



Audit & Standards Committee

To the Audit and Standards on Tuesday, 22 October 2024

Date of meeting: Wednesday, 30 October 2024

Time: 18:30 Please note start time.

Venue: The Council Chamber
The Symington Building, Adam and Eve Street, LE16 7AG

Members of the public can access a live broadcast of the meeting from the [Council website](#), and the meeting webpage. The meeting will also be open to the public.

Agenda

- 1 Apologies for Absence
- 2 Declarations of Members' Interests
- 3 DRAFT Minutes Audit Standards - 31.07.24 3 - 8
- 4 External Audit Progress
(Verbal Report)
- 5 Internal Audit - Progress and Performance Update 9 - 38
- 6 Standards Complaints – Monitoring Report May-October 2024 39 - 44
- 7 Any Urgent Business
To be decided by the Chairman.

JOHN RICHARDSON
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HARBOROUGH DISTRICT COUNCIL

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Circulate to: Jonathan Bateman - Member, Rose Forman - Member, David Gair - Member, Peter James - Member, Barbara Johnson - Member, Amanda Nunn - Member, Rosita Page - Member

Minutes of the Audit & Standards Committee

Location: The Council Chamber The Symington Building,
Adam and Eve Street, LE16 7AG



Date: 31st July 2024 commencing at 6.30pm

Present:

Councillors: Bateman, Burrell, Forman, Gair (Chair), James, King and Mrs Page.

Officers: R. Ashley-Caunt – Chief Internal Auditor, North Northamptonshire Council
S. Barnard-Audit Manager, Public Sector Audit, Grant Thornton UK LLP
C. Mason – Director of Resources & S.151 Officer
S. Hamilton – Senior Democratic Officer & Monitoring Officer

1. Election of Chair for 2024/25

The Senior Democratic Officer opened the meeting and called for nominations for the Chair of the Audit and Standards Committee for the municipal year 2024 – 2025. Councillor Burrell nominated Councillor Gair, and this was seconded by Councillor James. There being no other nominations Councillor Gair was duly elected.

Councillor Gair took the Chair.

2. Election of Vice-Chair for 2024/25

The Chairman called for nominations for the Vice - Chair of the Audit and Standards Committee for the municipal year 2024 – 2025. Councillor Burrell proposed Councillor Forman, and this was seconded by Councillor James. Councillor Bateman proposed Councillor Nunn, and this was seconded by Councillor King. The proposals were taken to the vote and there were three votes for Councillor Forman and three votes for Councillor Nunn. The Chair used his casting vote to vote for Councillor Forman who was duly elected as Vice-Chair of the Audit and Standards Committee for the municipal year 2024 - 2025

3. Apologies for Absence

Apologies for absence were offered from Councillor Johnson who was substituted by Councillor Burrell and Councillor Nunn who was substituted by Councillor King.

4. Declarations of Members' Interests

There were none.

5. Draft Audit & Standards Minutes – 24.04.24

RESOLVED that the minutes from the Audit and Standards Committee meeting on 24th April 2024 were approved as an accurate record.

6. External Audit – Harborough District Council Audit Plan for year ending 31 March 2024

The Chair informed the Committee that the 2022/23 accounts have been signed off.

The Director of Resources & S.151 Officer introduced the item by confirming that Grant Thornton Solicitors will be carrying out the yearly audit for HDC, and The Audit Plan being presented is their process to provide a qualified audit opinion on the accounts held by HDC, the Annual Governance Statement and other matters in this vein. He introduced Siobhan Barnard, Audit Manager, Grant Thornton UK LLP to introduce the Audit Plan.

The Audit Manager, Grant Thornton highlighted the main points of the Audit Plan for the Committee:

- Page 17/96 (of the agenda pack)- reference has been made to the backstop which will be nationally implemented. This will not be relevant to HDC as there is already a fully signed opinion in place for 2022/23 from the previous auditors, however as the point of drafting the report being presented, this was not in place.
- **Pages 22,23,24,25/96- Identified Significant Risks-** The Audit Manager, Grant Thornton summarised the risks identified and proposed responses.
- **Page 28,29/96 - Materiality Levels-** The Audit Manager, Grant Thornton summarised these levels and the proposed approach to these.

- **Page 30/96- Value for Money Arrangement-** The Audit Manager, Grant Thornton summarised and explained the arrangement. Planning is still taking place around this, there are currently no items that need to be brought to the Committee's attention however a further update will be made in due course once the planning has concluded now that the final sign-off has been received from the previous audits.
- **Pages 32,33/96- Audit Fees-** The Audit Manager, Grant Thornton summarised the information around Audit Fees.

The Committee were given the opportunity to ask the Audit Manager, Grant Thornton, and the Director of Resources & S.151 Officer for clarification on the Audit Plan and the information presented.

During the discussion, Councillor King declared an interest relating to the pension scheme in that he is a member of Leicestershire County Council's Pensions Committee. Councillor Mrs Page also declared an interest in that she is the Chair of Leicestershire County Council's Pensions Board.

Following the discussion it was,

RESOLVED that the committee considered and commented on the Harborough District Council Audit Plan for the year ending 31 March 2024, as submitted by Grant Thornton UK LLP (Appendix A).

7. Internal Audit - Progress and Performance Update

The Director of Resources & S.151 Officer introduced the report and highlighted the three main areas of the update that will be addressed by the Chief Internal Auditor:

- The Audit Plan
- Recommended amendments to the Audit Plan
- Outcomes of finalised audit assignments and comments on the outstanding audit actions

The Chief Internal Auditor summarised the report and the appendices, starting from Appendix A on page 47 of the agenda pack.

The Committee had an opportunity to ask the Chief Internal Auditor and the Director of Resources & S.151 Officer for clarification on various points of information referenced in the report. The Chairman asked the Director of Resources & S.151 Officer that urgency must be put into reducing the number of outstanding audit actions.

The Committee queried whether HDC were making full use of the audit and queried whether the reports produced were being put to good use. The Director

of Resources & S.151 Officer confirmed that the auditing service provided was exemplary and worth the cost that the Council spends on attaining it.

Following the discussion it was,

RESOLVED that the Committee considered and noted the Internal Audit Progress Report (Appendix A) and Overdue Recommendations (Appendix B) and commented as necessary.

8. Internal Audit Annual Report and Opinion 2023-24

The Director of Resources & S.151 Officer introduced the item. He explained that this is a crucial element and gives a reflection for those in charge of governance of the performance of the internal audit but also the reflections on the opinion which feeds into the Annual Governance Statement. This then goes as a part of the overall of paperwork which also supports the Annual Statement of Accounts.

