

Agenda

Meeting name	Meeting of the Audit and Standards Committee
Date	Tuesday, 25 March 2025
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire LE13 1GH
Other information	This meeting is open to the public

Members of the Audit and Standards Committee are summoned to the above meeting to consider the following items of business.

Edd de Coverly
Chief Executive

Membership

Councillors	L. Higgins (Chair)	J. Mason (Vice-Chair)
	J. Adcock	I. Atherton
	M. Brown	S. Carter
	C. Evans	A. Freer
	S. Orson	R. Sharp

Quorum: 5 Councillors

Meeting enquiries	Democratic Services
Email	democracy@melton.gov.uk
Agenda despatched	Monday, 17 March 2025

No.	Item	Page No.
1.	APOLOGIES FOR ABSENCE	
2.	MINUTES To confirm the Minutes of the meeting held on 28 January 2025 and the Minutes of the special meeting held on 20 February 2025.	1 - 8
3.	DECLARATIONS OF INTEREST Members to declare any interest as appropriate, in respect of items to be considered at this meeting.	9 - 10
4.	INTERNAL AUDIT PROGRESS REPORT The Chief Internal Auditor to update the committee on the progress made in delivering the 2024/25 Internal Audit Plan	11 - 28
5.	ANNUAL INTERNAL AUDIT PLAN 2025/26 To receive a report which provides a copy of the draft Internal Audit Plan for 2025/26 and the Internal Audit Charter for review and formal approval, in line with the requirements of the Global Internal Audit Standards	29 - 58
6.	RISK MANAGEMENT UPDATE - MARCH 2025 To receive a report which provides an update on the risk management arrangements and outlines the current significant risks that have been captured on the recent review of the Council's strategic risk register by the Senior Leadership Team	59 - 84
7.	AUDIT AND STANDARDS COMMITTEE ANNUAL REPORT Recommendations That the Committee 1) Approves the Audit and Standards Committee Annual Report. 2) Refers the Audit and Standards Committee Annual Report to Council for noting.	85 - 100
8.	ANNUAL STANDARDS UPDATE To receive a report that asks Members to note the update setting out details of the Complaints received and action taken over the last 12 months	101 - 106
9.	UPDATE TO ARRANGEMENTS FOR DEALING WITH STANDARDS ALLEGATIONS To receive a report that seeks to align the previously agreed amendments to the Council's Arrangements for Dealing with Allegations under the Standards Regime and recommends some minor amendments to those rules to reflect best practice. The report also recommends minor amendments to the Procedure Rules which	107 - 144

	apply to hearings of allegations under the Standards Regime	
10.	URGENT BUSINESS To consider any other items that the Chair considers urgent.	

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Minutes

Meeting name	Audit and Standards Committee
Date	Tuesday, 28 January 2025
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire LE13 1GH

Present:

Chair J. Mason (Vice Chair in the Chair)

Councillors J. Adcock I. Atherton
M. Brown S. Carter
R. Sharp

In Attendance External Auditor – Director for Grant Thornton, Helen Lillington

Officers Director for Corporate Services
Assistant Director for Governance and Democracy (Monitoring Officer)
Revenues and Benefits Manager
Chief Internal Auditor
Democratic Services Officer (CR)

Minute No.	Minute
72	<p>Apologies for Absence</p> <p>Apologies for absence were received from Councillors Evans and Higgins.</p> <p>Councillors Freer and S. Orson were not present.</p>
73	<p>Minutes</p> <p>The Minutes of the meeting held on 26 November 2024 were confirmed.</p>
74	<p>Declarations of Interest</p> <p>No declarations of interest were received.</p>
75	<p>External Audit Interim Annual Report 2023/24</p> <p>Helen Lillington, External Auditor from Grant Thornton introduced the report, the purpose of which was to summarise the work undertaken for the Council.</p> <p>During discussion the following points were noted:</p> <ul style="list-style-type: none"> • In response to a Member question, it was confirmed that partner councils within the Leicestershire ICT Partnership alternate (on a yearly basis) responsibility to undertake internal audit work on ICT Services. Melton Borough Council undertook the audit for 2022/23. Blaby District Council were due to undertake the audit for 2023/24 but failed to do so. Blaby District Council were leaving the ICT Partnership and as such, it was agreed that Hinckley and Bosworth Borough Council would undertake 2 audits (for 2023/24 and 2024/25). The 2023/24 audit was at final draft stage but it was unlikely that the 2024/25 audit would be completed before the end of the year. It was anticipated that the audits for 2024/25 and 2025/26 would be undertaken next year. Alternate audit work would continue between this Council and Hinckley and Bosworth Borough Council, as the 2 remaining councils in the Leicestershire ICT Partnership. • In response to a Member question, Ms. Lillington advised that the contract for the management of Waterfield Leisure Centre and Melton Sports Village was a significant Council contract. External Audit recognised the work undertaken/the recommendations of Internal Audit in respect of this and that the recommendations had already been implemented. External Audit would require assurance that these arrangements were sustained and remained embedded. <p>RESOLVED that the Committee NOTED the External Audit Interim Annual Report 2023/24.</p>
76	<p>External Audit Review of Housing Benefit Subsidy 2021/22</p> <p>The Director for Corporate Services, Dawn Garton introduced the report, the purpose of which was to provide Members with a summary of the 2021/22 Housing</p>

	<p>Benefit Audit.</p> <p>During discussion, the following points were noted:</p> <ul style="list-style-type: none"> • In reference to the Council's £299.42 overpayment of rent allowances, as detailed at paragraph 5.2.1(b) of the report, a Member asked whether attempts to recover such a low amount would be made. The Revenues and Benefits Manager confirmed that recovery action would be taken on all overpayments to claimants via various means (deductions made to housing benefit entitlement, sundry debts, etc. • Concerning the errors in earnings figures referred to at paragraph 5.2.1 (b), the Benefits and Revenues Manage confirmed that these were errors made by assessment officers when processing claims. <p>RESOLVED that the Committee NOTED the finding of the 2021/22 Housing Benefits Audit and the action being taken in response to the Audit findings.</p>
77	<p>Internal Audit Progress Report</p> <p>The Chair highlighted that Appendix B was exempt and that should Members wish to comment on/discuss the contents of the exempt Appendix, the Committee would need to decide whether it should resolve to exclude the public while discussion takes place.</p> <p>Rachel Ashley-Caunt, Chief Internal Auditor introduced the report, the purpose of which was to provide the Committee with an update on delivery of the 2024/25 Internal Audit Plan.</p> <p>During discussion the following points were noted:</p> <ul style="list-style-type: none"> • In response to a Member question on whether all tenanted properties were fitted with carbon monoxide monitors, the Chief Internal Auditor confirmed that both carbon monoxide and smoke detectors had been included within Internal Audit's audit coverage. The findings had revealed that over 90% of properties had these devices fitted and any property non-compliance was due to not being able to gain access to fit the devices. <p>RESOLVED that the Committee NOTED the progress made by Internal Audit in delivery of the Internal Audit Plan for 2024/25 and the outcomes of the finalised audit reviews.</p>
78	<p>Urgent Business</p> <p>There was no urgent business.</p>

The meeting closed at: 7.01 pm

Chair

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Minutes

Meeting name	Audit and Standards Committee
Date	Thursday, 20 February 2025
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire LE13 1GH

Present:

Chair Councillor L. Higgins (Chair)

Councillors J. Mason (Vice-Chair) J. Adcock
I. Atherton M. Brown
A. Freer R. Sharp

In Attendance External Auditor – Director for Grant Thornton, Helen Lillington
External Auditor – Audit Manager, Lisa Morrey

Officers Director for Corporate Services
Legal Services Manager
Senior Technical Accountant
Senior Democratic Services and Scrutiny Officer

Minute No.	Minute
39	<p>Apologies for Absence Apologies for absence were received from Councillors Carter and Evans.</p>
40	<p>Declarations of Interest No declarations of interest were received.</p>
41	<p>Statement of Accounts 2023-24 The Director for Corporate Services, Dawn Garton, introduced the report. The External Auditor, Director for Grant Thornton, Helen Lillington, provided additional comments for the Committee's consideration.</p> <p>During the discussion the following points were noted:</p> <ul style="list-style-type: none"> • The Chairman commented that the local government sector requires more funding to effectively deliver services. • It was noted that it was difficult to compare the Council with neighbouring authorities due to the impact of the Housing Revenue Account. The Director for Corporate Services commented that this was a CIPFA requirement to have a consolidated balance sheet. • The funding settlement was raised, in particular extra funding to cover the national insurance increases. It was confirmed that the sector are lobbying on the unfairness of the financial settlement. • Following a discussion on the handling of Section 106 monies, it was confirmed that any obligations for the County Council would be collected by them. The Council would collect contributions for health but it will be handed over to them as soon as possible. <p>RESOLVED</p> <p>That the Audit and Standards Committee</p> <ol style="list-style-type: none"> 1) APPROVED the Statement of Accounts for 2023-24. 2) APPROVED the Letter of Representation for the year ended 31 March 2024. <p>(Unanimous)</p>
42	<p>Annual Governance Statement The Director for Corporate Services, Dawn Garton, introduced the report.</p> <p>The Committee did not make any comments on the report.</p> <p>RESOLVED</p> <p>That the Audit and Standards Committee</p>

	<p>1) APPROVED the Council's Annual Governance Statement (AGS) for 2023/24, as set out in Appendix A to this report,</p> <p>2) AGREED that this should be signed by the Leader and the Chief Executive.</p> <p>(Unanimous)</p>
43	<p>External Audit Findings for Melton Borough Council</p> <p>The External Auditor, Director for Grant Thornton, Helen Lillington, introduced to the report and confirmed that they would issue a disclaimed opinion.</p> <p>During the discussion the following points were noted:</p> <ul style="list-style-type: none"> • Following a discussion it was confirmed that the External Auditors can't formally conclude the audit and issue an audit certificate as they had been asked to keep it open by the National Audit Office. • In response to a query raised, it was confirmed that pension fund unadjusted errors are something that happens. The Pension Fund Auditor found an error late in the process and the Council's share was not a cause for concern. • Concern was raised in respect to collaboration and the delay in the information. It was confirmed that the Senior Leadership Team would be tracking the progress. Final accounts have not been audited for a few years, however this year they have been and Officers haven't been used to the audit requirements. <p>RESOLVED</p> <p>That the Audit and Standards Committee NOTED the findings for Council.</p>

The meeting closed at: 7.16 pm

Chair

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MEMBER INTERESTS

Do I have an interest?

1 DISCLOSABLE PECUNIARY INTERESTS (DPIs)

A “Disclosable Pecuniary Interest” is any interest described as such in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 and includes an interest of yourself, or of your Spouse/Partner (if you are aware of your Partner's interest) that falls within the following categories: Employment, Trade, Profession, Sponsorship, Contracts, Land/Property, Licences, Tenancies and Securities.

A Disclosable Pecuniary Interest is a Registerable Interest. Failure to register a DPI is a criminal offence so register entries should be kept up-to-date.

2 OTHER REGISTERABLE INTERESTS (ORIs)

An “Other Registerable Interest” is a personal interest in any business of your authority which relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority; or
- b) any body
 - (i) exercising functions of a public nature
 - (ii) any body directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

3 NON-REGISTRABLE INTERESTS (NRIs)

“Non-Registrable Interests” are those that you are not required to register but need to be disclosed when a matter arises at a meeting which directly relates to your financial interest or wellbeing or a financial interest or wellbeing of a relative or close associate that is not a DPI.

In each case above, you should make your declaration at the beginning of the meeting or as soon as you become aware. In any other circumstances, where Members require further advice they should contact the Monitoring Officer or Deputy Monitoring Officer in advance of the meeting.

Declarations and Participation in Meetings

1 DISCLOSABLE PECUNIARY INTERESTS (DPIs)

- 1.1 Where a matter arises at a meeting which **directly relates** to one of your Disclosable Pecuniary Interests which include both the interests of yourself and your partner then:
- a) you must disclose the interest;
 - b) not participate in any discussion or vote on the matter; and
 - c) must not remain in the room unless you have been granted a Dispensation.

2 OTHER REGISTERABLE INTERESTS (ORIs)

- 2.1 Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests i.e. relating to a body you may be involved in:
- a) you must disclose the interest
 - b) may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter; and
 - c) must not remain in the room unless you have been granted a Dispensation.

3 NON-REGISTRABLE INTERESTS (NRIs)

- 3.1 Where a matter arises at a meeting, which is not registrable but may become relevant when a particular item arises i.e. interests which relate to you and /or other people you are connected with (e.g. friends, relative or close associates) then:
- a) you must disclose the interest;
 - b) may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter; and
 - c) must not remain in the room unless you have been granted a Dispensation.

4 BIAS

- 4.1 Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias. If you have been involved in an issue in such a manner or to such an extent that the public are likely to perceive you to be biased in your judgement of the public interest (bias):
- a) you should not take part in the decision-making process
 - b) you should state that your position in this matter prohibits you from taking part
 - c) you should leave the room.

In each case above, you should make your declaration at the beginning of the meeting or as soon as you become aware. In any other circumstances, where Members require further advice they should contact the Monitoring Officer or Deputy Monitoring Officer in advance of the meeting.

Internal Audit Progress Report

Report Author:	Rachel Ashley-Caunt , Head of Internal Audit 07824 537900 RAshley-Caunt@rutland.gov.uk
Chief Officer Responsible:	Dawn Garton , Director for Corporate Services 01664 502444 DGarton@melton.gov.uk
Lead Member/Relevant Portfolio Holder	N/A

Corporate Priority:	All
Relevant Ward Member(s):	N/A
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- 1.1 The report provides the Committee with an update on delivery of the 2024/25 Internal Audit plan.

2 Recommendations

That Committee:	
2.1	Notes the progress made by Internal Audit in delivery of the Internal Audit Plan for 2024/25 and the outcomes of the finalised audit reviews.

3 Reason for Recommendations

- 3.1 To inform the committee on progress made by Internal Audit on plan delivery and outcome of assignments.

4 Background

- 4.1 The Audit and Standards Committee approved the Internal Audit Plan for 2024/25 at the meeting on 26th March 2024.

5 Main Considerations

5.1 The progress achieved to date in delivering the 2024/25 Audit Plan is set out in Appendix A. Since the last update to the committee, a further audit report has been finalised and the key findings are summarised in the progress report.

5.2 At the date of reporting, there are 20 agreed management actions which are overdue for implementation, 75% of these have been overdue for more than three months. Further details are provided in Appendix A and Appendix B.

6 Options Considered

6.1 The regular reporting on delivery of the Internal Audit plan is a requirement under the Committee's terms of reference and the Public Sector Internal Audit Standards. If the report was not provided, the Committee could not effectively deliver its role in providing oversight of Internal Audit work under the terms of reference and Standards.

7 Consultation/Engagement

7.1 Not applicable.

8 Next Steps – Implementation and Communication

8.1 The regular update reports from Internal Audit should allow the Committee to develop independent assurance about the quality of the Council's internal control framework.

9 Financial Implications

9.1 There are no financial or other resource implications arising directly from this report.

Financial Implications reviewed by: Interim Assistant Director for Resources

10 Legal and Governance Implications

10.1 The Accounts and Audit Regulations 2015 require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance". This report and appendices demonstrate compliance with that obligation.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

11.1 There are no equalities or safeguarding implications arising directly from this report.

12 Data Protection Implications

12.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks to the rights and freedoms of natural persons arising directly from this report.

13 Community Safety Implications

13.1 There are no community safety implications arising directly from this report.

14 Environmental and Climate Change Implications

14.1 There are no environmental and climate change implications arising directly from this report.

15 Other Implications (where significant)

15.1 There are no other implications arising directly from this report.

16 Risk & Mitigation

16.1 The Internal Audit work provides assurance over the adequacy and effectiveness of the Council's internal controls to manage key risks and inform risk management arrangements.

17 Background Papers.

17.1 Audit Plan 2024/25

18 Appendices

18.1 Appendix A – Internal Audit Progress Report March 2025

18.2 Appendix B – 'High' Priority actions overdue for more than three months (Exempt)

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Melton Borough Council
Internal Audit Progress Report
March 2025



Introduction

- 1.1 The delegated internal audit service for Melton Borough Council has been commissioned to provide 235 audit days to deliver the 2024/25 Annual Audit Plan and undertake other work commissioned by the client.
- 1.2 The Public Sector Internal Audit Standards (the Standards) require the Audit and Standards Committee to scrutinise the performance of the Internal Audit Team and to satisfy itself that it is receiving appropriate assurance about the controls put in place by management to address identified risks to the Council. This report aims to provide the Committee with details on progress made in delivering planned work, the key findings of audit assignments completed since the last Committee meeting, updates on the implementation of actions arising from audit reports and an overview of the performance of the service.

Performance

2.1 Will the Internal Audit Plan for 2024/25 be delivered?

Internal Audit is set the objective of delivering at least 90% of the Internal Audit plan to draft report stage by the end of March 2025.

At the time of reporting, work is either completed or underway on 100% of assignments from the 2024/25 Internal Audit plan. Progress on individual assignments is shown in Appendix 1.

2.2 Are audits being delivered to budget?

Internal Audit is on target to deliver the Audit Plan within the 235 days budget. Any overruns on individual assignments are managed within the overall budget.

2.3 Are clients satisfied with the quality of the Internal Audit assignments?

To date, four surveys have been completed in respect of 2024/25 audits. Responses are summarised in Appendix 4.

2.4 Are clients progressing audit recommendations with appropriate urgency?

Since the last Audit and Standards Committee meeting, 13 agreed actions have been completed. Of these, 9 were overdue at the time of the last update and 4 were new actions.

At the date of reporting, there are 20 agreed actions which are overdue for implementation. At the time of the last update to the Committee, there had been 25 overdue actions – of these, 16 remain overdue and a further 4 have since become overdue. An analysis of the implementation of actions is provided in Appendix 2. There are 2 actions which were assessed as 'High' priority and have been overdue for more than three months – full details are provided in Appendix B.

2.5 Based upon recent Internal Audit work, are there any emerging issues that impact upon the Internal Audit opinion of the Council's Control Framework?

Since the last update to the Committee, the following audit report has been finalised:

Asset development programme

The Asset Development Programme (ADP) is directly linked to the Shaping Places corporate priority theme four: sustainable growth and infrastructure. Specifically, by maximising the value of council assets. In 2020 the Council was awarded £500k of Business Rate Pool funding from the Leicester Local Enterprise Partnership (LLEP) and allocated a further £375k from its own capital receipts to progress the ADP. The plan seeks to rationalise and/or make more effective use of existing assets, including Parkside, Phoenix House, the Cove and other corporate properties. Various proposals have been considered, including converting Parkside to a hotel and, more recently, a GP surgery. After four years, whilst costs have been incurred developing various plans and business cases to support different policy options, no tangible outcomes have been delivered as yet, with a number of changes and circumstances impacting delivery.

Based on the audit findings, whilst the changing policy directions has added complexity to the agenda, and there has been turnover of staff in key roles, there is considerable scope to improve the overall management and governance of the programme going forward. The Council has a comprehensive corporate approach and toolkit for the management of projects and programmes but this was not being fully applied to the ADP at the time of audit.

Consequently, there is a lack of evidence of robust management of the programme which, together with several staff changes in key roles and a change of political priorities following the 2023 elections, means that key outcomes are yet to be delivered, despite development costs being incurred on project management, feasibility and design works. At this stage, management should prepare a detailed status report for the Council to take stock of the programme and current project options so that Members can agree a clear, informed steer on the future direction of the programme. It is understood that, since the audit concluded, management are undertaking a full review of the programme governance arrangements and updating all programme documentation to ensure these reflect the latest objectives and focus of the ADP. A firm timetable and milestones for the remainder of the programme needs to be agreed. In addition, the Programme Manager should ensure that all programme documentation is kept up to date throughout the remaining life of the programme, including preparation of regular highlight reports to monitor progress against the revised milestones, report key issues and risks to the programme board and monitor costs against the remaining budget.

Based upon the findings, Internal Audit has given the following assurance opinions over the management of the associated risks:

Assurance Opinion	
Control environment	Moderate (Amber)

Compliance	Limited (Red)
Organisational impact	Medium (Amber)

2.6 Amendments to the audit plan

The Internal Audit Plan must remain subject to ongoing review throughout the financial year, to ensure that it continues to add value and focuses on the Council's key risks. Since the last update to the Audit and Standards Committee, one amendment to the plan coverage has been approved under the delegation to the s151 Officer, in consultation with the Chair of the Audit and Standards Committee. The amendment relates to the removal of the planned audit on private sector housing and replacing this with an audit on corporate health and safety. It is noted that processes around private sector housing will be impacted by the Renters' Rights Bill and, as such, will be subject to review. Therefore, an audit in 2025/26, following a review of the processes, would be of greater value to the Council.

The audit on corporate health and safety had been on the reserve list for the 2024/25 audit plan and on the potential list for delivery in 2025/26. This will seek assurance over the Council's compliance with the Health and Safety at Work Act.

