



Oversight and Governance

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AUDIT AND GOVERNANCE COMMITTEE

Monday 16 January 2023
2.00 pm
Warspite Room, Council House

Members:

Councillor Luggier, Chair
Councillor Lowry, Vice Chair
Councillors Evans OBE and Tofan.

Independent Members: Mrs Annette Benny and Mr Ian Shipperley.

Members are invited to attend the above meeting to consider the items of business overleaf.

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Tracey Lee
Chief Executive

Audit and Governance Committee

Agenda

1. Apologies

To receive apologies for non-attendance submitted by Committee Members.

2. Declarations of Interest

Members will be asked to make any declarations of interest in respect of items on this Agenda.

3. Minutes

(Pages 1 - 12)

To confirm the minutes of the meeting held on 28 November 2022.

4. Chair's Urgent Business

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

5. External Auditor - Progress Report:

(Pages 13 - 28)

6. Pre 2023/24 Audit Plan Update (To Follow)

7. Mid-Term Treasury Management Report 2022/23 (To Follow)

8. Disclosure and Barring Checks for Councillors - Policy (To follow)

9. Strategic Risk Monitoring Report including Scrutiny Update

(Pages 29 - 52)

10. Tracking Decisions

(Pages 53 - 56)

11. Work Programme

(Pages 57 - 58)

11.1. Electoral Cycle Consultation - Task and Finish Group

(Pages 59 - 60)

Audit and Governance Committee

Monday 28 November 2022

PRESENT:

Councillor Luggar, in the Chair.

Councillor Lowry, Vice Chair.

Councillors Finn, Penberthy, (substitute for Councillor Evans) and Tofan.

Independent Members: Mrs Annette Benny and Mr Ian Shipperley.

Apologies for absence: Councillor Evans

Also in attendance: Paul Dossett (External Auditor – Grant Thornton), Brenda Davis (Audit Manager), Justine Thorpe (Grant Thornton), Ross Jago (Head of Governance, Performance and Risk), Wendy Eldridge (Principal Technical Accountant), Ken Johnson (Counter Fraud Services Manager), David Northey (Interim Section 151 Officer), Giles Perritt (Assistant Chief Executive) and Helen Rickman (Democratic Advisor).

The meeting started at 2.00 pm and finished at 4.25 pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

35. Declarations of Interest

The following declarations of interest were made by Members in accordance with the code of conduct:

Name	Minute Number	Reason	Interest
Councillor Finn	40	Member of the Devon Audit Partnership Oversight Committee	Personal
Councillor Luggar	40	Member of the Devon Audit Partnership Oversight Committee and Member of Plymouth Investment Partnership	Personal

36. Minutes

The minutes of 5 September 2022, and 29 September 2022 were agreed as an accurate record of the meeting.

37. Chair's Urgent Business

There were no items of Chair's Urgent Business however it was highlighted under this item that Plymouth City Council did not invest in Qatar banks; this would be confirmed by the Chair in writing.

38. External Audit - Auditor's 20/21 and 21/22 Annual Report

Paul Dossett (External Auditor – Grant Thornton) presented the External Audit – Auditor's 20/21 and 21/22 Annual Report. The following key points were highlighted:

- (a) there were two outstanding issues from the 19/20 accounts; one was a national issue of infrastructure assets and how they were accounted. This was expected to be resolved in 2022 via a statutory override. The second issue was regarding the pension transaction as set out in the External Auditor's September report;
- (b) the report set out the value for money (VFM) report for two financial years (20/21 and 21/22) and could only be finalised once the accounts were finalised therefore the report remained interim. The National Audit Office changed the approach to VFM beginning 1 April 2020 and brought in the requirement for a detailed report which required auditors to give a commentary on three areas: financial sustainability, governance and economy, efficiency and effectiveness;
- (c) the report focused upon financial sustainability and the risks facing the council surrounding this, specifically regarding demand led pressures and inflation. Croydon Council's section 114 report was referenced as well as Hampshire County Council and Kent County Council and the struggles they were facing;
- (d) page 15 of the pack set out a summary table with the external auditor's conclusions in all three areas; there were three key recommendations which had to be addressed, as well as improvement recommendations which were good practice to be addressed. The three key recommendations focused upon council tax levels; the medium term financial plan and staffing arrangements in the finance department.

In response to questions raised it was reported that –

- (e) a statutory override was being laid by the Department for Levelling Up and Communities and Housing within the next few weeks; this was not a matter for people to vote for or against and was instead a formality which had to go through the parliamentary process. This would come into force around Christmas and as a result of this override there was expected to be a major increase in accounts being signed off; for Plymouth this was one issue that

would be dealt with, leaving the outstanding pension issue remaining;

- (f) in terms of value for money, the external auditor was required to carry out an assessment of the arrangements the Council had in place to achieve VFM. In terms of childrens/ adult services, the opinion of regulators of the services was taken into account. If the CQC or Ofsted deemed the Council's arrangements to be inadequate that would have an impact upon the external auditor's assessment;
- (g) the Council had a duty to achieve a balanced budget position by law therefore the external auditor considered that putting the council tax up to the referendum limit of 5% would give the Council an opportunity to make more savings;
- (h) by increasing the council tax it gave the Council the opportunity to increase its funding base going forward. This may put pressure on families however there were schemes such as the Council Tax Support Scheme available – political choices and options had to be made however every time the Council made a decision not to put the tax up it either had to use reserves (which wasn't considered sustainable) or use other savings. The external auditor highlighted that if the Government made an assumption that council taxes would rise, and if it was an option, then it should be seriously considered by the Council;
- (i) the report work was carried out by the external auditor over the summer period of 2022 and into October 2022; some of the detailed commentary in the report reflected historical matters however it was highlighted that this was a fast moving situation and the council was in the process of taking a number of actions to address its financial situation;
- (j) the Council was open and transparent in communicating that there was a £37.5m gap in the budget that needed to be addressed in order to balance the budget, as was the legal duty. Approximately £26m of savings were out for public consultation and had been communicated with the Council's scrutiny panels and opposition political parties however this still left £11m of savings to find. Even if the Council tax was raised to the full 5% it was considered that this wouldn't entirely fill the gap in the Council's budget therefore it was a serious consideration but further options would need to be investigated;
- (k) the External Auditors 20/21 and 21/22 Annual Report was expected to be an accompanying document to the Council's budget scrutiny sessions scheduled for January 2023 as it was considered useful to have an external commentary to inform the budget scrutiny process. It was suggested by the external auditor that the recent Section 114 report from the Financial Director at Croydon Council, and the report produced in September on public interest reports and the lessons learned might also be useful documents to consider;
- (l) one of the challenges of a Section 151 officer was that the Government funding was not clearly set out over a significant period of time and there

was now considered to be an inflationary spiral where it was not known when it would end. The Council needed to make a judgment as to what it expected inflation to be; there was advice from the Bank of England on their expectations and indications of those would play into the Council's budget setting process;

- (m) the outstanding issues in the Council's 19/20 accounts regarding the pension transaction was the subject of a degree of legal debate by the external auditor. The latest position was that the external auditor's KC needed to have a discussion with actuarial valuations given for the pension transaction – the council was still exploring that issue with the actuary and it was hoped that this issue would be concluded shortly.

Both the Chair and Vice Chair considered that the External Auditor – Auditors 20/21 and 21/22 Annual Report recommendations should be submitted to Cabinet for consideration, as well as the minutes of the Audit and Governance Committee relating to the discussion of this item.

The Committee agreed:

1. that web-links to the recent Section 114 report from the Financial Director at Croydon Council, and the report produced in September on public interest reports and the lessons learned, would be provided to Members for their consideration;
2. that the External Auditor – Auditors 20/21 and 21/22 Annual Report recommendations should be submitted to Cabinet for consideration, as well as the minutes of the Audit and Governance Committee relating to the discussion of this item;
3. To note the recommendations contained within the External Audit – Auditor's 20/21 and 21/22 Annual Report.

39. **External Auditor - Audit Plan 2020/21**

Paul Dossett (External Auditor – Grant Thornton) and Justine Thorpe (Grant Thornton) presented the External Audit – Audit Plan 2020/21 report. The following key points were highlighted to Members:

- (a) the Audit Plan was originally presented to committee in 2021 however had been updated by the external auditor to ensure the information regarding the VFM risk assessment was correct;
- (b) the audit planning for the 20/21 audit was almost complete and auditors were starting the fieldwork on 5 December 2022 for the audit itself. Even though the external auditor had not been able to sign off the 19/20 accounts for the council, assurance was provided that the auditors were starting work for the 20/21 accounts and it was hoped to be completed by late spring. The 21/22

audit would be conducted later in the year.

In response to questions raised it was reported that –

- (c) in April 2020 the council engaged in a hedging option with Santander Bank; as it was considered an unusual transaction, the external auditor raised two issues: firstly the governance process of approving such transactions, and secondly how it was accounted for in the 20/21 accounts. There was complicated accounting for the hedging instruments; this was still under discussion with the council. There was an option of 'fair value through profit and loss' and also the option through 'other comprehensive income'. If the hedging option investment was considered through the option of 'fair value through profit and loss' then if the value of the investment went up or down, the gain or loss played through the general fund accounting. Currently there was a statutory override to prevent that from happening however this statutory override was due to end on 31 March 2023. Both CIPFA and DLUHC were in discussion over the statutory overrides;
- (d) there were arrangements in place clarified by DLUHC in terms of prudential borrowing for local authorities and all local authorities should borrow within the means to pay back. It was important that the council ensured its debt was well managed. The external auditor considered the overall level of minimum provision was circa 2% which was not unreasonable – the external auditor considered the minimum revenue and debt management was not unreasonable in totality however urged caution in the significant growth of debt;
- (e) the Section 151 Officer continued to regularly consider its capital programme and investments and was confident it was properly controlled;
- (f) the training session offered to Audit and Governance Committee Members approximately 18 months ago regarding their roles and responsibilities and how they proactively undertook their duties would be arranged for the benefit of new members; this would be considered as part of the inclusion into the Member Development Strategy as well as for the development of scrutiny panel members.