The Chief Internal Auditor explained that she would highlight the key sections of the report. She referred to the item on page 77 of the agenda pack. She explained that she is required to provide an opinion based on the Governance Risk and Control Framework 2023/24 and that this report considers that opinion and summarises the reasons for the opinion given. She explained that the opinion given is that of 'Moderate Assurance' with the definition of this provided in 4.1 of the report. The opinion can be broken down into the following key areas:

- Financial Controls
- Harborough District Councils Risk Management Arrangements
- The Overall Internal Control Environment based on the audits performed and the implementation of actions arising from those.

The Chief Auditor went on to explain the basis for the opinion and referenced the Table 1 included in the report on page 79 which gives an overview of the overall assurance ratings. She highlighted that HDC are comfortably in the 'moderate to good' category and explained the detail around this and how this compared to previous years. She went on to summarise the rest of the report and the information contained in the other tables.

The Committee had the opportunity to comment or seek clarification on various points referenced to in the report.

Following the discussion it was,

RESOLVED that the committee considered the Annual Internal Audit Report for 2023/24 (Appendix A) and commented as necessary.

9. Global Internal Audit Standards

The Chief Internal Auditor introduced the item and explained that this was an early briefing to inform the Committee on expected standard changes that will impact on the role of internal audit and how it operates. She went on to explain that a new set of Global Internal Audit Standards are expected in 2025 which will be adopted along with professional advice on how this can be incorporated in a Local Government setting as there will not be an updated version of the Public Sector Internal Audit Standards specifically. Whilst there is no current guidance out from CIPFA in this regard yet, they are expected to produce guidance for consultation in September 2024.

The Chief Internal Auditor commented that there were no expansive changes in the standards but that some of the guidance is a little more prescriptive, and that CIPFA had advised that they would not be expecting the guidance to be applied until April 2025. She went on to further explain the highlights in this report and the expectations of how the Audit & Standards Committee operate under the new set of standards.

The Chief Internal Auditor proposed that a further briefing be given when there is further guidance to explain the new standards in more detail, possibly in an interactive setting outside of a committee meeting format.

The Committee asked for clarification on points in relation to the new standards provided. Following the discussion it was,

RESOLVED that the Audit and Standards Committee noted the update on the Global Internal Audit Standards.

10. Any Urgent Business

There was no urgent business.

The meeting ended at 19:59pm.

Harborough District Council

Report to the Audit & Standards Committee 30th October 2024



Title:	Internal Audit – progress and performance update
Status:	Public
Key Decision:	No
Report Author:	Rachel Ashley-Caunt, Chief Internal Auditor, North Northamptonshire Council
Portfolio Holder:	Cllr Mark Graves
Appendices:	Appendix 1 – Internal Audit Progress Report October 2024 Appendix 2 (a to j) – Overdue Recommendations

Executive Summary

The Audit and Standards Committee is scheduled to meet four times a year, at each meeting Internal Audit reports its performance in respect of:

- **the audit plan**; the assignments for the first quarter of the financial year are progressing well;
- **any recommended amendments to the audit plan**; one addition to the plan is noted in this report; and
- **outcomes of finalised audit assignments**; which will be reported to the committee as the reports and action plans are agreed by officers.

In addition to performance, Internal Audit also reports on outstanding actions arising from audit reports. There are currently 23 actions that have not been implemented by the agreed implementation deadline; 19 of which are over 3 months over their implementation date.

Recommendations

The committee considers the Internal Audit Progress Report (Appendix 1) and Overdue Recommendations (Appendix 2 a to j) and comments as it considers necessary.

The committee approves the proposed amendment to the Internal Audit plan for 2024/25 to postpone audit coverage on IT Transformation and replace with assurance work on Cyber Security.

Reasons for Recommendations

To support the Audit and Standards Committee's role in ensuring good governance, strong financial management and an effective internal control environment. Additionally, to oversee the independence, objectivity, performance, and professionalism of internal audit.

1. Purpose of Report

- 1.1 To update Members on progress against the 2024/25 internal audit plan, key findings of audits completed and status of outstanding recommendations.

2. Background

Internal Audit

- 2.1. The Council's internal audit service is provided, under delegation, by North Northamptonshire Council. The Audit and Standards Committee (ASC) agreed a new delegation at the meeting held on 2nd February 2022 (link to report [here](#)). They are commissioned to provide 235 days to deliver the 2024/25 Annual Audit Plan, which was approved by ASC on the 24th April 2024 (link to report [here](#)).

3. Detail

- 3.1 The following paragraphs summarise the main items covered within the Internal Audit Progress Report (Appendix 1) and provide commentary in respect of overdue recommendations (Appendix 2).

Internal Audit Progress 2024/25

3.2 Audit Plan

- 3.2.1 The Internal Audit team are delivering against the audit plan that was approved in April 2024 and all assignments scheduled for the first quarter of the financial year are underway.
- 3.2.2 The Chief Internal Auditor has confirmed that the Audit Plan is on target to be achieved within the allocated 235 days.

3.3 Customer Satisfaction

- 3.3.1 Two customer feedback questionnaires have been returned so far this financial year and are summarised in Appendix 1.

Outstanding Recommendations.

3.4 In respect of medium to high priority outstanding recommendations, members will recall that July's meeting there were and 20 outstanding, now there are 16, including 4 new actions since July. Table 1 below shows the net change by service, please see the respective appendices for the detailed update.

Change in "High & Medium" Priority Recommendations since the last ASC in July 2024							Table 1	
Priority -> Service	Reported as Outstanding at last ASC, July 2024 - Appendix B		Reported as Outstanding Now			Net Change in Outstanding Audit Actions		
	High	Medium	High	Medium	Appendix Ref	High	Medium	
Finance	1	4	1	6 (ii)	Appendix 2a	0	2	
Regulatory	0	1	0	0 (iii)	N/a	0	-1	
Deputy Chief Executive [Director of Resources] (i)	0	7	0	5	Appendix 2b	0	-2	
ICT & Transformation	0	1	0	0 (iii)	N/a	0	-1	
Legal	0	4	0	0 (iii)	N/a	0	-4	
Development Management	0	1	0	1	Appendix 2c	0	0	
Projects	0	1	0	1 (iv)	Appendix 2d	0	0	
Environment/Climate Change	0	0	0	1 (v)	Appendix 2e	0	1	
Democratic Services & Elections	0	0	0	1 (v)	Appendix 2f	0	1	
Total	1	19	1	15		0	-4	
	20		16				-4	

Notes

(i) In September 2024, these recommendations transferred to the Deputy Chief Executive, who intends to assign these to the Head of Democratic Services & Elections. With a revised implementation date of 31 March 2025.

(ii) Two further finance "medium" priority recommendations became due since July's ASC.