Appendix 1: Progressing the Annual Internal Audit Plan

KEY
Current status of assignments is shown by ●

Assignment	Budget	Actual	Not Started	Planning	Field Work Underway	Field Work Complete	Draft Report	Final Report	Control Environment	Compliance	Org Impact	Comment
Corporate governance & counter fraud												
Counter fraud support – social housing pilot	6	2							Not applicable			
Key corporate controls & policies												
Key financial controls	15	15					●					
Information governance	15	13						●	Good (Green)	Moderate (Amber)	Medium (Amber)	Reported in September 2024
Resettlement scheme	10	11						●	Good (Green)	Moderate (Amber)	Low (Green)	Reported in November 2024
Corporate health and safety	14	1			●							
Procurement compliance	12	11					●					
Growth and Regeneration – risk-based audit coverage												
Levelling Up Fund (LUF)	15	15						●	Substantial (Green)	Substantial (Green)	Low (Green)	Reported in November 2024
Building control partnership	8	5			●							
Asset development programme	15	14						●	Moderate (Amber)	Limited (Red)	Medium (Amber)	See section 2.5

Assignment	Budget	Actual	Not Started	Planning	Field Work Underway	Field Work Complete	Draft Report	Final Report	Control Environment	Compliance	Org Impact	Comment
Private sector housing	1	1							Postponed to 2025/26			
Housing and Communities – risk-based audit coverage												
Housing allocations and homelessness applications	18	25						●	Moderate (Amber)	Limited (Red)	Medium (Amber)	Reported in November 2024
Planned maintenance	12	12						●	Good (Green)	Good (Green)	Low (Green)	Reported in November 2024
Housing repairs and voids – follow up	8	8						●	Good (Green)	Good (Green)	Low (Green)	Reported in November 2024
Landlord health and safety	6	5						●	Substantial (Green)	Substantial (Green)	Low (Green)	Reported in January 2025
Rent arrears	12	1			●							

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Assignment	Budget	Actual	Comments
Other client support			
Contingency	10	7	
Advice and assistance	3	3	
Committee work, support and Annual Report	15	12	
Recommendation follow-up	3	3	
Client meetings, AGS/NFI & External Audit, audit planning	15	13	
Internal Audit management and development	21	17	

At the completion of each assignment the Auditor will report on the level of assurance that can be taken from the work undertaken and the findings of that work. The table below provides an explanation of the various assurance statements that Members can expect to receive.

Compliance Assurances		
Level	Control environment assurance	Compliance assurance
Substantial (Green)	There is a sound system of internal control to support delivery of the objectives.	The control environment is operating as intended with no exceptions noted which pose risk to delivery of the objectives.
Good (Green)	There is generally a sound system of internal control, with some gaps which pose a low risk to delivery of the objectives.	The control environment is generally operating as intended with some exceptions which pose a low risk to delivery of the objectives.
Moderate (Amber)	There are gaps in the internal control framework which pose a medium risk to delivery of the objectives.	Controls are not consistently operating as intended, which poses a medium risk to the delivery of the objectives.
Limited (Red)	There are gaps in the internal control framework which pose a high risk to delivery of the objectives.	Key controls are not consistently operating as intended, which poses a high risk to the delivery of the objectives.
No (Red)	Internal Audit is unable to provide any assurance that a suitable internal control framework has been designed.	Internal Audit is unable to provide any assurance that controls have been effectively applied in practice.

Organisational Impact	
Level	Definition
High (Red)	The weaknesses identified during the review have left the Council open to a high level of risk. If the risk materialises it would have a high impact upon the organisation as a whole.
Medium (Amber)	The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a medium impact upon the organisation as a whole.
Low (Green)	The weaknesses identified during the review have left the Council open to low risk. This may have a low impact on the organisation as a whole.

Category of Recommendations

The Auditor prioritises recommendations to give management an indication of their importance and how urgent it is that they be implemented. By implementing recommendations made managers can mitigate risks to the achievement of service objectives for the area(s) covered by the assignment.

Priority	Impact & Timescale
High (Red)	Action is imperative to ensure that the objectives for the area under review are met.
Medium (Amber)	Requires actions to avoid exposure to significant risks in achieving objectives for the area.
Low (Green)	Action recommended to enhance control or improve operational efficiency.

Appendix 2: Implementation of Audit Recommendations

	'High' priority recommendations		'Medium' priority recommendations		'Low' priority recommendations		Total	
	Number	% of total	Number	% of total	Number	% of total	Number	% of total
Actions implemented since last Committee meeting	1	25%	10	45%	2	29%	13	39%
Actions due within last 3 months, but <u>not implemented</u>	1	25%	3	14%	1	14%	5	15%
Actions due <u>over 3 months</u> ago, but <u>not implemented</u>	2	50%	9	41%	4	57%	15	46%
Totals	4	100%	22	100%	7	100%	33	100%

Appendix 3: Customer Satisfaction

At the completion of each assignment, the Auditor issues a Customer Satisfaction Questionnaire to each client with whom there was a significant engagement during the assignment. The Head of Service and the Line Manager receive a CSQ for all assignments within their areas of responsibility. The standard CSQ asks for the client's opinion of four key aspects of the assignment. The four responses received during the year to date are set out below.

Aspects of Audit Assignments	N/A	Outstanding	Good	Satisfactory	Poor
Design of Assignment	-	1	3	-	-
Communication during Assignments	-	2	2	-	-
Quality of Reporting	-	2	2	-	-
Quality of Recommendations	1	2	1	-	-
Total	1	7	8	-	-

Appendix 4: Limitations and Responsibilities

Limitations inherent to the internal auditor's work

Internal Audit is undertaking a programme of work agreed by the council's senior managers and approved by the Audit and Standards Committee subject to the limitations outlined below.

Opinion

Each audit assignment undertaken addresses the control objectives agreed with the relevant, responsible managers.

There might be weaknesses in the system of internal control that Internal Audit are not aware of because they did not form part of the programme of work; were excluded from the scope of individual internal assignments; or were not brought to Internal Audit's attention. As a consequence, the Audit and Standards Committee should be aware that the Audit Opinion for each assignment might have differed if the scope of individual assignments was extended or other relevant matters were brought to Internal Audit's attention.

Internal control

Internal control systems identified during audit assignments, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision making; human error; control processes being deliberately circumvented by employees and others; management overriding controls; and unforeseeable circumstances.

Future periods

The assessment of each audit area is relevant to the time that the audit was completed in. In other words, it is a snapshot of the control environment at that time. This evaluation of effectiveness may not be relevant to future periods due to the risk that:

- The design of controls may become inadequate because of changes in operating environment, law, regulatory requirements or other factors; or
- The degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management; internal control and governance; and for the prevention or detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

Internal Audit endeavours to plan its work so that there is a reasonable expectation that significant control weaknesses will be detected. If weaknesses are detected additional work is undertaken to identify any consequent fraud or irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected, and its work should not be relied upon to disclose all fraud or other irregularities that might exist.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Internal Audit Plan 2025/26

Report Author:	Rachel Ashley-Caunt , Head of Internal Audit 07824 537900 RAshley-Caunt@rutland.gov.uk
Chief Officer Responsible:	Dawn Garton , Director for Corporate Services 01664 502444 DGarton@melton.gov.uk
Lead Member/Relevant Portfolio Holder	N/A

Corporate Priority:	All
Relevant Ward Member(s):	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- 1.1 The report provides Members with a copy of the draft Internal Audit Plan for 2025/26 and the Internal Audit Charter and Mandate for review and formal approval, in line with the requirements of the Global Internal Audit Standards.

2 Recommendations

That Committee

- 2.1 **Review and approve the Internal Audit Plan for 2025/26 (Appendix A).**
- 2.2 **Review and approve the Internal Audit Charter and Mandate (Appendix B).**
- 2.3 **Approve delegated authority for the Director for Corporate Services, in consultation with the Chair of the Audit and Standards Committee, to agree significant amendments to the Plan during the financial year, if required.**

3 Reason for Recommendations

- 3.1 To approve the Internal Audit plan and Charter and Mandate, in line with the Global Internal Audit Standards.

4 Background

- 4.1 The Audit and Standards Committee is responsible for overseeing the delivery of the Internal Audit service.

5 Main Considerations

5.1 Basis for the plan

5.1.1 The Global Internal Audit Standards (section 9.4) state that the 'chief audit executive must create an internal audit plan that supports the achievement of the organisation's objectives' and 'the chief audit executive must base the internal audit plan on a documented assessment of the organisation's strategies, objectives, and risks. This assessment must be informed by input from the board and senior management as well as the chief audit executive's understanding of the organisation's governance, risk management, and control processes'.

5.1.2 The Global Internal Audit Standards require that the internal audit plan must:

- a) Consider the internal audit mandate and the full range of agreed-to internal audit services.
- b) Specify internal audit services that support the evaluation and improvement of the organisation's governance, risk management, and control processes.
- c) Consider coverage of information technology governance, fraud risk, the effectiveness of the organization's compliance and ethics programs, and other high-risk areas.
- d) Identify the necessary human, financial, and technological resources necessary to complete the plan.
- e) Be dynamic and updated timely in response to changes in the organisation's business, risks operations, programs, systems, controls, and organisational culture.

5.1.3 In order to ensure that the Audit Plan for 2025/26 addresses the Council's key risks and adds value, the Chief Internal Auditor has identified and prioritised the areas for coverage by:

- a) Reviewing the Council's Risk Registers and Corporate Strategy;
- b) Analysing coverage of Internal Audit reviews over the last four years and the assurance opinions provided following each review, to identify any assurance gaps or areas where follow up work would be of value;
- c) Horizon scanning for changes in legislation / regulations; upcoming projects or funding and potential emerging risks for the year ahead;
- d) Identifying any other sources of assurance for the Council's key risks, which may reduce the added value of an Internal Audit review and where work could be aligned with other assurance providers;
- e) Identifying areas of the Audit Universe (a list of potential areas for audit review across the Council) which have not been subject to Internal Audit review during the last four years;
- f) Discussion and consultation at the Audit and Standards Committee on the planning process and areas where Members require assurances from Internal Audit during 2025/26. Members were invited to refer potential risk areas for coverage to the Chief Internal Auditor or Chair of the Audit and Standards Committee and a workshop took place in February 2025 to brief Members on the potential areas for audit coverage; and

g) Meetings with members of Senior Leadership Team to discuss key risks and emerging risk areas for the year ahead and any areas where Internal Audit support would be beneficial either in an assurance or consultancy role.

- 5.1.4 All potential audit coverage identified has then been risk assessed and prioritised for inclusion in the Audit Plan, in consultation with Senior Leadership Team. This has been based on risk, other sources of assurance available and potential value added from a review during this period, along with the accumulated assurances gained by the internal audit service to date.
- 5.1.5 Following this consultation and review, a Draft Internal Audit Plan has been compiled and is provided in Table 1 of Appendix A. This list has been consulted upon with the Chair and Vice Chair of the Audit and Standards Committee.
- 5.1.6 The Global Internal Audit Standards require that ‘the chief audit executive must discuss the internal audit plan, including significant interim changes, with the board and senior management. The plan and significant changes to the plan must be approved by the board’.
- 5.1.7 Under the Global Internal Audit Standards, ‘the chief audit executive must review and revise the internal audit plan as necessary and communicate timely to the board and senior management:
- a) The impact of any resource limitations on internal audit coverage.
 - b) The rationale for not including an assurance engagement in a high-risk area or activity in the plan.
 - c) Conflicting demands for services between major stakeholders, such as high-priority requests based on emerging risks and requests to replace planned assurance engagements with advisory engagements.
 - d) Limitations on scope or restrictions on access to information.
- 5.1.8 If the risk environment changes during 2025/26 the Audit Plan can be amended, and these assignments can be re-assessed for possible coverage. A reserve list has also been provided, which reflects other risk areas considered for inclusion in the plan and the proposed approach to these areas. Should any of the planned assignments be removed from the plan, or reserve areas become of greater priority due to changes in the risk environment, this list will inform any plan amendments.
- 5.1.9 To ensure that the Internal Audit activities are consistently focused upon the Council’s key risks, the plan will remain subject to ongoing review by the Chief Internal Auditor throughout the year and will be subject to regular consultation with senior management. To enable the Internal Audit team to be responsive and amend the planned activities to address any new or emerging risk areas as required, it is recommended that a mechanism be agreed to allow for approval of any significant changes to the Audit Plan between Audit and Standards Committee meetings. Significant changes would include cancelling or postponing planned assignments related to significant risks or critical strategic objectives amendments. If the delegation is approved, such changes would be agreed by the Director for Corporate Services, in consultation with the Chair, and reported at the subsequent meeting of the committee.

5.2 **Plan coverage**

- 5.2.1 The plan includes a range of audit assignments which seek to add value and provide assurance. There is a requirement to conduct the fundamental coverage of key financial

controls, governance and policy compliance on an annual basis as these must inform the annual Audit Opinion and provide the necessary assurances to the Council's s151 Officer.

- 5.2.2 In providing risk-based assurances over the Council's processes and controls, a range of audits have been proposed which relate to key risk areas identified through consultation and review of risk registers. These will provide targeted reviews of areas where assurance over the design and effectiveness of controls is a priority.
- 5.2.3 In assessing priority areas for audit coverage, consideration is given to key risks where other sources of assurance are already available.
- 5.2.4 The coverage includes audits of areas funded by both the General Fund (general and special expenses) and the Housing Revenue Account (HRA). A number of the audits are cross cutting in this regard as they will cover activity relating to both areas. There are also a number of audits specific to grant funded projects.
- 5.2.5 In order to provide some flexibility and the opportunity to actively engage with, and support the development of robust controls, governance mechanisms and risk management, an allocation of days for ad hoc advice has been included within the support days. This time can be used for ad-hoc queries and advice, in addition to providing some contingency and flexibility where emerging risks require prompt audit engagement. This will also provide the opportunity for regular dialogue between Internal Audit and the service leads, highlighting potential changes in risk profiles and raising the profile of the service with officers.
- 5.2.6 The Internal Audit service provides support and advice to the Council on counter fraud activity. The audit team do not deliver against a set counter fraud plan but are available to provide specialised support and guidance as needed.
- 5.2.7 Liaison with senior officers will continue throughout the year to ensure that the risks identified are consistent with their understanding and assessment of assurance and support needs and that this is reflective of the first and second lines of assurance within business areas. Any changes required to the plan based on a reassessment of risk or alternative sources of assurance will be agreed with the s151 Officer, in consultation with the Chair of the Audit and Standards Committee and reported at the subsequent Committee meeting.

5.3 **Internal Audit Charter and Strategy**

- 5.3.1 The Internal Audit Charter has been reviewed to align with the Global Internal Audit Standards and to incorporate feedback from the recent external quality assessment.
- 5.3.2 The Global Internal Audit Standards require the Chief Internal Auditor to develop an Internal Audit Charter, defined as "a formal document that includes the internal audit function's mandate, organisational position, reporting relationships, scope of work, types of services, and other specifications." According to Standard 6.2, the Charter must also include the Purpose of Internal Auditing and the internal audit function's commitment to adhering to the Global Internal Audit Standard.

6 **Options Considered**

- 6.1 No other options were considered.

7 **Consultation/Engagement**

- 7.1 The Audit and Standards Committee and Senior Leadership Team have been consulted in the development of the internal audit plan coverage for 2025/26.

8 Next Steps – Implementation and Communication

- 8.1 The Internal Audit plan will form the schedule of work for the Internal Audit service for 2025/26 and regular progress reports will be brought to the Audit and Standards Committee throughout the financial year.

9 Financial Implications

- 9.1 There are no financial or other resource implications arising directly from this report.

Financial Implications reviewed by: Interim Assistant Director for Resources

10 Legal and Governance Implications

- 10.1 The Accounts and Audit Regulations 2015 require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance". Adoption of the recommendations in this report will assist in ensuring that the Council meets this requirement.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

- 11.1 There are no equalities or safeguarding implications arising directly from this report.

12 Data Protection Implications (Mandatory)

- 12.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

13 Community Safety Implications

- 13.1 There are no community safety implications arising directly from this report.

14 Environmental and Climate Change Implications

- 14.1 There are no environmental and climate change implications arising directly from this report.

15 Other Implications (where significant)

- 15.1 There are no other implications arising directly from this report.

16 Risk & Mitigation

- 16.1 The annual Internal Audit report forms part of the evidence that supports the Council's Annual Governance Statement and provides assurance over the adequacy and effectiveness of the Council's internal controls to manage the key risks and inform risk management arrangements.

17 Background Papers.

- 17.1 None

18 Appendices

- 18.1 Appendix A – Internal Audit Plan 2025/26
18.2 Appendix B – Internal Audit Charter and Mandate

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Internal Audit Plan 2025/26

Chief Internal Auditor: Rachel Ashley-Caunt CPFA

Internal Audit Plan 2025/26

1. Introduction

- 1.1 This report sets out the proposed work of Internal Audit at Melton Borough Council for 2025/26 for review and approval by the Audit and Standards Committee.
- 1.2 Internal Audit provides independent assurance designed to add value and support the Council in achieving its priorities and objectives. To deliver this, Melton Borough Council commissions 265 days for delivery of the Internal Audit service on an annual basis.
- 1.3 The provision of assurance services is the primary role for Internal Audit in the public sector. This role requires the Chief Internal Auditor to provide an annual Internal Audit opinion based on an objective assessment of the framework of governance, risk management and control.
- 1.4 Internal Audit also provide consultancy services which are advisory in nature and are generally performed at the specific request of the organisation, with the aim of improving governance, risk management and control and contributing to the overall opinion. Any proposed consultancy/advisory work is clearly specified as such on the Audit Plan.
- 1.5 The Global Internal Audit Standards require the internal audit plan to:
- a) Consider the internal audit mandate and the full range of agreed-to internal audit services.
 - b) Specify internal audit services that support the evaluation and improvement of the organisation's governance, risk management, and control processes.
 - c) Consider coverage of information technology governance, fraud risk, the effectiveness of the organisation's compliance and ethics programs, and other high-risk areas.
 - d) Identify the necessary human, financial, and technological resources necessary to complete the plan.
 - e) Be dynamic and updated timely in response to changes in the organisation's business, risks operations, programs, systems, controls, and organisational culture.

2. The Audit Plan

- 2.1 The Audit Plan covers the two key component roles of Internal Audit:
- The provision of an independent and objective opinion to the Section 151 Officer and the Audit and Standards Committee on the degree to which risk management, control and governance support the achievement of Council objectives; and
 - The provision of an independent and objective consultancy service specifically to help line management improve the organisation's risk management, control and governance arrangements.
- 2.2 Central to the organisation, is the core delivery of the Council's objectives and corporate plan. The risk based audits are focused upon providing independent assurance over the controls in place to support delivery of those objectives.
- 2.3 In order to protect the Council in delivering these objectives, it is essential that the Council's key corporate controls and policies are operating effectively to prevent the risk

of financial loss, failure to comply with legislation, lack of accountability and reputational damage. These controls and policies cover both financial and non-financial systems and processes. These policies and controls must be complied with by all service areas to secure the Council's ongoing stability and service delivery.

2.4 Further protecting and underpinning the Council's ongoing delivery of its objectives are robust counter fraud controls and good governance. Without these, the Council would be exposed to the risk of fraud and corruption (both internally and externally), uninformed or non-transparent decision making, loss of accountability and direction, poor risk management and failure to embed and demonstrate ethical behaviours and values.

2.5 As such, the Audit Plan is designed to deliver independent, objective assurance on each of these areas – which are vital to the successful delivery of the Council's objectives and services.

Value for money

2.6 In addition to assurance over governance, risk management and controls, the Audit Plan should also provide assurance over the Council's delivery of value for money. Assurance over value for money is embedded within each audit assignment.

2.7 Some of the corporate level audits will provide specific assurances in relation to the value for money requirements.

Fraud risks

2.8 In the scoping of every audit assignment, consideration is given to any fraud risks associated with the processes under review. These are specifically considered for any relevant audit coverage.

2.9 In addition, the Internal Audit team also support with pro-active counter fraud work and are available to provide ad-hoc advice and assistance should any concerns be raised. The Council's whistleblowing policy provides Internal Audit as a point of contact for raising concerns and, should any investigation work be required, the team includes officers with the skillset and experience to deliver fact finding investigation work.

Housing revenue account / general fund

2.10 The audit plan covers activity funded both by the general fund and the Housing Revenue Account. It should be noted that the cross-cutting audit work, such as budgetary control, covers both general fund and Housing Revenue Account activity.

3. Planning process

3.1 In order to ensure that the Audit Plan for 2025/26 addresses the Council's key risks and adds value, the Chief Internal Auditor has identified and prioritised the areas for coverage by:

- Reviewing the Council's Risk Registers and Corporate Plan;
- Considering the sources of assurance listed against each of the Council's risk entries, which may reduce the added value of an Internal Audit review and where work could be aligned with other assurance providers;
- Horizon scanning for changes in legislation / regulation and emerging risk areas for the year ahead;

- Identifying areas of the Audit Universe (a list of potential areas for audit review across the Council) which have not been subject to Internal Audit review during the last four years;
- Report on the audit planning process to Audit and Standards Committee in November 2024, including a chance to consult the Committee on any areas where assurance was specifically sought;
- Workshop held with the Audit and Standards Committee members in February 2025 to discuss potential areas to prioritise for audit coverage; and
- Meeting with members of Senior Leadership Team to discuss key risks and emerging risk areas for the year ahead and any areas where Internal Audit support would be beneficial either in an assurance or consultancy role.

3.2 The process has also incorporated consideration of potential audits which can be undertaken by drawing upon similar emerging themes from all councils with whom North Northamptonshire Council's Internal Audit team works.

3.3 Following this consultation and review, a draft Internal Audit Plan has been compiled and is provided in Table 1.

3.4 In order to ensure the Audit Plan addresses the Council's key risks and that the service is able to respond to any in year changes to the organisation's business, risks, operations, programs or systems, it is vital that the content of the Plan be subject to ongoing review throughout the financial year. To enable the service to be responsive and ensure all audit resources are used effectively and add maximum value, it is recommended that arrangements be agreed to allow changes to the Plan to be made between Audit and Standards Committee meetings, involving consultation between the Chief Internal Auditor, the S151 Officer and Chair of the Audit and Standards Committee.

3.5 Also provided is a 'reserve list' showing the other potential areas for coverage which were considered in the drafting of the Plan but were assessed as lower priority. Should the risk environment change, which impacts on the relevance of the planned audit work, these can be considered as potential areas for alternative audit work – depending on any wider risk implications. The details of those areas are provided in Table 2, which explains the proposed plan for seeking assurances, should the audit coverage not be included in 2025/26.

