

STANDARDS AND AUDIT COMMITTEE

Wednesday, 4th April, 2018

Present:-

Councillor Rayner (Chair)

Councillors Caulfield

Hollingworth

Councillors

Bean

*Matters dealt with under the Delegation Scheme

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

No declarations were received.

42 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Derbyshire and Diouf.

43 **MINUTES**

RESOLVED –

The Minutes of the previous meeting of the Standards and Audit Committee held on 7 February, 2018 were approved and signed by the Chair as a correct record.

44 **EXTERNAL AUDIT PROGRESS REPORT**

Tony Crawley (Director) and Richard Walton (Senior Manager) of KPMG presented the External Audit Progress Report from March 2018.

The report detailed the work that had been completed to date by the external auditors, and listed the future planned work to be undertaken.

It was noted that early, substantive work had been undertaken during an additional on-site visit in March, to reduce the pressure of the final accounts visit in this first year of the revised, earlier timescales.

***RESOLVED –**

That the External Audit Progress Report be noted.

45 **INTERNAL AUDIT PLAN 2018/19**

The Internal Audit Consortium Manager presented a report for members to consider and agree the Internal Audit Plan for 2018/19.

The detailed plan for 2018/19 was attached at Appendix B to the report and had been prepared in consultation with the Senior Leadership Team and the Corporate Management Team, taking into account the following factors:

- The Council's objectives and priorities;
- Local and national issues and risks;
- The requirement to produce an annual internal audit opinion;
- The Council's assurance framework;
- An update of the internal audit risk assessment exercise covering the financial control and other procedures subject to audit;
- The Council's strategic risk register;
- The views of the Corporate Management Team.

The plan outlined the assignments to be carried out during 2018/19, their respective priorities and the estimated resources needed. The plan allocated 560 days to Chesterfield Borough Council for 2018/19, which was the same allocation as in the previous two years.

A copy of the audit plan was being provided to the Council's external auditor to facilitate co-ordination of work programmes.

The Internal Audit Consortium Manager advised that an annual report summarising the outcome of the Internal Audit Plan 2017/18 would be presented to the Standards and Audit Committee after the year-end.

***RESOLVED –**

That the Internal Audit Plan for 2018/19 be agreed.

46 **OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS**

The Internal Audit Consortium Manager presented a report summarising outstanding internal audit recommendations.

It was noted that since 2014/15, a total of 34 recommendations remained outstanding and overdue. The full list of outstanding internal audit recommendations was attached at Appendix 1 to the officer's report.

***RESOLVED –**

1. That the report be noted.

2. That the Internal Audit Consortium Manager be asked to submit a report to each meeting of the Standards and Audit Committee summarising outstanding and/or overdue internal audit recommendations.
3. That, as appropriate, the responsible officers be asked to either attend future meetings of the Standards and Audit Committee or provide written information to give members an update on progress made to implement outstanding and/or overdue internal audit recommendations.
4. That a note be submitted to the Chief Executive by the Monitoring Officer on behalf of the Chair, summarising the Committee's concern over outstanding and/or overdue internal audit recommendations, with a request for action at senior management level.

47 EMPLOYEE CODE OF CONDUCT

The Monitoring Officer presented a report seeking approval for the revised Employee Code of Conduct. The report noted that all local authorities were required, under Section 82 of the Local Government Act 2000, to approve a code of conduct for its employees.

The proposed policy had previously been agreed by the Employer/Trade Union Committee on 14 February, 2018 (Minute No. 58, Employer/Trade Union Committee 2017/18) and the Employment and General Committee on 5 March, 2018 (Minute No. 45, Employment and General Committee 2017/18).

The proposed policy was attached at Appendix A to the officer's report.

***RESOLVED –**

That the new Employee Code of Conduct be approved and that Part 5 of the Constitution be amended.

48 PERMISSIONS IN PRINCIPLE

The Monitoring Officer presented a report recommending for approval an amendment to the delegation scheme to permit power to designated officer posts to decide Permissions in Principle and Technical Detail Consents.

It was noted that the proposed revisions to the delegation scheme were agreed and endorsed by the Council's Planning Committee on 3 April, 2018 (Minute No. 146, Planning Committee 2017/18).

Pursuant to members' questions, the Monitoring Officer advised that the Permissions in Principle and Technical Detail Consents processes would require the Council to make decisions within a short, set period of time, which would reduce costs on

developers and provide earlier certainty on the in-principle matters, the use, location and amount of a development.

***RESOLVED –**

That approval be given to amend the delegation scheme in Part 3 of the Constitution to permit the Development Management and Conservation Manager, or the Principal Planner in their absence, to decide Permissions in Principle and Technical Detail Consents.

49 RIPA - ANNUAL REPORT 2018

The Monitoring Officer submitted a report to provide members with an annual update on activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act (RIPA) 2011.

It was noted that no directed surveillances or use of human intelligence sources had been authorised by the Council under the Act during 2017.

The report included an update on the annual report of the OSC Inspection and Surveillance Commissioner.

***RESOLVED –**

That the report be noted.

50 SUMMARY OF INTERNAL AUDIT REPORTS ISSUED 2017/18

The Internal Audit Consortium Manager presented a report summarising the internal audit reports issued during the period 6 January 2018 to 9 March 2018, in respect of reports issued relating to the 2017/18 internal audit plan.

It was noted that 9 reports had been issued during this period and had been given the following levels of assurance:

- 'Substantial Assurance' – 2
- 'Reasonable Assurance' – 5
- 'Limited Assurance' – 1
- 'Inadequate Assurance' – 1

The Committee welcomed James Drury, Executive Director, and Ian Waller, Assistant Director – Health and Wellbeing, to discuss the Inadequate Assurance audit report on 'Corporate Health and Safety' issued on 26 January, 2018.

James Drury advised that a Health and Safety Recovery Plan had been produced, in consultation with members of the Corporate Management Team and workplace health and safety representatives, to provide a clear, effective and holistic response to tackling the issues relating to corporate health and safety.

It was noted that the Plan had set out reasonable and appropriate timescales for the delivery of all actions to be undertaken, with interim reviews scheduled to monitor progress.

The Committee thanked the Executive Director and Assistant Director – Health and Wellbeing for attending.

The Committee welcomed the Director of Finance and Resources to discuss the Limited Assurance report on 'Non-Housing Property Repairs' issued on 1 March, 2018.

It was noted that Kier had undertaken reviews of the Council's top 10 largest assets, which had accounted for approximately half of the total monetary value of assets owned by the Council.

It was planned for reviews of the Council's assets to be continued to ensure that at least 80 per cent of the monetary value of assets had been reviewed.

The Director of Finance and Resources advised that a RAG (Red, Amber, Green) colour coding scheme had been introduced in response to the second recommendation made in the audit report, to more clearly advise officers as to how different repairs should be paid for.

The Committee thanked the Director of Finance and Resources for providing the update.

*** RESOLVED –**

That the report be noted.