

AUDIT COMMITTEE

26 January 2023

REPORT OF ASSISTANT DIRECTOR FINANCE & IT

A.2 AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

(Report prepared by Richard Barrett and Karen Townshend)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee:

- The progress on outstanding actions identified by the Committee along with general updates on other issues that fall within the responsibilities of the Committee.

EXECUTIVE SUMMARY

- A Table of Outstanding Issues is maintained and reported to each meeting of the Committee. This approach enables the Committee to effectively monitor progress on issues and items that form part of its governance responsibilities.
- Updates are set out against general items and the Annual Governance Statement within **Appendix A and B** respectively.
- To date there are no significant issues arising from the above, with work remaining in progress or updates provided elsewhere on the agenda where appropriate.

RECOMMENDATION(S)

It is recommended that:

The Committee notes and considers the progress against the actions set out in Appendices A and B.

REASON(S) FOR THE RECOMMENDATION(S)

To provide a timely update to the Committee along with assurances that actions previously identified are being addressed accordingly.

ALTERNATIVE OPTIONS CONSIDERED

There are no alternative options associated with this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

There are no direct legal implications associated with this report.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

There are no significant financial implications associated with monitoring of the agreed actions or responses. If additional resources are required then appropriate steps will be taken including any necessary reporting requirements.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;

B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and

C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

MILESTONES AND DELIVERY

The Table of Outstanding Issues is presented to the Audit Committee at each of its standard meetings.

ASSOCIATED RISKS AND MITIGATION

The Table of Outstanding Issues is in itself a response to potential risk exposure with further activity highlighted to address matters raised by the Audit Committee.

The report does not have a direct impact although such issues could feature in future recommendations and actions. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.

OUTCOME OF CONSULTATION AND ENGAGEMENT

There is no requirement to seek consultation on this report. This is a public document to be presented to the Audit Committee.

EQUALITIES

The Table of Outstanding Issues aims to deliver fairness, transparency and consistency to all customers and stakeholders.

SOCIAL VALUE CONSIDERATIONS	
The Table of Outstanding Issues is in itself a response to potential risk exposure, including considerations towards social value, with further activity highlighted to address matters raised by the Audit Committee.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
The Council's aim to be net zero by 2030 is considered by the Audit Committee and an update of the progress towards this aim shall be presented by the relevant Corporate Director, to the Committee at one of its future meetings.	
OTHER RELEVANT IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	Not applicable
Health Inequalities	Not applicable
Area or Ward affected	All Wards could be affected
ANY OTHER RELEVANT INFORMATION	
None	

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>TABLE OF OUTSTANDING ISSUES</p> <p>The Table of Outstanding Issues has been reviewed and updated since it was last considered by the Committee in September 2022.</p> <p>There are currently two main element to this report as follows:</p> <p>1) Updates against general items raised by the Committee – APPENDIX A 2) Updates against the 2021/22 and 2022/23 Annual Governance Statement Action Plan – APPENDIX B.</p> <p>In terms of item 1) above, there are no significant issues to raise, with actions remaining in progress or further details set out below. In terms of item 2), this sets out the latest Annual Governance Statement agreed by the Leader and Chief Executive at the end of July 2022, and includes any outstanding actions from the previous statement along with a number of new items identified. Activity will remain in progress against the various items which will be reported to Members as part of this report going forward.</p> <p><u>Outstanding actions – further details along with other issues identified</u></p> <p>The Statement of Accounts 2020/21 remains subject to the conclusion of the work of the External Auditor.</p> <p>At the last meeting of the Committee, the External Auditor provided a progress report which set out the work that they had completed on the areas of significant risk and the results of that</p>

work. The results were still going through a quality and review process but what was very positive to report was that the Auditors had not identified any errors, significant concerns or any control weaknesses that they need to bring to the Council's attention.

It was reported to Members that the Auditors had increased their staffing on this particular audit in order to complete it in January 2023.

At the time of finalising this report the Auditors had not concluded their audit work but an update will be provided either in advance of the meeting or alternatively directly at the meeting.