Resources

3.6 The audit assignments are delivered by a team of audit staff including a mix of highly regarded professional qualifications (including CIPFA, ACCA and IIA) and extensive experience in the public and private sector. Absences and resource gaps/vacancies can be filled by the wider team, providing the resilience and stability of the delegated service.

3.7 Efforts are constantly made to ensure all clients benefit from the delegated arrangement and this work with multiple local authorities. This includes achieving efficiencies in delivering assignments, sharing of knowledge and experience and opportunities to deliver cross-cutting reviews.

3.8 Every year, all members of the team complete a declaration form to ensure and maintain independence and objectivity in conducting all assignments. As such, the Chief Internal Auditor can confirm the service's independence. The delegated service model also enables the Chief Internal Auditor to allocate audits to various officers over time, to avoid risks associated with over familiarity.

3.9 On an annual basis, the Chief Internal Auditor completes a self-assessment of the Internal Audit service against the Public Sector Internal Audit Standards. In doing so, the Chief Internal Auditor must consider whether the resource base and mix is adequate and would highlight to the S151 officer and Audit and Standards Committee if there were any concerns that the resources in place could not provide the required coverage to inform the annual Assurance Opinion.

Table 1: Draft Internal Audit Plan 2025/26

Corporate objectives	Internal Audit Assignments (including assurances sought and basis for inclusion)	Audit days	Risk entries *1	Initial timing	Client lead
Theme 1: Healthy communities and neighbourhoods	Private sector housing To provide assurance over the Council's compliance with regulations and Council policy in working with owners, landlords, letting agents and tenants. To include review of compliance with the latest Housing Health & Safety Rating System (HHSRS) for damp and mould and implications of the Renters Rights Bill.	15	REG02 REG04	Q2	Director for Place and Prosperity
	Preparedness for new Waste regulations To provide assurance over planning work for changes in the provision of waste services including procurement implications and project planning.	12	PL2 HC6	Q4	Director for Housing and Communities
	Anti-social behaviour To provide assurance over the consistent handling of ASB referrals by the Safer Communities service and those relating to ASB in social housing, in light of the national Housing Ombudsman spotlight report and national focus on this area.	12	HC15	Q3	Director for Housing and Communities
Theme 2: High quality council homes and landlord services	Landlord health and safety To provide rolling assurances over compliance regimes to ensure safety of properties - including damp and mould cases.	7	HRA6	Q2	Director for Housing and Communities
	Housing allocations and homelessness To provide assurance on improvements made to control framework following 2024/25 audit coverage.	10	HC7	Q2	Director for Housing and Communities
Theme 3: Tourism and town centre regeneration and vitality	Levelling Up Fund To provide assurance over accurate record keeping for spend, compliance with funding terms and conditions, and effective application of monies to realise expected benefits and outcomes. Timing to be determined, based on progress with plans/spend.	15	SG6	Q3	Director for Place and Prosperity
Theme 4: Sustainable growth and infrastructure	Asset management To provide assurance on the Council's asset management arrangements. To include assurances on compliance regimes for corporate assets and the robust management of leased assets.	18	CPA02 CPA13	TBC	Director for Place and Prosperity
	Asset development programme To continue embedded assurance support to this high value project – giving timely independent assurance over the project management arrangements.	10	CPA05	TBC	Director for Place and Prosperity
Theme 5: Right conditions to support delivery	Leicestershire ICT Partnership To provide assurance over the management of key risks associated with the ICT partnership. To conduct this audit on behalf of the Steering Group and all partner councils. Scope to be confirmed.	22	SG2 SG5	Q3	Director for Corporate Services

Corporate objectives	Internal Audit Assignments (including assurances sought and basis for inclusion)	Audit days	Risk entries *1	Initial timing	Client lead
	Business Improvement District To provide assurance over the delivery of the BID income collection work.	10	-	Q1	Director for Corporate Services
	Risk management To provide assurance over the embedding and compliance with the Council's risk management arrangements.	10	All	Q2	Director for Corporate Services
	Key financial controls To provide assurance over the design and compliance with key controls across the Council's key financial systems – on a cyclical basis.	15	SRR SG1 CS2 CS7 FRR	Q4	Director for Corporate Services
	Procurement compliance To provide assurance over compliance with the Council's Contract Procedure Rules and the Procurement Act 2023 in the procurement of goods and services.	12	CPA15	Q4	Director for Corporate Services
Theme 6: Engaging and connected Council	Information governance and requests To provide assurance over compliance with the data protection legislation and the procedures in place for timely and compliant handling of requests under the Freedom of Information Act and Environmental Information Regulations.	12	SG5 CS8	Q3	Director for Corporate Services
Support to Melton Borough Council	Ad hoc advice and support – including Local Government Reform Time available to provide advisory support and ad hoc audit work, if required, including in relation to Local Government Reform.	5			
	General support - Including support and reporting to Audit & Standards Committee, management support and engagement, ad-hoc advice and assistance, annual Internal Audit report, follow ups on audit recommendations and partnership working with external auditors.	30			
Management & development of Internal Audit	Development and management of Internal Audit service in line with the Global Internal Audit Standards, including annual standards assessment, continuous improvement, internal audit charter and manual, management, training and development of the team and performance reporting.	20			
Total days		235			

*1 Risk reference key:
SRR – Strategic risk register entry
HC – Housing & communities risk register
HRA – Housing Revenue Account risk register
REG – regulatory services risk register
CPA – Corporate assets risk register
PP – Planning policy risk register
PLAD – Planning risk register
CS – Corporate services risk register

Table 2: Reserve list 2025/26

Risk area
<p>Development management To provide assurance on the Council's handling of planning applications, in line with expected timescales and policies.</p>
<p>Decision making and delegations To provide assurance that decisions are being made and recorded in line with the Council's Constitution and appropriate, recorded use of delegations. To follow work of internal governance review and provide assurance over outcomes of this work.</p>
<p>Medium term financial planning To provide assurances over the processes in place to inform the medium-term financial strategy and linking this to associated strategies.</p>
<p>Ethical governance To provide assurance over the Council's policies, procedures and activity to support ethical governance and culture across the organisation.</p>
<p>Tenant data profile project To provide assurances over the delivery of this project within timeframes and to expected standards.</p>
<p>Cemetery management To provide assurance that the Council is fulfilling its responsibilities to ensure the safe maintenance of cemetery sites.</p>
<p>S106 monitoring To provide assurance over the controls operating for the agreement of s106 agreements and the effective monitoring and application of s106 monies.</p>

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Internal Audit Charter and Mandate

Purpose of the Internal Audit Service

The purpose of the Internal Audit Service is to strengthen Melton Borough Council's ability to create, protect and sustain value by providing the Full Council, Audit and Standards Committee, Senior Leadership Team and management with independent, risk-based, and objective assurance, advice, insight and foresight.

The role of the Internal Audit Service includes:

- Supporting the delivery of the Council's strategic objectives by providing risk-based and objective assurance on the adequacy and effectiveness of governance, risk management and internal controls;
- Championing good practice in governance through assurance, advice and contributing to the Council's annual governance review; and
- Advising on governance, risk management and internal control arrangements, including for major projects, programmes and system changes.

Melton Borough Council's Internal Audit Service is provided by the Internal Audit service at North Northamptonshire Council under a delegation agreement. The Chief Internal Auditor is employed by North Northamptonshire Council and fulfils the role of Chief Audit Executive under the Global Internal Audit Standards.

The Internal Audit Service enhances Melton Borough Council's:

- Successful achievement of its objectives;
- Governance, risk management, and control processes;
- Decision-making and oversight;
- Reputation and credibility with its stakeholders; and
- Ability to serve the public interest.

Melton Borough Council's Internal Audit Service is most effective when:

- a) Internal auditing is performed by competent professionals in conformance with Internal Audit Standards, which are set in the public interest.
- b) The Internal Audit Service is independently positioned with direct accountability to the Senior Leadership Team and Audit and Standards Committee.

- c) Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adhering to the Global Internal Audit Standards in the UK Public Sector

Melton Borough Council's Internal Audit Service will adhere to the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards. This will take into account:

- a) the CIPFA Application Note, which provides a framework for the practice of internal audit in the UK public sector when taken together with the Global Internal Audit Standards; and
- b) the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government, which complements the Global Internal Audit Standards from the perspective of the Head of Internal Audit.

Overall, this means that the Internal Audit Service will adhere to the "Global Internal Audit Standards in the UK Public Sector".

The Chief Internal Auditor will report periodically to the Senior Leadership Team and the Audit and Standards Committee regarding the Internal Audit Service's conformance with the Standards, Application Note, and CIPFA Code, which will be assessed through a quality assurance and improvement programme.

Authority (Internal Audit Mandate)

Melton Borough Council's Internal Audit Service mandate is found in two pieces of legislation:

- I. Section 151 of the Local Government Act 1972, requires that authorities 'make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs'.

The Financial Regulations (Constitution Chapter 3 Part 6 – Financial Procedure Rules) state that the Director of Corporate Services, as the s151 officer, has this responsibility ('To ensure the provision of an effective and efficient internal audit function').

- II. The Accounts and Audit Regulations 2015 (Part 2: Internal Control, Section 5: Internal Audit) require that: a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its

risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

Any officer or member of a relevant body must, if required to do so for the purposes of internal audit –

- a) make available such documents and records; and
- b) supply such information and explanations as are considered necessary by those conducting the internal audit.

In this regulation “documents and records” includes information recorded in an electronic form.

This is formalised in the Council’s Constitution (The Financial Regulations (Constitution Chapter 3 Part 6 – Financial Procedure Rules)).

The Internal Audit Service’s authority is created by its direct reporting relationship to the Senior Leadership Team and Audit and Standards Committee. Such authority allows for unrestricted access and is confirmed in the Council’s Constitution.

The Senior Leadership Team and Audit and Standards Committee authorise the Internal Audit Service to:

- a) Have full and unrestricted access to all functions, data, records, information, physical property, and personnel that it considers necessary to fulfil its responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information;
- b) Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function’s objectives; and
- c) Obtain assistance from internal or external specialised services to complete internal audit services.

Internal Audit will be appropriately staffed in terms of numbers, qualification levels and experience. The Chief Internal Auditor will report on the adequacy of resources to the Chief Financial (s151) Officer and to the Audit and Standards Committee.

Independence, Organisational Position, and Reporting Relationships

The Chief Internal Auditor will be positioned at a level that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the Internal Audit Service. The Chief Internal Auditor will report functionally to the Senior Leadership Team and Audit and Standards Committee and administratively (for example, day-to-day operations) to the Director of Corporate Services, as the Chief Financial (S151) Officer. This positioning provides the organisational authority and status to bring matters directly to senior management and escalate matters to the Senior Leadership Team and Audit and Standards Committee, when necessary, without interference, and supports the internal auditors' ability to maintain objectivity.

The Chief Internal Auditor will confirm to the Senior Leadership Team and Audit and Standards Committee, at least annually, the organisational independence of the Internal Audit Service. If the governance structure does not support organisational independence, the Chief Internal Auditor will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence.

The Chief Internal Auditor will disclose to the Senior Leadership Team and Audit and Standards Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the Internal Audit Service's effectiveness and ability to fulfil its mandate.

If requested to undertake any additional roles or responsibilities outside of Internal Auditing, the Chief Internal Auditor must highlight to the Audit and Standards Committee any potential or perceived impairment to independence and objectivity having regard to the principles contained within the Code of Ethics. The Audit and Standards Committee must approve and periodically review any safeguards put in place to limit impairments to independence and objectivity.

Audit and Standards Committee

The role of the Audit and Standards Committee in relation to Internal Audit is:

- a) to oversee its independence, objectivity, performance, and professionalism;
- b) to support the effectiveness of the Internal Audit process; and

- c) to promote the effective use of Internal Audit within the assurance framework.

The Audit and Standards Committee's terms of reference, with regards to Internal Audit, state responsibility for:

- a) approving the internal audit charter and monitor the performance of Internal Audit;
- b) receiving reports on the progress against the annual internal audit plan;
- c) receiving reports outlining the action taken where the Chief Internal Auditor has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.;
- d) receiving the Internal Audit Annual Plan for the Council and Annual Internal Audit report, addressing key internal control issues as required;
- e) approving significant interim changes to the risk-based internal audit plan and resource requirements; and
- f) provide free and unfettered access to the Chair for the Chief Internal Auditor, including the opportunity for a private meeting with the Committee.

To establish, maintain, and ensure that Melton Borough Council's Internal Audit Service has sufficient authority to fulfil its duties, the Audit and Standards Committee will:

- a) Discuss with the Chief Internal Auditor and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and / or advisory) of the Internal Audit Service.
- b) Ensure the Chief Internal Auditor has unrestricted access to, communicates, and interacts directly with the Audit and Standards Committee, including in private meetings without senior management present.
- c) Discuss with the Chief Internal Auditor and senior management other topics that should be included in the Internal Audit Charter.
- d) Participate in discussions with the Chief Internal Auditor and senior management about the "essential conditions"¹, described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- e) Approve the Internal Audit Service's Charter, which includes the Internal Audit Mandate and the scope and types of internal audit services.

¹ "essential conditions" relate to activities of senior management and the Audit and Standards Committee, under Domain 3 of the Global Internal Audit Standards, which are essential to the Internal Audit Service's ability to fulfill its Purpose

- f) Review the Internal Audit Charter periodically with the Chief Internal Auditor to consider changes affecting the Council, such as the employment of a new Chief Internal Auditor or changes in the type, severity, and interdependencies of risks to the Council; and approve the Internal Audit Charter on an annual basis.
- g) Approve the risk-based internal audit planning process and plan.
- h) Receive communications from the Chief Internal Auditor about the Internal Audit Service including its performance relative to its plan.
- i) Ensure a quality assurance and improvement programme has been established and review the results annually.
- j) Make appropriate inquiries of senior management and the Chief Internal Auditor to determine whether scope limitations are inappropriate.

In accordance with the Global Internal Audit Standards in the UK public sector – Application note, the following are adaptations to Global Internal Audit standard requirements:

- k) Provide view, where appropriate, on the internal audit function's human resources administration and budgets and expense.
- l) Provide input, where requested, to senior management on the appointment and removal of the Chief Internal Auditor, ensuring adequate competencies and qualifications and conformance with the Global Internal Audit Standards; and
- m) Provide input, as required, to senior management on the Chief Internal Auditor's performance.

The Audit and Standards Committee cannot direct the work of Internal Audit.

Roles and Responsibilities of the Head of Internal Audit

Ethics and Professionalism

The Chief Internal Auditor will ensure that internal auditors:

- a) Conform with the Global Internal Audit Standards in the UK Public Sector, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- b) Understand, respect, meet, and contribute to the legitimate and ethical expectations of the Council and be able to recognise conduct that is contrary to those expectations.
- c) Encourage and promote an ethics-based culture in the Council.
- d) Report on organisational behaviour that is inconsistent with the Council's ethical expectations, as described in applicable policies and procedures.

Objectivity

The Chief Internal Auditor will ensure that the Internal Audit Section remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the Chief Internal Auditor determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgement on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgement, including:

- a) Assessing specific operations for which they had responsibility within the previous year.
- b) Performing operational duties for Melton Borough Council or its affiliates.
- c) Initiating or approving transactions external to the Internal Audit Service.
- d) Directing the activities of any Council employee that is not employed by the Internal Audit Service, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- a) Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the Chief Internal Auditor, the Audit and Standards Committee, management or others.
- b) Exhibit professional objectivity in gathering, evaluating, and communicating information.
- c) Make balanced assessments of all available and relevant facts and circumstances.
- d) Take necessary precautions to avoid conflicts of interest, bias and undue influence.

Managing the Internal Audit Service

The Chief Internal Auditor holds a professional qualification (Chartered Institute of Public Finance & Accountancy) and is suitably experienced in internal audit and counter fraud work.

The Chief Internal Auditor has the responsibility to:

- a) Develop a risk-based internal audit planning process that considers the input of senior management and the Audit and Standards Committee. The Chief Internal Auditor will discuss the planning intentions with the Senior Leadership Team and report these to the Audit and Standards Committee for review and approval.
- b) Communicate the impact of resource limitations on the internal audit plan to the Senior Leadership Team and Audit and Standards Committee.
- c) Ensure the work carried out by the Internal Audit Service is relevant and responds to changes in the Council's risks, operations, programmes, systems, and controls.
- d) Communicate with the Senior Leadership Team and Audit and Standards Committee throughout the year on the internal audit work being undertaken and upcoming planning intentions.
- e) Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards in the UK Public Sector, and other relevant laws and / or regulations.
- f) Follow up on engagement findings, confirm the implementation of agreed actions, and communicate the results of internal audit work to the Senior Leadership Team and Audit and Standards Committee for each engagement, as appropriate.
- g) Ensure the Internal Audit Service collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards in the UK Public Sector and fulfil the Internal Audit Mandate.
- h) Identify and consider trends and emerging issues that could impact Melton Borough Council and communicate to the Senior Leadership Team and Audit and Standards Committee, as appropriate.
- i) Consider emerging trends and successful practices in internal auditing.
- j) Establish and ensure adherence to methodologies designed to guide the Internal Audit Service.
- k) Ensure adherence to Melton Borough Council's relevant policies and procedures unless such policies and procedures conflict with the Internal Audit Charter or the Global Internal Audit Standards in the UK Public Sector. Any such conflicts will be resolved or documented and communicated to the Senior Leadership Team and Audit and Standards Committee.

- l) Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the Chief Internal Auditor cannot achieve an appropriate level of coordination, the issue must be communicated to the Senior Leadership Team and, if necessary, escalated to the Audit and Standards Committee.

The Chief Internal Auditor has no direct operational responsibility or authority over any of the activities that the Internal Audit Service reviews.

Communication with the Senior Leadership Team and Audit and Standards Committee

The Chief Internal Auditor will report periodically to the Senior Leadership Team and Audit and Standards Committee (as detailed below) regarding:

- a) The Internal Audit Service's Mandate (via annual paper to the Audit and Standards Committee).
- b) The internal audit planning process, including resources and budget (annual planning process paper to the Audit and Standards Committee).
- c) Internal Audit key performance indicators (in annual report of the Chief Internal Auditor and regular progress reports).
- d) Current and potential audit work (at each meeting of the Audit and Standards Committee via progress reports).
- e) Significant revisions to internal audit resources and budget (at each meeting of the Audit and Standards Committee via progress reports).
- f) Potential impairments to independence, including relevant disclosures as applicable (by exception, in progress papers to the Audit and Standards Committee, and annual report of the Chief Internal Auditor).
- g) Results from the quality assurance and improvement programme, which include the Internal Audit Service's conformance with the Global Internal Audit Standards in the UK Public Sector and action plans to address the Internal Audit Service's deficiencies and opportunities for improvement (in progress reports to the Audit and Standards Committee and annual report of the Chief Internal Auditor).
- h) Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit and Standards Committee that could interfere with the achievement of the Council's strategic objectives (in progress reports to the Audit and Standards Committee and annual report of the Chief Internal Auditor).
- i) Results of assurance and advisory services (in progress reports to the Audit and Standards Committee and annual report of the Chief Internal Auditor).

- j) Management's responses to a risk that the Internal Audit Service determines may be unacceptable, taking into account proportionality and the current climate (in progress reports to the Audit and Standards Committee and annual report of the Chief Internal Auditor).

Quality Assurance

The Head of Internal Audit will develop, implement, and maintain a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the Internal Audit function. The programme will include external and internal assessments of the Internal Audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the Internal Audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The programme will also assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. If applicable, the assessment will include plans to address the Internal Audit function's deficiencies and opportunities for improvement.

Internal review of work standards will be undertaken through a system of managerial review involving the Chief Internal Auditor. This incorporates a review of all documentation and evidence, and the accuracy of the report.

Feedback is requested from managers following audit assignments to obtain their satisfaction with the internal audit service provided. The results of the feedback will be reported in the annual report of the Chief Internal Auditor.

A suite of performance indicators and targets is developed annually to monitor the quality of the service provided, the results of which are reported in the annual report of the Chief Internal Auditor and throughout the year in the progress reports to the Audit and Standards Committee.

Annually, the Head of Internal Audit will communicate with the Audit and Standards Committee and senior management about the Internal Audit function's QAIP, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments.

External Quality Assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the Council; qualifications must include at least one assessor holding an active Certified Internal Auditor credential.

Scope and Types of Internal Audit Services

The scope of Internal Audit services covers the entire breadth of the organisation, including all of Melton Borough Council's activities, assets, and personnel. The scope of Internal Audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit and Standards Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Melton Borough Council.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the Internal Audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

This effectively means that Internal Audit has independent oversight of all the Council's operations, resources, services and processes and Internal Audit engagements may include evaluating whether:

- Risks relating to the achievement of Melton Borough Council's strategic objectives are appropriately identified and financial and other management controls manage the risks to achieve the Council's objectives.
- The actions of Melton Borough Council's officers, Senior Leadership Team, employees, and contractors or other relevant parties comply with Melton Borough Council's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programmes are consistent with established goals and objectives.
- Operations and programmes are being conducted effectively, efficiently, and ethically.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Melton Borough Council.
- The integrity of information and the means used to identify, measure, analyse, classify and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, protected adequately. accounted for and safeguarded from losses arising from:
 - Fraud and other offences
 - Waste, extravagance and inefficient administration, poor value for money and other causes.

The scope of Internal Audit work may also include:

- Reviewing the suitability and reliability of financial and other management data developed within the organisation.
- Reviewing awareness of risk and its control and providing advice to management on risk mitigation and internal control in financial or operational areas where new systems are being developed or where improvements are sought in the efficiency of existing systems.
- Raising awareness of fraud and corruption.
- Investigating allegations of fraud and corruption.
- Providing advice (consultancy) to Directorates for a variety of issues, such as project assurance, controls advisory requests, areas of concern and lessons learnt reviews.

