

# Minutes

<b>Meeting name</b>	<b>Audit and Standards Committee</b>
<b>Date</b>	<b>Wednesday, 30 November 2022</b>
<b>Start time</b>	<b>6.30 pm</b>
<b>Venue</b>	<b>Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire LE13 1GH</b>

## **Present:**

**Chair** Councillor D. Pritchett (Chair)

**Councillors** C. Fisher (Vice-Chair) S. Atherton  
P. Chandler J. Douglas  
E. Holmes P. Posnett MBE  
J. Wilkinson

**Officers** Director for Corporate Services  
Director for Growth and Regeneration  
Monitoring Officer (via remote link)  
Chief Internal Auditor  
Democratic Services Officer (HA)  
Democratic Services Officer (CT)

Minute No.	Minute
12	<p><b>Apologies for Absence</b></p> <p>An apology for absence was received from Councillor Webster. Councillor Wood was not in attendance.</p>
13	<p><b>Minutes</b></p> <p>The minutes of the meeting held on 5 July 2022 were approved.</p>
14	<p><b>Declarations of Interest</b></p> <p>Councillor Posnett declared a personal interest in any matters relating to the Leicestershire County Council due to her role as a County Councillor.</p>
15	<p><b>Audit and Standards Committee Annual Report</b></p> <p>The Chair, Councillor Don Pritchett, introduced his report. This is the first report of this kind at Melton and included a self-assessment against the checklist set out in the CIPFA publication “Audit committees – practical guidance for local authorities”. The report had been produced in conjunction with the Director for Corporate Services and Chief Internal Auditor. It was also mentioned that the external audit provider is behind with their work and no plan has been submitted for the Audit of the 2021/22 accounts. The Director for Corporate Services is monitoring the situation and is briefing the Chair and Vice Chair regularly.</p> <p>A member queried why the report had been done in August and not at end of financial year. The Chair advised that the report did not need to cover the financial year, and this was the best time for the report to be done.</p> <p>In response to the areas of concern the Chair highlighted in his report Members raised concerns about the number of outstanding planning enforcement and condition compliance due to inadequate staff resources. The Director for Growth and Regeneration confirmed that a planning enforcement officer has recently been recruited because of the actions required in this report, so an improvement should be seen in the coming months.</p> <p>Members welcomed the report and commented that it was easy to follow.</p> <p><b>RESOLVED</b></p> <p>The Committee:</p> <ol style="list-style-type: none"> <li>1) <b>APPROVED</b> that the report is to be submitted to Council, and</li> <li>2) <b>APPROVED</b> the Audit Committee self-assessment at Appendix A.</li> </ol>

### Internal Audit Progress Report

The Chief Internal Auditor, Rachel Ashley-Caunt, introduced the report which set out the progress made in delivering the 2022/23 Internal Audit Plan and key findings arising from audit assignments completed.

Ms Ashley-Caunt highlighted the Internal Audit Progress Report at Appendix 1, which set out all assignments within the current year's Internal Audit Plan, the status of the assignments at the time of reporting and the outcomes of the assignments that have been completed. Good progress against the delivery of the Internal Audit Plan had been made, with good outcomes and the positive assurance opinions should provide reassurance to Members on key areas. Any uncompleted assignments were progressing well and those finalised following the meeting would be subject to reporting at a future meeting. Ms Ashley-Caunt advised at the time of reporting a further five audits had been completed.

With regard to the licensing audit the Director for Growth and Regeneration, Pranali Parikh gave an update on work that had taken place following this audit and was pleased to advise that significant changes have been made. She advised that a full time Licensing Enforcement Officer was now in place, and this has helped with the enforcement, previously the role had been split between Licencing and Planning, but due to a new Planning Enforcement Officer being recruited the Enforcement Officer now works full time on Licensing. Ms Parikh advised that the licencing register is in progress, however due to technical issues in publishing it in an accessible way this has been delayed. She said that all actions required in the report are in progress and hope to meet all the timescales required.

Councillor Douglas, as the Chair of the Licensing Committee, said she was pleased to see it had been included in the report and she said on the whole Licencing runs well, however added that the Council must not be complacent. She added that it was good to see that areas have been picked up that need some work.

Members did question if the Licencing Enforcement Officer would be looking at out of hours drinking, particularly in villages. In response, they were advised this is an area that the Enforcement Officer would be looking at but did advise resources are extremely limited.

A concern was raised about the council's liability due to limited resources meaning that not everything can be done. . In response to a specific question regarding negligent actions following a member decision the Director for Corporate Services advised that the Council has Professional Indemnity Insurance.

Councillor Pritchett passed his thanks to the staff for the positive work that had been done, including the audits of fixed assets and the evidence of progress being made in the housing reports.

### RESOLVED

The Committee **NOTED** the report and progress made by the Internal Audit team in the delivery of the Audit Plan was by the Committee.