The Committee agreed:

1. That a training session upon the roles and responsibilities of the Audit and Governance Committee would be arranged for the benefit of new members, and would also be considered as part of the inclusion into the Member Development Strategy as well as for the development of scrutiny panel members;
2. to note the External Audit – Audit Plan 2020/21.

40. Internal Audit Half Year Report

Brenda Davis (Audit Manager) presented the Internal Audit Half Year Report to Members. The following key points were highlighted:

- (a) the report detailed the work carried out across the authority and various service areas since April 2022. The appendix showed reviews scheduled in quarters 3 and 4 including areas that had come out of the audit plan due to a re-prioritisation of work;
- (b) the Head of Audit assurance opinion was of reasonable assurance; in order to come to this conclusion work undertaken in previous years was considered as well as the internal control framework;
- (c) there were concerns because of the current financial circumstances of the local government and focus was directed towards the checks and balance processes.

In response to questions raised it was reported that –

- (d) the assurance opinion statements were put against every piece of work undertaken in-year and were rag rated, red, amber and green. The majority were rated good or in some cases very good. There were a minimum number of areas with minimum assurance however action plans were created to address this and recommendations would be tracked and reported back to the Audit and Governance Committee;
- (e) for the remainder of the financial year, the internal audit programme of work was scheduled and focused upon key financial systems. This would lead into providing assurance for the annual accounts. The Audit Manager would discuss the feasibility of undertaking an audit of the customer service experience with the Section 151 Officer;
- (f) summary internal audit reports were submitted to the committee; the complete internal audit reports were owned by the local authority and when issued they were sent to strategic directors for consideration. The reports were public and would be available on request;
- (g) there was currently no mechanism in place to routinely advise scrutiny chairs of information held within internal reports that were specific to their scrutiny panel terms of reference, however this could be addressed within action plans.

The Committee agreed:

1. to review and note the findings within the report;
2. to review and note the Head of Audit mid-year assurance opinion;
3. to review and approve the in-year changes to the audit plan.

41. Risk Management Strategy - To Follow

Ross Jago (Head of Governance, Performance and Risk) presented the Risk Management Strategy report. The following key points were highlighted to Members:

- (a) an external risk control manager was employed by the Council (through the Council's existing contract with its insurer) to review its processes. Several Councillors were interviewed as part of that process. The overall opinion was that the processes were generally working well, that risk awareness was embedded at a strategic level but that there was some work to do regarding operational risks;
- (b) officers were looking to implement a live interactive risk reporting tool that would help risk champions to manage risk flow and ensure departmental management teams had a clear overview of risks facing the authority;
- (c) work was being undertaken to re-invigorate risk champions in departments; there had been changes to personnel over the past few months and this would need to be addressed via enterprise risk management training;
- (d) in respect of the risk management strategy, changes were made to the difference in risk tolerance and the risk appetite, additions were made in how to address partnership risks that might pose a risk to the authority, and it was expected that further changes to the risk processes and how scoring would be conducted was required.

In response to questions raised it was reported that –

- (e) the council had a number of days available to it from the existing contract with the insurer and this was utilised by officers for this piece of work; it was not considered that this approach had been taken before however would be used in the future;
- (f) within the roles and responsibilities, it was not included how scrutiny could feed into the Audit and Governance Committee; it was agreed that this addition would be made and would be agreed via the Chair and Vice Chair.

The Committee agreed:

1. that the inclusion of scrutiny in the roles and responsibilities section of the report would be included and agreed with the approval of the Chair and Vice Chair;
2. to note the Risk and Opportunity Management Strategy 2022 – 2024.

42. Risk Management Monitoring Report (to include scrutiny update on risk management) - To Follow

Ross Jago (Head of Governance, Performance and Risk) presented the Risk Management Monitoring Report to Members. The following key points were highlighted:

- (a) three risks had been removed from the strategic risk register as they were broadly a duplication of other risks on the register; the reference to the departure from the EU single market had been removed as this was covered in a wider economic risk taking into account the war in Ukraine, inflation rates etc;
- (b) there had been an addition of an amber risk to the register relating to the Government's loss recovery grant. Additional narrative had also been added to the mitigation around the financial risk identifying the proposals put before Cabinet in November 2022 referencing the in-year budget. The report also highlighted the consideration of risk at scrutiny and should play a greater part in informing the scrutiny panels work programme moving forward.

There were no questions from Members.

The Committee agreed to note the current position with regard to the Strategic Risk Register.

43. **Treasury Management Strategy**

Wendy Eldridge (Principal Technical Accountant) presented the Treasury Management Strategy to Members. The following key points were highlighted:

- (a) it was a statutory requirement for the Council to produce the Treasury Management report; it would be submitted to full council as part of the budget setting process in February 2023;
- (b) pages 108/109 of the report set out the key statutory and performance frameworks in place for borrowing and investments. The operational boundary ceiling on borrowing was set at £109.5m; the Council had an ambitious capital programme with over £200m forecast for 2023/24; the borrowing limits were lower than the previous year;
- (c) Arlingclose highlighted a fluctuation in the increased bank rate from 0.75% at the beginning of the year to 3% in November; there were expectations that interest rates would continue to rise; the capital programme was reviewed on a regular basis.

In response to questions raised it was reported that –

- (d) affordability fed into the budget setting process and it depended on what the revenue budget could afford, however in terms of the affordability of the proposed borrowing and what percentage equated to not being affordable, this would be provided to Members;
- (e) in terms of the portfolio average credit rating the Council stuck to the A category when lending, however did not lend to other local authorities therefore there was no hidden risk in terms of a potential variation that made

up the average 'A' score.

It was highlighted by the Vice Chair that if Members wanted to observe the work of the Treasury Management Board then an approach should be made to the Section 151 Officer.

The Committee agreed to recommend the Treasury Management Strategy 2023/24 that incorporates the authorised limits, operational boundaries and prudential indicators to the City Council for approval. *(This is to comply with the CIPFA Code of Practice and discharge our statutory requirement.)*

44. **Capital Finance Strategy**

Wendy Eldridge (Principal Technical Accountant) presented the Capital Finance Strategy to Members. The following key points were highlighted to Members:

- (a) the Capital Finance Strategy was a statutory report the Council was required to provide; this was to be submitted to full council for approval;
- (b) the report set out how the council managed its capital programme, the framework that governed it, the criteria for governance and how it was aligned to the financial regulations. The table included on page 141 of the agenda pack set out the five year capital programme as at the end of October 2022 and would be developed further and incorporated in the main budget setting report;
- (c) the graph explained how the funding of the capital programme was made up and highlighted the increase in borrowing from previous years where it funded 60% of the capital programme.

In response to a question raised it was reported that officers kept a watchful eye on what projects were costing the council – grant funding from Government for 85% of a project, with the Council funding the remaining 15% would initially have been promising with a 1% interest rate, however with a 3% interest rate there were greater financial impacts.

Members discussed the difference in impact between the rise in costs and timescales of a Government grant costed project where the ambitions of the Council changed during development, and a project whereby the costs increased due to interest rate rises.

The Committee agreed:

1. to recommend that officers are mindful of future debt associated with grant funding from Government and consider carefully the acceptance of grant funding especially in the current economic climate with increasing interest rates and the capacity for project costings to rise;
2. to recommend the Capital Financing Strategy to the City Council for approval. *(This is to comply with the CIPFA Code of Practice and discharge our statutory requirement.)*

45. Counter Fraud Services Half Year Report

Ken Johnson (Counter Fraud Services Manager) presented the Counter Fraud Services Half Year Report to Members. The following key points were highlighted to Members:

- (a) in terms of Counter Fraud Services, officers were expecting similar savings in the second half of the year and the way they were investigated and how they came through the system; the commitment to counter fraud work was to be commended. A deep dive of work was undertaken and this was detailed in appendix I;
- (b) financial pressures were increasing and this resulted in more people participating in fraud – officers would continue to prioritise the investigation and prevention of fraud.

In response to questions raised it was reported that –

- (c) it was considered that the 277 fraud referrals investigated was a positive figure when comparing to other local authorities however it was highlighted that not all other local authorities prioritised the investigation of fraud as Plymouth did, therefore it wasn't as straight forward as comparing numbers;
- (d) there was a positive working relationship between the Council and Devon Audit Partnership;
- (e) figures for fraud and error were related to cost avoidance in many cases.

The Committee agreed to note the Counter Fraud Services Half Year Report.

46. Tracking Decisions

David Northey (Interim Section 151 Officer) provided an update in relation to minute 5 from 25 July 2022 committee meeting which read:

“It was agreed that a report would be submitted to the Audit and Governance Committee detailing work undertaken by internal audit in relation to covid related grants.”

Members were advised that a report had been written therefore this would be provided to Members and marked on the register as complete.

Under this item to committee collectively noted the improvement in the process for completing tracking decisions and offered their thanks.

The Committee agreed to note the tracking decisions update.

47. Work Programme

Members agreed to add the following to the 20 March 2023 agenda:

- Training and the understanding of roles and responsibilities

The committee agreed to note the work programme.