Where the Chief Internal Auditor considers that the scope of audit work is being restricted, the Director for Corporate Services and the Audit and Standards Committee will be advised.

Internal Audit is not relieved of its responsibilities in areas of the Council's business that are subject to review by others but will assess the extent to which it can rely upon the work of others and co-ordinate its audit planning with the plans of such review agencies.

The Chief Internal Auditor will provide an annual audit opinion as to the adequacy of the Council's governance arrangements, internal controls, and risk management processes. This will be used to support the Council's Annual Governance Statement.

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Risk Management Update – March 2025

Report Author:	Martin Guest , Policy and Communications Manager 01664 502413 mguest@melton.gov.uk
Chief Officer Responsible:	Dawn Garton , Director for Corporate Services 01664 502444 dgarton@melton.gov.uk
Lead Member/Relevant Portfolio Holder	Councillor Leigh Higgins, Chair of Audit & Standards Committee
Corporate Priority:	Ensuring the right conditions to support delivery (inward)
Relevant Ward Member(s):	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- 1.1 This report provides an update on the Council's risk management arrangements and outlines the current significant risks that have been captured on the recent review of the Council's strategic risk register by the Senior Leadership Team.

2 Recommendation(s)

That Audit and Standards Committee:

- 2.1 **Notes the content of the report and the updated Strategic Risk Register and associated risk management action plan, as attached at Appendix A.**

3 Reason for Recommendations

- 3.1 Risk Management forms part of the Audit and Standards Committee's terms of reference who have formal responsibility for overseeing the Risk Management arrangements for the Council. It is important that members have awareness of the strategic risks that could

impact on the Council and to review the risk management arrangements in place and the activities that are being undertaken to mitigate those risks.

4 Background

- 4.1 The Strategic Risk Register captures the current significant risks and outlines mitigating actions. Members of the Audit and Standards Committee last reviewed this in September 2024. In line with the current corporate performance and risk management reporting framework it has been previously agreed to update members on a 6 monthly basis.
- 4.2 Cabinet also has oversight of risk to ensure awareness of the strategic risks that could impact on the Council and to review the risk management arrangements in place and the activities that are being undertaken to mitigate those risks. Cabinet will receive an update on Strategic Risks on a quarterly basis as part of the revamped arrangements for monitoring progress on the Corporate Strategy themes from quarter 3 2024/25.
- 4.3 The Council also maintains Directorate risk registers to help manage those risks that are more service specific to support and manage service delivery. These are reviewed by Directors and Managers regularly as well as the Senior Leadership Team to help inform any discussions around risks that may need to be escalated to the strategic risk register. Risks are monitored at both a Directorate and corporate level and then may move on the scoring matrix or between the different risk registers depending on the level of risk or concern at the time. However, it is recognised risks are dynamic and can change depending on the latest information and actions taken and therefore are kept under review and mitigation modified accordingly.
- 4.4 Project risks are also managed through the council's project management framework with risk registers maintained for high profile projects which are regularly reviewed through project teams and programme boards.

5 Main Considerations

- 5.1 The Strategic Risk Register has been recently reviewed and updated by Senior Management to capture the current significant risks and outline mitigating actions. The risks are allocated by corporate category focus area.
- 5.2 A copy of the Strategic Risk Register is attached as Appendix A. This consists of a Risk Matrix which plots the risks being managed at this level along with the actual register itself which includes the current and target risk score, along with further details for each risk such as potential consequences, the controls in place and any action required. Members will note there are currently 13 risks being monitored at this level – 5 high (red) risks and 8 medium (amber) risks and 0 low (green) risks. In summary these are:

Category Focus	High	Medium	Low	Total
Place	2	1	0	3
Priorities	1	1	0	2
Service and Governance	2	6	0	8
Total	5	8	0	13

An explanation of the three risk categories referred to in the table above, and the specific risks considered within them is set out below:

PLACE – those areas which directly impact our communities:

- Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation (Revised title for Devolution Risk)
- Implementation of a food waste collection arrangement
- Capacity to Respond to a Major Incident

PRIORITIES – those commitments made in our Corporate Strategy

- Failure to deliver MMDR (in full or in part) and the financial and legal impacts on Melton Borough Council arising from the agreement with the County Council which seeks to support delivery
- Uncertainties regarding long term future leisure provision in Melton

SERVICE AND GOVERNANCE – those areas which are associated with our service areas and corporate governance

- Failure to Secure financial stability in the medium term
- Stability of future provision of ICT services
- Financial pressures undermining partnerships (integrated working)
- Failure of a key supplier e.g. Housing Repairs, Waste and Leisure
- ICT Security Breaches
- Resourcing of the projects relating to Levelling Up Funding, the UKSPF Investment Plan, Asset Development Plan and Leisure developments
- Lack of capacity to deliver services and projects due to resourcing issues in specific teams
- Capacity to deliver the new Vision 36 and the Corporate Delivery Plan

5.3 Summarised in the table below are the main risks that we would like to draw members attention to, based on the current risk score, changes to previous scoring or new risks that have been identified:

Risk	Risk Category	Rating	Score	Mitigating Action/ Change
PL1 Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation	Place	4x4	16	<p>Risk increased from 3x3 to 4x4. Following controls are in place to mitigate the risks:</p> <ul style="list-style-type: none"> • Regular meetings of Local Councils across LLR (predominantly Districts and Rutland) to facilitate discussions. • Regular engagement with MHCLG colleagues • Development of interim proposals for submission by March 2025 underway. • Stakeholder engagement initiated on 27th February 2025. • Report to Cabinet 14th January 2025, and to Council 27th February 2025. • All member and all staff briefings and email updates.

<p>PL2 Implementation of food waste collection arrangements</p>	<p>Place</p>	<p>4x5</p>	<p>20</p>	<p>Significant increase in the risk from 3x3 to 4x5. Following controls in place to mitigate the risk:</p> <ul style="list-style-type: none"> • Waste and Environmental Service Manager in post since September 2024 and has relevant skills, knowledge and expertise. • Evidence base also being reviewed to support understanding of capital and revenue requirements. • Initial dialogue with contractor underway. • Collaboration between districts working well and procurement on joint procurement options for caddies. • Engagement with countywide groups and discussions.
<p>SG2 Stability of future provision of ICT services</p>	<p>Strategic</p>	<p>3x3</p>	<p>9</p>	<p>Risk decreased from 3x4 to 3x3. Following controls in place to mitigate the risks:</p> <ul style="list-style-type: none"> • Additional resources provided by partners to escalate infrastructure improvements. • Regular strategic review meetings to ensure partnership is aligned. • Business analysts provided as part of new structure to collaborate with partner services to develop future IT provision. • Independent support to the Head of ICT to implement required changes.
<p>SG8 Capacity to deliver the new Vision 36 and the Corporate Delivery Plan</p>	<p>Strategic</p>	<p>4x4</p>	<p>16</p>	<p>Risk increased from 4x3 to 4x4. Following controls in place to mitigate the risks:</p> <ul style="list-style-type: none"> • The commitments made have been developed with members to meet the future needs of the borough and as part of the process of this the resources required have been developed with finance. • Monitoring of the commitments will take place over the duration of the plan through the budget process and through the Council's Performance and Risk Management Framework

				<ul style="list-style-type: none"> • Specific review of capacity and priorities due to be undertaken as part of responding to the English Devolution White Paper. Confirmation of whether any current activities have to be de-prioritised will be discussed with Cabinet.
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- 5.4 Since the last review, the points to note from the table above and the risks attached are shown in 5.5 to 5.8.
- 5.5 PL1 to 'Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation' which reflect recent developments over the last 6 months in terms of devolution with the introduction of the English Devolution White Paper on 16th December 2024 and associated timeline for devolution and local government reorganisation. Regular updates on the progress of the Leicestershire arrangements have been presented to Council with the last update given on 27th February 2025. As a result of recent developments, the risk impact and likelihood have both increased to 4 to reflect the changes for the Council.
- 5.6 PL2 Implementation of food waste collection arrangements risk has significantly increased to reflect the challenges of the last 6 months. The impact has risen to 4 from 3 and the likelihood has increased from 3 to 5, around the financial resources available to deliver this service. Further actions are now in place to progress this project. The agreed project plan will be managed and progressed by the Waste and Environmental Services Manager supported by a project team from across the Council. We will continue to further press DEFRA for resources and to challenge and consider outcome and implications of outcome on delivery of this service and financial impact for the council. This is a high-risk area and a high-profile programme of work for the Council.
- 5.7 SG2 Stability of future provision of ICT services risk has reduced the likelihood from a 4 to 3. The risk rating has reduced to reflect where the Council is now with the ICT infrastructure. Future actions to manage this risk include the delivery of planned improvements and documentation of systems and review and update of associated policies. There will also be a review of operating model following move to 2 partner model and investment in infrastructure to ensure resources are at right level and skills to support technology in place and demand. There will be development of partner IT strategy and roadmap highlighting areas for consideration of further investment in ICT.
- 5.8 SG8 Capacity to deliver the new Vision 36 and the Corporate Delivery Plan risk has increased the likelihood from 3 to 4 to reflect the impact the devolution work may have on the ability to deliver against all the Council's commitments. To manage this, the Council will continue to review the commitments and see how we are able to deliver on these and maintain service quality across the Council. There will be a specific review of capacity and priorities due to be undertaken as part of responding to the English Devolution White Paper part of risk PL1. Any confirmation of whether any current activities have to be de-prioritised will be discussed with Cabinet.
- 5.9 The risk 'Ensuring strong tenant outcomes across all the areas of the Housing Regulatory Framework Service Delivery' has been updated to reflect the change in emphasis following the inspection and judgement last year. As a result, the risk likelihood has fallen

to 2 from 3 and is now considered a low focus and has been removed as a strategic risk. This will be monitored in the Housing and Communities operational risk register.

- 5.10 The other risk scores have remained the same as a number of actions are still being worked through and have a longer timeline for implementation of mitigating actions.
- 5.11 As referred to in para 4.3 the Council also maintains Directorate risk registers to help manage those risks that are more service specific to support and manage service delivery.

5.12 Risk Management Update

5.12.1 The following have been provided since the update of September 2024:

- An IOSH Managing Safety 'mop up' course (e-learning) for staff who could not undertake the training in 2024.
- Protect Duty / Martyn's Law work – Cabinet was briefed on roles and responsibilities of local authorities and the current threat level in November 2024 by a Counter Terrorism Awareness Advisor.
- Protect Duty / Martyn's Law work – An Action Counter Terrorism (ACT) awareness workshop was hosted in December 2024 for SLT and Managers including close working partners within the borough e.g. Town Estate.
- Protect Duty / Martyn's Law work – A follow up workshop; ACT Operational was hosted in January 2025 for SLT and Managers including close working partners within the borough e.g. Town Estate.
- Once MBC can upload the Home Office e-learning module for ACT, all staff will be mandated to complete the training.
- A sub-group of the Health & Safety Working Group (HSWG) has been set up to progress the Protect Duty by writing and agreeing security procedures covering key threats such as bomb, chemical, biological, radiation attack, hostile vehicle, marauding attack, suspicious package, phone call, this will be the start of a Security Threat Policy;
- A new Safety Management Standard is being drafted to cover Memorials. This is a large piece of work as it covers headstones (periodic inspections the safety standards and training of staff to nationally recognised standard, making headstones and memorials safe) memorials, benches and tree / shrub planting and reflects the new Council strategy to managing all of these areas as this is currently not in place. A draft has been submitted for consultation to the HSWG and working with Cemetery officer there is more to do including preparing a customer facing document and agreeing after consulting with Councillors, what the Council's approach should be to memorial trees around the borough.

6 Options Considered

- 6.1 An alternative option is that Audit and Standards do not review the Strategic Risk Register. This is not considered a viable alternative as it is essential that members have strategic oversight of the organisation.

7 Consultation

- 7.1 Cabinet have reviewed the updated strategic risks at their meeting on 12 March 2025.

8 Next Steps – Implementation and Communication

- 8.1 Senior Management will continue to monitor and update the Strategic Risk Register as appropriate and will report back to members later in the year with a further update.

9 Financial Implications

- 9.1 There are financial implications from poor Risk Management however, with robust procedures these should be minimised or eradicated.
- 9.2 The Council's insurance contract contains provision for support on a range of risk management areas with the member training being funded from this provision and therefore incurring no additional cost to the council.

Financial Implications reviewed by: Director for Corporate Services

10 Legal and Governance Implications

- 10.1 Regulation 3(c) of the Accounts and Audit Regulations 2015 requires the Council to have in place a 'sound system of internal control which includes effective arrangements for the management of risk'. This report and appendix demonstrate the effectiveness of the Council's systems and controls in identifying current risk and sets out steps taken in mitigation of those risks.
- 10.2 Failure to adequately address legal issues arising from any activity of the Council increases risk. Legal Officers endeavour to ensure Members are adequately advised and projects properly implemented to ensure that legal requirements are met, and that appropriate legal advice is given to Officers regarding service delivery.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

- 11.1 There are no specific Equality and Safeguarding implications in the report.

12 Data Protection Implications (Mandatory)

- 12.1 A Data Protection Impact Assessments (DPIA) has not been completed as there are no risks to the rights and freedoms of natural persons.

13 Community Safety Implications

- 13.1 There are no specific Community Safety implications in the report.

14 Environmental and Climate Change Implications

- 14.1 There are no specific Environmental and Climate Change implications in the report.

15 Other Implications (where significant)

- 15.1 No other implications have been identified.

16 Risk & Mitigation

- 16.1 All risks are outlined in the risk register in Appendix A.
- 16.2 A summary of the risk register scoring matrix and assessment guidance is also included in Appendix A that officers have used when making their judgements on the likelihood and impact of each risk in order to identify the overall risk rating.

17 Background Papers

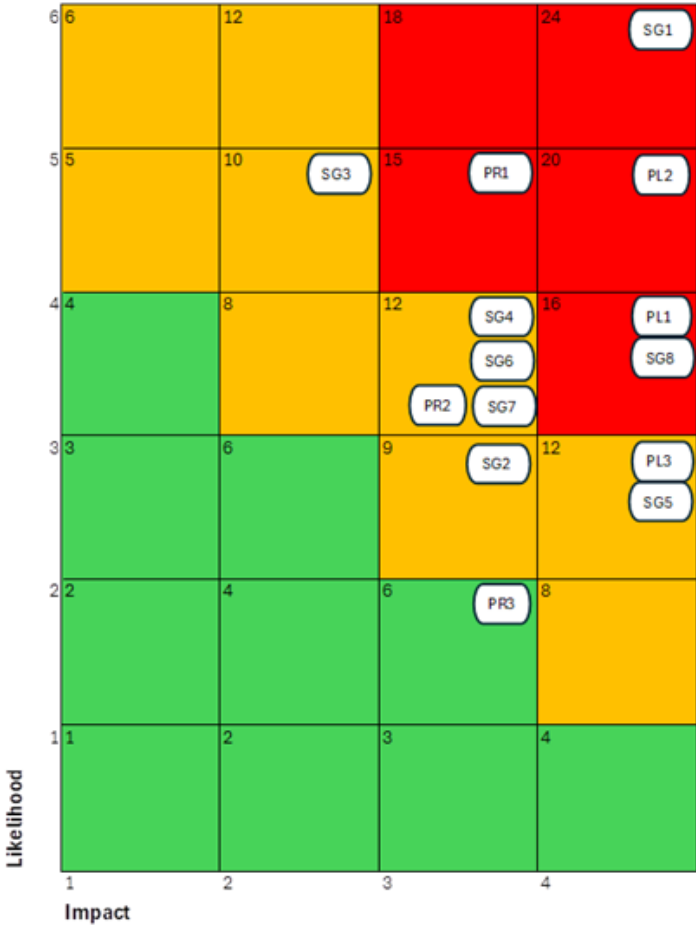
- 17.1 No background papers are included with this report.

18 Appendices

- 18.1 Appendix A – Strategic Risk Register as of March 2025.

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Appendix A – Strategic Risk Report with Matrix



Risk Ref	Title	Impact	Likelihood	Current Risk Rating
PL1	Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation	4	4	16
PL2	Implementation of food waste collection arrangements	4	5	20
PL3	Capacity to respond and recover to a major incident	4	3	12
PR1	Failure to deliver MMDR (in full) and the financial and legal impacts on Melton Borough Council arising from any agreement with the County Council which seeks to support delivery.	3	5	15
PR2	Uncertainties regarding future leisure provision in Melton	3	4	12
PR3	Ensuring strong tenant outcomes across all the areas of the Housing Regulatory Framework Service Delivery (Removed in March 2025)	3	2	6
SG1	Failure to secure financial stability in the medium term	4	6	24
SG2	Stability of future provision of ICT services.	3	3	9
SG3	Financial pressures undermining partnerships (integrated working)	2	5	10
SG4	Failure of a key supplier e.g. Housing Repairs, Waste and Leisure	3	4	12
SG5	ICT Security Breaches	4	3	12
SG6	Resourcing of the LUF, UKSPF, ADP and Leisure developments	3	4	12
SG7	Lack of capacity to deliver services and projects due to resourcing issues in specific teams	3	4	12
SG8	Capacity to deliver the new Vision 36 and the Corporate Delivery Plan	4	4	16

Strategic Risks



PL1 Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation

RISK VULNERABILITY AND CAUSE	<p>On 16th December 2024, the Devolution White Paper was published, setting out the government's ambitions to deliver devolution to all regions, alongside a simplification of local government structures. In February 2025, all two-tier areas were invited to submit proposals to government for reorganisation, with interim plans due to be submitted by 21st March and for LLR, final proposals to be submitted by 28th November 2025.</p>
RISK CONSEQUENCES Page 69	<ul style="list-style-type: none"> • Outcome of Devolution and LGR currently unclear and whatever is finalised may not be in the best interests of rural communities like Melton. • The criteria for LGR advocates for larger unitary councils. There is a risk that future local government becomes too remote and results in a loss of connection with communities like Melton. • Democratic accountability is undermined. • The response to the white paper will consume senior leadership and political capacity, working in partnership to develop an appropriate response, and one that ideally achieves a consensus. • Strategic focus will be diverted from other priorities and there will be an inability to deliver existing plans. • The uncertainty arising from the proposed changes has the potential to destabilise the organisation and result in a further loss of focus • Potential to create recruitment and retention issues. <p>Inability to achieve corporate objectives / In ability to secure additional funding to support priorities / Duplication of focus / Breakdown in relationships and partnerships / Loss of UKSPF funding.</p>
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	<ul style="list-style-type: none"> • Regular meetings of Local Councils across LLR (predominantly Districts and Rutland) to facilitate discussions • Regular engagement with MHCLG colleagues • Development of interim proposals for submission by March 2025 underway.

	<ul style="list-style-type: none"> • Stakeholder engagement initiated on 27th February 2025. • Report to Cabinet 14th January 2025, and to Council 27th February 2025. • All member and all staff briefings and email updates. 		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		<ul style="list-style-type: none"> • Meeting of City, County, Districts and Rutland scheduled for 6th March 2025. • Meetings with MPs scheduled. • Stakeholder engagement to continue 	
Date Assessed	Next Assessment Date	Risk Owner	Chief Executive
28-Feb-2025	01-Apr-2025		

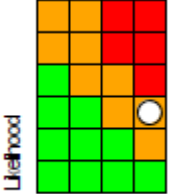
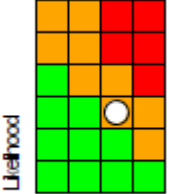


PL2 Implementation of food waste collection arrangements

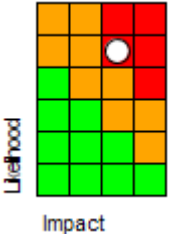
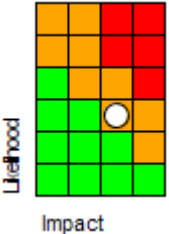
RISK VULNERABILITY AND CAUSE	New requirement, details of requirements, sufficiency of funding and delivery options currently being assessed. New service – large project. Linked to this, high demand may affect availability of vehicles, caddies etc. Resourcing to lead and oversee project currently unclear due to staffing change / partnership change.		
RISK CONSEQUENCES	Unable to implement a food waste collection service in time.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Successful recruitment of the role of Waste and Environmental Service Manager, postholder has relevant skills, knowledge and expertise, starts in post in September 2024. Challenge to DEFRA regarding capital funding remains in progress – commitment to maintain change of sufficiency if capital funding. Evidence base also being reviewed to support understanding of capital and revenue requirements. Initial dialogue with Biffa underway – to be accelerated when new service manager is in post. Collaboration between districts working with Well and procurement on joint procurement options for caddies. Engagement with countywide groups and discussions.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Project plan to be progressed by new service manager. when in post – preparatory work is being done ahead of this. Submit further DEFRA challenge and consider outcome / implications of outcome on delivery of this service and financial impact for the council. This is a high risk and high-profile programme of work.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities
28-Feb-2025	01-Apr-2025		



PL3 Capacity to respond and recover to a major incident

RISK VULNERABILITY AND CAUSE	To be prepared for and have the ability to respond to a major incident impacting on both the council's ability to deliver services and on the community as a whole. A major incident may include severe weather, notifiable diseases, major incidents, community unrest and business continuity incidents		
RISK CONSEQUENCES	Homes and businesses are damaged, disruption to transport and travel in the borough, disruption to communication infrastructure, health and wellbeing of young, elderly and other vulnerable members of the community, severe loss of livestock and livelihood of rural businesses, ability for the council to deliver services, death/injury to members of the community		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Support and partnership/multi agency working with Local Resilience Forum. Training for Senior Officers in managing major incidents. Emergency plan in place. Dedicated Resilience Officer in post. Various plans in place and regularly reviewed for example Adverse Weather Plan. Close liaison and mutual aid available with neighbouring authorities and partners including blue light services. Communications cell is well established and incident and Met Office weather warnings in place and public warning messages issues through social media. Links with Parish Councils, local flood wardens and other community groups. Emergency Centre plans in place		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
 <p style="text-align: center;">Likelihood Impact</p>	 <p style="text-align: center;">Likelihood Impact</p>	Preparedness for a major incident. Further multi agency training to be undertaken. Continue to review plans and ensure these are communicated. Continued working through the LRF with local officers. Plan for increased incidents due to adverse weather. Multi agency communication and learning from previous incidents. Keep oversight of national picture with regard to unrest and consider/assess local implications	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Organisational Development
25-Feb-2025	01-Apr-2025		

PR1 Failure to deliver MMDR (in full) and the financial and legal impacts on Melton Borough Council arising from any agreement with the County Council which seeks to support delivery.