(iii) These outstanding actions have been implemented.

(iv) For the Project Team, there was one "medium" priority recommendation outstanding in July 2024 which has been implemented; this has been replaced by further recommendation that became due for implementation since July's ASC.

(v) These are new actions that became due for implementation since July's ASC.

If the link "ASC, July 2024 – Appendix B" does not work, please use this [link](#).

3.4.1 At July's Audit & Standards Committee, if there was no movement for the outstanding audit actions reported at that committee, the committee requested that respective officers were to attend to present their reasons. At the time of drafting this report, the following officers have been requested to attend:

- **Director of Resources** will attend to present the service reasoning for non-implementation of the outstanding audit actions in respect of:
 - Finance, Appendix 2a.

- Deputy Chief Executive, Appendix 2b
- Projects, Appendix 2d.
- **Head of Development Management** will attend to present the service reasoning for non-implementation of the outstanding audit actions in respect of Development Management, Appendix 2c.

3.4.2 In respect of the low priority outstanding recommendations, members will recall that at July's Audit & Standards meeting there were 7 outstanding, 6 of these remain outstanding and 1 is new. Table 2 below shows the net change by service, please see the respective appendices for the detailed update.

Change in "Low" Priority Recommendations since				Table 2
Service	Reported as Outstanding at last ASC	Reported as Outstanding Now		Net Change in Outstanding Audit Actions
Finance	3	3	Appendix 2g	0
Legal	1	1	Appendix 2h	0
Human Resources	1	0 (**)	N/a	-1
Deputy Chief Executive [Director of Resources] (*)	2	2	Appendix 2i	0
Environment/Climate Change	0	1 (***)	Appendix 2j	1
Total	7	7		0

Notes

* in September 2024, these recommendations transferred to the Deputy Chief Executive, who intends to assign these to the Head of Democratic Services & Elections. With a revised implementation date of 31 March 2025.

** This outstanding actions have been implemented.

*** These are new actions that became due for implementation since July's ASC.

3.5 Amendment to audit plan

3.5.1 An amendment to the Internal Audit plan is recommended. The current plan includes 12 days for an audit on IT Transformation. Given the ongoing work from the 2023/24 coverage on Cyber Security, it is considered that this is a higher priority area for focused audit coverage and an informed assurance opinion on this area would be of greater value. It is proposed that the audit on IT Transformation be removed from the 2024/25 plan and the 12 days be reallocated to audit work on Cyber Security.

4. Implications of Decisions

- 4.1. **Corporate Priorities**; internal audit provides assurance to the Council in respect of internal control and other governance issues, which directly supports the delivery of the Councils corporate priorities.
- 4.2. **Financial**; there are no direct financial implications arising from this report.
- 4.3. **Legal**; there are no direct legal implications arising from this report.
- 4.4. **Policy**; there are no direct policy implications arising from this report.

- 4.5. **Environmental Implications including contributions to achieving a net zero carbon Council by 2030**; there are no direct environmental implications arising from this report.
- 4.6. **Risk Management**; there are no direct risk management implications arising from this report. However, members must not that the audit approach is “risk-based”, and an effective internal audit service is one means by which the Council is able to effectively manage risk.
- 4.7. **Equalities Impact**; there are no direct equalities implications arising from the report.
- 4.8. **Data Protection**; there are no direct data protection implications arising from the report.

5. **Summary of Consultation and Outcome**

- 5.1 The Chief Internal Auditor has consulted with the Councils s.151 in respect of performance and senior managers for individual audit assignments. The Audit and Standards Committee were consulted in respect of preparing the 2024/25 Audit Plan and approved the plan in April 2024.

6. **Alternative Options Considered**

- 6.1 No alternative options considered as none are appropriate.

7. **Background papers**

- 7.1 None



**Internal Audit Update
October 2024
Harborough District Council**

1. Introduction

- 1.1 The North Northamptonshire Council Internal Audit service has been commissioned to provide 235 audit days to deliver the 2024/25 Annual Audit Plan for Harborough District Council - and undertake other work commissioned by the Council, as required.
- 1.2 The Public Sector Internal Audit Standards (the Standards) require the Audit and Standards Committee to scrutinise the performance of the Internal Audit Team and to satisfy itself that it is receiving appropriate assurance about the controls put in place by management to address identified risks to the Council. This report aims to provide the committee with details on progress made in delivering planned work, the key findings of audit assignments completed since the last committee meeting, updates on the implementation of actions arising from audit reports and an overview of the performance of the Consortium.

2. Performance

Delivery of the Audit Plan for 2024/25

- 2.1 Internal Audit has been set the objective of delivering at least 90% of the Internal Audit plans for 2024/25 to draft report stage by the end of March 2025.
- 2.2 At the date of writing, 60% of the audit plan is either complete or in progress. The delivery remains on track for the year.
- 2.3 Progress on individual assignments is shown in **Table 1**.

Delivery within budget

- 2.4 Internal Audit is on target to deliver the audit plan within the 235 days budget. Any overruns on individual assignments are managed within the overall budget.

Client satisfaction

- 2.5 Customer satisfaction questionnaires are issued on completion of audits. At the time of reporting, two questionnaires have been completed in 2024/25. The feedback is summarised in **Table 2**.

Outstanding audit recommendations

- 2.6 Since the last update, 14 agreed management actions have been closed. At the date of reporting, there are 23 agreed management actions that are due but yet to be confirmed as implemented. Of these, 16 are of a 'high' or 'medium' priority.
- 2.7 An analysis of the implementation of actions is provided in **Table 3**. Full details of all overdue 'high' and 'medium' priority recommendations are provided in **Appendix B**.

