

Committee: Governance, Audit and Performance

Date:

Title: Annual Report

8 February 2018

Report Author: Richard Auty, Assistant Director Corporate Services

Item for decision:
Yes

Summary

1. There is a requirement under the Council's Constitution for the Chairman of the Committee to report annually to Full Council.
2. This used to occur at the Annual Council meeting in May but it was decided to move the report to the April Full Council meeting.
3. The information below will form the report the Chairman will give to the Council meeting and summarises the key work of the committee in the 2017/18 year.

Recommendations

4. The committee approves the content of the Annual Report.

Financial Implications

5. There are no direct financial implications associated with this report.

Background Papers

6. None

Impact

- 7.

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

Situation

8. At the beginning of the 2017/18 year, the Performance and Audit Committee took on new responsibilities and became the Governance, Audit and Performance Committee. It now carries out the work previously done by the Constitution Working Group and the Electoral Working Group in addition to retaining responsibilities for internal and external audit, performance and risk monitoring.

External Audit

9. The Council's auditors EY gave an unqualified opinion on the financial statements for 2016/17 for the ninth consecutive year. EY found that the Council has proper arrangements in place to secure value for money in its use of resources and noted that effective and efficient governance arrangements had been put in place with regard to Aspire and its subsidiaries.
10. The Council published its draft accounts on 31 May 2017. There is a new statutory deadline to publish by the end of May which comes into effect in 2018, so the council achieved the new deadline a year early. Uttlesford was subsequently named in the top quartile of public authorities for the timeliness and quality of its financial reporting. A Public Sector Audit Appointments (PSAA) report recognised the Council as one of only 83 public sector authorities (out of 497 councils, police and fire services) to have received an early unqualified opinion on its 2016/17 accounts by 31 July 2017. Only two other councils in Essex, Basildon and Colchester, also managed this achievement.
11. The annual audit of the Housing Benefit Subsidy Claim was completed by EY, which noted in its report that the quality of the work undertaken by Council officers was excellent, meaning EY could place full reliance on the Council's work. This resulted in a reduction in auditor fees. This is the first year that the Council was not required to repay subsidy grant back to the DWP. Instead, the error rate was so low the Council actually gained almost £26,000 in additional subsidy payment.

Local Plan Costs

12. Following a request from a Committee Member, the Governance, Audit and Performance Committee received a report setting out the Local Plan costs.

Internal Audit and GDPR

13. During the course of the year the Committee has reviewed the work of Internal Audit through quarterly monitoring reports and received the Audit Manager's Annual Report and Opinion. The Committee considered and approved the Annual Governance Statement for 2016/17 which is published with the Council's Statement of Accounts.

14. During the 2017/18 year the Committee also received:

- The Internal Audit Strategy and Programme 2017/18 and a later revision
- A report on Internal Audit Counter Fraud and Corruption work
- The results of the annual Self-Assessment, through which members who attended the session concluded the committee is effectively fulfilling its functions in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance

15. The Governance, Audit and Performance Committee has responsibility for overseeing the Council's approach to the General Data Protection Regulation (GDPR) which comes into force in May 2018.

16. The Internal Audit Manager is leading this large project to ensure the Council is compliant with the new regulations, which replace the Data Protection Act and committee members have looked at staffing arrangements to deliver the project and the implications for public access to data.

Constitutional and Electoral Matters

17. Members have received several reports during the year on constitutional and electoral matters following the decision to transfer these responsibilities to the Committee.

18. The Committee debated a report changing the definition of a key decision and recommended to Council that the new definition be adopted. This was subsequently approved.

19. It also considered the implications of, and approved the timetable for, a Polling District Review and recommended to Council that representations be made to the Boundary Commission for England to support revised proposals for the Saffron Walden Constituency as part of a Parliamentary Boundary Review.

Performance and Risk

20. The Committee has continued to undertake detailed quarterly monitoring of the Council's key performance indicators and a further set of supporting performance indicators. Service performance has in 2017/18 has remained strong.

21. The Committee also approved a new Risk Management Policy and Corporate Risk Register and continues to monitor the Register on a six-monthly basis.

Procurement and Health and Safety

22. The Committee has continued to receive six-monthly reports on Procurement and Health and Safety after deciding last year that it wished to have greater oversight of these two areas of work. It noted a positive picture for Health and

Safety within the Council and received information about a variety of initiatives and campaigns during the year. With regard to Procurement, members received details of contracts let over £50,000 and instances where exceptions to Contract Procedure Rules had been requested. Members also asked questions about the Superfast Essex Rural Broadband project.

Ombudsman Annual Review

23. The Local Government and Social Care Ombudsman's annual review letter was presented to the Committee for the first time during 2017/18. Previously it was reported on a more informal basis through the Members' Bulletin, but officers felt it would be of benefit for members to have a more formal oversight of this important document. The Committee noted that one complaint against the Council had been upheld during 2016/17, but this had been resolved in the form of an apology to the complainant.