RISK VULNERABILITY AND CAUSE	'The funding for the North and East is in place and construction work is underway. The Southern section is less well developed and subject to similar cost escalation and as a consequence LCC were unable to reach agreement with Homes England and refused to accept the Housing Infrastructure fund for the southern section. The delivery mechanism for the southern section is therefore uncertain, although LCC have confirmed they remain supportive of Melton's Local Plan strategy and will continue to work to identify the required funding. Whilst the Staged Payment Agreement has now fallen away, the Developer Contributions SPD remains in place.		
RISK CONSEQUENCES	Undermines the Melton Local Plan and broader growth aspirations. More pressure for Housing growth in rural areas. Reputational impact.		
EXISTING CONTROLS IN PLACE MITIGATE THE RISK	In relation to the Southern section the Council has agreed and approved a Masterplan for the Southern SUE and a Developer Contributions SPD. Work continues with the county council on delivery of the southern section but without the HIF and continuing inflationary pressures, affordability remains a continuing challenge.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		The Council is working with the County Council and developers on identifying alternate delivery mechanisms. At this stage it is unclear whether a resolution will be found but the work locally continues. Opportunities to discuss further with Homes England and the new government will be explored	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Planning
28-Feb-2025	01-Apr-2025		



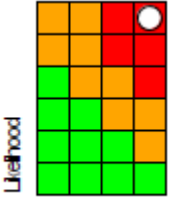
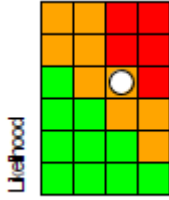
PR2 Uncertainties regarding future leisure provision in Melton

RISK VULNERABILITY AND CAUSE	Ageing facilities, identification of need for improved leisure facilities, service and reputational associated with them. Need for improved leisure facilities and identification of funding to support this.		
RISK CONSEQUENCES	Ageing facilities, identification of need for improved leisure facilities, service and reputational associated with them. Need for improved leisure facilities and identification of funding to support this.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	<p>Successful leisure procurement, securing future of facilities for next 10 years. Contract commenced 1st April 2024. Planned leisure improvement works as part of the new contract are taking place and remain on track, supported by successful capital bids to SPSF and LLEP. Grand opening of 'new look and feel facilities' during August 2024.</p> <p>New contract management arrangements in place. First meeting of Leisure Strategic Partnership Board took place on 31st July 2024. This will support robust and strategic contract management approach and will include leisure and property colleagues.</p> <p>New corporate strategy commits to a new leisure centre by 2036. Ongoing work on health and leisure vision progressing (in line with corporate strategy commitment) and is necessary to appropriately address this risk item.</p>		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Develop longer term vision and plan for leisure centre capital financing, and as part of this, a clear timeline and understanding of the finances required.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities; Director for Place & Prosperity
28-Feb-2025	01-Apr-2025		



SG1 Failure to secure financial stability in the medium term

RISK VULNERABILITY AND CAUSE	'Government funding cuts and uncertainty regarding longer term funding position due to funding review due from 2026/27 including business rates reset. In addition, inflationary pressures on Council and local community increasing costs. Decline in income streams. nonrecurring grant funding ending. Retained business rates difficult to estimate due to appeals and empty properties. Partnership funding cuts. Demographics (increased demand). Structural deficit in the budget relying on reserves to balance in from 2023/24 onward followed by further forecast budget gaps in later years. Cipfa financial resilience and Oflog indicate comparatively low level of reserves. Ability to fund unexpected events such as enforcement action and appeals and costs of change. Need and desire to invest versus low level of capital receipts. Affordability of assets repairs an issue.
RISK CONSEQUENCES	'Inability to achieve corporate objectives. Savings having to be made that impact service delivery. Low staff morale and high staff turnover as workforce is reduced leading to capacity issues. Poor customer satisfaction leading to high failure demand. Deterioration in asset conditions and no capital to invest in aspirations which could lead to increased income/reduced expenditure.
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	' Priorities agreed through corporate strategy. Regular liaison and consultation with unions. People Strategy e.g. staff training and support. Maximising partnership working to deliver better outcomes at reduced local cost. Regular review of MTFS. Well informed public and members around priorities, cost of services and resources available. Regularly review risk associated with partnership projects and funding. Risk assessed working balance which considers potential fluctuations of income and expenditure levels against budget. MTFS is subject to sensitivity analysis. Ongoing review of any changes in government funding. Ongoing consideration to be given to public consultation to ensure the proposals are understood within the context of the financial position. Regular liaison and lobbying of government and other groups to recognise the need for fair funding. Development of financial sustainability programme.

Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		<p>'Development of a costed financial sustainability plan that is realistic and achievable and sufficient to meet budget gap. Prioritise spending plans that will generate savings in return. Consider options for reducing failure demand e.g. prevention and demand reduction through service transformation. Development of Plan B that can be used if savings cannot be achieved.</p>	
Date Assessed	Next Assessment Date	Risk Owner	Director for Corporate Services
27-Jan-2025	01-Jul-2025		



SG2 Stability of future provision of ICT services.

RISK VULNERABILITY AND CAUSE	Following move to an in-house service provider via HBBC identified poor infrastructure that requires investment, poor documentation, and gaps in skill levels of team. Risk that there is instability whilst documentation is improved, and infrastructure is updated. Increased demand for ICT services due to development of digital services. Customer impact / accessibility when ICT is unstable.		
RISK CONSEQUENCES	Poor IT operational service leading to service issues and poor customer service, Poor staff morale and frustration with IT provision. Failure of core systems resulting in loss of service.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Additional resources provided by partners to escalate infrastructure improvements. Regular strategic review meetings to ensure partnership is aligned. Business analysts provided as part of new structure to collaborate with partner services to develop future IT provision. Independent support to the Head of ICT to implement required changes.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
Page 77 		Delivery of planned improvements and documentation of systems and review and update of associated policies. Review of operating model following move to 2 partner model and investment in infrastructure to ensure resources are at right level and skills to support technology in place and demand. Appointment of programme manager to provide robust programme management support to ensure delivery of projects on time and to scope and budget. Development of partner IT strategy and roadmap highlighting areas for consideration of further investment in ICT. Training and support to existing and newly recruited staff. Backup restoration through full disaster recovery test.	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Organisational Development
28-Feb-2025	01-Jul-2025		



SG3 Financial pressures undermining partnerships (integrated working)

RISK VULNERABILITY AND CAUSE	Reduced funding from partners. Conflicting priorities between partners.		
RISK CONSEQUENCES	With ongoing financial pressures, it is difficult to achieve effective partnership working that can have a real impact on key issues such as crime, ASB, substance misuse, social mobility, inclusive growth, and homelessness.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Maintaining relationships with senior leaders and commissioners from other organisations. Working through existing partnership structures. Take advantage of co-location and shared uses of buildings. Proactive engagement with key partners to support outcomes for communities including leadership role in key health and wellbeing partnerships and Melton Helping People Partnership. Increased collaboration with Lightbulb project and homelessness partnerships. Continued investment in Community Grants Scheme with policy aligned to evidence based Council priorities and outcomes means the council can continue to support local community and voluntary sector organisations.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
Page 78 		Monitor impacts of LCC budget reductions on services such as homelessness and healthy / active communities. Engage ICB to secure funding. Consider future of shared service arrangements to ensure value for money and resilience – CCTV, Out of Hours, Waste and Environmental Services.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities
02-Mar-2025	01-Apr-2025		

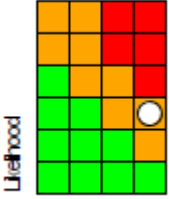
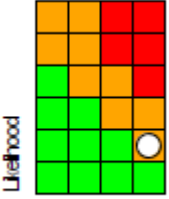


SG4 Failure of a key supplier e.g. Housing Repairs, Waste and Leisure

RISK VULNERABILITY AND CAUSE	Supplier failure. Bankruptcy. Volatility of construction sector, vulnerability inflationary/recessionary pressures		
RISK CONSEQUENCES	Failure to deliver service. Reputational damage. Financial costs. Capacity to deal with the implications. Legal implications		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Robust procurement. Performance Bonds. Regular dialogue with and monitoring of the key suppliers and contracts. Successful risk mitigation during transition of gas and heating contract provides confidence that risks of this nature can be managed. Monitoring of void and repairs performance, planned maintenance and value for money. Consider future options for contract extension and / or re-procurement.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
Page 79 		Ongoing monitoring of key suppliers/contracts.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities
02-Mar-2025	01-Apr-2025		



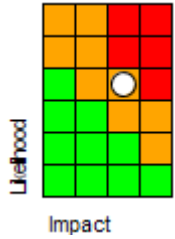
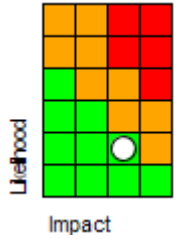
SG5 ICT Security Breaches

RISK VULNERABILITY AND CAUSE	Data loss or inability to deliver systems and services from internal or external ICT Security breaches. Internal breaches by employees may be malicious or accidental, either compromising data or systems by deliberate action or inaction. External breaches are by Cyber actors deliberately attempting or breaching ICT perimeter controls, or by misleading staff to take action that compromises ICT security, to remove data, encrypt systems, extort monies, or disable the authority's ability to deliver its services	
RISK CONSEQUENCES	Loss of data, security breach introducing a virus into council systems, breach of legislation such as data protection resulting in prosecution or fine and reputational damage. System loss leading to interruption in services being delivered to customers.	
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Perimeter Security provided by Firewalls and firewall policies, systems and data is backed up using industry best practice. Annual IT Health checks and penetration testing, Cyber Essentials and PSN accreditation, External Vulnerability scanning tools, Security Working Group, policies in place to support and advise staff, ICT articles and newsletters aimed at increasing staff cyber security awareness, corporate training linked to the NCSC guidance rolled out corporately. Simulated phishing tools and learning to increase staff awareness of the risks of Phishing. Encryption detection software, Antivirus software, Mail Filtering, Sophos Unified Threat Manager, Intrusion detection software, Intercept X detecting and unauthorised encryption and protecting files. Password management tool ensuring passwords are secure and less likely to be defeated by social engineering or brute force or dictionary/spraying attacks. 3-2-1 Backups in place 3 copies, 2 locations, 1 Off-site a manage detect and response solution monitors the ICT estate for threats and anomalous behaviour.	
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED
 <p style="text-align: center;">Likelihood Impact</p>	 <p style="text-align: center;">Likelihood Impact</p>	<p>Additional Cyber security services in the form of a Managed Detect and Response Service to reduce the likelihood of successful intrusion and unusual behaviour, Privilege Access Management to mitigate internal threats. Implement additional protections such as Zero Trust to protect employees or attackers with a foot hold in the network from being able to laterally move across the network. Implement a PAM (privilege access management) to reduce the ability of privileged users to access and exfiltrate data or perform unaudited changes. implementation of audit recommendations including cyber security training and learning from other organisations. Procure and implement</p>

		proactive threat management technologies to enable MBC to see intelligence on Cyber threats before they become manifest. Multi Factor Authentication to be rolled out.	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Organisational Development
01-Oct-2024	01-Apr-2025		



SG6 Resourcing of the LUF, UKSPF, ADP and Leisure developments

RISK VULNERABILITY AND CAUSE	Delivery of these projects will require a distinct set of experience, knowledge and skill set at various stages of the projects. Not all skill sets are available within the existing teams. Involvement from Property, Regeneration, Housing and Communities and Corporate services will be required to implement these projects. The teams are busy with the day to day and operational activities and will be stretched with key strategic priorities being delivered simultaneously.		
RISK CONSEQUENCES	Stretched resources or lack of relevant skill sets could lead to delays in delivery, mistakes, lack of compliance to regulations, and reputational damage		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Additional resource needs are included in the ask for external grant funding such as LUF and UKSPF to increase capacity within the team and seek external support where required. Any future capital funding need for delivery of large-scale projects will include additional resources for project management and niche technical advice.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>	A resource plan will be prepared identifying focus areas. SLT will maintain oversight of projects delivery to ensure resource pressure are considered at all stages of the projects. New posts will be recruited at relevant stages in accordance with the resource and project plan.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Place & Prosperity
01-Oct-2024	01-Apr-2025		

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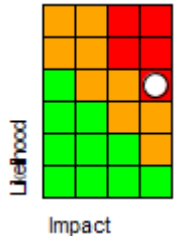
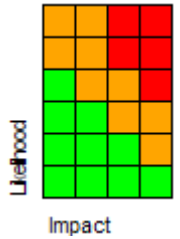


SG7 Lack of capacity to deliver services and projects due to resourcing issues in specific teams

RISK VULNERABILITY AND CAUSE	Workload pressures increasing on particular teams due to increasing demand, coupled with the additional work pressures arising from the establishment of the new council and expectations arising from it. increase in customer expectations due to cost of living, and difficulties in recruiting to certain posts and the impact from Single Points of Failure due to lack of resilience. Difficulty in recruitment in some technical areas such as legal, planning, and environmental health is another contributing factor to capacity issues.		
RISK CONSEQUENCES	Inability to deliver statutory and discretionary services to the public and to deliver on corporate priorities and projects. increased sickness and mental health issues due to the pressure of work. high turnover as staff leave and poor morale. Lack of resilience whereby the loss of a single member of the team can quickly create a significant issue. vacant posts and high cost of interim staff.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Programme Boards to manage projects across the council, corporate strategy to set priorities, recent review of Team Charters and regular team meetings and 1 to 1s to identify areas of concern, range of mental health initiatives to support staff with mental wellbeing. Existing Way We Work Strategy approved in December 2021. New Corporate Strategy 2024–2036 and 4 year Corporate Delivery Plan approved and in place.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Monitoring of progress against Corporate Delivery Plan to assess progress. Ongoing Corporate Governance Meetings. Plan to refresh the Way We Work Strategy and maintain positive and supportive culture. A detailed communications and engagement plan is being developed to respond to the Devolution White Paper and briefings are taking place with all staff. The Council will continue to promote the opportunities created by Devolution and any future reorganisation, in terms of re-shaping the future size and shape of local government.	
Date Assessed	Next Assessment Date	Risk Owner	Chief Executive
25-Feb-2025	01-Jul-2025		



SG8 Capacity to deliver the new Vision 36 and the Corporate Delivery Plan

RISK VULNERABILITY AND CAUSE	to be able to deliver the commitments outlined in the Council's Vision 36 and the Corporate Delivery Plan through the activity, projects, and actions. The commitments will require resources both financial and non-financial (staffing, assets etc) to enable delivery.		
RISK CONSEQUENCES	We fail to deliver on the commitments made in Vision 36 and Corporate Delivery Plan. Resources used to deliver on the commitments are taken away from existing services and this impacts on the quality to residents. Resources used may also impact on the Council's long term financial sustainability and the capacity of officers to deliver services to existing levels of quality.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	The commitments made have been developed with members to meet the future needs of the borough and as part of the process of this the resources required have been developed with finance. Monitoring of the commitments will take place over the duration of the plan through the budget process and through the Council's Performance Management Framework.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Monitoring of the resources required to deliver on the commitments. Continue to review the commitments and how we are able to deliver on these and maintain service quality across the Council. Specific review of capacity and priorities due to be undertaken as part of responding to the English Devolution White Paper. Confirmation of whether any current activities have to be de-prioritised will be discussed with Cabinet.	
Date Assessed	Next Assessment Date	Risk Owner	Chief Executive
23-Jan-2025	01-Apr-2025		



**Melton
Borough
Council**

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Audit and Standards Committee Annual Report 2024/25



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Chairmans statement

I am pleased to present this year's Annual Report of the Audit and Standards Committee.

The Committee is accountable to Council and welcomes scrutiny of its effectiveness in fulfilling its terms of reference and its impact on the improvement of governance, risk and control within the authority.

This report covers the work of the Audit and Standards Committee during the period July 2024 to March 2025.

The Committee plays a key role in providing the Council with assurance in respect of the adequacy and effectiveness of the Council's systems of risk management, financial and internal controls and governance.

As usual, the Committee obtained its own assurance from multiple sources with the main source being provided through the reports of our internal and external auditors.

I would also like to recognise the significant work completed during this period to conclude the external audit of the last of the legacy council accounts. The Committee has considered a number of reports during the year in relation to these accounts. The Committee continues to reflect upon its own effectiveness through undertaking an annual self assessment.



Cllr Leigh Higgins

1 Introduction and Overview

- 1.1 The Audit and Standards Committee operates in accordance with the CIPFA Position Statement 2022: Audit Committees in Local Government. This position statement sets out the role of an Audit Committee as follows:

Audit committees are a key component of an authority's governance framework. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The committee's role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

In a local authority the full council is the body charged with governance. The audit committee may be delegated some governance responsibilities but will be accountable to full council.

The committee has oversight of both internal and external audit together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.

- 1.2 This is important to ensure that the Council understands where things may go wrong and has controls in place to make sure that it mitigates against them. The functions that are discharged by the Committee are not Executive functions and cannot be discharged by the Executive.
- 1.3 The Committee consists of 10 members, politically balanced as set out below:

Councillor Leigh Higgins (Chair)
Councillor James Mason (Vice Chair)
Councillor Jim Adcock
Councillor Ian Atherton
Councillor Mike Brown
Councillor Steven Carter
Councillor Margaret Clay (May 2024 – July 2024)
Councillor Christopher Evans (July 2024 – Present)
Councillor Alison Freer
Councillor Simon Orson
Councillor Richard Sharp

- 1.4 In addition to members the following will also attend meetings:

- Director for Corporate Services (the Chief Finance Officer role as required by Section 151 of the Local Government Act 1972);
- The Solicitor to the Council in the role of Monitoring Officer;
- The Head of Internal Audit (HIA);
- The External Auditor.

Other Officers and Councillors may attend meetings as required.

1.5 Terms of reference for the Committee are as set out in the Constitution

[Audit and Standards Committee: Terms of Reference.](#)

1.6 For the 2024/25 Council year formal Committee meetings in addition to this meeting have been held on the following dates. Agendas and minutes are available to the public on the Council website. Public meetings are broadcast live on YouTube and remain available on YouTube:

23rd July 2024

24th September 2024

26th November 2024

28th January 2025

1.7 In addition to the formal public Committee Meetings the Chair and Vice Chair meet quarterly with the Director for Corporate Services, Monitoring Officer and the Head of Internal Audit. These meetings discuss potential future agenda items, performance against development aims, Internal Audit performance and other matters such as changes to the regulation framework for audit, topical national fraud and other risk issues.

1.8 Seminars are also held on topical issues nationally for Chairs and Vice Chairs of Audit Committees.

2 Summary of 2024/25

2.1 A training plan was presented to the committee at its meeting on 26th November 2024. In line with this plan training was delivered for new members to the committee. Training was also provided on the Statement of Accounts to prepare members for the forthcoming meeting that would consider the statements and the external auditors opinion prior to their approval.

2.2 Key activities and considerations during the year were as follows:

- Reviewed and updated its terms of reference which are awaiting consideration by the Constitution Review Working Group prior to their submission to Council.
- Considered and noted the implications arising from the new Global Internal Audit Standards.
- Received and considered the internal audit annual opinion and report for 2023/24. This included the outcome against the plan, customer satisfaction with the service received, performance data on the service as well as an update on counter fraud activity;
- Approved the internal audit annual plan for 2024/25 following active engagement and consultation on its development;
- The Committee reviewed and approved the Internal Audit Charter and Strategy in March 2025. This is subject to annual review, in line with the Public Sector Internal Audit Standards;
- The Committee received updates on progress providing challenge and scrutiny on any weakness in internal control identified. Key findings from each internal audit assignment are provided for the Committee's consideration as part of the update reports. Where any assurance opinions of less than 'moderate assurance' have been given, members of the Committee would have had access to a full copy of the audit report. During 2024/25 to date there has been one audit review where compliance with controls was found to be limited and the service attended to update members on the steps being taken to address the recommendations made. At the final Committee meeting of the year there were 20 agreed management actions which were overdue for implementation of which 3 were high priority, 12 medium priority and low priority. Of these 15 were over three months overdue. The Committee pay rigorous attention to the non-implementation of recommendations at every meeting;
- Held an informal session in order to consider the factors taken into account in drafting the 2025/26 Internal Audit Workplan. This was then considered and approved at the meeting in March 2025;
- Considered and noted the draft Annual Governance Statement for 2023/24;
- Considered and noted the annual risk management report and received and noted a six monthly update on risk management;

- Received and noted an update on information governance;
- Considered and approved the Council's updated Regulation of Investigatory Powers Act (RIPA) policy and noted the update provided for the financial year 2023/24.