48. Exempt Business

Agreed that under Section 100(4) of the Local Government Act 1972, to exclude the press and public from the meeting for the following items of business on the grounds that involves the likely disclosure of exempt information as defined in paragraph 1, 2 7 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

49. Information Governance Report 2021/22

John Finch (Information Governance Manager) presented the Information Governance Report 2021/22.

The Committee agreed to note the update.

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Plymouth City Council Audit Progress Report and Sector Update

Year ending 31 March 2022

16 January 2023



Contents

Section	Page
Introduction	3
Progress at January 2023	4
Sector Update	6

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Page 14

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Introduction

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This paper provides the Audit and Governance Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you as a local authority; and
- includes a number of challenge questions in respect of these emerging issues which the Committee may wish to consider (these are a tool to use, if helpful, rather than formal questions requiring responses for audit purposes)

Members of the Governance and Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications <https://www.grantthornton.co.uk/en/services/public-sector-services/>

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at January 2023

Financial Statements Audit

2019/20 financial statements

We presented our 2019/20 audit findings, in our [2019/20 Audit Findings Report](#), to the September 2022 Audit and Governance Committee. We reported that our work is incomplete and there are a number of areas where we are awaiting further information and revised accounts from the Council to conclude our work. These include:

- Receipt of a revised set of financial statements, incorporating a number of changes including those relating to financial instruments;
- The conclusion of our work in respect of the pension transaction - a significant issue which has consumed significant Council and audit resource;
- Resolution of the national issue relating to the carrying value of infrastructure assets within the Council's financial statements.

The Council will need to reflect on the impact of the pension transaction within its Annual Governance Statement and we will review the other information to be published with the financial statements for consistency with our knowledge of your organisation once this is resolved.

2020/21 financial statements

We presented a [Revised 2020/21 Audit Plan](#) to the November 2022 Audit and Governance Committee. Although the 2019/20 audit opinion has yet to be issued, we began our fieldwork for the 20/21 financial statements at the beginning of December 2022.

We anticipate that the audit fieldwork will be completed in April 2023, and that we will present our findings to date in our [2020/21 Audit Findings Report](#). However we will not be able to issue the 20/21 audit opinion if the 19/20 audit opinion is still outstanding at that time.

2021/22 financial statements

The Department for Levelling Up, Housing and Communities (DLUHC) previously stated their intention to introduce secondary legislation to extend the deadline for publishing audited local authority accounts to 30 November 2022 for the 2021/22 accounts. The deadline for publishing audited local authority accounts for 2021/22 is extended to 30 November 2022 and thereafter changed to 30 September for years up to 2027/28.

We need to discuss and agree with officers how we both work to auditing the annual accounts within the normal local government cycle for the 2023/24 financial year. For the 2021/22 financial statements, we will

- present the [2021/22 Audit Plan](#) to the June 2023 Governance and Audit Committee;
- audit the 2021/22 financial statements in Summer 2023.

Accounting for infrastructure

The Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 requires infrastructure to be reported in the Balance Sheet at historic cost less accumulated depreciation and impairment and that where there is 'enhancement' to the assets, that the replaced components are derecognised. Where authorities are not fully compliant with these requirements, there may be a risk of material misstatement.

Many authorities do not possess the records to be able to fully comply with the requirements. Following extensive consultation and discussions with interested parties DLUHC laid a Statutory Instrument in December 22 which should simplify accounting for infrastructure assets until the 2024/25 financial year. The Council will need to update its 19/20 accounts in accordance with the requirements of the statutory instrument; and ensure its accounting for infrastructure asset lives is in accordance with the shortly to be published CIPFA Bulletin 12

Progress at January 2023 (con)

Value for Money

The new Code of Audit Practice (the “Code”) came into force on 1 April 2020 for audit years 2020/21 and onwards. The most significant change under the new Code was the introduction of an Auditor’s Annual Report, containing a commentary on arrangements to secure value for money and any associated recommendations, if required. The new approach is more complex, more involved and is planned to make more impact.

We presented the [Interim 2020/21 and 2021/22 Auditor’s Annual Report](#), with our VFM commentary in it, to the November 2022 Governance and Audit Committee. We produced this report covering two financial years because:

- we have been unable to close the 2019/20 financial statements audit, and complete the 2020/21 and the 2021/22 financial statement audits; and
- the Council is facing a financial crisis in the medium-term, from 2023/24 and beyond, and we need to report on the Council’s VFM arrangements to the Committee in a timely manner.

Overall, we identified three key recommendations, in response to the significant weaknesses in Financial Sustainability and 11 opportunities for improvement, across the three Code’s criteria as follows:

Financial sustainability

- **Significant weaknesses in arrangements still exist in overall arrangements resulting in:**
 - three key recommendations;
 - four improvement recommendations made.

Governance

- No significant weaknesses in arrangements identified during our fieldwork, however
 - three improvement recommendations made.

Improving economy, efficiency and effectiveness

- No significant weaknesses in arrangements identified during our fieldwork however,
 - four improvement recommendations made.

Certification of the 2021/22 Housing benefit claim

We certify the Authority’s annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions (DWP). The certification work for the 2021/22 claim began in June 2022.

DWP extended the deadline for reporting the findings of this work to 31 January 2023. We will report our findings to the Governance and Audit Committee in our Certification Letter in March 2023.

Sector Update

Authorities continue to try to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider local government sector and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below:

A teal rectangular button with the text "Public Sector" in white, sans-serif font, centered within the button.

Public Sector

A dark purple rectangular button with the text "Local government" in white, sans-serif font, centered within the button.

Local
government

Audit Market Developments

Financial Reporting Council Report On The Quality Of Local Audit

In late October 2022 the Financial Reporting Council (FRC) published its inspection findings into the quality of major local body audits in England, which includes large health and local government bodies.

The Quality Assurance Department (QAD) of the Institute of Chartered Accountants in England and Wales (ICAEW) inspects a sample of local audits that do not meet the definition of a ‘major’ local audit and the FRC’s report also includes a summary of their findings.

The FRC reported that 71% of Grant Thornton audits inspected (7 in total) were assessed as either good or limited improvements required.

This is a pleasing result and reflects on our significant investment in audit quality over recent years. The positive direction of travel over the past five years is illustrated below:

The FRC also inspected our work on VfM arrangements at four bodies.

It is pleasing to note that all of these inspections were assessed as requiring no more than limited improvements (which is the same as the previous year).

As far as the ICAEW are concerned, overall, the audit work reviewed was found to be of a good standard.

Seven of the eight files reviewed (88%) were either ‘good’ or ‘generally acceptable’, but one file ‘required improvement’.

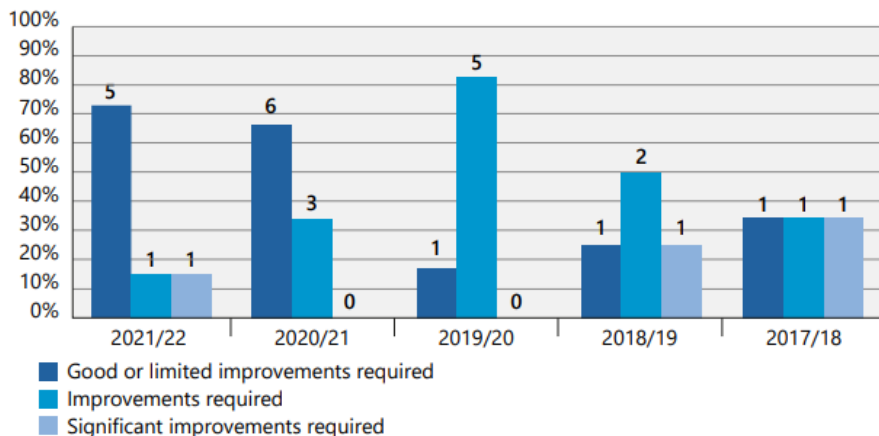
The ICAEW identified one of our files as requiring ‘Improvement’ – but it should be noted that this was a 2019-20 file and therefore the learnings from prior years’ review could not have been taken into account, an issue recognised by the ICAEW in their report to us.

The ICAEW found that our VfM work was good on each of the files reviewed, and they did not identify any issues with this aspect of the audit teams’ work.

Whilst are pleased with our continuing improvement journey, we continue to invest in audit quality to ensure that the required standards are met.

The full report can be found [here](#).

Our assessment of the quality of financial statement audits reviewed



Audit Market Developments (con)

Local Government External Audit Procurement

Public Sector Audit Appointments Ltd (PSAA) has recently announced the outcome of its national procurement of audit services across the Local Government sector.

This exercise covers the audits from 2023/24 to 2027/28 and covers the 470 local government, police and fire bodies (99% of eligible local bodies) that opted into the national scheme.

We are delighted to have been reappointed as the largest supplier of local government audit. The public sector has played a significant role within the firm for over 30 years and we remain committed to the success of the sector.

Our UK Public Sector Assurance (PSA) team employs 440 people, including 29 Key Audit Partners and specialists in financial reporting, audit quality, and value for money.

The team is dedicated to public audit work in local government and the NHS, with contracts with PSAA, Audit Scotland and over 100 health bodies. The Public Sector Assurance team is a regular commentator on issues facing the sector and oversees the firm's thought leadership, such as its series of publications on grants and public interest reports.

Mark Stocks, lead Partner for PSA at Grant Thornton, said 'This is a very welcome outcome and reflects our previous delivery as well as our ongoing commitment to invest in the public sector.'

Further information can be found [here](#)



Grant Thornton – Nearly 60 councils at risk of ‘running out of money’ next year

Grant Thornton has warned that the soaring cost of living combined with a decade of austerity could see up to a sixth of English councils fully deplete their reserves in 2023-24 without substantial spending cuts.

