

STANDARDS AND AUDIT COMMITTEE

Wednesday, 17th April, 2024

Present:-

Councillor Caulfield (Chair)

Councillors Brock
Jacobs

Councillors Staton
Tidd

*Matters dealt with under the Delegation Scheme

98 **DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

99 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Blakemore and Saunders and James Collins of Mazars LLP. Leah Parsons attended from Mazars LLP. It was reported that a report would be presented at the next meeting of this Committee.

Members welcomed back Councillor Tidd, from Staveley Town Council.

100 **MINUTES**

RESOLVED –

That the Minutes of the meeting of the Standards and Audit Committee held on 14th February 2024 be approved as a correct record and be signed by the Chair.

101 **LEISURE CENTRES UPDATE (VERBAL REPORT)**

The Leisure Service Manager gave a verbal update to Members on the progress against the Queens Park Sports Centre Income Internal Audit Report, and how the team had been working towards meeting all outstanding recommendations. It was noted that when the same audit was completed at the Healthy Living Centre there was a higher

percentage of compliance, showing that the recommendations were being implemented.

It was reported that an updated form showing how the recommendations were being met would be forwarded to the Head of the Internal Audit Consortium.

102 **UPDATES TO CONSTITUTION**

The Head of Regulatory Law and Monitoring Officer presented a report for consideration of updates to the Constitution in regard to Tenant ASB Reviews and Decisions, and the delegations proposed were shown at paragraph 4.9 of the officer's report.

***RESOLVED –**

That the report be approved with the changes to the Constitution and agreement of the delegations proposed.

103 **CHESTERFIELD BOROUGH COUNCIL INTERNAL AUDIT PLAN 2024.25**

The Head of the Internal Audit Consortium presented a report detailing the Internal Audit Plan for 2024/25.

The Public Sector Internal Audit Standards required that a periodic risk-based plan be prepared that would be sufficiently flexible to reflect the changing risks and priorities of the organisation. The development of the internal audit plan had taken into account the council's organisational objectives and priorities, strategic and operational risks, the requirement to produce an annual internal audit opinion, an update of the internal audit risk assessment exercise, and comments from the consultation with the corporate leadership team.

It was reported that over the last few years there has been a gradual reduction in time spent on the main financial systems. This is on the basis that the controls in place are tried and tested, that systems and staff remain the same. This allows the Council to spend more time on other areas that may pose greater risk or that have not been reviewed for some time.

The internal audit plan, attached at Appendix 1 of the officer's report, detailed the areas where audits would take place during 2024/25 and the number of days allocated to each area. It was noted that whilst every effort will be made to complete the 2024/25 planned areas first, a list of reserve areas provides more flexibility. If the contingency days are not required, then these will be utilised on the reserve areas or other emerging risk areas.

Members questioned how the frequency of areas being looked at was decided. It was reported that it varies on the perception of risk. On average a High risk area would be looked at every two years, a Medium risk area every two - four years, and a Low risk area every five years.

***RESOLVED –**

1. That the Internal Audit Plan for 2024/25 be approved.
2. That it be noted that the plan is provisional and may need adjusting and prioritising in the light of any emerging risks or staff shortages.

104

REVIEW OF THE CODE OF CORPORATE GOVERNANCE AND THE ANNUAL GOVERNANCE STATEMENT

The Head of the Internal Audit Consortium presented a report on the Annual Review of the Local Code of Corporate Governance for 2023/24 and the Annual Governance Statement for 2023/24.

The report noted that local authorities are recommended to adopt and regularly review a Code of Corporate Governance which details the system by which the Council controls and directs its functions and how it relates to its local community. The outcomes from the review, as detailed in Appendix 1 of the officer's report, demonstrated that there had been substantial compliance with the Code of Corporate Governance during 2023/24.

The Annual Governance Statement, as detailed in Appendix 2 of the officer's report, was derived from a detailed review of the assurances by senior officers and from the work undertaken and risks identified by internal audit. The review indicated that many of the Council's processes and procedures were compliant with good practice; however, there were some governance issues and future challenges which were detailed within the Statement.

Members praised the work being undertaken to address the issues that had been highlighted within the plan.

***RESOLVED –**

1. That the Annual Governance Statement be approved and be signed by the Leader and Chief Executive.
2. That a review of the Code of Corporate Governance be undertaken in 12 months' time.
3. That progress on the significant issues and future challenges identified in the Annual Governance Statement be monitored by the Corporate Leadership Team.

105 IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS

The Head of the Internal Audit Consortium presented a report detailing a summary of outstanding internal audit recommendations made, implemented and outstanding to inform Members of the progress so they could assess if appropriate and timely action had been taken.

It has previously been agreed by the Standards and Audit Committee that a report detailing outstanding internal audit recommendations be brought to the Standards and Audit Committee every 6 months. The last report was brought in September 2023.

A summary of made, implemented and outstanding internal audit recommendations were attached at Appendix 1 of the officer's report. It was reported that there were 26 outstanding recommendations, with 7 being high priority, 12 medium priority and 7 low priority.

RESOLVED –

1. That the report be noted.
2. That a further summary of outstanding internal audit recommendations be submitted to the Standards and Audit Committee in October 2024.

106 INTERNAL AUDIT PROGRESS REPORT APRIL 24

The Head of the Internal Audit Consortium submitted a report for Members consideration. The report detailed progress against the 2023/24 Internal Audit Plan and provided assurance on the governance, risk and control processes in place in respect of the audits completed.

It was noted that since this committee had last met 5 reports have been issued, 3 with Substantial assurance, 1 with Reasonable assurance, and 1 with Limited assurance.

Members requested that the Service Director – Economic Growth and the Corporate Property Manager give an update on progress at the next meeting of this Committee.

***RESOLVED –**

1. That the report be noted.
2. That the Service Director – Economic Growth and the Corporate Property Manager return at the next meeting on 12th June 2024 with a progress update.

The Chair informed Members that following the CIPFA self-assessment that was completed in February there was specific CIPFA training planned.

The Chair informed the Committee that this would be the last meeting attended by the Head of Regulatory Law and Monitoring Officer. He was thanked for his help and advice.