3. Audit findings

3.1 Housing allocations

- 3.1.1 The 'Allocation of Accommodation: Guidance for Local Authorities in England' is the statutory guidance issued in 2012 to Local Authorities in England (Section 169 of the Housing Act 1996). Housing Authorities are required to have regard to it in exercising their functions under Part VI of the Housing Act 1996. Section 166A of the Housing Act 1996 provides that authorities must also have regard to their homelessness strategies when framing their allocations policy. The Council operates a choice-based lettings scheme, known as Harborough Homes for Registered Providers under a service level agreement.
- 3.1.2 This audit sought to provide assurance that the Council's Housing Allocations Policy has been reviewed and approved in line with legislative requirements, as well as providing assurance over the consistent and fair application of the policy and associated procedures, so that qualifying applicants are given an appropriate level of priority.
- 3.1.3 The Housing Allocation Policy, last updated in December 2020, is well-aligned with statutory guidance and is currently under review, ensuring that it remains current and responsive to changing needs and regulations. Whilst standard operating procedures are in place, they could be enhanced further by clearly specifying the evidence required for all housing application criteria and ensuring that these procedures align with customer correspondence, improving clarity and consistency for applicants.
- 3.1.4 Although refresher training is provided to staff, not all personnel including housing advisors responsible for processing applications from homeless individuals have completed this training. Additionally, sample testing of 25 applications revealed a small number of omissions and one case where an applicant was awarded Band 1 status despite declaring savings exceeding the £22k threshold.
- 3.1.5 The housing nominations process is robust and effectively managed. Sample testing of the process confirmed that shortlists are produced in line with Council policy and any bypass decisions are appropriately documented, ensuring transparency and accountability in the decision-making process.
- 3.1.6 The review and appeals process is well-controlled and documented, safeguarding the impartiality of outcomes. This ensures that all applicants have access to a fair and transparent mechanism for challenging decisions.
- 3.1.7 An ongoing annual review process of live housing applications has been successfully initiated, representing a proactive approach to maintaining the accuracy and relevance of applicant information. Additionally, feedback on previous applications has been published, providing valuable insights for housing applicants, empowering them to make more informed decisions regarding their housing options.

3.1.8 Based on the audit findings, Internal Audit has given the following assurance opinions over the management of the associated risks:

Assurance Opinion	
Control environment	Good (Green)
Compliance	Moderate (Amber)
Organisational impact	Low (Green)

Table 1 - Progress against 2024/25 internal audit plan

Assignment	Assurance sought	Budget days	Planned start	Planned reporting	Status	Assurance rating	Comments
Corporate governance and counter fraud							
Ethical governance	To provide assurance over the Council's suite of ethical governance policies and the effective communication and embedding of these in practice.	10	August 2024	September 2024	Postponed		Delayed to follow decision making audit and align with peer review outcomes
Procurement compliance	To test compliance with Contract Procedure Rules and the Statement of Required Practice on the procurement of goods and services across the Council. To inform annual assurance opinion on value for money and counter fraud.	5	February 2025	March 2025	Not started		
Key corporate controls and policies							
Key financial controls	To provide assurance over the design and compliance with key controls within the Council's financial systems. Undertaken on an annual basis, with a cyclical approach to testing. To inform external audit work and provide s151 assurances. To include assessment against relevant elements of the CIPFA Financial Management Code.	30	January 2025	March 2025	Not started		
Budget setting	To provide assurance over the budget setting process to ensure compliance with best practice and alignment with capital programme.	12	April 2024	June 2024	Final report issued	Control environment: Substantial Compliance: Substantial Organisational impact: Low	Reported at Audit and Standards Committee – July 2024

Assignment	Assurance sought	Budget days	Planned start	Planned reporting	Status	Assurance rating	Comments
IT Transformation Programme	To provide assurances over the delivery of the transformation programme - including a move to cloud-based hosting.	12	August 2024	October 2024	Potential amendment to plan		Recommendation to postpone and replace with Cyber Security coverage
Traded services	To provide assurance over compliance with expected controls and regulations for managing traded services including managing surplus/deficit balances.	14	October 2024	December 2024	Planning		
Corporate objective: Healthy lives							
Housing strategy	To provide assurances on arrangements in place for governance and delivery of the strategy.	10	February 2025	March 2025	Not started		
Corporate objective: Place and community							
Private sector housing	To provide assurance over the controls in place for private sector housing in light of latest regulatory requirements and good practice. To include coverage on illegal evictions, the new Empty Property Strategy. enforcement of damp and mould action plans and compliance with the Housing Health and Safety Rating System.	15	June 2024	August 2024	Draft report		
Housing allocations	To provide assurance that the Council's Housing Allocation's Policy has been reviewed and approved in line with legislative requirements, as well as providing assurance over the consistent and fair application of the housing allocation policy and procedures, so that qualifying applicants are given an appropriate level of priority.	-	July 2024	August 2024	Final report issued	Control environment: Good Compliance: Moderate Organisational impact: Low	See section 3.1
UK Shared Prosperity Fund	To provide assurance over the effective application of grant monies and compliance with terms.	8	July 2024	September 2024	Fieldwork underway		

Assignment	Assurance sought	Budget days	Planned start	Planned reporting	Status	Assurance rating	Comments
Environmental Services and Waste Programme	To provide assurance over the programme of waste related activities and projects. An area with a number of risks to manage (including changes in regulations, contract re-procurement, fleet management, ongoing contract management and partnership working) with notable capital and revenue spend.	18	August 2024	October 2024	Fieldwork underway		
Building control partnership	To seek assurances over how well the Building Control partnership is delivering against expected benefits. Area of increasing risk scoring on the register and financial pressures forecast for the Council.	8	November 2024	January 2025	Planning		
S106 monitoring	To provide assurance over the collection of s106 monies due, based on monitoring of trigger points, and the accounting for the timely use of those monies, in line with the s106 agreements.	15	November 2024	January 2025	Planning		
Local plan development project	To provide assurance over the delivery of this key project to support a timely, quality outcome which is suitably informed and delivered in line with the Council's project management framework. To adopt an embedded assurance approach.	12	Ongoing throughout year	Aligned with project	Engaged with project		
Corporate objective: Environment and sustainability							
Community and environmental grants	Budget for 2024/25 includes a significant amount of spend on grants for community groups, parish councils (£1m) and for allocation by ward members (£5k). To provide assurance over the awarding of grants, compliance with terms/reporting requirements to ensure value for money and consistent application of criteria/eligibility.	10	October 2024	November 2024	Fieldwork underway		

<i>Assignment</i>	<i>Assurance sought</i>	<i>Budget days</i>	<i>Planned start</i>	<i>Planned reporting</i>	<i>Status</i>	<i>Assurance rating</i>	<i>Comments</i>
Other support							
Client management and support - support and reporting to Audit and Standards Committee, management support and engagement, ad-hoc advice and assistance, annual Internal Audit report, follow ups on audit recommendations and partnership working with external auditors.		35					
Audit management - development and management of the Internal Audit service in line with the Public Sector Internal Audit Standards, including annual standards assessment, continuous improvement, internal audit charter and manual, management, training and development of the team and performance reporting.		20					
Total		235					

Notes

At the completion of each assignment the Auditor will report on the level of assurance that can be taken from the work undertaken and the findings of that work. The table below provides an explanation of the various assurance statements that Members might expect to receive.

