

### AUDIT AND STANDARDS COMMITTEE

25 March 2024

Minutes of the Audit and Standards Committee meeting held at the Council Chamber, Town Hall, Bexhill-on-Sea on Monday 25 March 2024 at 6:30pm.

Committee Members present: Councillors B.J. Drayson (Chair), J. Barnes (MBE) (Vice-Chair), A.E. Biggs, P.J. Gray, A.P. Hayward, S.B. McGurk, C. Pearce and R.B. Thomas .

Other Members present remotely: Councillors B.J. Coupar, J. Stanger and H.L. Timpe.

Audit Independent Person: Mr Patrick Farmer.

Advisory Officers in attendance: Chief Executive, Interim Deputy Chief Executive, Deputy Monitoring Officer, Audit Manager, Head of Service Housing and Regeneration and Democratic Services Officer.

Also Present: 13 members of the public via the live webcast.

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#### AS23/58. **MINUTES**

The Chair was authorised to sign the Minutes of the meeting of the Audit and Standards Committee held on 28 February 2024 as a correct record of the proceedings.

#### AS23/59. **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

#### AS23/60. **DISCLOSURE OF INTERESTS AND DISPENSATIONS**

Declarations of interest were made by Councillors in the Minutes as indicated below:

Barnes	Agenda Item 9 – Other Registerable Interest as the former Vice Chair of the Rother DC Housing Company.
Coupar	Agenda Item 9 – Other Registerable Interest as a Director of the Rother DC Housing Company.
Drayson	Agenda Item 9 – Other Registerable Interest as a former Director of the Rother DC Housing Company.
Thomas	Agenda Item 9 – Other Registerable Interest as Chair of the of Rother DC Housing Company.

There were no dispensations noted.

## **PART A – STANDARDS REPORTS - NONE**

## **PART B – AUDIT REPORTS**

## **PART I – RECOMMENDATIONS TO COUNCIL**

### **AS23/61. PROPOSED CHANGE TO THE DECISION-MAKING STRUCTURE - REDUCTION OF MEMBERS APPOINTED TO THE PLANNING COMMITTEE**

Members received the report of the Chief Executive which outlined the proposed reduction of Members appointed to the Planning Committee (PC) from 14 Members to 10, subject to full Council approval at the Annual Council Meeting. In order for this approval to be sought, the tight timescale meant that it had not been possible to consult formally with the PC ahead of this meeting and this would therefore take place informally via MS Teams in due course and their views submitted to the Annual Council Meeting, as part of the reference from this Committee.

The PC comprised of 14 Members, which was a medium to large Committee, and had been that size for 20 years, reducing from 15 to 14 in December 2003. Members were appointed in accordance with political balance, which was currently broken down as four Conservative Members, three each for the Rother Association of Independents, Labour and Liberal Democrats and one Green.

There was also a high number of Cabinet Members either acting as Substantive (three) or Substitute (four) Members on the PC which was inadvisable. The Cabinet and PC role could regularly clash, particularly if the portfolio was relevant to a particular application or if an application had a positive or negative impact on the Council's corporate priorities or land.

The time and commitment required by Members of the PC could not be underestimated and the number of Members who could dedicate their time to the role was therefore limited. Since the introduction of the public speaking scheme in its present form, the length of meetings had also increased, and on some occasions, had been over six hours in length.

The most effective PCs tended to be smaller, under 10 Members. In comparison to 16 other councils across the south east, 13 had less than 14 Members, with six of these having 10 or less Members. It was therefore recommended that the number of Members appointed to the PC be reduced from 14 to 10. The number of Members appointed by each political group, would be reduced by one per group (save for the Green Party who would retain their existing seat) and each political party would have a named substitute as per the current substitute scheme.

During the debate, the following points were noted:

- concerns were raised about not allowing any Cabinet Members on the PC, particularly from the smaller parties, as this would leave a

- limited number of their Members available to act as either substantive or substitute Members;
- consideration should be given to not allowing certain Cabinet posts with portfolios that included planning, housing and possibly environmental issues;
  - politics should not play a part in the PC, but more weight given to a balanced split between rural and urban Members, due to the varied topography of the district. This should be set out in the Constitution;
  - the PC should also comprise of representatives from the smaller towns;
  - a broader discussion was required by the PC and other Members, with the views from those discussions, plus the views of the Audit and Standards Committee, taken to full Council in May. An informal meeting would take place over MS Teams and would be open to all Members;
  - the Cabinet Member for Planning should not be Chair of the PC;
  - if there was not to be a blanket ban on all Cabinet Members acting as substantive or substitute Members of the PC, then individual portfolios to be banned should be specified in the Constitution;
  - Members on the Board of the Housing Company and any future Council owned company should not be on the PC;
  - environmental issues affected the Council as a whole, so should not restrict the Cabinet Portfolio Holder from acting as a Member of the PC; and
  - consideration should also given to the Leader not acting as a Member of the PC.