2.3 One significant area to note is the progress on the external audit of the Council's financial statements. There is a national backlog of external audit work due to a lack of external audit resources and Melton is no exception. Backstop dates were implemented by the regulators and in compliance with these the final statement of accounts for 2020/21, 2021/22, 2022/23 and 2023/24 were approved during the year and published. Alongside this the final Annual Governance Statements for these years were also considered and approved and published accordingly. It should be noted that draft statements subject to audit were published in a timely manner. The external auditors for this period are Ernst Young with new auditors taking over from the financial year 2023/24. As a result of the backstop dates hundreds of financial statements across the country will be published with "modified" opinions, which will vary depending upon the extent to which the auditor was unable to obtain evidence. Local authorities should not be unfairly judged based on disclaimed or modified opinions caused by the introduction of the backstop dates that are largely beyond their control and auditors will be expected to provide clear reasoning for the issuing of such opinions, to mitigate the potential reputational risk that local authorities may face. Modified opinions will affect the statements in subsequent years as assurance is normally gained from the previous years unmodified opinion. Our audit opinions for 2020/21 to 2023/24 were disclaimed.

2.4 The Chair and Vice Chair in consultation with committee members, the Director for Corporate Services and The Head of Internal Audit has updated its self-assessment using the checklist from the CIPFA publication *Audit Committees – practical guidance for Local Authorities*. This is contained at Appendix A. Appendix B includes the rationale for the scoring along with an action plan to address those areas where scope for improvement was identified. There was one area for improvement identified which related to the need for the committee to meet informally with the Internal Auditor and External Auditor without officers present. It is intended that this will be held prior to the first meeting of the new Council year.

2.5 During the self-assessment session members were particularly complimentary about the training they had received during the year. Members also considered the need for independent members on the committee and considered this was not necessary at this time and would revisit this should it become a mandatory requirement and work with other Leicestershire partners on any recruitment exercise.

Written by: Chair of Audit and Standards Committee

Appendix A – Audit Committee Self-Assessment

Appendix B – Basis of Scoring and Action Plan

Self-assessment of good practice

This appendix provides a high-level review that incorporates the key principles set out in CIPFA's Position Statement and this publication. Where an audit committee has a high degree of performance against the good practice principles, it is an indicator that the committee is soundly based and has in place a knowledgeable membership. These are the essential factors in developing an effective audit committee.

A regular self-assessment should be used to support the planning of the audit committee work programme and training plans. It will also inform the annual report.

Good practice questions	Does not comply	Partially complies and extent of improvement needed*			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5

Audit committee purpose and governance

1	Does the authority have a dedicated audit committee that is not combined with other functions (eg standards, ethics, scrutiny)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	Does the audit committee report directly to the governing body (PCC and chief constable/full council/full fire authority, etc)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	Has the committee maintained its advisory role by not taking on any decision-making powers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's 2022 Position Statement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6	Does the audit committee escalate issues and concerns promptly to those in governance and leadership roles?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7	Does the governing body hold the audit committee to account for its performance at least annually?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

* Where the committee does not fully comply with an element, three options are available to allow distinctions between aspects that require significant improvement and those only requiring minor changes.

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5
8 Does the committee publish an annual report in accordance with the 2022 guidance, including:					
<ul style="list-style-type: none"> compliance with the CIPFA Position Statement 2022 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> results of the annual evaluation, development work undertaken and planned improvements 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> how it has fulfilled its terms of reference and the key issues escalated in the year? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Functions of the committee					
9 Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement as follows?					
Governance arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Risk management arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Internal control arrangements, including: <ul style="list-style-type: none"> financial management value for money ethics and standards counter fraud and corruption 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Annual governance statement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Assurance framework	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Internal audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
External audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Over the last year, has adequate consideration been given to all core areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 Over the last year, has the committee only considered agenda items that align with its core functions or selected wider functions, as set out in the 2022 guidance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12 Has the committee met privately with the external auditors and head of internal audit in the last year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5

Membership and support

13 Has the committee been established in accordance with the 2022 guidance as follows?					
<ul style="list-style-type: none"> Separation from executive 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> A size that is not unwieldy and avoids use of substitutes 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Inclusion of lay/co-opted independent members in accordance with legislation or CIPFA’s recommendation 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14 Have all committee members been appointed or selected to ensure a committee membership that is knowledgeable and skilled?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15 Has an evaluation of knowledge, skills and the training needs of the chair and committee members been carried out within the last two years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Have regular training and support arrangements been put in place covering the areas set out in the 2022 guidance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Across the committee membership, is there a satisfactory level of knowledge, as set out in the 2022 guidance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Is adequate secretariat and administrative support provided to the committee?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFO?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Effectiveness of the committee

20 Has the committee obtained positive feedback on its performance from those interacting with the committee or relying on its work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
21 Are meetings well chaired, ensuring key agenda items are addressed with a focus on improvement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
22 Are meetings effective with a good level of discussion and engagement from all the members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
23 Has the committee maintained a non-political approach to discussions throughout?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5
24 Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
25 Does the committee make recommendations for the improvement of governance, risk and control arrangements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
26 Do audit committee recommendations have traction with those in leadership roles?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
27 Has the committee evaluated whether and how it is adding value to the organisation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
28 Does the committee have an action plan to improve any areas of weakness?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
29 Has this assessment been undertaken collaboratively with the audit committee members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Subtotal score	0	1	0	0	190
Total score					191
Maximum possible score					200**

** 40 questions/sub-questions multiplied by five.



Audit and Standards Committee
Self-assessment against the CIPFA Position Statement 2022
 Notes to support scoring assigned on assessment form

Date: 20th February 2025

Completed by: Cllr Jim Adcock, Cllr Ian Atherton, Cllr Siggy Atherton, Cllr Mike Brown, Cllr Alison Freer, Cllr James Mason, Cllr Richard Sharp

Supported by: Rachel Ashley-Caunt, Chief Internal Auditor

In attendance: Dawn Garton, Director of Corporate Services

Self-assessment question	Comments on basis for scoring	Action ref
1	Standards matters are handled by the sub-committee.	
2	The Committee reports to Full Council and provides an annual report.	
3	No decision-making powers exercised.	
4	No issues noted. New Terms of Reference awaiting Council approval.	
5	No issues noted.	
6	Agreed that issues have been effectively escalated – with examples of concerns raised regarding key issues.	
7	As above – through the Annual Report to Council.	
8	As above – Annual Report to Council.	
9	Agreement that the core areas are suitably covered.	
10	No issues noted.	
11	Agreed that there has been no activity beyond the Committee's remit.	
12	No meeting has taken place privately with the auditors.	1
13	There are currently no independent members on the Committee. Not currently mandatory and agreed not to proceed at this time to recruit. On the basis that this has been given consideration, Members agreed to score as 5.	

Self-assessment question	Comments on basis for scoring	Action ref
14	Committee membership includes a range of skillsets and good feedback given on training received.	
15	No issues raised and training found to have helped cover relevant skillsets.	
16	Positive feedback given on training received by the committee.	
17	No issues raised.	
18	Agreed that support is effective.	
19	Relationships with auditors and Chief Finance Officer are considered to be strong and effective.	
20	No feedback received to indicate any concerns – to explore seeking feedback as part of next annual report.	
21	Agreement that meetings are well chaired and focus on key items.	
22	Considered to be a good level of engagement and questions from members of the Committee.	
23	Agreement that meetings are apolitical.	
24	Good engagement and management attendance at meetings.	
25	Agreement that the Committee has been effective in this regard.	
26	Implementation of audit recommendations is subject to committee review and has been raised with leadership team.	
27	The assessment taking place today addresses this requirement in relation to delivering key roles.	
28	Action plan to be agreed based on the assessment completed today and then subject to monitoring by the Committee – see below.	
29	All Committee members invited. The notes will be circulated to all Audit and Standards Committee Members for agreement, following the meeting.	



Action Plan

Action ref	Description	Timeframe
1	Private meeting with auditors To schedule a private meeting with the internal and external auditors on an annual basis.	June 2025

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Annual Standards Report

Report Author:	Clive Tobin , Assistant Director for Governance and Democracy (Monitoring Officer) 01664 502541 ctobin@melton.gov.uk
Chief Officer Responsible:	Clive Tobin , Monitoring Officer 01664 502541 ctobin@melton.gov.uk
Lead Member/Relevant Portfolio Holder	Councillor Leigh Higgins, Chair of Audit & Standards Committee

Corporate Priority:	Theme 5. Right Conditions to Support Delivery Theme 6. Engaging & Connected Council
Wards Affected:	All
Date of consultation with Lead Member:	17 March 2025
Exempt Information:	N

1 Summary

- 1.1 To update members on complaints about Member standards.

2 Recommendations

That Committee:

- 2.1 **Note the information presented in relation to Code of Conduct Complaints for 2024-2025.**

3 Reason for Recommendations

- 3.1 It is important to ensure that high standards of probity and ethical framework are at the heart of corporate governance of the authority and to ensure transparency and accountability.

4 Background

- 4.1 Members Code of Conduct

- 4.1.1 Section 27 of the Localism Act 2011 imposes a statutory duty on relevant authorities to promote and maintain high standards of conduct by Members and co-opted Members of the authority. In discharging that duty authorities must, in particular, adopt a Code dealing with the conduct that is expected of Members when they are acting in that capacity. That Code must be based on the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- 4.1.2 Section 28 of the 2011 Act requires that Principal Councils in England have in place arrangements under which allegations can be investigated and under which decisions on allegations can be made.
- 4.1.3 At its meeting on 16 December 2021, Council adopted an amended Code of Conduct which became effective from 01 April 2022.

5 Main Considerations

5.1 Member Complaints Update 24-25

- 5.2 The number of complaints received in 24-25 increased from those received in 23-24 as per the table below which sets out the types of members complaints were made against.

Type	Number of Complaints Received		
	2022/23	2023/24	2024/25
Non-Executive	4	2	9
Executive	1	3	3
Parish	0	1	2
Total	5	6 *	14
(* NB 4 complaints were received, one of which related to 3 members)			

- 5.2.1 **Origin of complaints** – most complaints are made by members of the public although there are several complaints received from members against members for 24/25.

Type	Number of Complaints Received		
	2022/23	2023/24	2024/25
Public	-	4	8
Elected Member (Borough / Parish)	5	-	4
MP	-	-	-
Council Employee (Borough / Parish)	-	-	2
Other	-	-	-
Total	5	4	14

- 5.2.2 **Types of complaints** – whilst it is not possible to identify trends in complaints, the table below provides an overview of the types of complaint received over the past three years. Members should note that complainants often allege that a single act by a Councillor breaches several provisions of the Code meaning that the number of alleged breaches of Code provisions far exceeds the total number of complaints received.

Type	Number of Complaints Received		
	2022/23	2023/24	2024/25
Respect	2	3	8
Bullying, Harassment & Discrimination	1	4	8
Impartiality of Officers of the Council	-	3	2
Confidentiality & Access to Information	-	3	2
Disrepute	-	-	5
Use of Position	-	3	6
Use of Council Resources & Facilities	-	1	4
Making Decisions	-	-	2
Complying with the Code of Conduct	2	3	5
Interests	-	-	
Gifts & Hospitality	-	-	
Dispensations	-	-	
Total	5	20	42

5.3 **Investigation of complaints** - Complaints are subject to a 2-stage consideration. The first stage is a preliminary consideration (initial assessment) of the complaint, in consultation with the Independent Person, to decide whether the complaint requires formal investigation. Formal investigation requires appointment of an Investigating Officer or External Investigator to prepare a report, which is then reported to the Standards Sub-Committee to determine whether the allegation is proven and, if so, whether sanctions are appropriate. When determining whether an allegation is proved the Standards Sub-Committee must take account of the views of the Independent Person.

The table below details the outcome of all complaints over the past three years:

Type	Number of Complaints		
	2022/23	2023/24	2024/5
Rejected at initial stage – not acting in capacity	1	-	1
Rejected at initial stage – insufficient evidence	-	-	3
Rejected – Code not engaged	2	-	2
Informal Resolution	-	-	-
Other Action	-	-	-
Formal Investigation	-	-	-
Ongoing	-	3	8
Total			14

5.4 Outcomes of Complaints

Type	Number of Complaints		
	2022/23	2023/24	2024/25
Breach of Code	0	0	-
No Breach of Code	3	0	6
Outcome to be determined	2	3	8

5.5 Training

5.5.1 Councillors receive Code of Conduct training when they are elected as Members of the Council however until a Councillor submits a complaint or is subject to a complaint, they are often not familiar with the arrangements for dealing with the same. Code of Conduct training was offered to all Borough members following the Elections in 2023.

5.5.2 Parish Council members training was provided on Thursday 13 October 2022.

5.5.3 The trainer who previously provided training for Borough members has agreed to run a further training session and a date will shortly be confirmed.

5.6 Lessons Learnt

5.6.1 In addition to acknowledging its legal duty to have arrangements in place to deal with Complaints, the Council also recognises that reviewing complaints is a valuable opportunity to gain feedback, learn and improve. The Monitoring Officer wants to ensure a positive response to Member complaints and encourages feedback, so the process remains fit for purpose.

5.6.2 The arrangements for dealing with complaints were reviewed and approved by Audit & Standards in November 2022. These have remained under review and additional changes are recommended to Committee in another report which is due to be considered at this meeting.

6 Options Considered

6.1 This report is to update the Committee as such there are no alternative options.

7 Consultation

7.1 The Chair of the Audit & Standards Committee has been informed of the content of this report.

8 Next Steps – Implementation and Communication

8.1 Statistics relating to complaints will continue to be compiled and reported to Committee annually.

9 Financial Implications

9.1 There are no financial implications arising directly from this report. The costs of administering the standards regime, including investigations, are currently funded from existing budgets.

Financial Implications reviewed by: Interim Assistant Director for Resources

10 Legal and Governance Implications

10.1 The legal background is set out in the body of this report. Appropriate legal advice will be given in relation to each complaint that is considered by the Standards Sub-committee.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

11.1 Reasonable adjustments will be made for those who are unable to complete a complaints form and / or follow the process as set out. Committee is also considering a report at this which recommends further updates to the arrangements for dealing with standards allegations which includes expressly referring to the need to make such adjustments.

12 Data Protection Implications (Mandatory)

12.1 A Data Protection Impact Assessments (DPIA) has not been completed since there are no to the rights and freedoms of natural persons.

13 Community Safety Implications

13.1 There are no community safety implications arising from this report.

14 Environmental and Climate Change Implications

14.1 There are no environmental and climate change implications arising from this report.

15 Other Implications (where significant)

15.1 There are no other implications.

16 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Having no process would fail to comply with a legal obligation and also pose a risk to the open, transparent, fair and efficient handling of complaints.	Low	Marginal	Medium Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low		1,		

2 Very Low				
1 Almost impossible				

Risk No	Mitigation
1	Although the current arrangements for dealing with allegations are robust, the updates recommended to committee in the further report to this meeting will strengthen these further.

17 Background Papers

- 17.1 LGA Model Code of Conduct – Audit & Standards Committee 28.07.2020
- 17.2 Implementation of Best Practice Recommendations from the Committee on Standards in Public Life - Audit & Standards Committee 29.09.2020
- 17.3 Code of Conduct Update New Model Code – Audit & Standards Committee 09.03.2021
- 17.4 Revised Members Code of Conduct – Audit & Standards Committee 30.11.2021
- 17.5 Revised Members Code of Conduct – Council 16.02.2021
- 17.6 Members Code of Conduct & Standards update – 28.03.2023

18 Appendices

- 18.1 None

Update to Arrangements for Dealing with Standards Allegations

Report Author:	Clive Tobin , Assistant Director for Governance and Democracy (Monitoring Officer) ctobin@melton.gov.uk
Chief Officer Responsible:	Dawn Garton , Director for Corporate Services Tel: 01664 502444 dgarton@melton.gov.uk
Lead Member/Relevant Portfolio Holder	Chair of Audit & Standards Committee

Corporate Priority:	Theme 5 Right Conditions to support delivery & Theme 6 Engaging and connected Council
Wards Affected:	(All Wards);
Date of consultation with Ward Member(s):	12 March 2025
Exempt Information:	No

1 Summary

- 1.1 This report seeks to align the previously agreed amendments to the Council's Arrangements for Dealing with Allegations under the Standards Regime and recommends some minor amendments to those rules to reflect best practice.
- 1.2 The report also recommends minor amendments to the Procedure Rules which apply to hearings of allegations under the Standards Regime.

2 Recommendations

That Committee:	
2.1	Notes the proposed amendments to the Arrangements for Dealing with Allegations under the Standards Regime and the Hearings Procedure Rules,
2.2	Considers whether any further or other amendments should be made to the Arrangements and Rules, and,
2.3	Recommends that Council adopts those amendments, subject to any modification recommended by the Committee.

3 Reason for Recommendations

- 3.1 To ensure that the Constitution is consistent with the previously agreed amendments to the Regime.
- 3.2 To further update the Arrangements to reflect additional issues which have been identified.
- 3.3 To further modify the Rules applying to hearings to ensure that they reflect the law, the Arrangements and best practice.

4 Background

- 4.1 The Localism Act 2011 requires local authorities to adopt a Code of Conduct and have in place Arrangements under which allegations against members can be investigated and under which decisions on allegations can be made. Members will be aware that in 2022 the Council carried out a review of these Arrangements which were adopted on 30 November 2022. Following adoption of those revised arrangements consequential amendments were also required to the Council's Constitution to reflect and fully give effect to that decision.

5 Main Considerations

- 5.1 Officers recently reviewed the Constitution and identified that some of those changes remain outstanding meaning that there were some inconsistencies requiring amendment. Although the Monitoring Officer has delegated authority to make consequential changes to the Constitution to give effect to Council decisions, it was decided that, although the Arrangements had been reviewed relatively recently, it was important to ensure that they remain up to date. When undertaking that process officers identified several minor changes that were required both to ensure clarity and that best practice is followed.
- 5.2 The changes to the arrangements for dealing with councillor complaints were agreed in November 2022 and were based upon guidance from the LGA. They provide a fair and robust procedure for complainants and those who are the subject of complaints.
- 5.3 The procedures of the Audit and Standards Sub-Committee need to be accurate and clear and reflect the current arrangements for dealing with councillor complaints. Legislation requires the Constitution to be kept up to date.
- 5.4 The recommended changes to the hearing procedure rules are set out in Appendix 1 and a tracked changes version of the rules appears at Appendix 2. In summary, the changes to the procedure rules:
 - 5.4.1 Clarify the rights of representatives.
 - 5.4.2 Reinforce the legal requirement for the Committee to decide whether it is in the public interest to exclude the public or hold the hearing in private.
 - 5.4.3 Grant discretion to the Committee to allow late written representations in exceptional circumstances.
 - 5.4.4 Clarify the role of the Independent Person during the hearing.
 - 5.4.5 Clarify the hearing process including in relation to questioning of parties.
 - 5.4.6 Expressly require the Committee to give reasons for their decision.
- 5.5 The recommended changes to the Arrangements for Dealing with Allegations are set out in Appendix 3. In summary, the changes to the Arrangements are:

- 5.5.1 Expressly allow the Monitoring Officer to recuse himself from considering whether a complaint should be investigated and refer the matter to the Committee where that Officer considers it appropriate to do so.
- 5.5.2 Expressly refer to steps that may be taken to assist those who are not able to set out a complaint in writing.
- 5.5.3 To include an additional informal remedy of providing advice to Members against whom a complaint has been made.

6 Options Considered

- 6.1 Do nothing; however, there is a risk that any inconsistency in the Council's Arrangements and Rules would lead to an unfair process being followed when considering allegations against members.

7 Consultation

- 7.1 The proposed amendments have been considered by the Constitution Review Working Group who have assisted in formulating their content. The Chair of the Committee has also been consulted.

8 Next Steps – Implementation and Communication

- 8.1 If approved by Committee, the proposed changes will be considered by Full Council on 27 March and, if adopted, be incorporated into the Council's Constitution. As is usual practice, any report to Council will include a recommendation which allows the Monitoring Officer to make any necessary consequential amendments to the Constitution.

9 Financial Implications

- 9.1 There are no financial implications arising directly from this report. The costs incurred under the Standards Regime are currently met from existing budgets.

Financial Implications reviewed by: Interim Assistant Director for Resources

10 Legal and Governance Implications

- 10.1 The legal implications are largely set out in the body of the report. The changes which are proposed to the rules and arrangements ensure compliance with the Localism Act 2011 and that the hearing process is fair to all parties.
- 10.2 The 2011 Act states that the responsibilities of a local authority under Chapter 7 of Part 1 of that Act are not to be the responsibility of the local authority's executive. The proposed changes must therefore be considered by this Committee before recommending them to Full Council.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

- 11.1 The proposed amendments to the Arrangements include a minor change which support those who are unable to make written complaints, e.g. due to a disability, to do so. The proposed amendments also incorporate changes which ensure that a thorough, yet fair and balanced process is followed in relation to allegations against Councillors which ensures fairness to all parties including those with protected characteristics.
- 11.2 There are no other equalities and safeguarding implications arising from this report.

12 Data Protection Implications (Mandatory)

A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks to the rights and freedoms of natural persons.

13 Community Safety Implications

13.1 There are no community safety implications arising directly from this report.

14 Environmental and Climate Change Implications

14.1 There are no environmental or climate change implications arising directly from this report.

15 Other Implications (where significant)

15.1 There are no other implications arising from this report.

16 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Failing to ensure consistency between the Constitution and previously agreed changes to the rules.	Very Low	Marginal	4
2	Failing to ensure that the Arrangements and Rules are kept up to date.	Very Low	Marginal	4

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low				
	2 Very Low		1, 2,		
	1 Almost impossible				

Risk No	Mitigation
1, 2,	Incorporating the amendments recommended in this report will ensure that the Council's arrangements for dealing with standards allegations are consistent and that any allegations which proceed to a hearing are conducted fairly

17 Background Papers

17.1 Documents considered by Constitution Review Working Group.

18 Appendices

18.1 Appendix 1 – Clean Copy Updated Procedure Rules

18.2 Appendix 2 – Update to Arrangements for Dealing with Standards Allegations

18.3 Appendix 3 – Highlighted Update to Arrangements for Dealing with Standards Allegations

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Appendix A – Clean Version

4.0 Order of proceedings for the Standards Sub-Committee hearing

4.1 ‘Subject Member’ means the Member of the Authority who is the subject of the allegation being considered by the Standards Committee, unless stated otherwise. It also includes the Member’s nominated representative.