Research found that, as a result of higher inflation, councils are expected to have a cumulative budget deficit of £7.3bn by 2025-26 – an increase of £4.6bn since forecasts made at the beginning of this year.

Grant Thornton said that although reserves were bolstered by more than £5bn in 2020-21 due to higher government funding, these balances will “continue to unwind through the long tail of Covid-19” with close to 60 councils forecast to use all earmarked and unallocated reserves next year.

Without additional income, authorities would need to make savings of over £125 per person by 2025-26, equal to the average yearly spend on homelessness, sports and leisure, parks and open spaces, libraries and waste services.

Phillip Woolley, Head of Public Services Consulting at Grant Thornton, said: “Local government has faced unprecedented demands and pressures over the last decade and without action from both central government and councils, in the face of these inflationary pressures, the list of authorities in need of exceptional support looks set to grow quickly.

“Our research shows the additional Covid-19 funding, while critical to support immediate challenges, has not addressed underlying systemic issues or the precariousness of councils’ financial sustainability in the face of economic instability.

“Local authorities are also now facing the risk of interest rate rises, increasing debt financing costs and the real risk of reduced funding from central government, in response to the current economic turmoil facing the country. Without committed intervention from all sides, there is a risk that the sector levels down instead of up.”

Grant Thornton estimated unitary authorities would have the largest budget gap (£1.8bn) by 2025-26, but district councils would have the largest gap compared to net spending at 10.2%.

The firm added that austerity and changing policy demands have left councils struggling to innovate in their services and prevented investment in finance and procurement, diminishing the sector’s ability to tackle medium-term challenges.

Grant Thornton said additional government funding alone will not lead to improvements, and that councils should focus on improving governance and developing financial stability plans.

Joanne Pitt, local government policy manager at CIPFA, said: “With no spending review and no fair funding review, CIPFA shares Grant Thornton’s concerns about the financial sustainability of some in the sector.

“While there are actions local authorities can take to strengthen their own financial resilience, they are facing significant inflationary pressures and rising demand which makes this hugely challenging for the sector.”



Response to local audit consultation – Department for Levelling Up, Housing and Communities (“DLUHC”)

The Department for Levelling Up, Housing and Communities (“DLUHC”) has published its response to the local audit consultation. This follows the “Redmond Review”, which reported in September 2020.

The response confirms plans to establish a new regulator, the Audit Reporting and Governance Authority (ARGA), as the system leader for local audit within a new, simplified local audit framework.

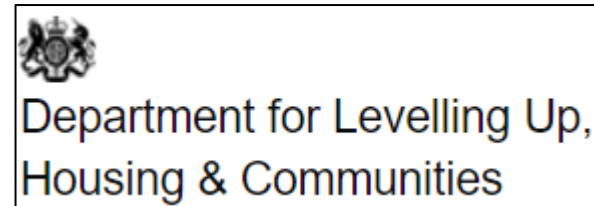
Ahead of ARGA’s establishment, a shadow system leader arrangement will start at the Financial Reporting Council (FRC) from September 2022.

The consultation response also announces:

- Plans to make audit committees compulsory for all councils, with each audit committee required to include at least one independent member. This will create greater transparency and consistency across local bodies.
- ARGA will take over statutory responsibility for preparing and issuing the Code of Audit Practice (from the National Audit Office).
- A post-implementation review of the new Value for Money arrangements. The Code is a key part of the local audit system, and it is important to ensure that it helps to facilitate effective local audit. To allow time for the new arrangements to bed in the response proposes this is completed within three years.

The full response can be found here:

[Government response to local audit framework: technical consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/government-response-to-local-audit-framework-technical-consultation)



The Value of Internal Audit – CIPFA

One of the key elements of good governance is an independent and objective internal audit service. Some organisations engage fully and reap significant benefits from the assurance, insight and expertise they bring whilst others pay lip-service to them and see their work as an administrative burden.

CIPFA's recent report, [Internal Audit: Untapped Potential](#), lifts the lid on internal audit in public services. For some chief financial officers and chief executives, this report confirms the value and contribution of internal audit teams with 87% of respondents recognising the contribution internal audit makes to their organisation. However, some leadership teams saw internal audit as providing a basic service at minimal cost.

Getting the most out of the function requires honest conversations and long-term planning. Maintaining appropriate skills and knowledge within the function is necessary to ensure high quality internal audit in public services are retained.

Culture and governance

The Audit Committee should monitor the delivery of internal audit and their output will be a key part of the annual work-plan. However, internal audit is not a substitute for risk management and should enhance the overall assurances received by management. Executives and Officers should engage with internal audit recommendations to ensure the organisation gains maximum value from reviews.

Capacity

Reducing internal audit days can lead to a lack of 'corporate grip' and not identifying issues at an early stage. This report raises concerns over the capacity of internal audit across the public sector. The profession needs to be valued and invested in to make it more attractive to new blood and for bodies to be able to attract the best candidates to their service.

Expectations

To maximise the impact of internal audit, a clear and aligned strategic audit plan and annual audit plan should be in place. This should be agreed with all stakeholders.

Future plans

Internal audit needs to adapt to the changing landscape, including risks such as climate change, digital and technological developments, cyber-security and ongoing financial and service pressures within their planning processes. For financial resilience and medium- and long-term financial strategies internal audit can provide vital independent assurance to decision makers to allow them to take on more risk and be more ambitious. Leadership teams need to be clear on what assurances they will require going forward.

For more information, [Rob Whiteman](#) share his views on this report.



Audit Committees: Practical Guidance For Local Authorities And Police – CIPFA

In October CIPFA published this guide, stating “This fully revised and updated edition takes into account recent legislative changes and professional developments and supports the 2022 CIPFA Position Statement. It includes additional guidance and resources to support audit committee members, and those working with and supporting the committee’s development.”

CIPFA go on to state “Audit committees are a key component of governance. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams, elected representatives, police and crime commissioners and chief constables.

This edition updates CIPFA’s 2018 publication to complement the 2022 edition of the CIPFA Position Statement on audit committees.

The suite of publications has separate guidance resources for audit committee members in authorities, members of police audit committees, and a supplement for those responsible for guiding the committee.

New aspects include legislation changes in Wales and new expectations in England following the Redmond Review. All authorities and police bodies are encouraged to use the publication to review and develop their arrangements in accordance with the Position Statement.

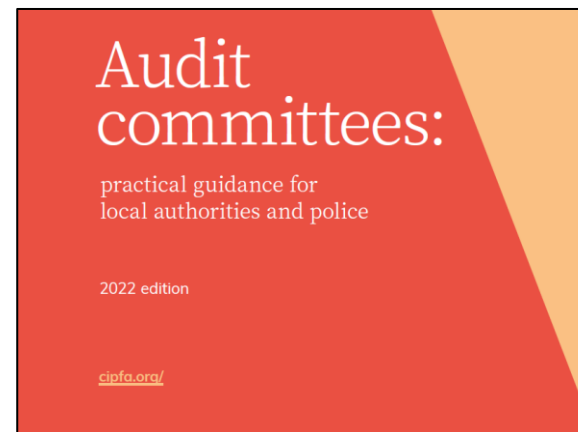
The appendices include suggested terms of reference, a knowledge and skills framework and effectiveness improvement tools.”

The guide covers a number of key areas for Audit Committees, including:

- Purpose
- Core functions:
 - Governance, Risk and Control
 - Accountability and Public Reporting
 - Assurance and Audit arrangements
 - Ensuring focus
- Independence and accountability
- Membership and effectiveness

The guide can be purchased via the CIPFA website:

[Audit Committee Guidance: 2022 update | CIPFA](#)



Audit and Risk Assurance Committee effectiveness tool – NAO

The National Audit Office (NAO) has published this tool which supports Audit Committees in assessing their effectiveness.

The NAO comment “Audit and Risk Assurance Committees (ARACs) play a crucial role in supporting the effective governance of central government departments, their agencies and arm’s-length bodies.

ARACs are operating in a highly challenging context. Government organisations are managing many short- and long-term risks and are required to be resilient to a number of pressures. This has created an environment where ARACs need to be dynamic and responsive to the changing risk profiles and demands of their organisations. ARACs can see this as an opportunity to work out how they can most proactively work with the Board and accounting officer.

Against this background, the NAO’s effectiveness tool provides a way for ARACs to assess their effectiveness against more than just the basic requirements. It provides aspects of good practice to give ARACs greater confidence and the opportunity to meet the requirements of their role.

The NAO’s effectiveness tool is a comprehensive way for ARACs to assess their effectiveness on a regular basis.”

The tool covers:

- Membership, independence, objectivity and understanding
- Skills and experience
- Roles and responsibilities
- Scope
- Communication and reporting

Although the tool is designed for central government Audit Committees it is also relevant to local government.



The guide can be found here:
[Audit and Risk Assurance Committee effectiveness tool - National Audit Office \(NAO\) Report](#)

Local government procurement and contract management: Lessons learned

More than a third of all UK government spending on goods and services is spent by local government, so it's important councils have effective arrangements for procurement and contract management.

The sector's ongoing focus on efficiency, and other priorities, such as net zero and local growth, mean that local government procurement has a rare opportunity to make a difference to the wider government agenda.

Our latest review of auditor reports shows that not all councils have the right governance arrangements in place, or deploy the appropriate skills and resource. Where things go wrong there are potentially significant risks to public money and service delivery.