After the discussion, the Committee recommended that the PC be reduced by up to four Members and the decision on the final number be taken at full Council, once the views of the PC and other Members were considered. Regard should be given to the rural / urban balance due to the varied topography of the district, plus representation of the smaller towns. Finally, in order to respect probity in planning, the Committee also recommended that the Cabinet Portfolio for Planning should not take the position of Chair of the PC.

**RECOMMENDED:** That:

- 1) the number of Members appointed to the Planning Committee be reduced by up to four, the final number to be decided by full Council, to take effect from the first meeting in the new civic year 2024-25 (30 May);
- 2) regard be given to the rural / urban balance of the Planning Committee Members, due to the varied topography of the district, plus representation of the smaller towns;
- 3) the Chair of the Planning Committee not to also be the Cabinet Portfolio for Planning;
- 4) the views of all Members be sought at an informal MS Teams meeting in due course and comments received alongside the reference from this Committee; and

- 5) the Chief Executive be authorised to make all necessary amendments to the Council's Constitution to reflect the new size of the Committee, subject to full Council approval.

## **PART II – DECISIONS TAKEN UNDER DELEGATED POWERS**

### **AS23/62. INTERNAL AUDIT REPORT TO 31 DECEMBER 2023**

The Audit Manager led Members through the internal audit report to 31 December 2023 that gave details of audit matters and any emerging issues, not only in relation to audit but risk management and corporate governance. The Audit Manager updated Members on the current position on the 2023/23 Audit Plan, which was still slightly behind schedule: six governance audits had now been completed and two were still in progress, one of which should be completed by April 2024.

Six audit reports were issued in the quarter; all provided good or substantial assurance. An overview of the findings arising from each was given in the Executive Summaries in Appendix A to the report.

Appendix B to the report updated Members on progress made on implementing the audit recommendations reported at previous meetings. There were currently 12 recommendations in the 'Old Years' section, most of which related to 2022/23, but four older recommendations still remained outstanding and none of these had moved forward in the last quarter.

The Audit Manager met with the Head of Digital and Customer Services and IT Manager on 28 February 2024 to discuss his concerns about the apparent lack of progress made on many of the recommendations still outstanding in their service area. These included the ICT Governance (Disaster Recovery Plan issue), two Data Protection issues and some recommendations from other more recent audits. This resulted in a number of action points and a commitment to resolve the oldest recommendations by the time that Members considered the report. The Audit Manager advised that the Disaster Recovery Plan was in its second draft, but there were still some gaps. Members raised concerns about the lack of progress and it was agreed that the Chair of the Audit and Standards Committee would write to the Head of Digital and Customer Services and IT Manager to express their concerns, with an invitation to the next meeting of the Committee to update Members.

The Audit Manager also intended to discuss all longstanding recommendations with the Senior Leadership Team in the near future, to promote further progress in this area.

The current year position had seen a slight dip in performance, which could be wholly attributed to the unusually high volume of new recommendations added since the June quarter as a result of the many issues found at the ICT Asset Management, Blackfriars Spine Road Project and Housing Company Governance audits. Good progress was

however being made in respect of most of these recommendations, although a number of them were yet to be fully resolved. These cases were shown as 'work-in-progress'.

The audits scheduled to take place in the first quarter of 2024/25 were yet to be determined and would be selected from the new Audit Plan once approved elsewhere on the agenda.

The number of longstanding audit recommendations was slowly decreasing, but progress made on these still needed to be improved.

