

Minutes

Meeting name	Audit and Standards Committee
Date	Tuesday, 4 July 2023
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire LE13 1GH

Present:

Chair Councillor L. Higgins (Chair)

Councillors J. Adcock I. Atherton
M. Brown S. Butcher
M. Glancy T. Webster

Officers Director for Corporate Services
Democratic Services Officer (CT)
Chief Internal Auditor
Senior Democratic Services & Scrutiny Officer

Minute No.	Minute
1	<p>Apologies for Absence Apologies for absence were received from Councillors Mason and J. Orson. Cllr S Orson was not present at the meeting.</p>
2	<p>Minutes The Minutes of the meeting held on 28 March 2023 were approved.</p>
3	<p>Declarations of Interest No declarations of interest were received.</p>
4	<p>Draft Annual Governance Statement The Monitoring Officer introduced the Draft Annual Governance Report.</p> <p>It was explained that due to the delays in the sign off of the Statement of Accounts by the external auditors, this was a draft statement. Delays in external audit is a nationwide issue and the 2020/21 and 2021/22 are still in draft waiting for external auditor sign off. Once the Statement of Accounts is signed off the final version will be presented for approval.</p> <p>RESOLVED</p> <p>The committee NOTED the Council's draft Annual Governance Statement (AGS) for 2022/23, as set out in Appendix A to this report.</p>
5	<p>Internal Audit Annual Report and Opinion The Chief Internal Auditor introduced the Internal Audit Annual report and opinion.</p> <p>In response to a question regarding counter fraud, Members were advised that levels are very similar to the previous year, but since a new method of reporting fraud has been introduced, there has been an increase in reports. They were advised there is now an email address and information on the Melton Borough Council website advising how to report fraud.</p> <p>Questions were also asked about bank reconciliations, as it was in the report that whilst these had been completed there were reconciling items still to be cleared. Assurances were given that reconciliations had fallen behind due to staff shortages and the focus had been on getting these up to date and the focus was now on clearing the reconciling items.</p> <p>Concerns were raised about former tenant arrears and rent arrears as they still remain high despite being a previous focus. Members were advised that the backlog was partially due to staff absence, but that the housing team have now got new resources and have changed policies to deal with this issue. It was suggested that Scrutiny might wish to revisit this following a previous review. It could be added</p>

to the plan next year to have a look and see what progress has been made.

It was asked if more information could be provided on some of the fraud referrals so the committee could relate the outcomes to the types of referrals. The detail will be reviewed in future reporting, but it was noted that not all information can be shared as this could put live investigations into jeopardy.

RESOLVED

The Committee **NOTED** the Internal Audit Annual Report and Opinion for 2022/23.

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Internal Audit Progress Report

The Chief Internal Auditor introduced the Internal Audit Progress Report.

As it is start of the financial year, there are no finalised reports to bring to the committee, two audits are just being finalised and will be brought to the next meeting.

The question was asked regarding the audit on the Levelling Up Fund and in response assurances were given that time has been allocated to provide assurances in this area. Also, it was noted that the Chief Internal Auditor carries out the same role for Rutland County Council, so will have an oversight across both Councils and can ensure there are the right levels of assurance in the right places. The work will continue throughout the year to get a real time assurance model as much as possible.

Clarification was asked regarding the time allocated to Melton Borough Council for audit. Confirmation was given that the audit team are committed to deliver 235 audit days, these are allocated throughout the year, but if any work does not require as much time the Committee will be advised how the time will be reallocated.

The question was asked regarding changes in legislation and how this is factored into audits to ensure readiness for compliance. In response, Members were reassured that expected changes in legislation inform the audit planning process and are factored into audit coverage, as appropriate.

It was queried why the action in Appendix 3; overdue actions, was still outstanding after 3 years. It was explained that a number of recommendations had been put in place and a full service review was needed. Significant improvements had taken place, there has been a new directorate and staff and the audit team are now comfortable with the work that is being progressed. It was commented that the document does not fully reflect the history on this, unless Members are aware of the full circumstances it is not clear. Members were informed that the Assistant Director for Housing had attended the last meeting with a full update on progress. It was agreed that a further update would be welcomed outside of the meeting.

The Chair asked it to be noted that the previous Chair, Councillor Don Pritchett,

had been very comprehensive with his handover, and it is hoped they will continue with the good work the previous Committee had done.

RESOLVED

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

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Urgent Business

There was no urgent business.

The meeting closed at: 7.22 pm