

Decision Maker: **AUDIT SUB-COMMITTEE**

Date: **21st October 2021**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **MATTERS OUTSTANDING**

Contact Officer: Stephen Wood, Democratic Services Officer
Tel: 020 8313 4316 E-mail: Stephen.Wood@bromley.gov.uk

Chief Officer: **Ade Adetosoye—Chief Executive**

Ward: N/A

1. Reason for report

To update the Audit Sub-Committee on progress with Matters Arising (Part 1) from previous meetings and noting any matters that are still outstanding.

2. **RECOMMENDATION(S)**

To note and comment on progress with matters arising from previous meetings.

To recommend any action as deemed appropriate with respect to matters that have not been resolved.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £358,740
 5. Source of funding: 2021/2022 revenue budget
-

Staff

1. Number of staff: Currently 5 full time staff
 2. If from existing staff resources, number of staff hours: Completion of "Matters Arising" reports for the Audit Sub Committee normally takes a few hours per meeting.
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of members of the Audit Sub-Committee so that Committee Members can monitor progress made on matters that are outstanding from previous meetings.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A
3. **COMMENTARY**

Attached is a schedule of matters outstanding from previous meetings of the Audit Sub Committee with a note of progress made. Most of these issues are taken up in more detail in the progress reports on the agenda (parts 1 and 2). Once an outstanding matter has been completed it will be removed from the schedule.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact officer)	Previous Minutes of Audit Sub Committee.

Appendix 1

Issue & Date	Summary	Update and/or Action being taken.	By	Status
<p>Minute 67 09/03/21</p> <p>Internal Audit Progress Report</p>	<p>The Head of Audit and Assurance would try and find out when the fee payable to the external auditors would be agreed.</p>	<p>The audit fee has yet to be agreed. PSAA has set a fee of £91,689, whilst EY has proposed a fee of £188,271. The Director of Finance has asked PSAA to review EY's proposed fee and it is hoped this will lead to agreement on a revised figure in the near future.</p> <p>The latest position is included in the Progress Report</p>	<p>Director of Finance</p>	<p>Ongoing</p>
<p>Minute 67 09/03/21</p> <p>Internal Audit Progress Report</p>	<p>The Head of Audit and Assurance would find out when the upgrade to the Council's financial management system would take place.</p>	<p>It will be updated and operational by April 2022</p> <p>As at the 29/09/21 the new financial system will go live on the 1/4/2022.</p>	<p>Head of Audit and Assurance</p>	<p>Ongoing</p>
<p>Minute 77 08/06/21</p> <p>AGS</p>	<p>The Head of Audit and Assurance would discuss the matter of former senior members of the Planning Department leaving the Council and working in the private sector as Planning Agents with the Director of Corporate Services.</p>	<p>The Head of Audit and Assurance consulted with the Director of Corporate Services and the Director of HR and Customer Services and their advice is set out below.</p> <p><i>"The starting point is that a restraint of trade by agreement in an employment situation will be contrary to public policy, and therefore unlawful, unless:</i></p> <ul style="list-style-type: none"> <i>- the person seeking to enforce the restraint has a legitimate business interest to protect;</i> <i>- the restraint is reasonable in the public interest, and</i> <i>- the restraint is reasonable as between the parties</i> 	<p>Head of Audit and Assurance</p>	

		<p><i>Restraint of Trade clauses are far more common in some of the private rather than the public sector – not least because the legitimate business interest point is much harder for us to make out.</i></p> <p><i>Even in very sensitive areas it is unusual to see the restraint period last longer than 6 months with 12 tending to be an upper limit.</i></p> <p><i>Also it is an implied condition in a contract of employment that an employee shouldn't disclose confidential information or trade secrets during their employment. Only the position on trade secrets will usually survive if someone leaves without an express provision which will rarely or ever be applicable to the public sector and the private sector will often manage by putting people on garden leave when they are of course still employed."</i></p>		
<p>Minute 77 08/06/21</p> <p>AGS</p>	<p>The Head of Audit and Assurance noted comments made by the Committee and he would amend the draft AGS if he felt that this was appropriate.</p>	<p>Updates to the AGS were made where appropriate.</p>	<p>Head of Audit and Assurance</p>	