



# **Governance, Audit, Risk Management and Standards Committee**

## **Minutes**

**19 March 2024**

**Present:**

**Chair:** Councillor Kanti Rabadia

**Councillors:** Ghazanfar Ali                      Kuha Kumaran  
Philip Benjamin                                  Yogesh Teli  
Rashmi Kalu    Antonio Weiss

**1. Attendance by Reserve Members**

**RESOLVED:** To note that there were no Reserve Members in attendance

**2. Declarations of Interest**

**RESOLVED:** To note that Councillor Rabadia declared a disclosable pecuniary interest in item 13 of the agenda.

**3. Minutes**

**RESOLVED:** That the minutes of the meeting held on 29 November 2023, be taken as read and signed as a correct record.

**4. Public Questions**

**RESOLVED:** To note that no public questions were received

## 5. Petitions

**RESOLVED:** To note that no petitions had been received.

## 6. Deputations

**RESOLVED:** To note that no deputations had been received.

## 7. References from Council and other Committees/Panels

**RESOLVED:** To note that no references were received.

## 8. INFORMATION REPORT - Q3 Corporate Risk Register 2023/24

The Committee received a report which set out the Council's Corporate Risk Register 2023/24 for Q3 of the financial year to assist the Committee in monitoring progress on risk management in accordance with its terms of reference.

The report was introduced by the Managing Director who provided a brief overview.

In response to questions from Members it was clarified that:

- the risk register exists to provide the Council with a strategic overview of the risks faced by the Council enabling it to put in mitigations for such risks.
- The Failure to stabilise and optimise the Dynamics Finance and Operations system (Finance and HR/Payroll) was a risk which is decreasing over time as the implementation of the system progressed.
- Once a risk was closed, it may be removed from the Corporate risk register but monitored elsewhere within the organisation.
- A number of different programmes were recently implemented to help enhance training for staff including leadership courses for female members of staff and targeted training for more junior members of staff.
- Corporately, staff were required to come and work across the various sites in the Borough a minimum of 2 working days per week

**RESOLVED:** That the INFORMATION REPORT –Corporate Risk Register 2023/24 Q3 Update be noted

## 9. 2022/23 Draft Statement of Accounts

The Committee received a report which set out the draft statement of accounts for 2022/2023. The report was introduced by the interim Director of Finance and Assurance who informed that Harrow were the first of Mazars London clients to have their 2021/2022 statement of accounts approved.

Members were informed that the draft accounts for 2022/23 were published on 24 January 2024 with a public inspection period which ended on 6 March.

In response to questions from Members to Officers it was clarified that:

- The auditors have been in since January and made good progress in their work
- Harrow has faced reduction in funding from Central Government funding over recent years; this has however been factored into the Council's Budget
- This was the first year which Harrow got WHE to do its valuations (external valuers). There are a range of values used to value the Council's assets. The higher end of an acceptable range was used. Discussions have been held with the valuers asking them to adjust 1 assumption of the valuations and it was hoped that this would be a desktop exercise to resolve.
- the biggest provisions of trade debtors for the Council were Business rates and collection rates.
- surplus assets refer to assets which were not operational for the Council but could not be clarified as investments. An example of this was the Civic Centre.

The External auditors from Mazars were invited to provide their comments on the 2022/23 draft statement of accounts. Mazars informed members that a timetable had been put together to enable to Mazars to complete their final review processes by the end of September.

The auditors explained that there were 4 significant risks for the 2022/2023 financial statements identified and these were:

- 1) Management override of controls ( a mandatory significant risk)
- 2) Valuation of net defined pension liability
- 3) Valuation of property, plant and equipment and investment property
- 4) Migration of payroll data

It was confirmed that the intention was for the audit for 2022/2023 to be signed off by the end of September subject to any risks and unforeseen circumstances.

**Resolved** :that the draft 2022/23 Statement of Accounts for the Council report be noted.

## 10. **INFORMATION REPORT - Internal Audit & Corporate Anti Fraud Team (CAFT) Progress Report for the period ending 29 February 2024**

The Committee received a report which set out the Internal Audit and Corporate Anti Fraud Team (CAFT) progress against the 2023/24 plans and outcomes of reactive investigations as of 29 February 2024.

Members were informed by the Officer that the report which split into 3 sections; Progress against the 2023/24 Internal Audit Plan, Performance of the Corporate Anti Fraud Team and the Summary of UK Public Sector Internal Audit Standards Self Assessment 2023.

It was explained to members that 75% of the plan had been achieved. In addition to this, a total of 54 recommendations were made to management to improve internal controls of which 100% were agreed for implementation by management, exceeding the 95% target.

Members were given the opportunity to ask questions and these were responded to accordingly.

**Resolved** : that the progress report at Appendix 1 be noted

## 11. **Corporate Anti - Fraud and Anti - Corruption Strategy 2022-26**

The Committee received a report which set out the process and refresh of the Council's Corporate Anti - Fraud and Corruption Strategy 2022-26. Members were informed that The Strategy has been refreshed to reflect changes made to the Local Government Strategy for fraud; Fighting Fraud and Corruption Locally 2020s Strategy

In response the questions from Members it was clarified that:

- The Council has the ability to prosecute under the fraud act is sufficient evidence had been found that fraud had taken place.
- A new addition to the strategy from previous years was on page 205 of the report and the 5 pillars for fighting fraud and corruption locally. One of the pillars added in from the previous strategy related to protecting itself and its residents from fraud.

**Resolved:** that

- 1) The Committee reviewed and noted the Corporate Anti-Fraud and Corruption draft Strategy 2022-26
- 2) The Corporate Anti-Fraud and Corruption Strategy 2022-26 be referred to Full Council for approval.

## 12. **Review of Treasury Management Strategy 2024/25**

The Committee received a report which set out a review of the Treasury Management Strategy for 2024/2025. This report was taken to Cabinet in February 2024.

Members were informed that the strategy for 2024/25 covered the below areas:

Capital Issues (Section 2)  
Borrowing (Section 3)  
Annual Investment Strategy (Section 4)  
Other Treasury Issues (Section 5)

It was explained that due to the January GARMS being re-arranged this report had already gone to Cabinet before GARMS; however going forwards the aim would be for such reports to go to GARMS before Cabinet and then the Full Council.

**Resolved** : that the report be noted

### **13. Application for a Dispensation**

The Committee received a report of the proper officer presenting requests for dispensations from two Councillors under s33 of the Localism Act 2011.

In January Councillor Greek and Councillor Rabadia submitted a request for a dispensation so that they could stay and speak for decisions on HSDP. They are both directors of HSDP Nominee Ltd company number 1347918 as council representatives. They receive remuneration for being on the board. Staying in a meeting when matters involving HSDP are being discussed would enable them to hear councillors points and would assist with their role on the board.

**Resolved:** that the requests for a dispensation to stay in a meeting and speak but not to vote be granted to Councillors Greek and Rabadia

(Note: The meeting, having commenced at 6.30 pm, closed at 8.42 pm).

(Signed) Councillor Kanti Rabadia  
Chair