RIPA – Regulatory Investigatory Powers Act 2000

This Authority has not conducted any RIPA activity in the last quarter and it is rare that it will be required to do so.

Redmond Review

The Department for Levelling Up, Housing and Communities, acting as interim system leader, including by establishing and chairing the local audit Liaison Committee of senior stakeholders, provided local authorities with general update on 28 Sep 22; stating that the Department has led work on a system-wide package of measures aimed at addressing audit delays. The programme continues to deliver on initiatives responding to the Redmond Review, whilst addressing matters to assist with wider market issues, including timeliness.

The full update can be found at **Appendix C**.

For information a recent Local Government Chronicle article indicated that nationally there were 600 audits still outstanding.

As further progress is announced by the government, updates will be provided to future meetings of this Committee, which will hopefully set out the necessary practical steps to implement the recommendations made as part of this review.

Planning Enforcement

At the Committee's September 2022 meeting, the Committee were provided with an update regarding the Planning Enforcement Policy; in response the Chairman stated the following:

- a) he had concerns as to whether the staffing resources would be adequate to implement the Planning Enforcement Policy;
- b) he felt that an audit should be carried out of the planning enforcement service; and
- c) he had concerns as to whether the Policy had, in fact, been formally adopted given the amendments made and the decision made by the Planning Committee on 1 September 2022.

In October 2022 the Planning Department provided the following update by e mail to Members of the Committee:

Planning Enforcement is a priority for the Planning Management team and the arrival of the new Enforcement Team Leader on 25th October will assist with the improvements currently being implemented and those proposed for the coming months. The adoption of the

Enforcement Policy, new reporting systems via the Corporate Enforcement Group & Planning Committee, and an updated harm assessment form with traffic light filters all feed into these improvements in service.

In addition, a recruitment campaign is underway to attract ex-police or ex-military personnel to the roles currently covered by agency staff. Having permanent staff in these roles will provide the department with a team of officers who are committed to the local area and delivery a high quality service. The new Team Leader, guided by the Planning Management team, will be a driving force behind training, customer service and a more efficient and effective enforcement department.

Since the above update, the Planning Service has provided the following comment:

Planning Enforcement remains a priority for the Planning Management team, and we now benefit from the arrival an Enforcement Team Leader. We are working through the historic caseload and have significantly reduced the caseload. The adoption of the Enforcement Policy means officers are following the priorities and using the harm assessment, but new reporting systems are needing to be put into place and process changed to match the policy requirements. The traffic light system is also being used.

A recruitment campaign has been carried out and did seek to attract ex-police or ex-military personnel alongside normal candidates to the roles currently covered by agency staff. We are shortlisting now. Having permanent staff in these roles will provide the department with a team of officers who are committed to the local area and delivery a high quality service. The new Team Leader, guided by the Planning Management team, will be a driving force behind training, customer service and a more efficient and effective enforcement department.

External audit appointment from 2023/24

The council has now received confirmation that the external auditor appointed to Tendring District Council from 23/24 as part of the 'opting in' arrangements will be KPMG LLP. This appointment covers a five year period from 2023/24 to 2027/28. This appointment has been made under Regulation 13 of the Local Audit (Appointing Person) Regulations 2015 and was approved by the PSAA Board at its meeting on 16 December 2022.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.

The Table of Outstanding Issues is presented to the Committee at each of its meetings.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A – Table of Outstanding Issues (January 2023) – General

Appendix B – Table of Outstanding Issues – (January 2023) – Update against 2021/22 and 2022/23 Annual Governance Statement Actions

Appendix C – Department for Levelling Up, Housing and Communities – PAC: The Affordable Homes Programme since 2015: full update on Local Government Audit

REPORT CONTACT OFFICER(S)

Name	Richard Barrett
Job Title	Assistant Director Finance & IT
Email/Telephone	rbarrett@tendringdc.gov.uk
Name	Karen Townshend
Job Title	Executive Projects Manager – Governance
Email/Telephone	ktownshend@tendringdc.gov.uk