Members were given the opportunity to ask questions and the following points were noted during the discussions:

- Members expressed concerns that the 'Business Case' and 'Budgetary Control' had only partially met compliance on the Corporate Programme Management Audit;
- the consultant undertaking a review of the Capital Programme had now completed his work and would be presenting recommendations to the Senior Leadership Team in the coming weeks. Reports would then be presented to the relevant committees;
- the Audit Manager advised that the funding from Homes England for the Blackfriars infrastructure project had been extended and agreed, with the possibility of more funding to come;
- the timetable for the completion of the Blackfriars infrastructure programme had slipped and regular updates were reported to the new Corporate Programme Board, along with other projects where there were variances, reported by exception;
- consideration should be given to how the Council funds projects in the future that were likely to result in losses, but would be beneficial to the Authority;
- Members wished to pass on their congratulations to the Revenues and Benefits Manager, as all controls had been met in the Benefits Audit; and
- the Chief Executive confirmed that a report on the work of the Corporate Programme Board would be brought to a future meeting of the Committee.

**RESOLVED:** That:

- 1) the Internal Audit report to 31 December 2023 be noted; and
- 2) the Head of Digital and Customer Services be invited to a future meeting of the Audit and Standards Committee, to provide an update on the older years audit recommendations from their service area.

AS23/63.

### **TREASURY MANAGEMENT UPDATE REPORT QUARTER 3**

The Council's Investment Strategy required regular reports to be presented to the Audit and Standards Committee on the Council's treasury management activities. In managing these, the Council had implemented the Department of Levelling Up, Housing and Communities investment guidance and followed the Chartered Institute

of Public Finance and Accountancy's Code of Practice on Treasury Management.

The investment activity to date conformed to the approved strategy and the Council had had no liquidity difficulties, although temporary borrowing was likely to be required in the second half of March 2024 for cash flow purposes. Investment activity was also reported to Members through the monthly Members' Bulletin. Members noted that the figures quoted within the report were either actuals or estimates as stated and the outturn position at year end was draft, subject to change following availability of final data for the year and the final Rother DC Housing Company Ltd loan agreement.

The report provided an update on a number of areas as follows:

- As at 31 December 2023, the Council's total investments were around £29.8m with £21.8m invested in short term call accounts (£28.6m and £20.6m respectively at Quarter 2 2023/24) and £8m in Property Funds (no change from Quarter 2). Funds managed internally were mainly in call accounts, but the Council was regularly reviewing rates available on the market to invest in fixed short-term deposits to benefit from higher rates. The Council had also engaged with the market via an online platform to open MMF (liquidity) funds, which were now being used. Members were asked to note that a significant element of this balance related to cash owed to other public bodies, e.g. council tax precepts and shares of business rates.
- The Council's investments were currently predicted to have yielded interest income of £925,000 in total in the first three quarters of this financial year, including income generated by the property funds (CCLA and Hermes). The budget for the year was £586,000 so the Council had already achieved 157% of it. This was mainly due to an increased focus on treasury management activities, the pause and review of the capital programme, which had resulted in more cash being available for investment, and the incremental Bank of England interest rates increases earlier in the year.
- The Council was expecting a £534,000 surplus in terms of interest cash receipts, a significant positive contribution to the revenue budget position. Due to the uncertain profile of capital payments, potentially falling interest rates and falling overall available balances, these funds had been kept liquid as they represented the best option.
- Cash levels had been falling over the last year as the Council refrained from borrowing for capital programme purposes and used its cash balances instead. Some borrowing for cashflow purposes would be required in Quarter 4, the exact timing and values would depend on the forecast of availability and timing of substantial external government grants expected to be received early in 2024/2025.
- The total variance (surplus) estimated in the Revenue and Capital Monitoring report for Quarter 3 was £734,000, as it included interest accruing on the Housing Company loan (estimated to be around £200,000 for the year).