The analysis sets out five key themes for ensuring good practice:

- Strategic planning
- Internal control
- Time, technical expertise, and people
- Commercial awareness
- Contract management



Local government procurement and contract management

Lessons learned from recent auditor reports

December 2022



The guide can be found here:
[Audit and Risk Local government procurement and contract management: Lessons learned | Grant Thornton](#)



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Audit and Governance Committee



Date of meeting:	16 January 2023
Title of Report:	Risk Management Monitoring Report / Scrutiny Update – January 2023
Lead Member:	Councillor Mark Shayer (Deputy Leader and Cabinet Member for Finance and Economy)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Ross Jago, Head of Governance Performance and Risk
Contact Email:	Ross.jago@plymouth.gov.uk
Your Reference:	RS/RMJan22
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

The attached report provides an update on the Strategic register for the organisation.

Strategic Risk Register

The total strategic risks being managed is 18. Five risks have a rating of Red; these relate to responding to Council expenditure, the growing volume and complexity of demand on the Children, Young People and Families Service, IT supply chain constraints, cyber-attacks and city economic performance.

Two risks have been identified as sufficiently mitigated and have been moved to the operational register. These are -

- The Council not meeting its obligation to keep data secure by failing to adhere to Data Protection Act 2018 Regulations.
- The Council not meeting its legal obligations regarding the health, safety and wellbeing of its workforce.

Risk number 19 “Risk of failure to deliver the range of housing to meet Plymouth’s need” has had its risk score increased to twelve and is now amber.

Risk @ Scrutiny

The Performance Finance and Customer Focus, Education and Children’s Social Care, Health and Adult Care and the Growth and Infrastructure Overview and Scrutiny Committee Overview all considered risks pertinent to the committee’s terms or reference in the November cycle of meetings. There were no specific recommendations resulting as initial reviews of the risk register has resulted in items scheduled for future meetings.

Recommendations and Reasons

The Audit and Governance Committee is recommended to note the current position with regard to the Strategic Risk Register.

Reason: As part of the Committee's responsibility for monitoring the implementation and ongoing processes for identifying and managing key risks of the authority.

Alternative options considered and rejected

Effective risk management processes are an essential element of internal control and as such are an important element of good corporate governance. For this reason alternative options are not applicable.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Strategic Risk and Opportunity Register includes links to the Corporate Plan priorities – monitoring of control action for strategic risks therefore contributes to the delivery of the council's core objectives.

Implications for the Medium Term Financial Plan and Resource Implications:

None arising specifically from this report but control measures identified in Directorate Operational Risk and Opportunity Registers could have financial or resource implications.

Financial Risks

None arising specifically from this report but control measures identified in Directorate Operational Risk and Opportunity Registers could have financial or resource implications.

Carbon Footprint (Environmental) Implications:

Failure to deliver against actions in the Climate Emergency Action Plan and Corporate Carbon Reduction Plan are included on risk registers.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The risk registers specifically supports the council's overall governance arrangements.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Risk Monitoring Report							
B	Strategic Risk Register							

Background papers:

**Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

Fin	Click here to enter text.	Leg	EJ/38 851/6 .1.23(1)	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: Giles Perritt											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 20/12/2022											
Cabinet Member approval - Councillor Mark Shayer Date agreed: 05/01/2023											

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RISK MANAGEMENT MONITORING REPORT

January 2023



1. Introduction

- 1.1. This report provides the position with regard to the strategic and operational risk registers.
- 1.2. The next formal review of the strategic risk and opportunity register will take place in March 2023, the operational risk register will also be reviewed at this time. Risk registers are however a live document and will be regularly discussed at Directorate Management Teams.

2. Strategic Risk Register – Monitoring Summary

- 2.1. Two risks have been identified as sufficiently mitigated and have been moved to the operational register. These are -
 - The Council not meeting its obligation to keep data secure by failing to adhere to Data Protection Act 2018 Regulations.
 - The Council not meeting its legal obligations regarding the health, safety and wellbeing of its workforce.



3. Strategic Risk Register

- 3.1. There are 18 strategic risks currently being managed. In total there are five red risks. These are shown below;
 - **Risk Number one in table one** relates to the Council's expenditure exceeds the resources available to meet that expenditure within the medium-term financial plan period.
 - **Risk number two in table one** relates to possible failure to meet statutory duties due to growing volume and complexity of demand for children's social care services.
 - **Risk number three in table one** relates to the potential for a cyber-attack to render all of the Council's IT inaccessible for an extended period of time therefore impacting on the Council's ability to deliver services.
 - **Risk number four in table one** relates to IT supply chain constraints results in increased costs and extended lead times for equipment. This will lead to budget pressures for the Council plus Service delivery pressures as new and replacement IT equipment experiences considerable delays.
 - **Risk number five in table two** relates to workforce concerns and the growing fragility of the Adult Social Care Market that might lead to the inability of the Local Authority to meet statutory duties and meet eligible need.
 - **Risk number six in table two** relating to insufficient economic performance to sustain the City's economy and growth plans.

3.2 Strategic Risk update table one

Table one provides an update on strategic risks with mitigation that is fully influenced by Plymouth City Council, this is 9 of the 18 risks on the strategic risk register

Table one – Strategic Risks fully mitigated by Plymouth City Council

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
1	The Council's expenditure exceeds the resources available to meet that expenditure within the medium term financial plan period (2022/23-2025/26)	<ul style="list-style-type: none"> • The Council has also taken the following steps <ul style="list-style-type: none"> ○ to adopt a 5 year MTFP moving forward rather than a 1 year or 3 year model ○ to adopt a system of monthly financial reporting to Directorate Management Teams, Corporate Management Team, and Cabinet and Quarterly to Full Council, with monthly consideration of directorate level financial issues at each Scrutiny Committee • In addition the Council has introduced a system of detailed monitoring of the delivery of savings targets so that a view is published monthly in Cabinet reports. This will also include any significant issues which emerge from the cost of living crisis. The Council also holds an annual review of fees and charges and has annual and ongoing programmes of work to identify and understand potential savings opportunities. The governance system of the Council - as unpacked in the Annual Governance Statement comprise a rigorous system of financial control. • It is of critical importance to the Council and City that CMT and Cabinet select means of reducing the costs of the Council to fully mitigate the forecast budget shortfalls in future years. This is underway but until this work is completed later in 	25	Red  Red since May 2022	Red 	David Northey

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<p>2022 the risks will remain at the current level. The Deputy leader/PFH for Finance is meeting each week with S151 Officer and Strategic Director for Customer & Corporate Services to review the 2022/23 Monitoring position. There are also Member & Officer Budget Working Subgroup meetings every 2 weeks to monitor progress on 2023/24 budget.</p>				
2	<p>Failure to meet statutory duties due to growing volume and complexity of demand for children's social care services Pressures are building around the rate of inflation and cost of living incurred costs which Local Authority Foster Carers and Independent Providers are experiencing; this will have an additional impact on our sufficiency. We are likely to continue to feel the effects of further increases in the 2022/23 financial year, as we renew our annual contracts in April 2023. Predictions are that the 2023/24 financial year will also see increased impacts, therefore a 3%</p>	<ul style="list-style-type: none"> • Additional social work capacity agreed to support effectively delivery of casework. Recruitment is ongoing to some of these posts on a permanent basis. • Fostering Project Delivery Plan in place to increase foster carer resource to reduce costs. • High cost placement review takes place on a frequent basis each month to ensure all costs closely monitored and reduced. • Ongoing rigour in decision making to manage demand via Placement Panel which takes place weekly and overseen by a dedicated service manager with responsibility for reducing costs of individual placements and ensuring timely step down. • Ensuring action plan milestones are reached via monthly monitoring at Programme Board/Finance DMT. • Service redesign to ensure an operating model that supports much earlier intervention and prevention of children coming into care wherever possible. 	20	Red	Red Red since July 2020	Sharon Muldoon

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	inflation is being built in on all fees for 2023/24.					
3	<p>A Cyber-attack renders all of the Council's IT inaccessible for an extended period of time therefore impacting on the Council's ability to deliver services.</p>	<ul style="list-style-type: none"> - Cyber Governance board implemented - Delt undertaking a programme of Cyber security improvements. The programme is at the initiation stage, however will produce recommendations for improving aspects such as end point detection and defence, improved identity and asset management - Programme report and plan developed in September required reworking, now expected in November 22 - It will also improve the annual IT Health Check by looking at repeat issues and introducing process changes to prevent them from reoccurring. 	20	RED █	RED █ Red since January 2022	Andy Ralphs
4	<p>IT supply chain constraints results in increased costs and extended lead times for equipment.</p> <p>This will lead to budget pressures for the Council plus Service delivery pressures as new and replacement IT equipment experiences considerable delays.</p>	<ul style="list-style-type: none"> - PCC to pre plan as far ahead as possible on any purchases of technical goods or services, notifying Delt during the planning phase of such work. - Delt engagement with current suppliers and escalation of any changes to current prices / lead times - Assessment of alternative suppliers - Budget monitoring - IT Service Level Management - Monitoring of procurement lead times 	20	RED	RED █	Andy Ralphs

