

STANDARDS AND AUDIT COMMITTEE

Wednesday, 27th July, 2022

Present:-

Councillor Caulfield (Chair)

Councillors Brady
Kellman
T Murphy

Councillors Snowdon
Christian

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

2 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Rayner.

3 **MINUTES**

RESOLVED –

That the Minutes of the meeting of the Standards and Audit Committee held on 20 April, 2022 be approved as a correct record and be signed by the Chair.

4 **STANDARDS AND AUDIT COMMITTEE ANNUAL REPORT 21/22**

The Head of the Internal Audit Consortium presented the Standards and Audit Committee Annual Report for 2021/22. The Annual Report was attached at Appendix 1 of the officer's report.

The Chartered Institute of Public Finance and Accountancy (CIPFA) in their guidance note "Audit Committees – Practical Guidance for Local Authorities" recommend that an Audit Committee should produce an annual report on their activity. The production of an Annual Report helps

to assess the performance of the Committee and raises the profile of the Committee.

Members commented that all council and committee reports should consider climate change fully and discussed positive and practical steps that the Committee could take to raise the profile of climate change within the council. Members agreed to invite the Climate Change Officer to attend the Standards and Audit Committee to discuss how the Committee, through its powers, can support the embedding of climate change as a high profile issue across the council.

***RESOLVED –**

1. That the Standards and Audit Committee Annual Report for 2021/22 be recommended to Full Council for approval.
2. That the Climate Change Officer be invited to a future meeting of the Committee.

5 INTERNAL AUDIT CONSORTIUM ANNUAL REPORT 2021/22

The Head of the Internal Audit Consortium presented the Internal Audit Consortium Annual Report for 2021/22.

The report provided a summary of the internal audit work undertaken during 2021/22 which had been used to inform the opinion on governance, risk and internal control. A total of 19 audits had been completed during the year of which 10 were substantial, five were reasonable, four were limited and none were inadequate. In addition, no fraud had been identified. A summary of the reports issued and their overall opinion was attached at Appendix 1 of the officer's report.

For the year ended 2021/22, the Head of the Internal Audit Consortium's opinion found that reasonable assurance could be provided on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

Issues arising from audits completed during the year were used to inform the Annual Governance Statement; these included procurement, project management, health and safety and asset management.

The majority of audits scheduled for 2021/22 had been completed and the remaining audits would be scheduled into the 2022/23 Internal Audit Plan. A comparison of the completed and deferred audits was attached at Appendix 2 of the officer's report.

It was reported that quality control procedures had been established within the Internal Audit Consortium which were documented in the Quality and Assurance Improvement Programme attached at Appendix 3 of the officer's report.

The report also informed Members that the internal audit activity was organisationally independent.

The Head of the Internal Audit Consortium had compared performance against the Internal Audit Charter and found that the requirements of the Charter had been met during 2021/22.

Members expressed their thanks to the Internal Audit Team for their work in delivering the Internal Audit Plan.

***RESOLVED –**

That the Internal Audit Consortium Annual Report for 2021/22 be noted.

6 PROGRESS REPORT ON THE 2021/22 INTERNAL AUDIT PLAN

The Head of the Internal Audit Consortium presented a report summarising the internal audit reports issued during the period March 2022 to June 2022 in relation to the 2021/22 internal audit plan.

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

- 'Substantial assurance' – one
- 'Limited assurance' – two

A summary of these reports was provided in Appendix 1 of the officer's report and the limited assurance reports (Planning Fee Income and Non-Housing Property Repairs) were attached in full at Appendices 2 and 3 of the officer's report. The Committee were informed that no fraud had been detected.

The Development Management and Conservation Manager provided an update on the recommendations from the recent Planning Fee Income audit. Members were informed that the eight recommendations had been acted on and new processes and procedures were in place to ensure that fees were collected and reconciled in a robust way.

***RESOLVED –**

That the report be noted.

7 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC

***RESOLVED –**

That under Section 100(a)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

8 PROGRESS REPORT ON THE 2021/22 INTERNAL AUDIT PLAN - APPENDIX 3

The Corporate Property Manager provided an update on the recommendations from the recent audit on Non-Housing Property Repairs. The audit had found that the property condition surveys and maintenance plans were out of date and a draft asset management plan required formal approval.

Additional resourcing within the team was required in order to develop and deliver the maintenance plans. A contractor would carry out the surveys of the properties and provide 10-year maintenance plans. An Interim Property Director, due to start in September, would manage the delivery of the maintenance plans and develop a new strategic asset management plan.

The Service Director – Finance informed members that the 10 year maintenance programme had been flagged up as a risk for the medium term financial plan as it could not be funded through borrowing under the prudential code.

Members commented that the issues arising from this report needed to be considered in more detail and that the risks should be properly assessed before being brought back to the Committee. In addition, Members raised concerns about the creation of the new Interim Property Director post and the relationship with the existing directors.

***RESOLVED –**

1. That a briefing be arranged for the Committee at the beginning of September to consider the risk assessment.
2. That the Interim Property Director be invited to attend the Standards and Audit Committee on 28 September, 2022.

9 LOCAL GOVERNMENT ACT 1972 - RE-ADMISSION OF THE PUBLIC

***RESOLVED –**

That the public be re-admitted to the meeting.

10 INTERNAL AUDIT UNTAPPED POTENTIAL

The Head of the Internal Audit Consortium presented a report to inform Members of a recent CIPFA publication titled “Internal Audit: untapped potential” which was attached at Appendix 1 of the officer’s report. The publication promoted the importance of internal audit and the benefit it can bring to organisations in terms of managing risks and improving the governance and control framework.

***RESOLVED –**

That the report be noted.

11 RIPA ANNUAL REPORT AND INSPECTION 2022

The Head of Regulatory Law and Monitoring Officer (and RIPA Senior Responsible Officer) presented the Regulation of Investigatory Powers Act 2000 (RIPA) Annual Report 2022 and informed Members of the outcome of the routine RIPA inspection by the Investigatory Powers Commissioner’s Office (IPCO).

The council has powers under the RIPA 2000 to conduct authorised directed surveillances and use of human intelligence sources in certain circumstances in connection with the conduct of criminal investigations.

The IPC oversees the exercise of surveillance powers and the IPCO carried out a three year inspection on 9 June, 2022 with the council's RIPA Senior Responsible Officer and the Data Protection Officer. The inspector was complimentary of the council's RIPA Policy and recommended some minor updates which were highlighted in Appendix 1 of the officer's report.

***RESOLVED –**

1. That the report and outcome of the 2022 RIPA inspection be noted.
2. That the Surveillance Policy be updated as set out in the officer's report and that the Head of Regulatory Law be authorised to make necessary consequential amendments.
3. That the proposed RIPA activity for 2022/23 be progressed.

**12 STANDARDS AND AUDIT COMMITTEE WORK PROGRAMME
2022/23**

The work programme for the Standards and Audit Committee for 2022/23 was considered.

***RESOLVED –**

That the work programme be noted.