- The Council's Capital Financing Requirement (CFR) showed how much of its capital expenditure was financed by borrowing, summarised in Appendix B to the report. The capital programme budget was being reviewed in view of the complexity of several of the proposed schemes and their affordability, due to the recent and ongoing financial landscape in terms of inflationary pressures, construction costs and significant borrowing rate increases; the CFR position compared to the budget had changed as a result. The forecast outturn for the year was £50.243m. Members noted that the capital programme continued to be reviewed for affordability as part of ongoing monitoring of the capital programme and a revised budget for the CFR would be developed as part of this work.
- The value of outstanding loans as at 31 December 2023 was £31.7m. This was £11.7m lower than the CFR meaning the Council was 'under-borrowed,' and effectively borrowed internally using up its cash balances rather than borrowing when interest rates were high. The borrowing portfolio was also shown in Appendix B to the report.
- The Council's approved Treasury and Prudential Indicators (affordability limits) were included in the approved Treasury Management Strategy (Appendix C to the report). During the financial year to date, the Council had operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices. Members noted that the current borrowing levels shown in Appendix B to the report were comfortably within both limits, therefore no amendments to the Treasury Management Strategy were proposed as a result of the report.
- The ratio of Net Financing Costs (NFC) to the Net Revenue Stream in the original budget was to be 5.06% but was now predicted to be -1.42%. This was a welcome change, as the investment income had exceeded financing cost, due to both the review of and subsequent delay in the capital programme delivery and the additional investment income received through the increased focus on treasury management, which reduced the NFC.
- The Council's non-treasury investments were detailed in the report and split between existing assets and those purchased through the Property Investment Strategy (PIS). Non-PIS assets yielded a 5.73% return on investment and PIS assets a 6.51% return.
- Following months of high increases in prices (the steepest for the last 40 years), which had significantly eroded the Council's spending power, twelve-month CPI inflation fell to 4% in December 2023. Wholesale energy prices had fallen significantly along with prices of core goods and services, however domestic inflationary pressures persisted with wage growth slightly easing, but still very elevated. CPI was expected to fall temporarily to 2% target in 2024 Quarter 2, only to increase again in Quarter 3 and Quarter 4 and to be around 2% in 2-3 years' time.
- The global economic outlook was uncertain in light of the possible adverse impacts of continuing conflicts in Ukraine and the Middle East. The second half of the year would see presidential elections in the United States and parliamentary ones in the UK, which could also affect it.

- At the recent meeting of the Bank of England's (BoE) Monetary Policy Committee (MPC) in January 2024, it was agreed to keep the bank base rate at 5.25% to help control inflation, which was predicted to have peaked. The first decreases were likely earlier than previously projected, possibly within Quarter 1 of 2024, with the BoE itself forecasting a possibility of a cut to 5.1%, with Quarter 1 results of 3.9% and 3.3% in the equivalent periods for the next two years.
- Forecasting economic activity in the current climate was fraught with difficulties, but best data and forecasts available had been used in the updated Medium Term Financial Strategy report and 2024/25 budget presented to Members in February.
- The value of investments in Property Funds had decreased by £207,000 since the end of the last financial year and was £7.26m, £720,682 less than originally invested. Members were reminded that any gains or losses on such long-term investments would only be realised at the point of withdrawal from the fund. Property funds still provided a healthy income stream in the form of quarterly distributions and were expected to contribute around £300,000 in the financial year to 31 March 2024.

The investment activity conformed to the approved strategy, and the Council had no liquidity difficulties.

Members were given the opportunity to ask questions and the following points were noted during the discussions:

- as interest rates were falling and therefore return on investments would reduce, it would be important to return to a balanced budget position;
- if the expected Government grants were not received later in the week necessitating short-term borrowing for cash flow purposes, this would be by way of an agreement with another local authority, at a rate of 5.3%;
- the Interim Deputy Chief Executive hoped that the Housing Company loan would be finalised in the next couple of months;
- gains realised through the Council's investments were one-off and could not be used to 'prop up' the budget, however, could be used to invest in homelessness which would in turn decrease the Council's overall spend in that area; and
- the Council's external auditor, as part of their final review, had requested that the Housing Company be consolidated into Group Accounts. Work had already been completed and the external auditor would be signing off the accounts shortly.

As this was his final Audit and Standards meeting, the Chair, on behalf of the Committee and the rest of the Council, paid tribute to the Interim Deputy Chief Executive and his team for their outstanding work for the Council and thanked him for assisting Members with their understanding of accounts.

**RESOLVED:** That:

- 1) the report be noted; and



- 2) tribute be paid to the Interim Deputy Chief Executive and his team for their outstanding work for the Council.

AS23/64. **REVIEW OF INTERNAL AUDIT 2023/24**

The Public Sector Internal Audit Standards (PSIAS) required the Council to conduct periodic self-assessments of the effectiveness of Internal Audit. The Council's Audit Manager considered it beneficial for this review to be carried out annually and for Members to review the findings prior to 31 March of the financial year to which it related, as approval ahead of the preparation of the Annual Governance Statement allowed for reliance to be placed on the effectiveness of Internal Audit.