4.2 ‘Independent Person’

The Independent Person is any person who has been appointed by the Council under Section 28 of the Localism Act 2011.

The Independent Person is invited to attend the Hearing and their views must be sought and taken into consideration before the Committee takes any decision on whether the Subject Member’s conduct constitutes a failure to comply with the Code of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.

4.3 ‘Investigator’ means the Monitoring Officer or external investigator appointed by the Monitoring Officer and includes his or her nominated representative.

4.4 ‘Committee’ means the Standards Sub-Committee.

4.5 ‘Legal adviser’ means the officer responsible for providing legal advice to the Committee.

This may be the Monitoring Officer, another legally qualified officer of the authority, or someone appointed for this purpose from outside the authority.

4.6 ‘Written Representations’

The parties to the hearing shall provide any written representations to the Council and notification of any witnesses attending and representation in writing to the Council offices or by emailing democracy@melton.gov.uk ten clear days before the date of the hearing. Written representations shall be provided to the other parties. No written material shall be considered at the hearing unless it has been submitted in accordance with this rule or where due to exceptional circumstances, a party has been unable to provide their representations ten clear days before the hearing, the Committee consider that is in the interests of all parties to consider those representations. In deciding whether to allow late written representations:

- (a) the party who requests to rely on representations which have been provided late must prove to the Committee’s satisfaction that the failure to submit them on time was due to exceptional circumstances;
- (b) the Committee will consider any potential injustice to the other parties and may seek those parties’ view on why there may be injustice;

- (c) if the Committee allow late representations they shall also consider whether the proceedings should be adjourned to allow the other parties to consider the content to enable them to comment on that content during the hearing; and,
- (d) where a hearing is adjourned under this rule, there shall be no further right for the parties to submit written representations.

In this rule 'clear days' means working days, excluding only Saturdays, Sundays and bank holidays.

4.7 Representation

The Subject Member may be represented or accompanied during the meeting by a solicitor, counsel, or, with the permission of the Committee, another person. The representative may take any steps which the Subject Member could take under these rules however, any questions should be answered by the Subject Member.

4.8 Legal advice

The Committee may take legal advice from its legal adviser at any time during the hearing or while they are considering the outcome. The member and the investigator if they are present should be advised of the substance of any legal advice given by the legal adviser in the absence of the parties.

The Chair of the Committee shall undertake introductions.

4.9 The Chair will ensure the parties understand the procedure to be followed.

4.10 The Committee will decide whether part or all the hearing should be held in private but may only do so where the public interest in doing so outweighs the public interest in holding the meeting or that part of the meeting in public in accordance with the Access to Information Procedure Rules. The Committee will keep this matter under review and may decide to exclude the public at any time during the meeting where it is in the public interest to do so or, if the public have been excluded, may decide to re-admit them to the hearing.

4.11 The Committee will decide what action to take if a party does not attend the hearing.

4.12 The Chair of the Committee may agree to vary this procedure in any particular instance where he/she is of the opinion that such variation is necessary in the interests of fairness.

4.13 At the hearing:

4.13.1 The Investigator will present his/her report, call such witnesses as he/she considers necessary and make representations to substantiate his/her conclusion that the Subject Member has failed to comply with the Code of

Conduct. For this purpose, the Investigating Officer may ask the Complainant to attend and give evidence to the Committee.

- 4.13.2 The Subject Member will then have an opportunity to give his/her evidence, to call witnesses and to make representations to the Committee as to why he/she considers that he/she did not fail to comply with the Code of Conduct.
- 4.13.3 The Committee can allow witnesses to be questioned and/or cross examined by the Subject Member, the Monitoring Officer, the Investigating Officer (or their representative(s)) directly or through the Chair.
- 4.13.4 The Committee can also question witnesses. The Independent Person will be invited to attend to observe but will not participate in the hearing process set out in paragraphs 14.13.1 to 14.13.3 above.
- 4.13.5 The Committee will seek the views of the Independent Person/Legal Adviser and take those views into account before making its decision.
- 4.14 The Committee will ask the parties to leave the room to allow them to consider the representations. The legal advisor will remain in the room with the Committee to provide any further advice that is required. The Independent Person (IP) will leave the room with the parties however, the Committee may request that the IP joins them for the purpose of clarifying the IP's view on any issue.
- 4.15 On their return, the Chair will announce the Committee's decision, together with their reasons for that decision.
- 4.16 The Committee may conclude that the Subject Member did not fail to comply with the Code of Conduct, and if so, will dismiss the complaint.
- 4.17 If the Committee concludes that the Subject Member did fail to comply with the Code of Conduct, the Chairman will inform the Subject Member of this finding and the Committee will then consider what action, if any, the Committee should take as a result of the Subject Member's failure to comply with the Code of Conduct.

In doing this, the Committee will:

- 4.17.1 give the Subject Member an opportunity to make representations to the Committee; and,
- 4.17.2 seek the views of the Independent Person; and take those representations and views into account before making its decision.

- 4.17.3 The Committee will ask the parties to leave the room to allow them to consider whether or not to impose a sanction on the Subject Member and, if so, what the sanction should be.
- 4.18 The Council has delegated to the Committee such of its powers to take action in respect of individual members as may be necessary to promote and maintain high standards of conduct.
- 4.19 Accordingly the Committee may do one or a combination of the following:
- Send a formal letter to the Subject Member.
 - Issue a formal Censure.
 - Publish its findings in respect of the Subject Member's conduct.
 - Report its findings to Council (or to the Parish Council) for information.
 - Recommend to the Subject Member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council.
 - Recommend to the Leader of the Council that the Subject Member be removed from the Cabinet, or removed from particular Portfolio responsibilities.
 - Instruct the Monitoring Officer to (or recommend that the Parish Council) arrange training for the Subject Member.
 - Recommend to the Subject Member's Group Leader that he/she is removed ([or recommend to the Parish Council that the Subject Member be removed]) from all outside appointments to which he/she has been appointed or nominated by the authority (or by the Parish Council).
 - In the case of a co-opted Member, recommend to Council (or to the Parish Council) that he/she be removed from the Council or any of its committees, sub-committees or working groups.
 - Withdraw (or recommend to the Parish Council that it withdraws) facilities provided to the Subject Member by the Council (such as a computer, website and/or email and Internet access) for a specified period; or
 - Exclude (or recommend that the Parish Council exclude) the Subject Member from the Council's offices or other premises for a specified period, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.
- 4.20 The Committee currently has no legal power to suspend or disqualify the Subject Member or to withdraw members' or special responsibility allowances. It also has no power to impose a sanction which would fetter the otherwise appropriate activities of a democratically elected representative.

- 4.22 At the end of the hearing, the Chair will state the decision of the committee as to whether the Subject Member failed to comply with the Code of Conduct and as to any actions which the Committee resolves to take.
- 4.23 As soon as reasonably practicable thereafter, the Monitoring Officer shall prepare a formal decision notice in consultation with the Chair of the Committee.
- 4.24 The decision notice will include a brief statement of facts, the provisions of the code of conduct engaged by the allegations, the views of the Independent Person, the reasons for the decision and any sanctions applied.
- 4.25 A copy of the decision notice will be sent to the Complainant, to the Subject Member [and to the Parish Council in the case of a complaint about a Parish Councillor], published on the Council's website and reported to the next convenient meeting of the Standards Committee.
- 4.26 There is no right of appeal against a decision of the Monitoring Officer or the Committee.
- 4.27 If the Complainant feels that the Council has failed to deal with the complaint properly, he/she may complain to the Local Government and Social Care Ombudsman.

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Appendix B – Tracked Changes Version

4.0 Order of proceedings for Standards Sub-committee hearings

4.1 'Subject Member' means the Member of the Authority who is the subject of the allegation being considered by the Standards Committee, unless stated otherwise. It also includes the Member's nominated representative.

4.2 'Independent Person'

The Independent Person is any person who has been appointed by the Council under Section 28 of the Localism Act 2011.

The Council has access to a pool of Independent Persons which will provide resilience in the event a particular Independent Person is unable to act.

The Independent Person is invited to attend the Hearing and their views must be sought and taken into consideration before the Committee takes any decision on whether the Subject Member's conduct constitutes a failure to comply with the Code of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.

4.32 'Investigator' means the Monitoring Officer or external investigator appointed by the Monitoring Officer and includes his or her nominated representative.

4.43 'Committee' ~~refers to~~means the Standards Sub-Committee.

4.54 'Legal adviser' means the officer responsible for providing legal advice to the Committee.

This may be the Monitoring Officer, another legally qualified officer of the authority, or someone appointed for this purpose from outside the authority.

4.6 'Written Representations'

The parties to the hearing shall provide any written representations to the Council and notification of any witnesses attending and representation in writing to the Council offices or by emailing democracy@melton.gov.uk ~~10~~ten clear days before the date of the hearing. Written representations shall be provided to the other parties. No written material shall be considered at the hearing unless it has been submitted in accordance with this rule. or where due to exceptional circumstances, a party has been unable to provide their representations ten clear days before the hearing, the Committee consider that is in the interests of all parties to consider those representations. In deciding whether to allow late written representations:

(a) the party who requests to rely on representations which have been provided late must prove to the Committee's satisfaction that the failure to submit them on time was due to exceptional circumstances;

(b) the Committee will consider any potential injustice to the other parties and may seek those parties' view on why there may be injustice;

- (c) if the Committee allow late representations they shall also consider whether the proceedings should be adjourned to allow the other parties to consider the content to enable them to comment on that content during the hearing; and,
(d) where a hearing is adjourned under this rule, there shall be no further right for the parties to submit written representations.

In this rule 'clear days' means working days, excluding only Saturdays, Sundays and bank holidays.

4.75 Representation

The Subject Member may be represented or accompanied during the meeting by a solicitor, counsel, or, with the permission of the Committee, another person. The representative may take any steps which the Subject Member could take under these rules however, any questions should be answered by the Subject Member.

4.86 Legal advice

The Committee may take legal advice from its legal adviser at any time during the hearing or while they are considering the outcome. The member and the investigator if they are present should be advised of the substance of any legal advice given by the legal adviser in the absence of the parties.

The Chair of the Committee shall undertake introductions.

4.97 The Chair will ensure the parties understand the procedure to be followed.

4.108 The Committee will decide whether part or all of the hearing should be held in private but may only do so where because the public interest in doing so outweighs the public interest in holding the meeting or that part of the meeting in public in accordance with the Access to Information Procedure Rules. The Committee will keep this matter under review and may decide to exclude the public at any time during the meeting where it is in the public interest to do so or, if the public have been excluded, may decide to re-admit them to the hearing.

4.119 The Committee will decide what action to take if a party does not attend the hearing.

4.120 The Chair of the Committee may agree to vary this procedure in any particular instance where he/she is of the opinion that such variation is necessary in the interests of fairness.

~~4.11 The Role of the Independent Person~~

~~The Independent Person is invited to attend the Hearing and their views must be sought and taken into consideration before the Committee takes any decision on whether the Subject Member's conduct constitutes a failure to comply with the Code~~

~~of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.~~

~~4.12 Stage One- Preliminary procedural issues The Committee should resolve any procedural issues which have not been resolved during the prehearing process.~~

~~4.13 Stage Two- Making findings of fact The Committee shall consider whether or not there are any significant disagreements about the facts contained in the Investigator's report.~~

~~4.14 If there is no disagreement about the facts, the Committee shall move on to the next stage of the hearing.~~

~~4.15 If there is a disagreement, the Investigator, if present, shall be invited to make any necessary representations to support the relevant findings of fact in the report.~~

~~4.16 With the Committee's permission, the Investigator may call any necessary supporting witnesses to give evidence. The Committee may give the Subject Member an opportunity to challenge any evidence put forward by any witness called by the Investigator.~~

~~4.17 The Subject Member shall have the opportunity to make representations to support his/her version of the facts and, with the Committee's permission, to call any necessary witnesses to give evidence.~~

~~4.18 At any time, the Committee may question any of the people involved or any of the witnesses, and may allow the Investigator to challenge any evidence put forward by witnesses called by the Subject Member.~~

~~4.19 The parties will leave the room to allow the Committee to consider the representations and evidence in private. On their return, the Chair will announce the Committee's findings of fact.~~

4.13 At the hearing:

14.13.1 the Investigating Officer will present his/her report, call such witnesses as he/she considers necessary and make representations to substantiate his/her conclusion that the Subject Member has failed to comply with the Code of Conduct. For this purpose, the Investigating Officer may ask the Complainant to attend and give evidence to the Committee.

14.13.2 The Subject Member will then have an opportunity to give his/her evidence, to call witnesses and to make representations to the Committee as to why he/she considers that he/she did not fail to comply with the Code of Conduct.

14.13.3 The Committee can allow witnesses to be questioned and/or cross examined by the Subject Member, the Monitoring Officer, the Investigating Officer (or their representative(s)) directly or through the Chair.

14.13.4 The Committee can also question witnesses. The Independent Person will be invited to attend to observe but will not participate in the hearing [process set out in paragraphs 14.13.1 to 14.13.3 above.](#)

14.13.5 The Committee will seek the views of the Independent Person/Legal Adviser and take those views into account before making its decision.

~~Stage Three– Did the Member fail to follow the code The Subject Member shall be invited to give relevant reasons why the Committee should not decide that he or she has failed to follow the Code.~~

~~4.20 The Committee shall consider any verbal or written representations from the Investigator.~~

~~4.21 The Committee may, at any time, question anyone involved on any point they raise in their representations.~~

~~4.22 The Member shall be invited to make any final relevant points.~~

~~4.1423~~ The Committee will ask the parties to leave the room to allow them to consider the representations. The legal advisor will remain in the room with the Committee to provide any further advice that is required. The Independent Person (IP) will leave the room with the parties however, the Committee may request that the IP joins them for the purpose of clarifying the IP’s view on any issue.

~~4.1524~~ On their return, the Chair will announce the Committee’s decision, together with their reasons for that decision. ~~as to whether or not the Member has failed to follow the Code of Conduct.~~

4.16 The Committee may conclude that the Subject Member did not fail to comply with the Code of Conduct, and if so, will dismiss the complaint.

4.17 If the Committee concludes that the Subject Member did fail to comply with the Code of Conduct, the Chairman will inform the Subject Member of this finding and the Committee will then consider what action, if any, the Committee should take as a result of the Subject Member’s failure to comply with the Code of Conduct. In doing this, the Committee will:

14.17.1 give the Subject Member an opportunity to make representations to the Committee; and,

14.17.2 seek the views of the Independent Person; and,

~~take those representations and views into account before making its decision.~~

4.17.3 The Committee will ask the parties to leave the room to allow them to consider whether or not to impose a sanction on the Subject Member and, if so, what the sanction should be.

~~4.25 Stage Four – Determination~~

~~4.26 If the Subject Member has not failed to follow the Code of Conduct If the Committee decides that the Subject Member has not failed to follow the Code of Conduct, the Committee can move on to consider whether it should make any recommendations to the Authority.~~

~~4.27 If the Subject Member has failed to follow the Code of Conduct If the Committee decides that the Subject Member has failed to follow the Code of Conduct, it will consider any verbal or written representations from the Investigator and the Subject Member as to:~~

- ~~• whether or not the Committee should apply a sanction; and~~
- ~~• what form any sanction should take.——~~

~~4.28 A sanction may include any one or a combination of the following:~~

- ~~• Publish its findings in respect of the Subject Member's conduct;~~
- ~~• Report its finding to Council for information;~~
- ~~• Recommend to Council that the Subject Member be censured;~~
- ~~• Recommend to the Subject Members' group leader (or in the case of ungrouped members recommend to Council) that he/she be removed from any or all Committees or Sub-Committees of the Council;~~
- ~~• Recommend to the Leader of the Council that the Member be removed from the Cabinet or removed from their Portfolio responsibilities;~~
- ~~• Instruct the Monitoring Officer to arrange training for the Member;~~
- ~~• Recommend to Council that the Member be removed from all outside bodies, appointments to which they have been appointed or nominated by the Council;~~
- ~~• Withdraw facilities provided to the Subject Member by the Council such as a computer, website and/or e-mail and internet access; or~~
- ~~• Place such restrictions on Member's access to staff which may be reasonable in the circumstances and in accordance with the Member/Officer Protocol provided that such restrictions do not impede the member from carrying out their duties as a Councillor.~~

4.18 The Council has delegated to the committee such of its powers to take action in respect of individual members as may be necessary to promote and maintain high standards of conduct.

4.19 Accordingly the Committee may do one or a combination of the following:

- Send a formal letter to the Subject Member.
- Issue a formal Censure.
- Publish its findings in respect of the Subject Member's conduct.
- Report its findings to Council (or to the Parish Council) for information.
- Recommend to the Subject Member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council.
- Recommend to the Leader of the Council that the Subject Member be removed from the Cabinet, or removed from particular Portfolio responsibilities.

- Instruct the Monitoring Officer to (or recommend that the Parish Council) arrange training for the Subject Member.
- Recommend to the Subject Member's Group Leader that he/she is removed (or recommend to the Parish Council that the Subject Member be removed) from all outside appointments to which he/she has been appointed or nominated by the authority (or by the Parish Council).
- In the case of a co-opted Member, recommend to Council (or to the Parish Council) that he/she be removed from the Council or any of its committees, sub-committees or working groups.
- Withdraw (or recommend to the Parish Council that it withdraws) facilities provided to the Subject Member by the Council (such as a computer, website and/or email and Internet access) for a specified period; or
- Exclude (or recommend that the Parish Council exclude) the Subject Member from the Council's offices or other premises for a specified period, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.

4.20 The Committee currently has no legal power to suspend or disqualify the Subject Member or to withdraw members' or special responsibility allowances. It also has no power to impose a sanction which would fetter the otherwise appropriate activities of a democratically elected representative.

~~4.29 The Committee may question the Investigator and Subject Member, and take legal advice, to make sure they have the information they need in order to make an informed decision.~~

~~4.2130 The Committee will ask the parties to leave the room to allow them to consider whether or not to impose a sanction on the Subject Member and, if so, what the sanction should be.~~

~~4.31 On their return, the Chair will announce the Committee's decision.~~

4.31 At the end of the hearing, the Chair will state the decision of the committee as to whether the Subject Member failed to comply with the Code of Conduct and as to any actions which the Committee resolves to take.

~~4.32 Recommendations to the Authority After considering any verbal or written representations from the Investigator, the Committee will consider whether or not it should make any recommendations to the Authority, with a view to promoting high standards of conduct among Members.~~

~~4.33 The written decision The Committee will announce its decision on the day and will issue a full written decision within five working days. A copy of the decision will be circulated to the Subject Member and the Audit and Standards Committee~~

4.22 As soon as reasonably practicable thereafter, the Monitoring Officer shall prepare a formal decision notice in consultation with the Chair of the Committee.

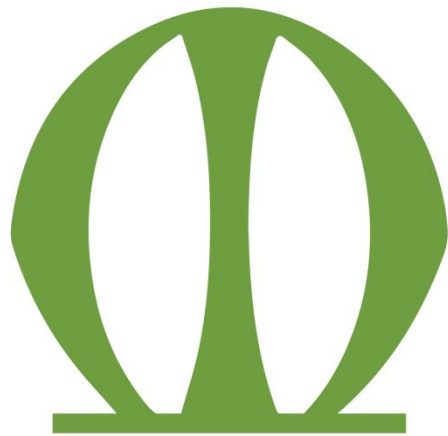
4.23 The decision notice will include a brief statement of facts, the provisions of the code of conduct engaged by the allegations, the views of the Independent Person, the reasons for the decision and any sanctions applied.

4.24 A copy of the decision notice will be sent to the Complainant, to the Subject Member [and to the Parish Council in the case of a complaint about a Parish Councillor], published on the Council's website and reported to the next convenient meeting of the Standards Committee.

4.25 There is no right of appeal against a decision of the Monitoring Officer or the Committee.

4.26 If the Complainant feels that the Council has failed to deal with the complaint properly, he/she may complain to the Local Government and Social Care Ombudsman.

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**Melton
Borough
Council**

**Complaints about Alleged Breaches of
the Members Code of Conduct**

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10	Informal Resolution	
11	Investigation	
12	<p>11A Timescales for an investigation</p> <p>11.7 There are many factors that can affect the time it takes to complete an investigation. Nevertheless, it is important that there are realistic targets from the outset for the completion of an investigation. This allows the Monitoring Officer to monitor the progress of investigations and explore reasons for any delays where they have delegated the investigation. The LGA recommends that most investigations are carried out, and a report on the investigation completed, within a maximum of six months of the original complaint being referred for an investigation.</p> <p>11.8 This will not always be possible, particularly where there is overlapping jurisdiction or you are waiting</p>	

	<p>for a key piece of evidence from an external body but if it is to take longer than that, specific permission should be discussed between the monitoring officer and the Independent Person, and a note made as to the reasons why.</p> <p>11.9 Refusal by the subject member or other relevant party to cooperate, for example by not making themselves available for an interview without good reason, should not be a reason for delay but should be reflected in the report. If the subject member refuses to cooperate that of itself is a potential breach of the Model Code and may be something that any decision maker in a case may want to take account of.</p> <p>No evidence of a failure to comply with the Code of Conduct</p>	
13	Evidence of a failure to comply with the Code of Conduct	
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Arrangements for dealing with complaints about breach of the Code of Conduct

1 Introduction

- 1.1 These arrangements set out how Melton Borough Council (“the Council”) will deal with allegations that an elected or co-opted member of the Council or of a Parish Council within its area has failed to comply with the Code of Conduct.
- 1.2 The person making the complaint will be referred to as “the Complainant” and the person against whom the complaint is made will be referred to as “the Subject Member”.

