the Anti-fraud activity of the Corporate Anti-Fraud Team for the period 1 April 2015 – 31 March 2016.

A24/16 Internal Audit Review of Effectiveness 2015/16 (agenda item 11)

The Committee reviewed and commented on the Assistant Chief Executive's (Corporate Resources and Section 151 Officer) assessment of the internal audit function

A25/16 Head of Audit Annual Report 2015/16 (agenda item 12)

The Committee **NOTED** the Head of Audit's report 2015/16 and the overall Substantial level of assurance of the Council's systems of internal control.

A26/16 Exceptions to Tendering and Contract Regulations (agenda item 13)

The Committee **NOTED** the exceptions to the Tenders and Contract Regulations granted by the Director of Strategy, Communities and Commissioning since last reported to the Committee.

A27/16 Annual Governance Statement (agenda item 14)

The Committee **RESOLVED** to:

- 1.1 Approve the Annual Governance Statement for the year 2015/16 at appendix 1 to the previously circulated report in relation to scope of responsibility, purpose of the framework, governance framework detail and review of its effectiveness;
- 1.2 Agree the statement on 'outcomes' in relation to 'Issues raised in 2014/15 Statement and progress to date' and to
- 1.3 Agree the significant governance issues identified in relation to 2015/16 and the actions being taken to mitigate those risks.

A28/16 Annual Appointments - Amendments (agenda item 15)

The Committee agreed on behalf of the Council the following amendments to Appointments made at Annual Council on 23 May 2016:

1. Section 5 Army Reserve Units
Greater London Reserve Forces' and Cadets Association - John Wentworth, replaces Councillor Pat Clouder
2. C (Kent and Sharpshooters Yeomanry) Squadron, The Royal Yeomanry – Councillor Pat Clouder and Councillor Dudley Mead replaces Councillor John Wentworth and Councillor Wayne Trakas-Lawlor

3. Mortar Platoon, B Company, 4th battalion The Parachute regiment – Councillor Steve Hollands
4. 508 (Croydon) HQ Sqn Royal Logistic Corp, 151 Regiment Royal Logistic Corp – Councillor Sara Bashford replaces Councillor John Wentworth.

The Chair informed that Committee that there was no business to be conducted in Part B of the agenda, in accordance with the Council's openness and transparency agenda.

The meeting ended at 8.34pm