The PSIAS aimed to achieve consistent industry standards for Internal Audit and included a Quality Assurance and Improvement Programme which stipulated the need for both internal and external assessments.

The Audit Manager carried out an annual self-assessment review of the Internal Audit function using a comprehensive checklist; the results of the review for 2023/24 had been summarised and were appended to the report for Members' consideration. Members were able to see a full copy of the compliance report on request. It was noted that no areas of material non-compliance with the Standards had been found.

In addition to periodic self-assessment, the Standards also required an external (peer) assessment to be carried out at least once every five years. The latest peer review was completed in February 2023 by the Head of Internal Audit at Lewes District and Eastbourne Borough Councils. The results of this review were reported to the Audit and Standards Committee in June 2023. No significant issues were found, and the Assessor concluded that Rother District Council's Internal Audit function "generally conforms" with the Standards.

The peer review report also made some recommendations for further improvement. These were all minor in nature, and several had already been addressed before the final report was issued. The three recommendations that required further action were added to an action plan and an update to last year's action plan was provided in Appendix B to the report.

New Global Internal Audit Standards were published by the Institute of Internal Auditors on 9 January 2024, which would replace the PSIA Standards. All Internal Audit functions were expected to conform with them by 9 January 2025, therefore all future self-assessments and peer reviews would need to be conducted in accordance with these standards. The action plan for 2024/25 set out the steps required to ensure conformance with the new standards and could be found in Appendix C to the report.

The results of the internal assessment and latest peer review demonstrated that the Council's Internal Audit Service continued to achieve a good level of compliance with the Standards and none of the

areas of partial compliance were significant in nature. The Audit Manager concluded that there was a high level of effectiveness overall.

Members thanked the Audit Manager and his team for their work for the Council and noted the importance of having an internal audit function that understood the Council but could remain independent.

**RESOLVED:** That the Review of Internal Audit 2023/24 be approved.

AS23/65. **ROTHER DC HOUSING COMPANY GOVERNANCE MONITORING**

Members received the report of the Chief Executive which provided an update on the arrangements for the local authority's governance of its wholly owned housing company. The purpose of the governance arrangements was to ensure that the Council had enough control to ensure that its investment was protected, returns on investment could be secured and that the Rother District Council Housing Company (RDCHC) activity was in keeping with the strategic objectives of the Council.

The Audit and Standards Committee (A&SC) considered the governance arrangements for the management and monitoring of the Council's significant partnerships, hence it was the appropriate body to receive updates on the governance of RDCHC. The update had been informed by, 'Local Authority Company Review Guidance (Local Partnerships LLP 2021)' and the recent internal audit and associated recommendations (reported elsewhere on the agenda). Appendix A to the report provided an overview of the present structure of RDCHC, the shareholder's governance structure for its company and the interface between the two entities.

The Council had appointed a Shareholder Representative who was the Chief Executive of the Council. The Shareholder Representative had created a Shareholder Representative Oversight Group to ensure the Housing Company's activity was governed effectively by the Shareholder. The Shareholders Representative Group meetings were held quarterly, with meetings taking place in March, June and October 2023 and January 2024. The Terms of Reference for the group could be found at Appendix B.

Over the previous 12-month period, officers had been increasing their efforts to address those elements of the governance arrangements that remained outstanding. To this end, the Council's Governance Improvement Tracker had been updated to include those items from the recent internal audit that were not already included. The Council was closely monitoring the progress of these outstanding items with its Internal Audit colleagues and these were outlined in the report.

In addition, the Council had a new Monitoring Officer and Deputy Monitoring Officer. These new colleagues would be reviewing the Council's arrangements for governing the RDCHC and the Council would continue to improve these.

The following points were noted from the discussion:

- Appendix A to the report had not been updated correctly in line with the Terms of Reference;
- the Head of Housing and Regeneration confirmed that the Shareholders Agreement and Service Level Agreement had been signed, the Working Capital Agreement was subject to further legal advice, the Procurement Policy and the Conflict of Interest Policy were still being finalised; and
- clarification whether there were three Council Board Members would be provided to Members of the Committee after the meeting.

