

# Minutes

<b>Meeting name</b>	<b>Audit and Standards Committee</b>
<b>Date</b>	<b>Tuesday, 28 March 2023</b>
<b>Start time</b>	<b>6.30 pm</b>
<b>Venue</b>	<b>Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire LE13 1GH</b>

## Present:

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

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

**In Attendance** Portfolio Holder for Growth and Prosperity, Councillor R. Bindloss

**Officers** Director for Corporate Services  
Director for Growth and Regeneration  
Monitoring Officer  
Chief Internal Auditor  
Assistant Director for Regeneration and UKSPF Delivery  
Assistant Director for Housing  
Senior Democratic Services and Scrutiny Officer

Minute No.	Minute
31	<p><b>Apologies for Absence</b> Apologies for absence were received from Councillors Glancy, Lumley, Webster and Wilkinson.</p>
32	<p><b>Minutes</b> The Minutes of the meeting held on 17 January 2023 were approved.</p>
33	<p><b>Declarations of Interest</b> No declarations of interest were received.</p>
34	<p><b>Audit Considerations for UKSPF, LUF and ADP Projects</b> The Director for Growth and Regeneration introduced the report outlining audit considerations for the United Kingdom Shared Prosperity Fund (UKSPF), the Levelling Up Fund (LUF) and the Asset Development Programme (ADP) projects.</p> <p>Members were informed that the total amount of external funding for each of the projects is as follows:</p> <ul style="list-style-type: none"> <li>• UKSPF, £1.19m;</li> <li>• LUF, £11.85m; and</li> <li>• ADP, £0.875m.</li> </ul> <p>Following a query regarding the management of projects, Members were informed the Assistant Director for Regeneration is focusing on the delivery of the UKSPF. Officers intend to recruit a manager to focus on the delivery of the LUF and, depending on the agreed next step, a manager with the appropriate skills will be recruited to deliver the ADP.</p> <p>The comment was made that residents and businesses in the rural area of the Borough believe they don't have as much opportunity to access funding as the town. In response, it was explained that the LUF would target specific projects, however the UKSPF would be accessible by anyone regardless of where within the Borough they are based. Also, there is expected to be additional funding, specifically for rural areas, via the Rural England Prosperity Fund from the Department for Environment, Food and Rural Affairs, however the decision has yet to be made.</p> <p>There was a concern that the funding, particularly the LUF funding, would be for the Cattle Market and that the town would not receive any funding.</p> <p>Following the comments received, the Chairman suggested that a link between the Cattle Market, town and rural area needs to be noted to be taken forward.</p> <p>The Committee noted that there are significant risks involved and suggested that there needs to be a detailed risk assessment drafted.</p>

## RESOLVED

The Committee **NOTED** the proposed arrangements for audit assurance and the potential future involvement of the internal audit team for the key strategic regeneration projects funded through external grant funding.

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### **Internal Audit Progress Report**

The Chief Internal Auditor introduced the Internal Audit Progress Report.

#### 1. Right to Buy

In response to a query regarding the valuations in relation to right to buy, the Committee was informed that a number of valuation errors have occurred, however the process has been reviewed and steps have been put in place to prevent the errors from reoccurring. In addition, it was clarified that no losses have been written off because the errors resulted in income that has been forgone.

When questioned about a post which ceases at the end of March, Members were informed that the post is being extended and that the team structure is being reviewed.

Members were also advised of the positive outcome of the recent audit of the service which concluded on the 7 March 2023.

The audit stated the following:

“The objective of the audit was to seek assurance that, since these incidents, updated processes and procedures are now consistent with current legislative requirements, with a sound framework for the implementation of controls to mitigate the risks of inaccurate discount calculations, incorrect use of valuations and fraudulent applications. The audit confirmed that the systems and procedures introduced during the last year are robust and are currently working well”.

#### 2. Effectiveness of case Management Arrangements

A comprehensive review is currently underway which included

- a) Clarification on service charges
- b) An in year validation of current service charges to ensure they are accurate
- c) The option for some tenants ( those who do not live in one of the 4 sheltered courts) to opt out of the Intensive Housing Management service, in response to requests from tenants.

The review is expected to be concluded by the autumn.

#### 3. Housing Repairs

Progress continues to implement the BARRIS interface. This will enable the real time sharing of information between the Council and Axis, the main repairs and maintenance contractor.

	<p>In response to the question of when the recommendation from the case management and Housing Audit will be fully resolved, Members were informed that it is likely to be fully resolved within six months of the meeting.</p> <p><b>RESOLVED</b></p> <p>The Committee <b>NOTED</b> the report and the progress made by the Internal Audit Team in the delivery of the Audit Plan.</p>
36	<p><b>Annual Standards Update</b> The Monitoring Officer introduced the Annual Standards Update.</p> <p><b>RESOLVED</b></p> <p>The Committee <b>NOTED</b> the information presented in relation to Code of Conduct Complaints for 2022/23.</p>
37	<p><b>Risk Management 6 Monthly Update</b> The Director for Corporate Services introduced the Risk Management Six Monthly Update.</p> <p>In response to a question regarding the collection of owed monies to the Council, the Committee was informed that the Council would face more pressure as a result of financial pressures upon partner organisations. The Council would continue to collect monies, however some debts would become more difficult and therefore potentially more expensive to collect.</p> <p><b>RESOLVED</b></p> <p>The Committee <b>NOTED</b> the content of the report and the updated Strategic Risk Register and associated risk management action plan.</p>
38	<p><b>Internal Audit Plan 2023/24</b> The Chief Internal Auditor introduced the Internal Audit Plan 2023/24.</p> <p>A query was raised in relation to Section 106 agreements, although it was noted that whilst the issue is not under the remit of the Audit and Standards Committee, Members were grateful for the assurance provided by the Monitoring Officer, who explained that legal colleagues are working with planning colleagues and reviewing all Section 106 agreements to ensure the correct clauses are in place.</p> <p>The Committee welcomed the plan and commented that the plan was efficient and focused on reviewing the risks and associated control measures.</p> <p><b>RESOLVED</b></p> <p>The Committee</p>

	<ol style="list-style-type: none"> <li>1) <b>APPROVED</b> the Internal Audit Plan for 2023/24;</li> <li>2) <b>APPROVED</b> to delegate authority to the Director for Corporate Services, in consultation with the Chairman of the Audit and Standards Committee, to agree amendments to the Plan during the financial year, if required; and</li> <li>3) <b>APPROVED</b> the Internal Audit Charter and Strategy.</li> </ol>
39	<p><b>Urgent Business</b> There was no urgent business.</p>

The meeting closed at: 7.36 pm

Chair