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
9	<p>Increased and sustained pressure on Adult Social Care budget due to increased costs of providing care, growing numbers of people and increased complexity of need. As this is a statutory service and largest single budget it could have a significant impact on the Authorities overall financial position.</p>	<ul style="list-style-type: none"> - Real time management information - Strong Reablement Offer - Established Review Programme - Commissioning Intentions and Commissioning Activity to develop new models of care - Budget containment meetings in place - Focus on reviews and reablement to right size packages of care including focused work on 18 to 64's - Emergency Plan to cover need to prioritise critical services 	16	<p style="text-align: center;">Amber</p> <p style="text-align: center;">█</p>	<p style="text-align: center;">Amber</p> <p style="text-align: center;">█</p>	Anna Coles
11	<p>The Council having insufficient workforce capacity and resilience to deliver the required range of services to meet statutory obligations and administration priorities.</p>	<ul style="list-style-type: none"> - Develop online training programmes - Implementation of 'The Way We Work' programme (technology, information management, accommodation) to enable the right conditions for success - Review of senior structure - Review of business plans - Possible remodelling of services - Ongoing 1:1 supervision meetings - Working towards Gold Wellbeing at Work Award - Increase in number of Wellbeing Champions to 60 (from 44) - Implement New Ways of working and deliver Accommodation Strategy. 	15	<p style="text-align: center;">Amber</p> <p style="text-align: center;">█</p>	<p style="text-align: center;">Amber</p> <p style="text-align: center;">█</p>	Andy Ralphs



Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<p><i>**This Strategic Risk is under review following the meeting of the Health Safety and Wellbeing Steering Group.**</i></p>				
18	<p>Risk of financial impact of delivering proposed changes to Waste Services as set out in the Government's Draft Environment Bill.</p>	<ul style="list-style-type: none"> • The Council have partnered with the Waste Industry body WRAP to jointly commission external support to assess the likely impacts and opportunities of the Environment Act. The funding for this work has been wholly met by DEFRA. The initial report was completed with broadly inconclusive findings. The scope of ongoing work is as follows: <ul style="list-style-type: none"> - To understand the implications of, and ensure the Council meets, the government's requirements as proposed in the Resources & Waste Strategy - To help inform the future design of the Council's household waste collection service and understand the implications in terms of reprocessing infrastructure - To understand the likely impact that changes to the current household waste collection service will have on the Council's recycling performance - To consider where operational efficiencies can be achieved whilst still delivering a service that meets the needs of its residents and allows the Council to maintain high levels of customer satisfaction - To appraise whether existing waste management infrastructure and assets in Plymouth, and the surrounding area, are likely to be sufficient for future requirements; and if they are deemed not to be then to provide options to inform the Council's waste strategy and spatial planning. 	12	<p style="text-align: center;">Amber</p> <p style="text-align: center;">█</p>	<p style="text-align: center;">Amber</p> <p style="text-align: center;">█</p>	Anthony Payne

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
20	Risk to vulnerable children and young people in the care system, by not delivering early intervention and prevention.	<ul style="list-style-type: none"> Continue to drive forward change across the partnership in relation to whole family working, engagement with the Early Help Assessment Tool process, data exchange and achieving the outcomes required within the Supporting Families Outcomes Plan. 	6	Green █	Green █	Sharon Muldoon
22	In 2019/20 the Council adopted under legal advice a proposal to make additional upfront contributions to offset the Council's pension fund deficit.	<ul style="list-style-type: none"> Liaison with legal advisers Consultation with the Auditor Possible Consultation with Government Legal Advice now close to reconciliation and CIPFA accounting treatment agreed. Looking for acceptable resolution with all parties before Christmas break 	TBC – subject to ongoing legal advice			David Northey

3.3 Strategic Risk update table two

Table two provides an update on strategic risks with mitigation that is influenced by Plymouth City Council but is also dependent on other outside factors, this is nine of the 18 risks on the strategic risk register.

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
5	Lack of adult social care workforce and growing fragility of Adult Social Care Market leading to inability of Authority to	<ul style="list-style-type: none"> Establishment of Community Capacity Command Centre to provide greater oversight of market and capacity Local Authority has set up a Care Company to ensure continuity of provision in the event of market failure 	20	Red █	Red █ Red since Oct 2021	Anna Coles


No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	meet statutory duties and meet eligible need.	<ul style="list-style-type: none"> - Care Home liaison work being undertaken by Livewell Southwest, to increase levels of support to Residential and Nursing care marker - Risk to be continued to be monitored through contract monitoring and market intelligence - Supporting market wide workforce recruitment / retention across residential and domiciliary sector - Remodelled bed bureau launched to support Care Homes to manage complex discharge cases - Incentive payments to workforce - Managing risk through winter strategy for the domiciliary care market. 				
6	<p>Insufficient economic performance to sustain the City's economy and growth plans.</p> <p>The risk to economic performance is a combination of the ongoing impacts of the long term impacts of Covid 19, inflation (including materials), the war in Ukraine, cost of living crisis on both individuals and businesses and general uncertainty in many sectors.</p> <p>Some of the long-term effects (especially without effective policy</p>	<ul style="list-style-type: none"> - The impact of COVID-19 on the economy has been sharp and has affected different sectors of the economy in different ways. Our strong emergency action plan response "Resurgam" has now transitioned to Business As Usual (BAU) activity. Alongside this we are seeking to maximise all opportunities to secure additional funding for economic initiatives including focussing on creating new jobs in the Blue and green economy. The initiatives include: The Plymouth and South Devon Freeport, National Marine Park, Levelling up bids and City Centre Investment Zones. We will continue to maximise all funding opportunities for our city region. 	20	<p>Amber</p> 	<p>Red</p> 	Anthony Payne

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	instruments) are likely to carry on later into 2022 and beyond.					
7	Ongoing COVID-19 rates (with potential for further peaks) affect city's recovery / reset plans.	<ul style="list-style-type: none"> - The key mitigation of vaccination has now reached around 85% (one or more doses) of those eligible. There have been reductions in the mitigations (reduced testing, support payments and legal need for self-isolation) and this has created uncertainty around case rates and the risk of delayed detection of new variants. The longstanding advice to the general public remains in place and is re-emphasised at regular intervals. 	16	Amber ██████	Amber ██████	Ruth Harrell
8	Failure to reduce Health Inequalities will mean our poorest residents continue to live shorter lives as well as more years in ill health. Mounting evidence that COVID-19 is having differential health impacts across communities, adding to existing health inequalities. This is through either the disease itself or the mitigations put in place. There is an ongoing impact of this due to the economic downturn.	<ul style="list-style-type: none"> - Persistent action across the Council is required at many levels to tackle inequalities by addressing the wider detriments of health. The Public Health Team and partners continue to work with employers (year one focus) and schools (year two focus) to influence healthier lifestyles. The team continues to embed and promote the national One You campaign across the city. - The 'five ways to wellbeing' has been adopted across the City as the single approach to improving mental wellbeing. The work that started in year five on 'people connecting through food' is ongoing with a number of new initiatives developed. The intention was that the year six focus would be arts, culture, heritage and health (using the Mayflower 400 commemorations as the vehicle for delivery). However, this year was curtailed as a result of the pandemic and a two year pause was put on the programme. Subsequently, Thrive Plymouth Year seven was launched in May 2022 with a focus on Listening and Reconnecting. 	16	Amber ██████	Amber ██████	Ruth Harrell

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<ul style="list-style-type: none"> - There is a need to reflect on our experiences and acknowledge what we have been through. Though there has been much trauma, we believe that there have also been some positives which we want to help the city to build on and apply to the wider challenges of inequality. - Evidence has been provided to the Health and Wellbeing Board on the risk of widening health inequalities which partners are working together to try to mitigate. The Local Care Partnership priorities are being refreshed and includes tackling inequalities. Both of these routes bring partners together to understand the issues and the steps needed to tackle health inequalities in the City. In addition to this, to support the work of the Council's cross-party Child Poverty Action Plan Working Group, a high level review of the evidence of the impacts of the pandemic on the mental wellbeing of children and young people has been carried out. As already stated, the primary role of the ODPH and the Public Health Team in particular is now to minimise the impact of COVID-19 in the city therefore protecting most deprived communities from further negative impacts. 				
10	<p>Adult Social Care (ASC) Reforms - There are a number of reforms to ASC that will create financial uncertainty in terms of being able to accurately understand the cost and resources impact once reforms have been</p>	<ul style="list-style-type: none"> - This risk will continue to be monitored closely as the reform programme progresses. - We will assess the impact of charging reforms on 'trailblazer' local authorities who are early adopters of these reforms. - We will continue cost of care exercises locally, including working with our local care market to better understand impact on finance and resources. 	16	<p>Amber</p> <p>New risk</p>	<p>Amber</p>	<p>Anna Coles</p>

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	<p>implemented. It is not clear whether any additional monies will be made available for local authorities and there is currently no reliable way of forecasting impact.</p> <p>Examples of reforms include;</p> <p>Fair cost of care</p> <p>Charging reforms</p> <p>Local Protection Safeguards</p> <p>Care Quality Commission Assurance programme</p>	<ul style="list-style-type: none"> - We will continue engagement with Local Government Agency and regional and national groups (such as ADASS) to determine approach to managing all reforms. - We will continue to seek to understand impacts of all reforms through our established reform programmes, and will consider potential use of Offers and Asks due to cost of new burdens on the service. 				
13	<p>Insufficient pupil attainment to achieve economic / quality of life outcomes across the secondary cohort</p> <p>Plymouth's Secondary cohort has experienced many years of poor attainment outcomes. This affects future economic and quality of life outcomes. Despite the 'provisional' indication of improvement in</p>	<ul style="list-style-type: none"> - Plymouth Education Board (PEB) (and sub groups) has been reviewed with the new Board started, strengthening education partnership. - School 'Causing Concern' procedure has been reviewed and strengthened. These have led to a partnership of distinct interventions to drive improvement and raise achievement. - Cause for concern meetings, Early Years Board, Primary and Special School Partnership, Inclusion Strategy Board have added strength to the work governed by PEB. - The programme to sign schools up to the city's Inclusion Charter begun in September. Eight schools have completed the process in terms 1 and 2. 	15	Amber	Amber	Sharon Muldoon