Compliance assurances		
Level	Control environment assurance	Compliance assurance
Substantial	There is a sound system of internal control to support delivery of the objectives.	The control environment is operating as intended with no exceptions noted which pose risk to delivery of the objectives.
Good	There is generally a sound system of internal control, with some gaps which pose a low risk to delivery of the objectives.	The control environment is generally operating as intended with some exceptions which pose a low risk to delivery of the objectives.
Moderate	There are gaps in the internal control framework which pose a medium risk to delivery of the objectives.	Controls are not consistently operating as intended, which poses a medium risk to the delivery of the objectives.
Limited	There are gaps in the internal control framework which pose a high risk to delivery of the objectives.	Key controls are not consistently operating as intended, which poses a high risk to the delivery of the objectives.
No	Internal Audit is unable to provide any assurance that a suitable internal control framework has been designed.	Internal Audit is unable to provide any assurance that controls have been effectively applied in practice.

Organisational impact	
Level	Definition
High	The weaknesses identified during the review have left the Council open to a high level of risk. If the risk materialises it would have a high impact upon the organisation as a whole.
Medium	The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a medium impact upon the organisation as a whole.
Low	The weaknesses identified during the review have left the Council open to low risk. This may have a low impact on the organisation as a whole.

Table 2: Customer satisfaction

At the completion of each assignment, the auditor issues a customer satisfaction questionnaire (CSQ) to each client with whom there was a significant engagement during the assignment. The standard CSQ asks for the client’s opinion on four key aspects of the assignment. The responses received in the year to date are set out below.

Aspects of Audit Assignments	Not applicable	Outstanding	Good	Satisfactory	Poor
Design of Assignment	-	1	1	-	-
Communication during Assignments	-	2	-	-	-
Quality of Reporting	-	2	-	-	-
Quality of Recommendations	-	2	-	-	-
Total	-	7	1	-	-

Table 3: Implementation of audit recommendations

	High priority recommendations		Medium priority recommendations		Low priority recommendations		Total	
	Number	% of total	Number	% of total	Number	% of total	Number	% of total
Actions due and implemented since last committee meeting	-	-	12	44%	2	22%	14	38%
Actions due within last 3 months, but not implemented	-	-	3	12%	1	11%	4	11%
Actions due <u>over 3 months</u> ago, but not implemented	1	100%	12	44%	6	67%	19	51%
Totals	1	100%	27	100%	9	100%	37	100%

Limitations and responsibilities

Limitations inherent to the internal auditor's work

Internal Audit is undertaking a programme of work agreed by the Council's senior managers and approved by the Audit & Standards Committee subject to the limitations outlined below.

Opinion

Each audit assignment undertaken addresses the control objectives agreed with the relevant, responsible managers.

There might be weaknesses in the system of internal control that the consortium are not aware of because they did not form part of the programme of work; were excluded from the scope of individual internal assignments; or were not brought to Internal Audit's attention. As a consequence, the Audit & Standards Committee should be aware that the audit opinion for each assignment might have differed if the scope of individual assignments was extended or other relevant matters were brought to Internal Audit's attention.

Internal control

Internal control systems identified during audit assignments, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision making; human error; control processes being deliberately circumvented by employees and others; management overriding controls; and unforeseeable circumstances.

Future periods

The assessment of each audit area is relevant to the time that the audit was completed in. In other words, it is a snapshot of the control environment at that time. This evaluation of effectiveness may not be relevant to future periods due to the risk that:

- The design of controls may become inadequate because of changes in operating environment, law, regulatory requirements or other factors; or
- The degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management; internal control and governance; and for the prevention or detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

Internal Audit endeavours to plan its work so that there is a reasonable expectation that significant control weaknesses will be detected. If weaknesses are detected additional work is undertaken to identify any consequent fraud or irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected, and its work should not be relied upon to disclose all fraud or other irregularities that might exist.

Appendix 2a - High & Medium Priority Outstanding Audit Actions - Finance

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest update from officers	Updated Target Date
1	Financial Systems Key Controls 2022-23	Head of Financial Services	Medium	31/12/2023	Debt management policy	As recommended in 2020/21, the corporate debt policy should be updated to ensure Appendix 3 (write-offs) is fully complete and consistent with the Council's constitution. The policy and any associated procedure notes should specify the officer responsible for the policy/procedure and include version control information and expected date of the next review.	Noted – will be scheduled to look at post the finance system go live in September 2023.	Yes	The debt management policy will be reviewed and updated in accordance with the recommendation.	31/12/2024
2	Financial Systems Key Controls 2022-23	Head of Financial Services	Medium	31/12/2023	Debt recovery performance.	Review and update the target for sundry debt arrears to a more realistic level. Given the current high level of outstanding debt, it is also recommended that the KPI should be escalated to CMT for closer monitoring and control.	The work noted above should reduce the levels of debt to back in line with target. Suggest is we review the targets once bedded into new system so for Qtr. 3 onwards.	yes	This is no longer a KPI target but will be reviewed and included for 25/26 onwards	31/03/2025
3	Financial Systems Key Controls 2022-23	Head of Financial Services	Medium	31/03/2024	Timely completion and review of bank reconciliations.	Ensure that all bank reconciliations are completed and reviewed in a timely manner. The name of preparer and reviewer and date of preparation and review should be completed in all cases as evidence of this.	One the new finance system is in place, due to go live in September 2023, then we are hoping the bank reconciliations will be back in house and produced in a more timely manner. In the new system we have simplified the processes to streamline and assist with the timeliness. There will be a period of bedding in and training once new system goes live in September hence the implementation date of March 24 for completion.	Yes	In the new system the bank reconciliation process is greatly simplified, as at 16th October the September bank recs for Collection and Disbursement are both completed so much more timely, this includes the name of the preparer and the reviewer.	31/03/2024
4	Financial Systems Key Controls 2022-23	Head of Financial Services	Medium	31/03/2024	Timely resolution of bank reconciliation discrepancies.	Officers should ensure that adequate resources are allocated to the investigation and resolution of the differences recorded in the 2022/23 reconciliations and ensure that these are cleared as part of the year-end closure process. Going forward, all differences and unidentified balances should be investigated and resolved prior to the following month's reconciliation, wherever possible, and the bulk write-off of unresolved items avoided.	Agreed, As part of the new system the bank reconciliation processes will be simplified and streamlined, this will therefore help with the resolution of discrepancies.	Yes	In the new system the bank reconciliation process is greatly simplified, as at 16th October the September bank recs for Collection and Disbursement are both completed so much more timely, as part of this any discrepancies are resolved.	31/10/2024

