



Rutland County Council

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Minutes of the **MEETING of the AUDIT AND RISK COMMITTEE** held via Zoom on Tuesday, 20th April, 2021 at 7.00 pm.

PRESENT: Mr G Brown Mrs R Powell
Mr I Razzell Miss G Waller
Mr N Woodley

ABSENT: Mr A Brown

OFFICERS PRESENT: Ms R Ashley-Caunt Head of Internal Audit
Mr S Della Rocca Strategic Director for Resources
Miss E Dearsley Governance Officer

IN ATTENDANCE: Mr J Gregory Grant Thornton
Councillor Payne
Councillor Wilby

1 APOLOGIES

Apologies were received from Councillor A Brown.

2 MINUTES

The minutes of the meeting of the Audit and Risk Committee held on 23 February were confirmed subject to the following amendments:

- Cllr Baines to be listed as absent
- Cllr Razzell's name to be correctly spelt
- There was an action under Item 9 for Grant Thornton to close down the audit point they still had open from the 18/19 External Audit for St Georges.
- To note that Cllr Woodley had sent his apologies for this meeting.
- To ensure that, in future, there was a note of officers in attendance at the meeting.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 PETITIONS, DEPUTATIONS AND QUESTIONS

There were no petitions, deputations or questions.

5 QUESTIONS WITH NOTICE FROM MEMBERS

There were no questions with notice from Members.

6 NOTICES OF MOTION FROM MEMBERS

No motions from Members had been received.

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7 REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) UPDATE

The Committee received an update report informing Members of the investigatory Powers Commission's Office (IPCO) remote inspection which took place on 2 March 2021 and its findings. Mr Della Rocca, Strategic Director for Resources (s.151 Officer), introduced the report and the Desktop Inspection Response letter.

It was noted that a refresh of the Policy would be completed by April 2022. A review of currently 'RIPA' trained staff would take place to ensure that those likely to be involved in the Authorisation process would have the appropriate knowledge and understanding. These staff were to be identified and any training completed by April 2022.

A further action of the Council was to review the Council's RIPA Policy to incorporate the Investigatory Powers Act with reference to the revised Code of Practice. It would also reflect the process adopted by officers when complying with the requirements laid out in the Protection of Freedoms Act 2012 and guidance on the investigative use of the Internet and Social Networking.

During discussion the following comments were noted:

- Mr Della Rocca confirmed that there had been no direct concerns raised by the IPOC.
- There were general actions to be actioned, such as the reviews, and the Committee would be kept informed of these.
- Once the Policy had been reviewed, Mr Della Rocca would confirm whether it could be shared publically.
- It was noted that the Council had not exercised its RIPA powers for a considerable time and this had been noted in the inspection.
- There was an issue around when covert inspection required signage to say that CCTV was in operation. Sites need to be aware of the RIPA requirements in order to make its use valid.
- Members raised points regarding a corporate database of policies and queried whether there was an opportunity to bring them all together and have deadlines noted so that they could be reviewed regularly.

- It was also suggested that ways of working with partners to share good practice should be looked into.

RESOLVED:

That the report be **NOTED**.

8 INTERNAL AUDIT UPDATE

The Committee received an update from Rachel Ashley-Caunt, Head of Internal Audit, on the progress made in delivering the 2020/21 Annual Audit Plan and outcomes from audit assignments completed since the last Committee meeting.

It was noted that there were currently 5 actions rated as 'Medium' or 'High' priority and which were more than three months overdue for implementation. Most of the actions related to highways which, although they were being progressed, had not yet been completed. Members raised concerns about the outstanding actions however, it was felt that the focus should be on applauding the actions that had been taken and the progress made during such a difficult year.

RESOLVED:

That the report be **NOTED** subject to the outstanding actions being monitored and reviewed.

9 INTERNAL AUDIT PLAN

Rachel Ashley-Caunt, Head of Internal Audit, presented the Committee with the proposed plan of internal audit work for the coming year and advised that, as with the previous year, Internal Audit wanted to maintain some flexibility within the Plan. Concern was raised around the number of days allocated to contract procedure rule compliance (To provide annual assurance over compliance with the Council's procurement rules across the organisation. To review a sample of procurements for evidence of compliance and strengthening of controls following previous audit recommendations) and Members asked whether officers could look at previous audits for comparison. Officers assured Members that if there were particular concerns about business compliance, these would be brought back to the Committee. The external audit report also covered the concerns raised.

The Committee **RESOLVED** that:

1. The Internal Audit Plan for 2021/22 and the Internal Audit Charter be **APPROVED**.
2. Delegation be **APPROVED** for the Strategic Director of Resources, in consultation with the Chair of the Audit and Risk Committee, to agree amendments to the Plan during the financial year, if required.

10 EXTERNAL AUDIT PLANNING 2020/2021

The Committee received the report from the external auditors, Grant Thornton, who had completed their audit work for 2019/2020. Mr John Gregory, the Director for Audit at Grant Thornton presented the report.

Members were advised that there was nothing vastly different from before or of major concern. Key issues were highlighted such as the impact financially due to COVID restrictions on service provision. The auditors would be considering the impact on Covid on the Council's financial stability as part of their value for money audit work.

The same risks had been identified as in previous reports. Most notably, the valuation of land and buildings and the valuation of the pension fund and net liability. It was also noted that because of the changes to the Audit Code of Practice which introduced a revised approach to the value for money work, auditors were required to produce a commentary on arrangements across all of the key criteria, rather than the current 'reporting by exception' approach. Consequently, audit fees were increasing to £77k from £64k in 2019/20.

Members confirmed that they wished to receive additional training from the auditors. This had been common practice in previous years and had usually taken place in a session immediately before the start of the Committee meeting. The auditors confirmed that there would be no additional costs if the training took place in this manner.

RESOLVED:

That the Committee **APPROVE** the External Auditors Report.

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The Chair declared the meeting closed at 8.48 pm.

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