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	educational outcomes this year (2021/22), improved outcomes needs to be embedded, consistent and sustainable over forthcoming years.	<ul style="list-style-type: none"> - The Plymouth Standards Partnership Recovery & Improvement Plan: A key priority is work to support disadvantaged pupils. - The work of the 'Plymouth Place Based Partnership' has entered its second phase with a three strand plan across the academic year focusing on inclusion, raising attainment in English & maths, developing leadership and inclusion – particularly reducing mobility. - This year's (2022) Attainment 8 and Progress 8 outcomes are historically best in Plymouth since the accountability measures were introduced in 2014. There is not yet national figures to compare with. Plymouth achievement of the basics (5 or above in English and Maths for 2021/22 is 45.9% for England it is 49.8%). Please note that there is no trend data due to COVID. 				
17	Risk of failing to meet carbon reduction targets to reach net zero by 2030.	<ul style="list-style-type: none"> - Year 1, 2 and 3 CCRPs and CEAPs have been prepared to date, covering the period 2020-2022. - The focus of the CCRP is on the things in the direct control of the City Council; the focus of the CEAP is on the wider things the Council is able to influence as well as some of the climate actions of City partners. - The Climate Emergency strategy and action plan process is currently under review, with a view to making revisions from 2023, providing a more strategic approach. - Growth and Infrastructure Overview and Scrutiny Committee receive 6 monthly performance updates 	12	Amber █	Amber █	Anthony Payne
19	Risk of failing to deliver the range of housing to meet Plymouth's need.	<ul style="list-style-type: none"> - Current and future actions to consider includes; - Continue to lobby Government/respond to planning reforms seeking changes/assistance 	9	Green █	Amber	Anthony Payne

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<ul style="list-style-type: none"> - State assistance for Affordable Housing delivery and prioritising Previously Developed Land /Urban housing regeneration - Progress Plan for Homes programme, prioritising interventions to build back AH delivery - New strategic land review to identify further suitable Council owned sites - Investigate potential for acquisition of some Plymouth allocated sites i.e. HE intervention - Funding opportunities to unlock PDL sites? i.e. Devolution Deal, HE/DLUHC funding streams - Increase Direct delivery to build pipeline of quality, well designed greener homes - Links to Skills Strategy and links with Building Plymouth for training and employment opportunities - Current activity includes; - Plan for Homes has identified and released 50 Council owned housing sites to the market; working to drive forward delivery on these sites. - Housing Investment Fund in Plan for Homes 3 targeted to support activity to unlock housing delivery to meet identified housing needs; funding either spent, allocated or committed to priority interventions. - Extensive discussions at a senior level with Homes England in attempting to support the creation of a place-based partnership, to unlock future funding to support market interventions and develop a pipeline of housing sites, support City Centre renaissance and to help align Government funding with housing site opportunities. - Launched the Plymouth Eco-Homes Programme to support building a pipeline of over 250 low-carbon and net-zero homes across Plymouth. 				

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<ul style="list-style-type: none"> - Commencing on site the Direct Delivery of new homes to drive up good design, quality and sustainable living, and identifying a pipeline of future sites to support our direct delivery ambitions. - Developed two Housing Partnership Agreements with key Housing Association Partners to maximise their investment and delivery in the city. - Considering site acquisitions and provided funding to help unlock stalled JLP sites. Reviews of JLP sites completed and monitored, with delivery strategies being implemented. - Secured £2.2m Brownfield Land Release Funding to help unlock 325 affordable homes on PCC owned land. - Ongoing innovation to improve the proactive and fast track approach to planning to deliver housing. - Monitoring development activity in the construction sector to understand the effect of COVID-19 on housebuilding. - We will manage the 5 year land supply position to ensure that decisions on sites are taken using a balanced and objective assessment of market conditions. - Work with the Plymouth Housing Development Partnership to leverage their investment and progress housing projects to stimulate affordable housing delivery, and support SME's to start building again. - Continuing to bring long term empty homes back into use. - Lack of market led delivery leads to lack of AH delivery – PDL delivery challenges vs greenfield, supply of sites left in Plymouth predominantly PDL – viability, demand and high values on greenfield sites in SH/WD 				

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<ul style="list-style-type: none"> - We are not unique in Plymouth- urban lower value cities have fared worse than affluent parts of the SE. 				
21	<p>Viability of commercial bus operators with patronage not yet back to pre-Covid levels, the ending of Government Bus Recovery Grant in October, failure to secure any funding through our Bus Service Improvement Plan and increasing operating costs means that a number of unviable bus services are being reduced in frequency, re-routed or cut altogether from 4th September 2022.</p>	<ul style="list-style-type: none"> - Monitor patronage levels locally both fare paying and concession pass holders. Frequent liaison meetings with bus operators. The Council continues to pay concession fare reimbursement above actual level of travel, although this is reducing in line with Government guidance by 5% every 2 months until such time it is less than reimbursement based on actual trips. To address loss of commercial services from 4th September, virements from concession fares reimbursement budget to non-commercial services budget of £557K in 23/24 to pay for non-commercial services secured through competitive tender and enable all areas of Plymouth to continue to have a bus service, at least on Mondays to Fridays. To make the budget go as far as possible, routes have been redesigned where possible to be able to use developer contributions to part or wholly fund some non-commercial routes. Enhanced cleaning regime of buses to continue. Ensure clear messaging by transport providers about maximising messages about maintaining safe travel. In March 2021, the Government announced its new National Bus Strategy "Bus Back Better" making a further £3bn of funding available for the 3 years from April 2022 to significantly improve bus services across the country. In the end only £1bn was available and although PCC has not received any additional BSIP funding from the £1bn released, PCC has confirmed that it will introduce an Enhanced Partnership from the 31st October 2022. At the moment it is not 	15	Amber	Amber	Anthony Payne

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		possible to deliver Plymotion to encourage the take up of bus services. Schemes continue to delivered through the Transport Capital Programme to encourage patronage returning to pre-Pandemic levels as soon as possible. Increased commitment to non-commercial services is up until March 2024. Tenders will be sought late in 2023 when it is envisaged that commercial viability on a number of routes will have improved.				


4.0 Operational Risk Register

4.1 There are now 151 risks on the operational risk register. The number of red risks has not changed since the last report in October 2022.

Further details on the 'red risks' are shown in table two below.

Table two – Operational Risk Register Updates – Red Risks only

No.	Description	Mitigation	Risk Score	Current risk rating	Risk Owner
1	Staff resilience to causative factors of stress variable resulting in the primary reason for short and long term absences being due to stress / psychological factors; reduced morale, loss of productivity with impact on delivery; financial loss due to need to engage agency staff to cover and legal requirement to assess	Zero Tolerance to violence and aggression campaign due to launch in Q4; additional resources being sought for CYPF re work demands (cross reference DCS ORR); critical analysis of violent and aggressive incidents in progress Time to talk day - pro-active comms to keep awareness raised of support available RP revised and vacant post to be appointed to with clear focus on wellbeing and resilience programmes. Programme of awareness raising; Corporate Wellbeing and Resilience Survey cycle to commence June 17; Appointment to Wellbeing Specialist Post; monitoring of impact of the above and stress risk assessments; delivery of	20	Red	Kim Brown

	risk and make reasonable adjustments / remedial actions	Time to Change action plan and work towards achievement award in MH aspects of Wellbeing Charter; roll out MH first aid to Team Plymouth and other managers to support early intervention, prevention of stress and support for resilience. <i>**This Operational Risk is under review following the meeting of the Health Safety and Wellbeing Steering Group.**</i>			
2	Risk of loss of life, injury or property damage due to tree falling within the city and at Mount Edgcombe. Ash dieback is now present in the city and Mt Edgcombe and is affecting large numbers of ash trees, meaning they are more susceptible to shedding limbs. Ash is the third most common species of tree in Devon and represents 1000s of the trees on land in the city. The disease is expected to infect over 90% of ash trees in the city in the coming years and therefore increases the risk to public safety and damage to infrastructure, as well as having a significant impact on biodiversity and decreasing the city's canopy cover.	Works ongoing due to large backlog of work Initial assessment of Ash dieback and report issued Tree Risk Management Review completed Increased partnership working and share Higher risk rating relates to Mount Edgcombe and requirement for capital funding to deliver tree management plan Still a case to be raising this at national level to ensure that costs to LAs are recognised by national government, DEFRA/ DLUC and a plan/ funds provided.	20	Red 	David Draffan / Paul Barnard
3	Inadequate Asbestos Management Arrangements - resulting in closure of buildings/services, legislation	Completion of the pilot of three buildings Roll out of the Maximum Acceptable Concentration initiative to all remaining buildings	20	Red	Kim Brown

	breach, potential litigation for health claims, failure of duty of care, poor corporate governance	Management of the buildings, linked to Person in Charge changes and take up within all risk areas.		- Red since Feb 2021	
4	Risk of injury or incident from inadequate traffic management and segregation between pedestrians and vehicles at depots	<p>Project works to address all aspects of site traffic flow and pedestrian segregation</p> <p>Training programme to ensure that all employees, contractors and businesses operating on site understand the Safety Watch Observation Programme</p> <p>Project Board to be initiated to ensure that all project works are managed as a coherent whole</p> <p>Perimeter fencing to be installed around land fill site</p> <p>Replacement of push walls in Refuse Transfer Station and green waste area</p> <p>Assurance around environmental agency requirements for the monitoring of gases and leachate.</p>	20	Red	Philip Robinson
5	Risk of loss of confidential/sensitive data and fines by not ensuring there is adequate business continuity processes in place following an information security breach to protect the council's assets	<p>Revised eLearning package has been rolled out to all staff with PC access.</p> <p>Booklet to be produced for staff who do not have access to a pc.</p> <p>Business Continuity Plans to be updated for loss of information.</p>	20	Red ↑	Andy Ralphs