5	Financial Systems Key Controls 2022-23	Head of Financial Services	High	31/03/2024	Debt recovery	A specific project should be established to ensure recovery action in respect of overdue debts is brought up to date and that sufficient resources are in place to maintain recovery action going forward. All cases with dispute codes should be periodically reviewed to ensure that appropriate action is being taken to resolve any outstanding issues and resume recovery action as soon as possible. Priority should be given to collecting the larger outstanding debts, particularly those in relation to HIC deferred rents, outstanding section 106 payments and the remaining property charges due from Leicestershire County Council.	Noted, the new finance system will enable automatic reminders to be sent which will make the process much smoother going forward. During July and August, a catchup exercise on the outstanding reminder letters is being undertaken.	Yes	Over the summer of 2024 work was done to complete the suspense account, this will be completed by end of November 2024, once this has been completed normal debt recovery can commence.	31/12/2024
6	Financial Systems Key Controls 2023-24	Head of Financial Services	Medium	30/09/2024	Migrated creditor invoices.	Ensure that the remaining migrated creditor invoice balances are reviewed and cleared as soon as possible.	Agreed – we plan to address this during Qtr 2 during July to September 2024.	No	All Data migrated invoices that were due were paid before 30.6.2024, due to age of these items no future invoices will be now paid via the Data migrated invoice method we will process the invoice as new through acocunts payable system.	30/09/2024
7	Financial Systems Key Controls 2023-24	Head of Financial Services	Medium	30/09/2024	Control Accounts	Ensure control accounts reconciliations are brought up to date as soon as possible and completed on a regular monthly basis in future. A clear audit trail should be recorded to demonstrate the reconciliation process.	All recs will be completed and reviewed to 31.03.2024 as part of the 2324 year end. For 24.25 we will then follow the agreed balance sheet rec frequency for preparation and review of these recs.	No	All recs were completed and reviewed to 31.03.2024 as part of the 2324 year end. For 24.25 we will then follow the agreed balance sheet rec frequency for preparation and review of these recs.	31/12/2024

Appendix 2b - High & Medium Priority Outstanding Audit Actions - Deputy Chief Executive (& Director of Resources)

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest update from officers	Updated Target Date
1	Partnerships and shared services 2022-23	Deputy Chief Executive	Medium	31/07/2023	Partnership policy.	When the current strategic management review has been completed, the Council should review and update its partnership and shared services policy. The updated policy should clearly distinguish between different types of partnership and set out more clearly the relative governance, performance and risk management arrangements for each. It should include a clear evaluation and gateway approval process for any proposals to enter into significant new operational partnership or shared service arrangements.	The Councils governance arrangements are currently being reviewed. The development of a partnership policy will be included as part of that overall review.	Yes	Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025.	31/03/2025
2	Partnerships and shared services 2022-23	Deputy Chief Executive	Medium	31/07/2023	Officer responsibilities.	Ensure that ongoing responsibility for review and update of the partnership policy and partnership register is formally allocated to a member of staff following the departure of the Community Partnerships Manager. In addition, a member of CMT should be nominated as the accountable officer for all matters in relation to partnerships and shared services following update of the policy (R1).	The Partnership Policy will rest with the Interim Deputy Chief Exec (& s.151 officer) [substantive role: Director of Resources (&s.151 officer). Operationally this will be immediate, but will be embedded as part of the wider review of governance (and respective delegations).	Yes	Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025.	31/03/2025
3	Partnerships and shared services 2022-23	Deputy Chief Executive	Medium	31/07/2023	Partnership register.	Update the partnership and shared services register to include additional information as follows: <ul style="list-style-type: none"> •details of the annual financial and/or resource commitment provided by the Council; •Key performance measures, outcomes or savings targets; •for service delivery partnerships, date of last review/update of the partnership agreement; •future expiry, review or break clause dates. 	As R2.	Yes	Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025.	31/03/2025

4	Partnerships and shared services 2022-23	Deputy Chief Executive	Medium	31/07/2023	Review and update the parking partnership agreements and revenues and benefits agreement.	Review and update the various agreements and SLAs making up the parking partnership to ensure they remain fit for purpose and reflect any changes in relevant legal or regulatory requirements. Review and update the Revenues and Benefits partnership agreement, which expired in April 2021.	General - Current partnerships will be reviewed and establish agreement review dates, with the register duly updated. LRBP - The Monitoring Officer for the LRBP (Hinckley & Bosworth DC) has recognised that the current agreement has expired but partners would continue to work "to the agreement" pending a new one being developed/put in place for the move to a sole/single employer. Parking - To be updated as part of the review of all partnership arrangements.	Yes	Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025.	31/03/2025
5	Partnerships and shared services 2022-23	Deputy Chief Executive	Medium	31/10/2023	VFM review.	Develop a schedule of rolling reviews for service delivery partnerships and shared services so that all arrangements are reviewed over a period of 5 years. Reviews should be timed to coincide with any relevant provisions in the respective agreements (e.g. notice periods, exit or break clauses). Reviews should consider whether the arrangement continues to deliver the expected benefits, remains consistent with the Council's corporate objectives and delivers value for money based on objective criteria (e.g. benchmarking against alternative options). The partnership register could be adapted to record the date of the next review to act as a trigger to carry out the necessary work.	To be completed as part of the review of the partnership policy/register review.	Yes	Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025.	31/03/2025

Appendix 2c - High & Medium Priority Outstanding Audit Actions - Development Management

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest update from officers	Updated Target Date
1	Enforcement activity 2023-24	Head of Service Development Management and Director of Planning	Medium	31/10/2023	Planning Enforcement Register	To update the Council's website with the most recent Planning Enforcement Register of Issued Notices.	Agreed. This will be reviewed and updated	Yes	This remains open. The Development Management Service does not have the skills or capacity to complete the task.. The Corporate Application Support Officer has been helping, and advised last month (September 2024) that the work was being scoped.	No date supplied by the service.

Appendix 2d - High & Medium Priority Outstanding Audit Actions - Projects and Programmes

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding since last ASC	Latest update from officers	Updated Target Date
1	Climate Emergency Action Plan 2023-24	Project Development and Programme Mgr and Environment Co-ordinator)	Medium	30/06/2024	Tracking spend / budget	<p>Develop a comprehensive overall budget for the climate emergency action plan, outlining specific allocations for key projects and initiatives.</p> <p>Additionally, ensure that future annual progress reports include detailed information on overall expenditure, providing transparency and accountability regarding the financial aspects of the plan's implementation.</p>	There is no dedicated budget, but as part of the Action Plan refresh for 2024/25 we will collate specific project allocations and any other related expenditure to be able to report on progress.	No	<p>In the 2024/25 budget, an allocation of £400k was set-aside within reserves in respect of Net-Zero 2030.</p> <p>The draft action plan is complete. However, the council is currently reviewing its asset fleet in respect of carbon footprint. Further this council is preparing to bid for a number of government funding programmes to support its transition to net zero. As this review and bid crystallise, they will help to further fine-tune the action plan.</p>	No later than March 2025.

