

## Audit and Governance Committee



16 May 2019

7.00 pm at the

**Russettings, 25 Worcester Road, Sutton, SM2 6PR**

To all members of the Audit and Governance Committee:-

Chair: Councillor Richard Clifton  
Vice-Chair: Councillor David Hicks  
Councillors: Jean Crossby, Marlene Heron, Nali Patel, Colin Stears,  
Martina Allen, James McDermott-Hill and Nick Matthey  
  
Neil Asten (Independent Person), Geoffrey Beresford Hartwell  
(Independent Person) and Ruth Pearson (Independent Person)

Substitutes: Councillors Jenny Batt, Vincent Galligan, Martin Gonzalez,  
Jed Dwight, Tim Crowley, Param Nandha, Tim Foster and  
Jillian Green

This is a Council meeting held in public. Additional representations are at the invitation of the Chair of the Committee. If you are a relevant organisation and you wish to submit representations on a proposal contained within the reports to this agenda please submit a request via Committee Services three working days before the meeting date.

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**This meeting will be recorded and made available on the Council's website.**

**PLEASE NOTE:** Any decision taken at this meeting does not become definitive until 10am on the third working day after the meeting. Any four members of the Council may notify the Chief Executive by then if they require a decision to be reviewed by the appropriate committee at its next meeting. Please contact the Committee Services representative shown on the front page for further information.

Helen Bailey  
Chief Executive  
Friday, 3 May 2019

*Enquiries to: Fiona Bywaters, Committee Services Team Leader Tel.: 020 8770 4990,  
Email: [committeeservices@sutton.gov.uk](mailto:committeeservices@sutton.gov.uk)*

*Copies of reports are available in large print on request*

# A G E N D A

1. **Welcome and introductions**

2. **Apologies for absence**

3. **Declarations of interest**

4. **Minutes of the previous meeting**

5 - 8

To approve as a correct record the minutes of the meeting held on 31 January 2019.

## **Part 1 - Governance**

5. **AG/2018/25 - Operation of the Code of Conduct**

9 - 14

A function of the Council's Audit & Governance Committee is to receive reports on the operation of the member Code of Conduct at Sutton. The purpose of this report is to update the committee on complaints which have been received and dealt with since the last meeting.

6. **AG/2018/26 - Member Development Update**

15 - 22

The purpose of this report is to update the Committee on the Council's member development programme, setting out how the Council is ensuring that all members are fully aware of their obligation to follow the Nolan Principles and to help them meet the standards of behaviour and conduct that the public have a right to expect from their elected members.

7. **AG/2018/27 - Local Government Ethical Standards**

23 - 50

To consider the Committee on Standards in Public Life (CSPL) - Review into Local Government Ethical Standards.

*Appendix A available online in full at  
[www.gov.uk/government/publications/local-government-ethical-standards-report](http://www.gov.uk/government/publications/local-government-ethical-standards-report)*

8. **AG/2018/28 - HR Update**

51 - 66

This report provides an overview of key HR workforce and health and safety related data, including analysis of that data and an overall direction of travel. It provides an update on a range of activities within HR and across LBS to address some of the challenges the data raises.

## Part 2 - Audit

### 9. **Members' Development - The Role of Internal Audit**

Presentation by Margaret Cullerton on the role of internal audit.

### 10. **AG/2018/29 - Treasury Management Quarterly Report**

67 - 76

This report is the treasury management review for the quarter ended 31 December 2018. It summarises the Council's Treasury Management operations during the first nine months of 2018/19. It is presented for the purpose of monitoring and review and meets best practice as suggested by the Treasury Management Code of Practice.

### 11. **AG/2018/30 - External Audit Update 2018/19**

77 - 98

The statutory Audit of the London Borough of Sutton for 2018/19 is underway and this report gives an update of progress, specifically focusing on the interim audit visit and full audit planned visit of June to July 2019.

*Appendix B to follow*

### 12. **AG/2018/31 - Internal Audit Annual Plan 2018/19**

99 - 122

This attached report comprises the draft Annual Internal Audit Plan for 2019/20. This sets out Internal Audit's priorities and work programme for the year ahead for approval by the Audit and Governance Committee.

### 13. **AG/2018/32 - Review risk register and discuss mitigation**

123 - 132

This report provides an overview of the current corporate risk register which has been updated for May 2019. A full update of the risk register will be provided prior to the meeting itself.

### 14. **AG/2018/33 - SWLFP Fraud referrals and Investigations Update**

133 - 148

This report summarises the results of the Council's Counter-Fraud and investigations work undertaken since 1 April 2018 compared with the indicative resource allocation plan for 2018/19.

### 15. **AG/2018/34 - Membership of the London Counter Fraud Hub (LCFH)**

149 - 160

London Councils have a good record in investigating fraud and with collaborating with others to enhance fraud prevention and detection but there is always the need to respond to technological developments. Innovation is

important to fighting fraud, especially at a time of finite resources, and the use of smart analytics can improve the Council's ability to tackle fraudsters thus prevent resources being taken away from delivering services to those who need them.

*Appendix A contained in exempt supplement*

**16. Provisional Work Plan**

161 - 162