	<p><i>(The Director for Growth and Regeneration left the meeting and did not return.)</i></p>
17	<p><b>Internal Audit Plan Development for 2023/24</b></p> <p>Rachel Ashley-Caunt, Chief Internal Auditor introduced the report, the purpose of which was to provide Members with an overview of the proposed Audit Planning process for 2023/24 and consult Members on risk areas to be considered in the development of the Audit Plan.</p> <p>Ms. Ashley-Caunt advised that Internal Audit aimed to develop a risk-based Audit Plan by consulting with Senior Management Team and the Committee, by reviewing changes to legislation, new statutory responsibilities, risk registers and current assurances to see where Internal Audit coverage would add the most value.</p> <p>Ms. Ashley-Caunt invited Members to advise her of any areas where they would value assurance from Internal Audit. The draft Plan would be submitted to the Committee in March 2023 for formal approval.</p> <p>Councillor Pritchett said that a memorandum would be sent out for Members to advise of areas they would like to be included in the plan.</p> <p><b>RESOLVED</b></p> <p>That the committee</p> <p>1) <b>NOTED</b> the proposed approached to developing the Audit Plan for 2023/24</p>
18	<p><b>Independent Review into the Oversight of Local Audit &amp; the transparency of Local Authority Financial Reporting - The Redmond Review</b></p> <p>The Director for Corporate Services, Dawn Garton, introduced the report providing Members with an updated summary of the Redmond Review into the effectiveness of local audit and the transparency of local authority financial reporting, the recommendations made to the Government, along with the Government's final response and the potential implications for the Council.</p> <p>It was queried if it would be possible to change the external auditors due to the delays we have experienced. The issue is nationwide as other councils are experiencing similar delays. The Council are due to have new external auditors for 2023/24. Councillor Pritchett commented that he had met the new team and, due to the increases in the fees, they are looking to recruit more staff so the issues will hopefully be resolved going forward.</p> <p><b>RESOLVED</b></p> <p>The Committee <b>NOTED</b> the update on the Redmond Review and potential implications for the Council.</p>

## Risk Management Annual Report

The Director for Corporate Services, Dawn Garton, introduced an updated Risk Management Policy and Strategy for approval and provided an update on the risk management arrangements outlining the current significant risks that have been captured on the recent review of the Council's strategic risk register by the Senior Leadership Team.

It was commented that on some of the reports the print was too small to read, the Chair said this would be passed on.

It was also queried why the Strategic Collaboration was not included in this report; however, Members were advised the report was done earlier so wasn't included but a full risk assessment has been carried out and is in the reports relating to the Strategic Collaboration. If it is approved by Council, going forward this will be included in any future reports.

Concerns were raised about the rent cap and how it will affect the Housing Revenue, however the rent cap has since been set at 7% which is higher than originally anticipated.

Questions were asked about the implementation of the new in-house partnership arrangements for the provision of IT and the subsequent loss of engineers, Members were advised that there has been recruitment to replace these staff, however it is still a work in progress as the lack of documentation from the previous contractor is still causing issues.

The Chair said that this was a good report and thought that next year the Scrutiny Committee should get credit for the work that they do.

The Chair said that he thought that planning should be considered a risk and was not sure why it was not included. Members agreed that this should be considered as a risk. Director for Corporate Services said it was on the service risk register, The local plan is on the service risk register, but Councillor Chandler has concerns that they have only met once since last May, and new Members are due in May next year and will not have the information that existing Members have. The Chair made a note of these concerns.

## RESOLVED

That the Committee

- 1) **APPROVED** the updated Risk Management Policy and Strategy 2022-2025 as attached at Appendix A, and
- 2) **NOTED** the content of the report and the updated Strategic Risk Register and associated risk management action plan, as attached at Appendix B

20	<p><b>Regulation of Investigatory Powers Act (RIPA) Update 21-22</b></p> <p>The Monitoring Officer, Kieran Stockley, introduced the report, the purpose of which is to provide an update to Members in relation to the Council's use of powers under the Regulation of Investigatory Powers Act 2000 (RIPA) from April 2021 to March 2022.</p> <p>It was explained that RIPA is used when a criminal offence has taken place and overt methods have not worked in preventing the offence, fly tipping was given as an example.</p> <p>Members commented that the appendix was out of date. The Monitoring Officer acknowledged this and said she would ensure it was updated before the report was published.</p> <p><b>RESOLVED</b></p> <p>That the Committee</p> <ol style="list-style-type: none"> <li>1) <b>NOTED</b> the update for the period April 2021 to March 2022, and</li> <li>2) <b>APPROVED</b> the reviewed RIPA Policy noting there are no proposed changes.</li> </ol>
21	<p><b>Members' Code of Conduct and Standards Update</b></p> <p>The Monitoring Officer, Kieran Stockley, introduced a report to update the Committee on the latest position regarding standards matters including the Code of Conduct, the Registration of Disclosable Pecuniary Interests and Other Interests and any complaints against Councillors dealt with under the Council's process.</p> <p>A question was asked if Parish Councillors have the same code of conduct. In response, currently not all Parish Councillors have adopted this Code of Conduct, however it is anticipated most will after receiving training earlier in the year.</p> <p>Councillor Wilkinson, as a member of the Constitutional Review Working Group, was happy to endorse the update and thanked officers for all the work that had been done.</p> <p>The Chair commented that he liked the new form, and it is good that assistance will be given for anyone that is unable to complete the form.</p> <p><b>RESOLVED</b></p> <p>That the Committee</p> <ol style="list-style-type: none"> <li>1) <b>NOTED</b> and <b>ENDORSED</b> the new Code of Conduct Complaints form and updated process arrangements, which will be effective immediately.</li> <li>2) <b>DELEGATED</b> authority to the Monitoring Officer to keep the process under constant review and make any necessary changes, and</li> <li>3) <b>NOTED</b> the information presented in relation to Code of Conduct Complaints for 2021-2022.</li> </ol>

22	<p><b>Bribery Risk Assessment</b></p> <p>The Director for Corporate Services, Dawn Garton, introduced a report that had been undertaken to assess the various risks the Council faces regarding bribery and the controls in place to mitigate these.</p> <p>The Chair added a comment that the Bribery Act 2010 can be subject to unlimited fines if reasonable steps are not taken to prevent this. The Council has a risk assessment in place to prevent this.</p> <p><b>RESOLVED</b></p> <p>The Committee <b>NOTED</b> the bribery risk assessment and the future reporting arrangements.</p>
23	<p><b>Urgent Business</b></p> <p>There was no urgent business.</p>

The meeting closed at: 7.58 pm

Chair