6	Risk of loss of life, injury or property damage due to coastal stability issues regarding chalet plots at Mount Edgcumbe.	Tenants advised of risk mitigation measures. New long term lease offers withdrawn with chalets to be removed and sites returned to nature. Management required to ensure tenant vacation at lease expiry date and removal of chalets and reinstatement of plots.	20	Red ████████	David Draffan
7	Risk of loss of life or injury to members of staff due to inadequate control measures in place for those working on or near the Highway	Currently securing external consultancy support to assess existing risk assessments and working practices. This will result in a remedial action plan. Which is likely to include changes to working practices, training and investment in new signage and vehicle liveries. Require support from Procurement colleagues to expedite securing this company. Liaising with Highways colleagues to help mitigate the risks whilst we await external review and recommendations.	20	Red ████████	Philip Robinson
8	Uncertainty over the sustainability of teckal company/trading partnerships (CaterED).	Strong order book. Surplus of 2million. Identifying future opportunities new MD and more work across 4 LA to achieve business plan. January review of cost of school meals and charging. Have secured new contracts in 2022	20	Red ████████	Jim Barnicott

Audit and Governance Committee – Tracking Decisions 2022/23

Minute No.	Resolution	Progress
25 July 2022 Minute 5 Audit Actions Review	It was agreed that a report would be submitted to the Audit and Governance Committee detailing work undertaken by internal audit in relation to covid related grants.	Date: July 2022 Progress: Report requested. This was expected to be provided at a future meeting due to resourcing issues. Update: Work had been undertaken and information would be provided to Members. Complete – emailed 1.12.2022
29 September 2022 Minute 32 Statement of Accounts 2021/22	The Committee <u>agreed</u> – (1) to approve the Statement of Accounts for 2021/22 (attached as Appendix B to the report) with the understanding that they are currently being audited by GTUK. Should any issues be identified during the GTUK audit Members are asked to delegate the approval of the Statement of Accounts to the Chairperson of the Audit and Governance Committee, in consultation with the Service Director for Finance; (2) that the Chair and Vice Chair would meet with relevant officers to discuss the detail of the accounts and any potential issues that may arise.	Date: October Progress: (1) Complete (2) A meeting is currently being arranged.
28 November 2022 Minute 38 External Audit - Auditor's 20/21 and 21/22 Annual Report	The Committee agreed: 1. that web-links to the recent Section 114 report from the Financial Director at Croydon Council, and the report produced in September on public interest reports and the lessons learned, would be provided to Members for their consideration;	Date: December 2022 Progress: Complete 1. Emailed 7.12.22 2. Officer advised 3. Complete

Audit and Governance Committee – Tracking Decisions 2022/23

	<ol style="list-style-type: none"> 2. that the External Auditor – Auditors 20/21 and 21/22 Annual Report recommendations should be submitted to Cabinet for consideration, as well as the minutes of the Audit and Governance Committee relating to the discussion of this item; 3. To note the recommendations contained within the External Audit – Auditor’s 20/21 and 21/22 Annual Report. 	
<p>28 November 2022 Minute 39</p> <p>External Auditor - Audit Plan 2020/21</p>	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. That a training session upon the roles and responsibilities of the Audit and Governance Committee would be arranged for the benefit of new members, and would also be considered as part of the inclusion into the Member Development Strategy as well as for the development of scrutiny panel members; 2. to note the External Audit – Audit Plan 2020/21. 	<p>Date: November 2022</p> <p>Progress:</p> <ol style="list-style-type: none"> 1. This was currently being developed. 2. Complete
<p>28 November 2022 Minute 40</p> <p>Internal Audit Half Year Report</p>	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. to review and note the findings within the report; 2. to review and note the Head of Audit mid-year assurance opinion; 3. to review and approve the in-year changes to the audit plan. 	<p>Date: November 2022</p> <p>Progress: Complete</p>
<p>28 November 2022 Minute 41</p> <p>Risk Management Strategy</p>	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. that the inclusion of scrutiny in the roles and responsibilities section of the report would be included and agreed with the approval of the Chair and Vice Chair; 2. to note the Risk and Opportunity Management Strategy 2022 – 2024. 	<p>Date: November 2022</p> <p>Progress: Complete</p>

Audit and Governance Committee – Tracking Decisions 2022/23

<p>28 November 2022 Minute 42</p> <p>Risk Management Monitoring Report (to include scrutiny update on risk management)</p>	<p>The Committee agreed to note the current position with regard to the Strategic Risk Register.</p>	<p>Date: November 2022 Progress: Complete</p>
<p>28 November 2022 Minute 43</p> <p>Treasury Management Strategy</p>	<p>The Committee agreed to recommend the Treasury Management Strategy 2023/24 that incorporates the authorised limits, operational boundaries and prudential indicators to the City Council for approval. (This is to comply with the CIPFA Code of Practice and discharge our statutory requirement.)</p>	<p>Date: November 2022 Progress: Complete</p>
<p>28 November 2022 Minute 44</p> <p>Capital Finance Strategy</p>	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. to recommend that officers are mindful of future debt associated with grant funding from Government and consider carefully the acceptance of grant funding especially in the current economic climate with increasing interest rates and the capacity for project costings to rise; 2. to recommend the Capital Financing Strategy to the City Council for approval. (This is to comply with the CIPFA Code of Practice and discharge our statutory requirement.) 	<p>Date: November 2022 Progress:</p> <ol style="list-style-type: none"> 1. Complete – officers advised of recommendation. 2. Complete – this was on the agenda for Full Council.
<p>28 November 2022 Minute 45</p> <p>Counter Fraud Services Half Year Report</p>	<p>The Committee agreed to note the Counter Fraud Services Half Year Report.</p>	<p>Date: November 2022 Progress: Complete</p>

Audit and Governance Committee – Tracking Decisions 2022/23

28 November 2022 Minute 46 Tracking Decisions	The Committee agreed to note the tracking decisions update.	Date: November 2022 Progress: Complete
28 November 2022 Minute 47 Work Programme	Members agreed to add the following to the 20 March 2023 agenda: • Training and the understanding of roles and responsibilities The committee agreed to note the work programme.	Date: November 2022 Progress: Complete – added to work programme

Key:

Grey shaded box = action complete

Audit and Governance Committee

Draft Work Programme 2022 - 2023

Please note that the work programme is a 'live' document and subject to change at short notice.



For general enquiries relating to the Audit and Governance Committee, including this Committee's work programme, please contact Helen Rickman, Democratic Advisor on 01752 398444.

Date of meeting	Agenda item	Responsible Officer	Reason for consideration
20 March 2023	Audit Actions Review	Paul Looby	To provide the Committee with an update on the tracking of Audit recommendations from Grant Thornton and Devon Audit Partnership.
	Whistleblowing Policy	Brenda Davis	Deferred from 29 September meeting.
	External Audit – Progress Report	Grant Thornton	To consider the Audit Progress Report from the Council's external auditor, Grant Thornton.
	Treasury Management Practices and Principles	Wendy Eldridge	A review produced annually of practices and principles used to conduct TM activities.
	Review of Council Officers Code of Conduct	Ross Jago / Emma Jackman	Requested by committee
	Review of Arrangements for dealing with complaints through the code of conduct	Emma Jackman	Statutory Requirement
	Risk Management Update	Ross Jago	Standing Item
	Audit training and the understanding of roles and responsibilities	Ross Jago	Added at 28 November 2022 meeting.
<u>Items to be scheduled:</u>	Review of Council's ICT Policy		

ELECTORAL CYCLE CONSULTATION TASK AND FINISH GROUP - TERMS OF REFERENCE



1. Introduction

- 1.1. Following the unanimous agreement of full council to move to a consultation on the electoral cycle, the Audit and Governance Committee has been delegated the approval of the design and implementation of the consultation, in particular who would be consulted/engaged with and how.
- 1.2. The Audit and Governance Committee has previously indicated a wish for a small Task and Finish Group to be established to oversee the development of the consultation process. This short paper proposes the establishment of the group to undertake the work.

2. Task and Finish Group Purpose

- 2.1. The Task and Finish Group will be established to review initial proposals for the consultation and provide amendments and suggestions for further development. The Task and Finish Group will focus on –
- Consultation question/s
 - Methodology for the consultation to include –
 - Communications and engagement timescales and approach
 - Consultation materials
 - Reporting milestones
 - Those people (or groups of people) invited to take part

3. Timescales

- 3.1. In order for the consultation process to be agreed and implemented in June (in line with the Council resolution) the following timescales are proposed

Meeting	Date	Purpose
Task and Finish Group (Teams Meeting)	W/C 30 January 2023	Presentation of initial proposals
Task and Finish Group (Teams Meeting)	W/C 20 February 2023	Final review and sign off by task and finish group
Audit and Governance Committee	20 March 2023	Formal sign off by the Audit and Governance committee

- 3.2. Following Audit and Governance Committee approval officers will begin implementation of the plan, with the consultation beginning in June 2023 in line with the resolution passed by Council.

4. Membership

- 4.1. It is proposed that membership should consist of the following –
- Two Labour Members
 - Two Conservative Members
 - One Green Party Member

- One Independent Alliance Member

4.2. Nominations should be determined by groups and notified to officers through group whips.