Appendix 2e - High & Medium Priority Outstanding Audit Actions - Environment and Climate Change

No.	Audit	Officer Responsible	Grade	Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest update from officers	Updated Target Date
1	Climate Emergency Action Plan 2023-24	Environment Co-ordinator	Medium	30/06/2024	Communications plan	Update the communications plan for the Climate Emergency Action Plan to reflect the goals and priorities for the current year.	The Action Plan is being refreshed for 2024/25 and communications planning will be incorporated in this work.	No	Draft action plan is now completed, but currently being reviewed following consultation with the communications team It is expected to be implemented by the end of November 2024.	30/11/2024

Appendix 2f - High & Medium Priority Outstanding Audit Actions - Democratic Services & Elections

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest update from officers	Updated Target Date
1	Decision making and delegations 2023-24	Head of Democratic and Election Services	Medium	27/09/2024	Review of the Democratic Services Teams job descriptions.	Completion of a light-touch review of the Democratic Services Team job descriptions to ensure there is coverage of the key elements for each role, including their responsibility to keep up to date with changes in legislation.	Agree with the recommendation and this will assist with the Officer's CPD	No	Head of Democratic and Election Services (HoD&ES) started with us on the 9th September and she is currently reviewing both the team structure all of the associated JD's. This will be completed by 31 December 2025.	31/12/2025

Appendix 2g - Low Priority Overdue Audit Actions - Finance

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest Service Update	Updated Target Date
1	H- Financial Systems Key Controls 2021-22	Finance Manager	Low	30/06/2022	User Access	Quarterly user access right reviews to be implemented in order to identify and action individuals that require removal from the financial system.	The Council will have a new finance system which will be implemented by April 2023 and hopefully these control checks can be inbuilt into the new system.	Yes	Quarterly checks to be implemented in Tech 1	31/12/2024
2	H- Financial Systems Key Controls 2021-22	Finance Services Manager	Low	31/03/2023	Validation Checks	Introduction of a sign-off document as evidence of completion of annual parameter update validation checks by both the finance team and NWLDC to monitor accuracy of: <ul style="list-style-type: none"> •increments; •pay awards; and •changes affecting deductions, such as tax, national insurance, and pension rates. 	None	Yes	Agreed, this will need to be implemented before the next tax year when the new rates are agreed.	31/03/2025
3	H- Financial Systems Key Controls 2022-23	Head of Financial Services	Low	30/09/2023	Write offs	Ensure that all sundry debtor balances marked for write-off are actioned as part of the 2022/23 year-end accounts closure process or shortly thereafter.	Noted, will review as part on ongoing review of sundry debts and will aim for completion by end of Qtr. 2.	Yes	As part of continuing work on sundry debts this can be actioned before the end of financial year	31/03/2025

Appendix 2h - Low Priority Overdue Audit Actions - Legal (Information Governance)

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding as at least ASC	Latest Service Update	Updated Target Date
1	H - Information Governance 2022-23	Data Protection Officer	Low	31/12/2022	The development of an Annual Information Governance report to be presented to members via the appropriate Committee. To provide	The development of an Annual Information Governance report to be presented to members via the appropriate Committee. To provide a broad overview in the following areas: <ul style="list-style-type: none"> •Data Breaches and Incidents; •Information Rights requests (including Subject Access Requests); •Data Protection Training; •Transparency Code; •Complaints; and •Freedom of Information & Environmental Information Requests. Advice from the Councils Monitoring Officer should be sort to determine the appropriate Committee information governance matters should be reported to.	None	Yes	The report is programmed in to be considered by the Audit and Standards Committee on 29 January 2025. It will discuss compliance and performance issues in relation to matters of information governance.	31/01/2025

Appendix 2i - Low Priority Overdue Actions - Deputy Chief Executive (& Director of Resources)

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest Service Update	Updated Target Date
1	H- Partnerships and shared services 2022-23	Deputy Chief Executive	Low	31/10/2023	Performance management .	Prepare a combined annual partnership and shared services report for Members setting out the key activities, overall performance outcomes and achievement of objectives for all major partnerships together with details of any new developments or future proposals.	Consideration of this will be given when the Partnership Policy/Register and the Governance review is complete.	Yes	"Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025."	31/03/2025
2	H- Partnerships and shared services 2022-23	Deputy Chief Executive	Low	31/10/2023	Information Sharing Agreements.	Undertake a review of current partnership arrangements to determine on a case-by-case basis whether an information sharing agreement (ISA) would be necessary/desirable and put such agreements in place where appropriate. Update the partnership register to provide an additional column for service managers to record whether an ISA is required and in place.	Review required. Register of ISA agreements that HDC has signed up to.	Yes	"Up until September 2024 this audit action was assigned to the Director of Resources (& S.151 Officer). From September 2024, following discussion at Corporate Management Team, this action has been reassigned to the Deputy Chief Executive - who will reassign to the newly appointed Head of Democratic Services & Elections, who will monitor partnership compliance/governance. This deadline has been agreed to be reset by Corporate Management Team to the 31 March 2025."	31/03/2025

Appendix 2j - Low Priority Overdue Audit Actions - Environment & Climate Change

No.	Audit	Officer Responsible	Grade	Original Target Date	Finding Description	Recommendation	Agreed Action	Outstanding at last ASC	Latest Service Update	Updated Target Date
1	H - Climate Emergency Action Plan 2023-24	Helen Chadwick - Environment Co-ordinator	Low	30/06/2024	Training	Progress plans for wider roll-out of change climate induction sessions and carbon literacy training for officers and Members.	<p>The Action Plan is being refreshed for 2024/25 and training requirements will be incorporated in this work.</p> <p>Rollout of training will be completed as per the refreshed Action Plan</p>	No	The action plan is currently in development and the associated training plan is being developed with human resources. It is expected to be completed by the 31 December 2024.	31/12/2024

Harborough District Council



Report to Audit and Standards Committee Meeting of 30 October 2024

Title:	Standards Complaints – Monitoring Report, May-October 2024
Status:	Public
Key Decision:	Not Applicable
Report Author:	Nancy Barnard, Head of Democratic and Elections Services and Monitoring Officer
Portfolio Holder:	Not Applicable
Appendices:	A – Summary Table of Complaints received during the Municipal Year 2024-25

Summary

- i. The Committee has a role in monitoring complaints where District, Town and Parish Councillors or Co-opted Members have breached the Code of Conduct. This report provides a summary of complaints about Councillors received by the Monitoring Officer since the start of the Municipal Year.