2 The Code of Conduct

- 2.1 The Council has adopted a Code of Conduct for members, which is available for inspection in the Council’s Constitution at Chapter 4, Part 3 and also on the website: [\(Public Pack\)Agenda Document for Constitution, 12/05/2022 00:00 \(melton.gov.uk\)](#)
- 2.2 Each Parish Council is also required to adopt a Code of Conduct. If the Complainant wishes to review a Parish Council’s Code of Conduct, the Complainant should visit the website of the parish council or request the parish clerk to allow the Complainant to inspect the parish council’s Code of Conduct.
- 2.3 Councillors are required to cooperate with any Code of Conduct investigation and respect the impartiality of officers. This is in recognition of the key role monitoring officers have in ensuring what might be contentious and difficult issues are handled fairly.
- 2.4 Local authorities must have a Code of Conduct for councillors, which must be consistent with the “Seven Principles of Public Life”, selflessness, honesty, integrity, objectivity, accountability, openness and leadership.
- 2.5 The system of regulation of standards of councillor conduct in England is governed by the Localism Act 2011. Under the Localism Act 2011, local authorities (other than parish and town councils) must have in place ‘arrangements’ under which allegations of a failure to comply with the authority’s Code of Conduct can be considered and decisions made on such allegations. This guidance sets out those arrangements.

- 2.6 The Principal Authority must also appoint at least one independent person. Melton Borough Council has appointed 6 Independent Persons. The view of an Independent Person will be taken into account before making a decision on a complaint we have decided to investigate.
- 2.7 Anyone who considers that a councillor may have breached the Code of Conduct may make a complaint to Council's Monitoring Officer. Each complaint must be assessed to see if it falls within the authority's legal jurisdiction, for example whether the subject member was acting as a councillor or representative of the authority at the time. A decision must then be made on whether or not some action should be taken, either as an investigation or some other form of action. In many cases it will be possible to resolve issues easily through a simple apology or through swift action from an officer, a political group or meeting chair. Reference to the Code of Conduct and a formal complaint are very much the last resort where issues remain unresolved.
- 2.8 In some cases a matter will be considered serious enough to refer for investigation or other action, this does not mean that a decision has been made about the validity of the allegation. It simply means that the authority believes the alleged conduct, if proven, may amount to a failure to comply with the Code of Conduct and that some action should be taken in response to the complaint.

3 Making a complaint

- 3.1 All complaints must be submitted in writing to:

The Monitoring Officer
Melton Borough Council
Parkside, Burton Street
Melton Mowbray
LE13 1GH

Or by emailing: monitoringofficer@melton.gov.uk

Or by visiting the website: [Complaint against a Councillor \(melton.gov.uk\)](http://melton.gov.uk)

Where, due to a disability or other reason a person is unable to submit a written complaint the Monitoring Officer or person nominated by him/her may take appropriate steps to assist them in making their complaint, which may include making a recording of the complaint.

- 3.2 Your complaint should include:

- the Complainant's name and contact details;

- the name of the member(s) the Complainant believes has breached the Code of Conduct and the name of the authority/parish council;
 - what the Subject Member has allegedly done that the Complainant believes breaches the Code of Conduct; and
 - the remedy you are seeking;
 - details of why the Complainant believes their name and/or the details of the complaint should be withheld (if necessary).
- 3.3 In order to ensure that the Council has all the information to be able to process the complaint a complaint form is available on the Council's website and can be also be provided by request to monitoringofficer@melton.gov.uk Support with completing the form can also be provided on request.
- 3.4 Formal complaints about the conduct of a Parish Councillor towards the Clerk can be made by either the Chair, an individual Parish Councillor, the Parish Council as a whole or the Clerk.

4 Criminal conduct

- 4.1 If the complaint identifies criminal conduct or breach of other regulation by any person, the Monitoring Officer has the power to refer the matter to the Police and other regulatory agencies.

5 Acknowledging the complaint

- 5.1 The Monitoring Officer will acknowledge receipt of the complaint within 5 working days of receiving it.
- 5.2 The Monitoring Officer may ask for further clarification or information if the complaint form submitted does not include sufficient detail.
- 5.3 The Monitoring Officer will write to the Subject Member where appropriate (and in the case of a complaint about a Parish Councillor to the Clerk of the Parish Council) with details of the allegations (subject to any representations from the Complainant about confidentiality or concerns that disclosure of the complaint would prejudice any potential investigation) and notifying the Subject Member of their right to consult the Independent Person.
- 5.4 The Subject Member may, within 10 working days of the date of the letter, or such longer period as the Monitoring Officer may agree, make written representations to the Monitoring Officer which will be taken into account when deciding how the complaint will be dealt with.

- 5.5 The Subject Member may wish to consult one of the Council's Independent Persons and this can be arranged at any stage of the process.

6 Initial filtering of complaints

- 6.1 The Monitoring Officer will make an initial assessment based on the criteria set out below:

6.1.1 Is the complaint against one or more named councillors of the authority or of a parish or town council the authority is responsible for;

6.1.2 Was the named councillor in office at the time of the alleged conduct;

6.1.3 Does the complaint relate to matters where the councillor was acting as a councillor or representative of the authority and it is not a private matter;

6.1.4 Would the complaint, if proven, would be a breach of the Code under which the councillor was operating at the time of the alleged misconduct.

- 6.2 If the complaint fails one or more of these tests it cannot be investigated as a breach of the Code, and the complainant will be informed that no further action will be taken in respect of the complaint.

- 6.3 The Monitoring Officer will inform the Complainant, the Subject Member (and in the case of a complaint about a Parish Councillor to the Clerk of the Parish Council) of the decision and the reasons for that decision in writing.

- 6.4 Where the Monitoring Officer considers it appropriate to do so he or she may recuse themselves from taking the steps at 6.1 to 6.3, or from taking any other step under these arrangements, and refer the matter to the Audit and Standards Committee or Sub-committee to consider.

7 Confidentiality

- 7.1 As a matter of fairness and natural justice, the Subject Member should be told who has complained about them. There may be occasions where the Complainant requests that their identity is withheld. Such a request may be granted in circumstances that the Monitoring Officer considers to be exceptional, for example:

7.1.1 The Complainant has reasonable grounds for believing that they will be at real risk of intimidation, victimisation or physical harm if their identity is disclosed.

- 7.1.2 The Complainant is an officer who works closely with the Subject Member and they are afraid of the consequences to their employment if their identity is disclosed.
- 7.1.3 The Complainant suffers from a serious health condition, which might be adversely affected if their identity is disclosed.
- 7.2 If the Monitoring Officer decides to refuse a request by the Complainant for confidentiality, he/she will offer the Complainant the option to withdraw the complaint, rather than proceed with disclosure of the Complainant's identity.
- 7.3 As a matter of fairness and natural justice, the Subject Member should also be informed of the nature of the complaint. If however the Monitoring Officer considers that disclosure of details of the complaint to the Subject Member might prejudice the investigation, the Monitoring Officer can agree to delay notifying the Subject Member until consideration of the complaint has progressed sufficiently.
- 7.4 It is important, first, to preserve the integrity of the complaints process and, second, to minimise any negative impact of the complaint on all the people affected by it, that information relating to the complaint is treated as confidential.
- 7.5 In order to protect the integrity of the process parties should also refrain from discussing the matter in the public domain.

8 Additional Information

- 8.1 If the Complainant does not submit sufficient information to enable the Monitoring Officer to come to a decision, the Monitoring Officer may ask the Complainant for such information, and may request additional information from the Subject Member.
- 8.2 The Monitoring Officer may also carry out pre-assessment enquiries, which will not amount to an investigation. This may include obtaining documentation, such as a copy of the relevant Code of Conduct or minutes of meetings.

9 Initial Assessment of the Complaint

- 9.1 Where the complaint meets the criteria set out in section 6 or there is any doubt whether the initial criteria are met, the Monitoring Officer will review the complaint together with any representations received from the Subject Member and, after consultation with the Independent Person, take a decision as to whether the complaint merits formal investigation or should be dealt with informally or rejected.

- 9.2 This decision will normally be taken within 20 working days of receipt of the complaint or the Subject Member's written representation, whichever is the latter.
- 9.3 Where the Monitoring Officer has determined that if the complaint is proven, there would potentially be a breach of the Code and recommended an informal resolution, it is in the public interest for the Subject Member to be named, however where the Monitoring Officer has made a finding of no breach, the Subject Member will not be identified.
- 9.4 In order to determine what further action (if any) to take the Monitoring officer will consider the following criteria:
- 9.4.1 Does the complaint contain sufficient evidence to demonstrate a potential breach of the Code?
- 9.4.2 Is there an alternative, more appropriate remedy?
- 9.4.3 Where the complaint is by one councillor against another, does the behaviour complained of go beyond what would be considered robust political debate and/or the members right to freedom of expression?
- 9.4.4 Is the complaint malicious, politically motivated, or "tit for tat"?
- 9.4.5 Would an investigation be in the public interest, or the matter, if proven, would not be serious enough to warrant any sanction?
- 9.4.6 Has a substantially similar complaint already been considered and no new material evidence has been submitted?
- 9.4.7 Does the complaint relate to conduct in the distant past?
- 9.4.8 Has the behaviour complained of already been dealt with?
- 9.4.9 Is the complaint in relation to dissatisfaction with a local authority decision rather than the conduct of an individual member?
- 9.4.10 Is the complaint about someone who is no longer a councillor?
- 9.5 Following consideration of the criteria set out above the Monitoring Officer may reach one of the following decisions:
- 9.5.1 No further action should be taken on the allegation
- 9.5.2 The matter should be dealt with through informal resolution (see below)
- 9.5.3 The matter should be referred for formal investigation

9.5.4 A decision to take no further action may be made where the allegation discloses a potential breach of the Code but it is not considered to be in the public interest to pursue the matter further. The decision in these cases will set out the reasons for the taking no further action, but will not make a finding of fact in relation to the allegation(s).

10 Informal Resolution

- 10.1 In appropriate cases, the Monitoring Officer may seek to resolve the complaint informally, without the need for a formal investigation.
- 10.2 Such informal resolution may involve the Subject Member accepting that his/her conduct was unacceptable; and
 - 10.2.1 offering an apology;
 - 10.2.2 agreeing to attend a training course;
 - 10.2.3 agreeing to engage in a process of conciliation; or
 - the Council introducing some other remedial action such as
 - 10.2.4 changing procedures; or
 - 10.2.5 the Monitoring Officer providing written advice to the Subject Member.
- 10.3 Where the Subject Member makes a reasonable offer of informal resolution, but the Complainant is not willing to accept that offer, the Monitoring Officer will take account of this in deciding whether the complaint merits formal investigation.
- 10.4 Where the Monitoring Officer recommends informal resolution, but the Subject Member is not willing to accept his/her conduct was unacceptable or not willing to accept the informal resolution proposed, the Monitoring Officer will take account of this in deciding whether the complaint merits formal investigation.

11 Investigation

- 11.1 If the Monitoring Officer decides that the complaint merits formal investigation, he/she will appoint an Investigating Officer, who may be another senior officer of the authority, an officer of another authority or an external investigator.
- 11.2 The Investigating Officer will decide whether he/she needs to meet or speak to the Complainant to understand the nature of the complaint.
- 11.3 The Investigating Officer would normally write to the Subject Member and provide him/her with a copy of the complaint, and ask the Subject Member to provide his/her explanation of events, and to identify what documents the Investigating Officer needs to see and who she/he needs to interview.
- 11.4 In exceptional cases, where it is appropriate to keep the Complainant's identity confidential or the Monitoring Officer considers that disclosure of details of the complaint to the Subject Member might prejudice the investigation, the Investigating Officer can delete the Complainant's name and address from the

papers given to the Subject Member, or delay notifying the Subject Member until the investigation has progressed sufficiently.

- 11.5 At the end of his/her investigation, the Investigating Officer will produce a draft report and will send copies of that draft report, in confidence, to the Complainant and to the Subject Member concerned, to give them both an opportunity to identify any matter in that draft report which they disagree with or which they consider requires more consideration.
- 11.6 Both parties will be given 10 working days to make representations or, in exceptional circumstances, such other period as the Investigating Officer considers reasonable. Having received and taken account of any comments on the draft report, the Investigating Officer will send his/her final report to the Monitoring Officer.

11A Timescales for an investigation

- 11.7 There are many factors that can affect the time it takes to complete an investigation. Nevertheless, it is important that there are realistic targets from the outset for the completion of an investigation. This allows the Monitoring Officer to monitor the progress of investigations and explore reasons for any delays where they have delegated the investigation. The LGA recommends that most investigations are carried out, and a report on the investigation completed, within a maximum of six months of the original complaint being referred for an investigation.
- 11.8 This will not always be possible, particularly where there is overlapping jurisdiction or you are waiting for a key piece of evidence from an external body but if it is to take longer than that, specific permission should be discussed between the monitoring officer and the Independent Person, and a note made as to the reasons why.
- 11.9 Refusal by the subject member or other relevant party to cooperate, for example by not making themselves available for an interview without good reason, should not be a reason for delay but should be reflected in the report. If the subject member refuses to cooperate that of itself is a potential breach of the Model Code and may be something that any decision maker in a case may want to take account of.

12 No evidence of a failure to comply with the Code of Conduct

- 12.1 The Monitoring Officer will review the Investigating Officer's report and, if he/she is satisfied that the Investigating Officer's report is sufficient, will send to the Complainant and the Subject Member (and the Parish Council, where the complaint relates to a Parish Councillor) a copy of the Investigating Officer's

final report and confirm the finding of no failure to comply with the Code of Conduct.

- 12.2 If the Monitoring Officer is not satisfied that the investigation has been conducted properly, he/she may ask the Investigating Officer to reconsider his/her report.

13 Evidence of a failure to comply with the Code of Conduct

- 13.1 The Monitoring Officer will review the Investigating Officer's report and will then either send the matter for local hearing before the Hearing Panel ("the Panel") where it is in the public interest or, after consulting the Independent Person, seek local resolution.
- 13.2 The Monitoring Officer may consider that the matter can reasonably be resolved without the need for a hearing. In such a case, he/she will consult with the Independent Person and the Complainant and seek to agree what the Complainant considers to be a fair resolution which also helps to ensure higher standards of conduct for the future.

Informal Resolution:

- 13.3 Such informal resolution may involve the Subject Member accepting that his/her conduct was unacceptable; and
- 13.3.1 offering an apology;
 - 13.3.2 agreeing to attend a training course;
 - 13.3.3 agreeing to engage in a process of conciliation; or
 - 13.3.4 the Council introducing some other remedial action (such as changing procedures).
- 13.4 If the Subject Member complies with the suggested resolution, the Monitoring Officer will issue a decision notice. The decision notice will include a brief statement of facts, the provisions of the code of conduct engaged by the allegations, the views of the Independent Person, the reasons for the decision and any sanctions applied.
- 13.5 A copy of the decision notice will be sent to the Complainant, to the Subject Member [and to the Parish Council in the case of a complaint about a Parish Councillor], published on the Council's website and reported to the next convenient meeting of the Standards Committee.

- 13.6 However, if the Subject Member refuses to accept the resolution the Monitoring Officer will refer the matter for a local hearing where it is in the public interest to do so.

Local Hearing:

- 13.7 If following consultation with the Independent Person and the Chair of the Audit and Standards Committee (where appropriate) the Monitoring Officer considers that local resolution is not appropriate, or the or the Monitoring Officer accepts the reasons the Complainant is not satisfied by the proposed resolution, or the Subject Member is not prepared to undertake any proposed remedial action, such as giving an apology, then the Monitoring Officer will report the Investigating Officer's report to the Hearing Panel which will conduct a local hearing before deciding whether the Subject Member has failed to comply with the Code of Conduct and, if so, whether to take any action.
- 13.8 The Monitoring Officer will conduct a "pre-hearing process", requiring the Subject Member to give his/her response to the Investigating Officer's report in writing, in order to identify what is likely to be agreed and what is likely to be in contention at the hearing.
- 13.9 The Chairman of the Panel may issue directions as to the manner in which the hearing will be conducted.
- 13.10 At the hearing:
- 13.10.1 the Investigating Officer will present his/her report, call such witnesses as he/she considers necessary and make representations to substantiate his/her conclusion that the Subject Member has failed to comply with the Code of Conduct. For this purpose, the Investigating Officer may ask the Complainant to attend and give evidence to the Panel.
 - 13.10.2 The Subject Member will then have an opportunity to give his/her evidence, to call witnesses and to make representations to the Panel as to why he/she considers that he/she did not fail to comply with the Code of Conduct.
 - 13.10.3 The Panel can allow witnesses to be questioned and cross examined by the Subject Member, the Monitoring Officer, the Investigating Officer (or their representative(s)) directly or through the Chairman.
 - 13.10.4 The Panel can also question witnesses. The Independent Person will be invited to attend to observe, but will not participate in the hearing.

13.10.5 The Panel will seek the views of the Independent Person/Legal Adviser and take those views into account before making its decision.

13.10.6 The Panel may conclude that the Subject Member did not fail to comply with the Code of Conduct, and if so will dismiss the complaint.

13.10.7 If the Panel concludes that the Subject Member did fail to comply with the Code of Conduct, the Chairman will inform the Subject Member of this finding and the Panel will then consider what action, if any, the Panel should take as a result of the Subject Member's failure to comply with the Code of Conduct. In doing this, the Panel will give the Subject Member an opportunity to make representations to the Panel and seek the views of the Independent Person and take those views into account before making its decision.

14 What action can the Hearing Panel take where a member has failed to comply with the Code of Conduct?

14.1 The Council has delegated to the Panel such of its powers to take action in respect of individual members as may be necessary to promote and maintain high standards of conduct.

14.2 Accordingly the Panel may do one or a combination of the following:

14.2.1 Send a formal letter to the Subject Member;

14.2.2 Issue a formal Censure;

14.2.3 Publish its findings in respect of the Subject Member's conduct;

14.2.4 Report its findings to Council (or to the Parish Council) for information;

14.2.5 Recommend to the Subject Member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;

14.2.6 Recommend to the Leader of the Council that the Subject Member be removed from the Cabinet, or removed from particular Portfolio responsibilities;

- 14.2.7 Instruct the Monitoring Officer to (or recommend that the Parish Council) arrange training for the Subject Member;
 - 14.2.8 Recommend to the Subject Member's Group Leader that he/she is removed ([or recommend to the Parish Council that the Subject Member be removed]) from all outside appointments to which he/she has been appointed or nominated by the authority (or by the Parish Council);
 - 14.2.9 In the case of a co-opted Member, recommend to Council (or to the Parish Council) that he/she be removed from the Council or any of its committees, sub-committees or working groups;
 - 14.2.10 Withdraw (or recommend to the Parish Council that it withdraws) facilities provided to the Subject Member by the Council (such as a computer, website and/or email and Internet access) for a specified period; or
 - 14.2.11 Exclude (or recommend that the Parish Council exclude) the Subject Member from the Council's offices or other premises for a specified period, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.
- 14.3 The Hearings Panel has no power to suspend or disqualify the Subject Member or to withdraw members' or special responsibility allowances. It also has no power to impose a sanction which would fetter the otherwise appropriate activities of a democratically elected representative.

15 What happens at the end of the hearing?

- 15.1 At the end of the hearing, the Chairman will state the decision of the Panel as to whether the Subject Member failed to comply with the Code of Conduct and as to any actions which the Panel resolves to take.
- 15.2 As soon as reasonably practicable thereafter, the Monitoring Officer shall prepare a formal decision notice in consultation with the Chairman of the Panel.
- 15.3 The decision notice will include a brief statement of facts, the provisions of the code of conduct engaged by the allegations, the views of the Independent Person, the reasons for the decision and any sanctions applied.
- 15.4 A copy of the decision notice will be sent to the Complainant, to the Subject Member [and to the Parish Council in the case of a complaint about a Parish

Councillor], published on the Council's website and reported to the next convenient meeting of the Standards Committee.

16 What is the Hearing Panel?

- 16.1 The Hearing Panel is a sub-committee of the Council's Standards Committee. The Independent Person is invited to attend all meetings of the Panel and his/her views are sought and taken into consideration before the Panel takes any decision on whether the Subject Member's conduct constitutes a failure to comply with the Code of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.

17 Who is the Independent Person?

- 17.1 The Independent Person is a person who has been appointed by the Council under Section 28 of the Localism Act 2011.
- 17.2 The Independent Person's views must be sought and taken into account before a decision on an allegation can be made. Their views may also be sought by the Subject Member.
- 17.3 The Monitoring Officer will consult the Independent Person as set out in these arrangements, but has the discretion to consult the Independent Person on any other issues arising out of an allegation that a member has failed to comply with the Code of Conduct.
- 17.4 The Council has access to a pool of Independent Persons which will provide resilience in the event a particular Independent Person is unable to act.

18 Revision of these arrangements

- 18.1 The Monitoring Officer and the Audit & Standards Committee have the power to amend these arrangements.
- 18.2 The Council has delegated to the Panel and the Monitoring Officer the right to depart from these arrangements where it considers that it is expedient to do so in order to secure the effective and fair consideration of any matter.

19 Appeals

- 19.1 There is no right of appeal against a decision of the Monitoring Officer or the Panel.

19.2 If the Complainant feels that the Council has failed to deal with the complaint properly, he/she may complain to the Local Government and Social Care Ombudsman.