

MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Abbey Room, Stenson House, London Road, Coalville, LE67 3FN on WEDNESDAY, 25 OCTOBER 2023

Present: Councillor D Everitt (Chair)

Councillors P Moulton, D Cooper, G Rogers, J G Simmons, N Smith, R Sutton and A Barker

In Attendance: Councillors R Johnson

Officers: Ms K Beavis, Miss E Warhurst, Mr T Devonshire and Mr P Stone

External Audit:

**13. APOLOGIES FOR ABSENCE**

Councillor R Boam was absent without apology.

**14. DECLARATION OF INTERESTS**

There were no interests declared.

**15. MINUTES**

Consideration was given to the minutes of the meeting held on 26 July 2023.

It was moved by Councillor N Smith, seconded by Councillor A Barker, and

RESOLVED THAT:

The minutes of the meeting held on 26 July 2023 be confirmed as an accurate record of proceedings.

**16. COMMITTEE WORK PLAN**

Consideration was given to the inclusion of any items on the work programme. The plan of forthcoming Cabinet decisions and the current work programme were set out in the agenda for information.

**17. INTERNAL AUDIT PROGRESS REPORT**

The Audit Manager presented the report.

In response to a Member querying whether recruitment problems discussed in the report were a result of a lack of appropriate candidates or the Council not offering a competitive remuneration package, the Audit Manager advised that it was a combination of the two; but she added that it was a struggle to recruit candidates even when paying agency rates.

A Member asked whether the recommendation on page 21 had been followed up on and the Strategic Director of Resources advised that an update on this would be brought before the Committee at the next meeting as part of the External Audit Report.

A Member expressed concern about the cost and proliferation of consultants, and asked whether progress was being made in reducing their usage. In response the Strategic Director of Resources advised that the matter would return to the Committee in January.

Chairman's initials

A Member felt that project management should be a higher priority in the report and added that how success was measured and reported to the Committee should be considered by Officers. The Chair concurred that there was public interest in being informed of the ongoing projects.

In response to these comments, Officers emphasised that installing a standardised and consistent corporate approach to project management was a key priority, as detailed in the Audit.

In response to a Member asking about IT asset management and the new role out of IT equipment, whether this was consistent with best policy and value, the Audit Manager advised that contract procedure rules set certain limits. She advised that above a threshold organisational purchases should be put out to tender and this threshold might be cumulatively reached over a year.

A Member asked about the choice based lettings recommendations and whether they had been implemented, and the Audit Manager was happy to clarify any questions the Member might have on the process of Auditing this matter after the meeting.

The Chair thanked Members for their comments.

## **18. UPDATE ON THE CIPFA POSITION STATEMENT AND WORKING GROUP**

The Audit Manager presented the report.

In response to a Member asking how the Committee should proceed if they did not manage to attain an independent person, the Audit Manager advised that the Council had originally gone out offering an unremunerated role; the organisation had since readvertised the unremunerated role and if again this did not result in attaining a candidate then the matter of remuneration may need to be reviewed.

It was moved by Councillor P Moulton, seconded by Councillor J Simmons, and

RESOLVED THAT:

The training programme be agreed.

## **19. UPDATE ON ACTION PLAN IN RESPONSE TO ANNUAL INTERNAL AUDIT OPINION 2022/23**

The Strategic Director of Resources presented the report.

In response to a Member asking for clarification on the Governance structure and how this impacted the Audit process, the Head of Legal and Support Services advised that Council had delegated functions to the Audit and Governance Committee, rather than the Executive.

Nevertheless, the Member remained concerned that the comments of the Committee were not always appropriately shared and acted upon.

The Audit Manager confirmed to Members that where a limited audit report was presented to the Committee the relevant Director and/ or Head of Service would be requested to attend the meeting additionally the Committee were able to request the attendance of Corporate Leadership Team at a Committee if Member's had significant concerns, if the concern was not resolved this could then be passed onto Scrutiny, full Council or Cabinet.

The Chair thanked Members for their comments.

Chairman's initials

## **20. CORPORATE RISK UPDATE**

The Strategic Director of Resources presented the report.

In response to a Member asking about the first item on the risk register in respect of safeguarding compliance, which he felt was a crucial issue, the Strategic Director of Resources confirmed that he was happy to bring a detailed update to Members at a future meeting.

A Member expressed concern that cloud backed up files were more susceptible to hackers and the Strategic Director of Resources advised that organisational data was backed up to the cloud but diffusely spread through servers across the country.

A Member queried whether the risk titled 'mismanagement of Council finances' should have a higher impact score than the current score of 2. The Strategic Director of Resources accepted that this was a pertinent question in light of the number of local authorities reporting financial difficulties. The score, he added, did nevertheless reflect that there was a range of mainstream funding streams which are unlikely to be financial losses of over £100k or £1m in line with the impact assessment guidance. However, the impact score might regardless need reviewing.

The Member then suggested that a residual likelihood score of 2 for the risk item 'projects are poorly managed' seemed overly confident. The Strategic Director of Resources accepted that this was something to review as project management processes are to be reviewed and rolled out across the Council.

The Chair thanked Members for their comments.

## **21. LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN ANNUAL REVIEW LETTER 2022/23**

The Head of Legal and Support Services presented the report.

The Chair thanked Members for their comments.

## **22. STANDARDS AND ETHICS REPORT - QUARTER 2**

The Head of Legal and Support Services presented the report.

A Member asked why the rate of Freedom of Information (FOI) requests had risen and the Head of Legal and Support Services advised that it was always hard to discern any particular trend in FOI requests.

The Chair stressed that it was imperative that people received a response to FOI requests.

A Member asked whether a 90% response rate to FOI requests was reasonable, and could it be higher. In response, the Head of Legal and Support Services advised that 90% would be an improvement on the current rate, answering FOI requests can be complex and time consuming, and 90% was thus a reasonable goal but one that the organisation would seek to further improve upon when reached.

A Member asked about how our response rate looked when benchmarked against other local authorities and the Head of Legal and Support Services was happy to attain this information and provide it to the Member outside of the meeting.

Chairman's initials

The Chair thanked Members for their comments.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.29 pm