Recommendations

1. That the Committee considers and notes the monitoring information.

Reasons for Recommendations

- ii. To update the committee on the number and nature of complaints received since the start of the Municipal Year and provide assurance that the complaints procedure is being applied correctly and complaints dealt with appropriately.
- iii. To enable the committee to identify any trends and patterns in complaints received and any solutions, for example training, that may support councillors in working within the Code. Please note, this report is for monitoring purposes only and is not intended to prompt a discussion on the detail of individual complaints beyond the information provided in the appendix.

1. Purpose of Report

- 1.1. This report is intended to update the Committee on the number and nature of complaints that District, Town and Parish Councillors have breached the Code of Conduct received by the Monitoring Officer since the beginning of the Municipal Year. It is not intended to provide detail on any individual case beyond that including in the appendix.
- 1.2. The report is intended to support the Committee in its monitoring of the operation of the Code and to provide assurance that complaints resolved informally prior to them needing to be escalated to the committee for consideration are being dealt with appropriately and in line with agreed procedures.

2. Background

- 2.1. The Committee's Terms of Reference, as outlined in the Constitution, place a responsibility on the Committee to:
 - a) Promote and maintain high standards of conduct by Councillors and co-opted members
 - b) Assist the Councillors and co-opted members to observe the Members' Code of Conduct(s) and
 - c) Advise the Council on the adoption or revision of the Members' Code of Conduct and monitor its operation.

This report is intended to support the Committee in fulfilling these responsibilities.

- 2.2. Appendix A to this report summarises the nature and outcome of complaints made against councillors since the start of the Municipal Year.

3. Details

- 3.1. Since the beginning of the Municipal Year, on 20 May 2024, seven complaints have been submitted alleging that a District, Town or Parish Councillor has breached the Code of Conduct. Two complaints relate to individuals in their capacity as a Member of Harborough District Council and the remaining five relate to individuals in their capacity as members of Town or Parish Councils.
- 3.2. None of the complaints have yet been required to be escalated to this committee (or a sub-committee established for that purpose). It has been determined that two complaints require investigation and have been referred to an independent investigator. Two complaints were determined not to have constituted breaches of the Code of Conduct. Two complaints were deemed to constitute minor breaches and were resolved informally without requiring full investigation. The remaining complaint is currently awaiting a response from an Independent Person, in line with the Complaints Procedure, prior to the Monitoring Officer making a decision on whether the case warrants formal investigation. Further information on all seven cases can be found in Appendix A to this report.
- 3.3. The information in this report is provided to assure Committee that the Complaints Procedure is being applied correctly, rather than to enable examination of each individual case. The complaints procedure is available on the Council's website (link available below). The Committee is asked to note the information contained in this report and its appendix.

4. Implications of Decisions

Corporate Priorities

- 4.1. The good governance of Harborough District Council, including the conduct of all members, is key to its effective, ethical, transparent and sound operation and therefore underpins the delivery of all Corporate Priorities.

Consultation

- 4.2. The Monitoring Officer has a statutory responsibility for the Council's Code of Conduct and promoting and maintaining high standards amongst elected members. In determining the management and outcome of complaints the Monitoring Officer is required to consult with an Independent Person prior to reaching a decision. This consultation has been undertaken and the Independent Person's views taken into account when decisions have been made on all cases.

Financial

- 4.3. This report is a monitoring report and has no direct financial implications. However, some of the complaints detailed in the appendix are being investigated by an independent investigator, external to the Council, and are therefore incurring a cost. There is budget allocated to support the Monitoring Officer with any costs arising from their responsibilities which will be used for this purpose. Should further cases be raised that require external input it may be necessary to cover additional costs from underspends elsewhere within the Democratic Services or wider departmental budgets.

Legal

- 4.4. Section 27 of the Localism Act 2011 requires local authorities to "promote and maintain high standards of conduct by members and co-opted members of the authority." The arrangements in place in Harborough are outlined in the Council's Code of Conduct for Councillors and Co-opted Members and the agreed procedure for managing complaints that a Councillor or Co-opted Member has breached the Code. Both documents are available on the Council's website (links below).
- 4.5. Any legal implications of individual complaints are considered as part of their management.

Environmental Implications

- 4.6. None

Risk Management

- 4.7. Any risk to the Council will be determined as part of the response to the individual complaint and escalated to this Committee in accordance with the published Complaints procedure.

Equalities Impact

- 4.8. Equality matters will be taken into account as part of consideration of individual complaints where appropriate.

Data Protection

- 4.9. Data Protection matters will be taken into account as part of consideration of individual complaints where appropriate.

5. Alternative Options Considered

- 5.1. The Committee's terms of reference place a responsibility on the Committee to monitor the operation of the Code of Conduct. This report supports the delivery of that responsibility therefore no other options were considered.

6. Recommendation

- 6.1. That the Committee considers and notes the monitoring information.

7. Background papers

- 7.1. [The Council's Councillor and Co-opted member Code of Conduct](#) (Part Five, Section One of the Council's Constitution)
- 7.2. [The Council's Code of Conduct complaints procedure](#)

Complaints Received to date, Municipal Year 2024-2025

Appendix A

Date Received	District or Town/ Parish Council	Summary of Allegations	Action Taken following review by the Monitoring Officer and Independent Person	Outcome	Current Status
30/09/2024	District	Inappropriate behaviour	Monitoring Officer determined there had been no breach of the Code.	No Breach	Case Closed
30/09/2024	Town/Parish	Offensive communication received	Referred to an independent investigator.	Investigation commenced	In progress
09/09/2024	District	Confidential information inappropriately shared	Consulting with the Independent Person for Standards prior to Monitoring Officer decision on whether to investigate.	Awaiting reponse	In progress
31/07/2024	Town/Parish	Deliberately stalling a process, showing lack of respect and behaving in an intimidatory manner	Referred to an independent investigator.	Investigation commenced	In progress
21/07/2024	Town/Parish	Resident spoken to in a disrespectful manner	Monitoring Officer determined the breach to be minor, subject member acknowledged their language had not been of the highest standard. Monitoring Officer wrote to the subject member reminding them of the importance of using appropriate language at all times.	Minor breach - resolved informally without formal investigation	Case Closed
21/06/2024	Town/Parish	Resident spoken to in a disrespectful manner and confidential information inappropriately shared.	Monitoring Officer determined this was a minor breach. Subject member apologised and confirmed they would not repeat the behaviour. Complainant accepted the apology. Monitoring Officer wrote to the subject member reminding them of the importance of using appropriate language at all times and of the need to respect the confidentiality of information they receive.	Minor breach - resolved informally without formal investigation	Case Closed

Complaints Received to date, Municipal Year 2024-2025

Appendix A

18/06/2024 Town/Parish	Failure to follow an agreed process	Complaint related to the operation of the Parish Council and is therefore not the responsibility of HDC.	No Breach	Case Closed
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