



Leicester  
City Council

Minutes of the Meeting of the  
GOVERNANCE AND AUDIT COMMITTEE

Held: WEDNESDAY, 13 MARCH 2024 at 5:30 pm

P R E S E N T :

Councillor Kaur Saini (Chair)

Councillor Adatia  
Councillor Bonham  
Councillor Dave

Councillor Whittle  
Councillor Cassidy  
Councillor Kitterick

Also Present:

Mr Bipun Bhakri – Independent Member

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**1. APOLOGIES FOR ABSENCE**

The Chair welcomed all to the meeting and led on introductions.

There were no apologies for absence.

**2. DECLARATIONS OF INTEREST**

Members were asked to declare any interests they may have in the business to be discussed.

There were no declarations of interest.

**3. MINUTES OF THE PREVIOUS MEETING**

The Head of Finance proposed an amendment to item 10, Progress on Internal Audit Plans, which read as follows:

*“Members of the Committee discussed the report and raised a number of points to which officers provided further explanations and assurances.”*

AGREED:

That the Minutes of the meeting held 22<sup>nd</sup> November 2023 be confirmed as a correct record, subject to the above amendment.

#### **4. RISK MANAGEMENT & BUSINESS CONTINUITY STRATEGY AND POLICIES 2024**

The Director of Corporate Services submits a report to the Governance and Audit Committee which presents the Risk Management and Business Continuity Policy Statement and Strategies which provide an effective framework for Leicester City Council to management and respond to key risks facing its services and support the delivery of its Business Plan.

Risk Management Manager, Sonal Devani, presented the report.

Members discussed the report and the following points were raised:

- Members highlighted their appreciation for the structure and clarity of the report. However Members also expressed frustration with the font size used in the report and found it illegible at times.
- Members enquired about the effectiveness of the business recovery strategy in regards to the recent cyber security incident at the Council. The Director of Corporate Services, Andrew Shilliam, noted that the incident was ongoing, however the recovery process was consistent with the strategies outlined in the report. It was further noted that evaluation of the effectiveness of the strategy would be reviewed following the resolution of the incident and that a report would be brought back to the Committee at a future meeting.
- Members expressed strong concern regarding the ongoing cyber security incident and need for clarity and transparency regarding the current state of affairs. A Member raised further concern with how the incident was being handled and the importance of democratically elected Councillors being provided with up-to-date information on large scale incidents. The Director of Corporate Services and Director of Finance noted that the incident was subject to an ongoing police investigation and that an all-Member Briefing had been delivered the previous day, 12<sup>th</sup> March.
- The Independent Member of the Committee questioned the Governance and Audit Committee's position in the pyramid structure presented on page 22 of the report and welcomed regular training on Risk Management. Further concern was raised regarding their inability to attend a briefing regarding the latest cyber security incident and the expectations on the independent Member in supporting fellow Members on the Committee. ACTION: The Director of Finance would take the concerns back to the Monitoring Officer.
- Officers highlighted the role of the Committee in reviewing Council Strategies as opposed to scrutiny of live incidents and referenced the Committee's Terms of Reference. Officers further noted that a report on the cyber-security incident would be brought back to a future meeting

following the conclusion of the incident, where Members could analyse the incident and compare effectiveness with the Council's Framework and Strategies.

Councillor Kitterick proposed a motion and moved that: *“the importance of transparency during major events as a democratically elected organisation and the requirement for up-to-date knowledge and awareness for Members of the Governance and Audit Committee was a must during high-risk incidents”*. There were no Seconders and the Motion failed.

The Chair clarified to Members the importance of staying respectful when addressing officers or Members.

It was noted that Councillor Kitterick left the meeting.

AGREED:

1. That the report be noted.
2. That the Director of Finance refer back to the Monitoring Officer regarding the extent of the role of the Independent Member for the Governance and Audit Committee.

