

CABINET

DATE OF MEETING: 1 SEPTEMBER 2022

TITLE OF REPORT: SHAPLEY HEATH AUDIT REVIEW REPORT

Report of: Monitoring Officer

Cabinet Portfolio: Leader

Key Decision: No

PURPOSE OF REPORT

1. The purpose of this report is to receive the request from Audit Committee that Cabinet provide a response to the management recommendations contained within the Shapley Heath Audit Review report, and to review the application of project governance, financial controls, and reporting for the Shapley Heath project and to provide a response to Audit Committee on lessons learnt.

RECOMMENDATION

- A. That the Interim Section 151 Officer prepares an action plan to comprise the response to the management recommendations contained within the Shapley Heath Audit Review report: and
- B. Cabinet to decide how it wishes to respond to the request from Audit Committee that Cabinet carries out a review of the application of project governance, financial controls, and reporting for the Shapley Heath project.

BACKGROUND

2. On the 6th July 2022 the Council received the final independent ttaa review of the [Shapley Heath Garden Community Project](#) (Appendix A). A summary of the ttaa key findings is attached at Appendix B.
3. The review was considered by the Audit Committee on the 26th July 2022: [Agenda for Audit Committee on Tuesday, 26th July, 2022, 7.00 pm | Hart District Council \(moderngov.co.uk\)](#). The Decision of the Audit Committee was:
 - A. Cabinet be asked to provide a response to the management recommendations contained within the Shapley Heath Audit Review report, and to review the application of project governance, financial controls, and reporting for the Shapley Heath project and to provide a response to Audit Committee on lessons learnt.
 - B. Staffing Committee be asked, for the period from March 2021 to the closure of the Shapley Heath project, to review the exercise of officer management oversight over the Shapley Heath project, including a review of officers' application of financial controls, risk management, monitoring, and reporting.
4. Staffing Committee is due to meet on the 2nd September 2022 to receive the Audit Committee's request to review the exercise of officer management oversight over the Shapley Heath project.

COMMENTARY

Response to the management recommendations contained within the Shapley Heath Audit Review report

5. The interim Section 151 is well placed with the Audit team to prepare a response to the management recommendations contained within the Shapley Heath Audit Review report. It is anticipated that this could come to November's Cabinet.

Review the application of project governance, financial controls, and reporting for the Shapley Heath project

6. Cabinet itself is best placed to decide how it wishes to respond to the request from Audit Committee. The suggested approach, however, is that this should be an independently facilitated reflection (perhaps supported by the LGA) that recognise both the positives as well as any short comings in the application of the governance arrangements associated with the project. Any lessons learnt should then be applied to all future projects. This review feedback should also be considered by Cabinet in November.
7. The role of officers is to be separately reviewed by Staffing Committee.

ALTERNATIVE OPTIONS CONSIDERED

8. There are no reasonable alternative options.

FINANCIAL IMPLICATIONS

9. The funding of external facilitation support may result in a modest expense which can be met from existing budgets with further provision to be made.

RISK MANAGEMENT

10. There are no risk management implications associated with this report.

EQUALITIES

11. There are no equalities implications associated with this report.

CLIMATE CHANGE IMPLICATIONS

12. There are no climate change implications associated with this report.

ACTION

13. Subject to Cabinet's agreement, the interim Section 151 Officer will start work on preparing a response to the management recommendations contained within the Shapley Heath Audit Review report. Meanwhile, officers will reach out on behalf of Cabinet to the LGA to undertake a reflection on the application of project governance, and reporting for the Shapley Heath project. Cabinet can then review any findings and consider how any lessons learnt should be applied to future projects.

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Appendices

Appendix A [Shapley Heath Garden Community Project July 2022](#)

Appendix B ttaa key findings.

Appendix C Cabinet report 2 January 2020, Paper F: Garden Community Governance.