**RESOLVED:** That the arrangements for the local authority's governance of its wholly owned company be noted.

(When it first became apparent, Councillors Barnes and Drayson each declared an Other Registerable Interest in this matter in so far as they were the former Vice Chair and Board Member respectively of the Rother DC Housing Company and in accordance with the Member's Code of Conduct, remained in the room during the consideration thereof).

(Councillor Coupar declared a Non-Registerable Interest in this matter in so far as she was a Board Member of the Rother DC Housing Company, and in accordance with the Members' Code of Conduct remained in the room during the consideration thereof).

(Councillor Thomas declared a Non-Registerable Interest in this matter in so far as he was Chair of the Rother DC Housing Company, and in accordance with the Members' Code of Conduct left the room during the consideration thereof).

AS23/66. **INTERNAL AUDIT PLAN 2024/25**

Consideration was given to the report of the Audit Manager on the Internal Audit Plan for 2024/25 (IAP). The Public Sector Internal Audit Standards required that the Audit Manager communicated the IAP and resource requirements, including significant interim changes, to senior management and the Audit and Standards Committee (A&SC) for review and approval.

Attached at Appendix A to the report was the assurance map which provided a visual representation of the various sources of assurance received by an organisation on its management of strategic risks. The assurance map was last reported to the A&SC in March 2023 and updated for the current position. The assessment methodology was set out in Appendix B to the report.

This year, both Capital Projects and the Housing Company were highlighted as high risk areas. The Capital Projects assessment was primarily due to two audits in this area (i.e. the Capital Programme and Blackfriars Spine Road Project) having received limited or minimal assurance ratings in the period from January 2022 to December 2023. Another capital project would therefore be reviewed as part of the 2024/25 Audit Plan. The Housing Company assessment was a result of

the minimal assurance rating received at a recent audit of the Council's governance arrangements, and the Senior Leadership Team's wish for greater assurance in this area. However, no further audit work was planned on the Housing Company in 2024/45, as the recommendations made at the latest review were still being followed up by the Audit Manager.

In addition, six areas were identified as medium risk, namely Contract Compliance, Environmental Services, Estates, Financial Services, Procurement and Revenues and Benefits. Audits were planned in all these areas in 2024/25.

A risk assessment exercise was carried out by the Audit Manager in February 2024 and included all new and emerging risks identified in service plans produced by officers in the Corporate Management Team (CMT) or through discussions with these officers. Those activities assessed to be high risk were usually included in the new Audit Plan except where they had only recently been reviewed and the issues found would be covered or followed up elsewhere. Medium risk activities were generally reviewed every two to three years, but low risk activities were ignored to make the best use of audit resources.

The Audit Plan for 2024/25 was attached at Appendix C to the report. Other high and medium risk areas that were considered when compiling the new plan, but not included in the final version, were listed in Appendix D to the report for information. Members suggested that the Corporate Programme Management audit listed in Appendix D be pushed as a major risk when next reviewed in 2025/26.

The IAP had been compiled by the Audit Manager in accordance with the Internal Audit Charter 2022 and was supported by the CMT. The IAP allowed for 493 days of audit work on 21 separate audit reviews / consultancy activities, plus provisions for counter fraud work. A significant portion of the Plan was devoted to Governance Audit work, owing to the importance of the assurance these audits provided. Members noted that there would be no ICT Governance in 2024/25 because many of the checks that would normally be carried out during that review would be covered by a Cyber Security audit instead.

The plan also contained a full programme of high/medium risk activities, including two areas that had not been audited before, namely Climate Emergency and the De La Warr Pavilion and Heart of Sidley - Levelling Up Fund Governance. A review of the Academy End of Year (EOY) Processes would also be undertaken, which was normally incorporated into the Governance audits, but would be reviewed earlier as a separate audit, as the end of year process would be handled by an external contractor on this occasion.

Owing to issues found in the recent past, an annual Procurement audit would also now be carried out, focusing on a different service area each year, the first being Neighbourhood Services.

The resources of the IAP (2024/25) were shown in Appendix E to the report, which demonstrated that it would be possible to meet the total resource requirement of the plan with existing staff resources.

Progress against the IAP would be monitored by the Audit Manager and reported to the A&SC once a quarter. The content of the IAP would also be kept under review by the Audit Manager in liaison with the CMT and adjusted if required, to ensure that it continued to reflect the Council's needs and priorities.

The IAP needed to provide sufficient coverage to meet the Council's statutory duty.