## **5. REGULATION OF INVESTIGATORY POWERS ACT 2000 - BI-ANNUAL PERFORMANCE JULY - DECEMBER 2023**

The City Barrister and Head of Standards submitted a report to the Governance and Audit Committee which advised on the performance of the Council in authorising Regulatory Investigation Powers Act (RIPA) applications from 1<sup>st</sup> July 2023 to 31<sup>st</sup> December 2023.

The Director of Finance, Amy Oliver, presented the report.

AGREED:

That the report be noted.

## **6. PROGRESS AGAINST INTERNAL AUDIT PLANS 2023/24**

The Head of Internal Audit Service (HoIAS) submitted a report to the Governance and Audit Committee which provided a summary of progress against the 2023-24 internal audit plans.

The Head of Internal Audit and Assurance Service (HoIAS), Neil Jones, presented the report and the following points were noted:

- Members were reminded that new recommendations were shown in bold font. A summary of movements was noted to be on page 65.

- It was noted that a report had been received during the week prior to the meeting regarding the Spinney Hill Primary School item, which could potentially lead to the item being closed.
- The Table on page 65 was referred to and it was noted that while a number of tasks were outstanding, a number of the reported tasks were in draft format ready to be submitted or reviewed. Thirty-eight were noted to be moving to finalised from in-progress.
- It was noted that the number of days had largely increased in comparison to the prior report. While 800 days were set as a target to be provided over the course of a year, it was noted that it was expected to exceed the target for 2023/24.
- It was noted that every five years an external quality assessment would be arranged and undertaken by an independent assessor, the cost of which would be borne by the Internal Audit Team at no extra cost to the Council.
- It was noted that an update report would be presented at the July 2024 meeting.

Members of the Committee discussed the report and the following points were raised:

- It was noted that the Spinney Hill Primary School update marked for 27<sup>th</sup> February would be signed off quickly and would be relisted for the end of March. It was noted that there was work to do regarding the Spinney Hill item and would continue to be monitored closely and brought back to the Committee at a future date.
- It was clarified that funding was provided to schools from the Department of Education and further information regarding how schools were funded and how funding was managed could be provided to Members outside of the Committee meeting.
- Members raised concern about the delay in actions being taken for issues detailed on page 73 of the report. It was noted that risks required the Internal Audit team to liaise with the risk owners which can result in delays closing items by recommended timelines. It was noted that processes would continue to be monitored and improved. Director of Finance, Amy Oliver reassured the Committee that the Finance Team were fully engaging with the Internal Audit team, which would feed into the report.
- Members enquired about the items on the report noted for 2022/23. It was noted that two items had been closed and the remaining item was being managed alongside engagement with the Business Continuity Team. Members raised further concern whether there was a disconnect in communication between teams in the Council. The Director of Finance noted that responsible teams would come together for a group

discussion regarding outstanding items on the audit register.

- The Director of Finance noted that Members point regarding the delay for Disaster Recovery on page 73 of the report would be taken back and that findings would be brought back to a future meeting.

The Chair thanked officers for the report.

AGREED

That the report be noted.

## **7. ANNUAL REVIEW OF THE LOCAL CODE OF CORPORATE GOVERNANCE 2024/25**

The Director of Finance submitted a report to the Governance and Audit Committee updating the Committee on the assurance and corporate governance processes at Leicester City Council and to approve the Local Code of Corporate Governance.

The Head of Finance, Kirsty Cowell, presented the report.

It was noted that Members were happy with the report and that the report reflected positively on the Council.

The Chair thanked officers for the report.

AGREED:

That the report be noted.

## **8. ANY OTHER URGENT BUSINESS**

The Chair noted that the meeting expected to be held on 25<sup>th</sup> March was to be postponed and a new date was to be circulated in due course.

The Chair reminded Members of the Terms of Reference and the Councillors Code of Conduct and emphasised that politeness and professionalism are expected to be upheld at all times.

There being no further business, the meeting closed at 18:39pm.