

**MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE**

**DATE OF MEETING: 28<sup>TH</sup> SEPTEMBER 2022**

**PRESENT: Councillor MacNae (Chair)  
Councillors Kenyon, McMahon, Morris (sub for Cllr Steen),  
Procter & Woods  
Mr S McManus, Co-opted member**

**IN ATTENDANCE: Mr N Shaw, Chief Executive, RBC  
Ms K Spencer, Chief Finance Officer (S151 Officer), RBC  
Mr A Allen, Director of Communities, RBC  
Mrs C Law, Head of People and Policy, RBC  
Mr M Baskerville, LCC Internal Auditors  
Mr A Dalecki, LCC Internal Auditors  
Miss G Ashton, Committee Officer, RBC**

**ALSO PRESENT: Councillor Walmsley, 1 member of the Press**

**OBSERVED REMOTELY: 1 member of the public**

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**1. APOLOGIES FOR ABSENCE**

1.1 Apologies were received from Councillor Steen.

**2. MINUTES OF THE MEETING HELD ON 27<sup>TH</sup> JULY 2022**

2.1 In relation to item 10.2, bullet point 10, the Chief Executive advised that the statutory responsibility for the Medium Term Financial Strategy falls with the s151 Officer and not the Chief Executive.

**RESOLVED:**

The minutes of the meeting held on 27<sup>th</sup> July 2022 were agreed as a correct record.

**3. URGENT ITEMS OF BUSINESS**

3.1 There were no urgent items of business.

**4. DECLARATIONS OF INTEREST**

4.1 There were no declarations of interest.

**5. PUBLIC QUESTION TIME**

5.1 Councillor Morris raised a question on behalf of a member of the public. He was advised to raise the question at Full Council.

**6. CHAIR'S UPDATE**

6.1 The Chair reiterated his comments from the last meeting, that the Committee had important items to discuss and scrutinise and a co-operative approach, without politics, was requested.

## **7. CORPORATE RISK REPORT Q1 2022/23**

7.1 The Chief Finance Officer presented the report, which asked members to note the Corporate Risk Register, the risk consequence, mitigation action and level of risk as detailed in Appendix 1. Of the 11 risks, 3 were red and the red risk owners had been invited to attend the meeting to provide an update and answer questions.

7.2 The following comments were made and clarifications provided:

- It was important for members to monitor, challenge and identify risks.
- Members were asked to look at risks retrospectively and whilst horizon scanning is taking place, this wasn't demonstrated in the report. In order for the Committee to be able to fulfil its role, this will be evidenced in future reports.
- In relation to the Medium Term Financial Strategy (MTFS), it was accepted that the risk level was unlikely to change as there were factors outside the Council's powers.
- Further savings and income generation would not bridge the funding gap.
- It was unclear how much Government funding Councils would receive.
- In relation to the Sustainable Workforce risk it was noted that salaries were comparable with other District Councils but not with larger authorities and the private sector. Job evaluation/benchmarking takes place on hard to fill posts and market supplements are considered.
- It was acknowledged that a considerable amount of work was taking place around recruitment and retention and Officers were thanked.
- Recruitment and retention was reported in the Performance Report to the Overview and Scrutiny Committee and Officers discuss issues with their Lead Members. A full report to Overview and Scrutiny was suggested.
- There were issues recruiting to all positions, especially key posts. Any vacancies had an impact on teams and services as Rossendale was a small authority.
- The Head of People and Policy was confident that measures put in place would see improvements in recruiting to lower graded roles but the key management positions had been advertised more than once and the roles and job descriptions had been reviewed. Low salaries was an issue.
- Compensating lower grades for additional work carried out to cover vacant roles was suggested.
- Providing training and development opportunities for existing staff would help with staff retention.
- In respect of Risk 11 it was noted that this was no longer the impact of COVID-19 and the title of the risk should be changed.
- The rising cost of utilities was having a financial impact on the running of pool facilities.
- The proposed leisure strategy was bold and exciting and the issues were understood and were being addressed.
- The Chief Executive expressed concerns regarding the unknown impact of the energy crisis and the financial impact on the leisure trust.
- An increase in the Government living wage had impacted on the leisure trust and the 10% increase to the foundation wage next year could also have a knock on affect.
- The Council were looking to reduce carbon at their leisure assets and could make use of the Carbon Reduction fund.
- It was noted that Risk 5 would probably change to amber in quarter 2 due to risks in changes to Government policy.
- In relation to Risk 7, 95% of staff had completed the Information and Cyber Security

training. The remaining staff were on maternity leave.

- The training had been rolled out to members on two occasions but only 4 councillors had completed the course. Training to be rolled out again and raised at group meetings.
- It was noted that there were plans to hold face to face sessions.

**RESOLVED:**

- The Audit and Accounts Committee noted the Corporate Risk Register as detailed in the report.
- Members noted the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

**8. EMPTY HOMES PROJECT UPDATE**

8.1 The Chief Executive outlined the report, which asked members to consider the update on the Empty Homes project and the actions to manage the project in the future. The project was being rigorously managed and to maintain transparency a report was taken to the Programme Board. Also, Cabinet were updated quarterly and an annual update report is brought to the Audit & Accounts Committee.

8.2 In response to comments from the Committee it was noted that:

- It was important to recruit a Housing Programme Manager as an experienced Project Manager was needed. The post had been advertised but recruitment was difficult as the post was only for a 2-year fixed period.

**RESOLVED:**

- The Audit & Accounts Committee considered the update on the Empty Homes project and the actions to manage the project in the future.

**9. INTERNAL AUDIT PROGRESS REPORT Q2 2022/23**

9.1 The Head of Internal Audit, LCC outlined the report, which asked members to consider the internal audit progress report for quarter 2 2022/23. It was noted that the figures in the last update were incorrect but the new figures were correct.

9.2 The following comment was made:

- The report was clear and focussed.

**RESOLVED:**

- The Audit and Accounts Committee considered the internal audit progress report for quarter 2 2022/23.

**10. EXCLUSION OF PUBLIC AND PRESS**

**RESOLVED:**

- That the public and press be excluded from the following items of business under Section 100(A)(4) of the Local Government Act 1972 since the items involved the likely disclosure of exempt information under Paragraphs 1 and 2 of Schedule 12A to the Local Government Act 1972.

**11. STANDARDS COMPLAINTS UPDATE (VERBAL)**

11.1 An update was provided in relation to Standards Complaints.

**RESOLVED:**

- That the update was noted.

**12. WHISTLEBLOWING UPDATE (VERBAL)**

12.1 An update was provided in relation to Whistleblowing.

**RESOLVED:**

- That the update was noted.

**The meeting concluded at 7.51pm**

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**Signed (Chair)**

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**Date**