Members were pleased to approve the IAP and thanked the Audit Manager for his work.

**RESOLVED:** That the Internal Audit Plan 2024/25 be approved.

AS23/67. **WORK PROGRAMME**

Consideration was given to the Work Programme which contained details of the reports to be considered by the Audit and Standards Committee for the 2024/25 municipal year.

The Chair confirmed that, as was reported at the previous meeting, the proposal to separate the two functions of the Committee to two stand-alone committees, namely a Standards Committee and an Audit Committee, was currently being worked on and might be ready to be reported at the meeting scheduled to be held on 17 June 2024.

The following additions were made to the Work Programme:

- Corporate Programme Board Update – 24 July 2024; and
- the Risk Management Update report should be titled Review of the Risk Register.

The Deputy Monitoring Officer confirmed that all Code of Conduct complaints were now up to date. Further training was required for the Parish and Town Councillors plus the clerks, as many complaints being made to the Council could have been dealt with at source.

**RESOLVED:** That the Work Programme attached at Appendix A, as amended, be approved.

**CHAIR**

The meeting closed at 8:24pm

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<b>WORK PROGRAMME 2024 – 2025</b>	
<b>DATE OF COMMITTEE</b>	<b>SUBJECT</b>
<b>Monday 17 June 2024</b>	<p><b>Part A – Standards Reports</b></p> <ul style="list-style-type: none"> <li>• Local Government and Social Care Ombudsman Complaints Monitoring</li> <li>• Code of Conduct Complaints Monitoring and other Standards Matters</li> <li>• Draft Annual Report to Council – Ethical Standards Matters</li> </ul> <p><b>Part B – Audit Reports</b></p> <ul style="list-style-type: none"> <li>• Internal Audit – Annual Report and Opinion 2023/24</li> <li>• 2023/24 Statement of Accounts – Audit Planning Risk Assessment</li> <li>• Review of the Risk Register</li> <li>• Self-Assessment Annual Review</li> <li>• Property Investment Strategy Update</li> </ul>
<b>Wednesday 24 July 2024</b>	<p><b>Part A – Standards Reports (none scheduled)</b></p> <p><b>Part B – Audit Reports</b></p> <ul style="list-style-type: none"> <li>• Audit and Standards Committee Annual Report</li> <li>• Statement of Accounts 2023/24</li> <li>• Annual Governance Statement 2023/24</li> <li>• Treasury Management Update – 2023/24 Outturn</li> <li>• Treasury Management Update</li> <li>• Corporate Programme Board Update</li> </ul>
<b>Monday 30 September 2024</b>	<p><b>Part A – Standards Reports (none scheduled)</b></p> <p><b>Part B – Audit Reports</b></p> <ul style="list-style-type: none"> <li>• Grant Thornton – Audit Progress Report and Sector Update</li> <li>• Internal Audit Report to 30 June 2024</li> <li>• Treasury Management Update</li> <li>• Review of the Risk Register</li> </ul>
<b>Monday 2 December 2024</b>	<p><b>Part A – Standards Reports</b></p> <ul style="list-style-type: none"> <li>• Local Government and Social Care Ombudsman Complaints Monitoring</li> <li>• Code of Conduct Complaints Monitoring and other Standards Matters</li> <li>• Self-Assessment of Rother District Council Owned/Leased Accommodation Complaints Handling</li> </ul> <p><b>Part B – Audit Reports</b></p> <ul style="list-style-type: none"> <li>• Grant Thornton – Audit Findings Report 2023/24</li> <li>• Internal Audit Report to 30 September 2024</li> </ul>

<p style="text-align: center;"><b>Monday 24 March 2025</b></p>	<p><b>Part A – Standards Reports (none scheduled)</b></p> <p><b>Part B – Audit Reports</b></p> <ul style="list-style-type: none"> <li>• Grant Thornton – Audit Progress Report and Sector Update</li> <li>• Grant Thornton – Annual Audit Report 2023/24</li> <li>• Grant Thornton - External Audit Plan 2024/25</li> <li>• Internal Audit Report to 31 December 2024</li> <li>• Internal Audit Plan 2025/26</li> <li>• Review of Internal Audit 2024/25</li> <li>• Property Investment Strategy Update</li> <li>• Treasury Management Update</li> <li>• Annual Report from the Rother DC Housing Company Shareholders Representative Group</li> </ul>