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AUDIT AND GOVERNANCE COMMITTEE

Monday 20 March 2023
1.00 pm
Warspite Room, Council House

Members:

Councillor Lugg, Chair
Councillor Lowry, Vice Chair
Councillors Evans OBE, Tofan and Wheeler.
Independent Member – Mrs Annette Benny

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

For further information on attending Council meetings and how to engage in the democratic process please follow this link - [Get Involved](#)

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 - 8)

To confirm the minutes of the meeting held on 16 January 2023.

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 Audit - Audit Progress Report and Sector Update (Pages 9 - 22)

6. External Auditor - Housing Benefits Update - Verbal Update

7. External Auditor - Updated Auditor's Annual Report 20/21 and 21/22 (To Follow)

8. Audit Actions Review (Pages 23 - 30)

9. Informing the Audit Risk Assessment 2020/21 (Pages 31 - 66)

10. 14 Point Action Plan and Report (Pages 67 - 96)

11. Internal Audit Plan 2023/24 (Pages 97 - 110)

12. Whistleblowing Policy (To Follow)

13. Treasury Management Practices and Principles (To Follow)

14. Review of Council Officers Code of Conduct (Pages 111 - 132)

15. Review of Arrangements for Dealing with Complaints Through the Code of Conduct (To Follow)

16. Risk Management Update/ Risk Register	(To Follow)
17. Tracking Decisions	(Pages 133 - 136)
18. Work Programme	(Pages 137 - 138)

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Audit and Governance Committee

Monday 16 January 2023

PRESENT:

Councillor Lugg, in the Chair.
Councillor Lowry, Vice Chair.
Councillors Evans OBE and Tofan.

Apologies for absence: Mrs Benny (Independent Member).

Also in attendance: Justine Thorpe (External Auditor – Grant Thornton), Wendy Eldridge (Principal Technical Accountant), Ross Jago (Head of Governance, Performance and Risk), Giles Perritt (Assistant Chief Executive), David Northey (Interim Service Director for Finance) and Helen Rickman (Democratic Advisor).

The meeting started at 2.00 pm and finished at 3.20 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.

50. **Declarations of Interest**

There were no declarations of interest made by Members in accordance with the code of conduct.

51. **Minutes**

The Committee agreed the minutes of 28 November 2022 as an accurate record of the meeting.

52. **Chair's Urgent Business**

There were no items of Chair's urgent business however the Chair highlighted the resignation of Mr Ian Shipperley, the Committee's Independent Member. Mr Shipperley served on the Committee for three years and offered a wealth of experience which was gratefully appreciated by Members.

Under this item it was confirmed that the meeting was still quorate, despite the absence of independent members, as previously the Committee had agreed to adjust its terms of reference so that the quorum of the meeting was only reliant upon three Members being present. Officers would be seeking to recruit a replacement shortly.

The Committee agreed that the Chair would write to Mr Shipperley thanking him for his service on the Committee as an Independent Member.

53. External Auditor - Progress Report

Justine Thorpe (External Auditor – Grant Thornton) presented the External Auditor Progress Report and highlighted the following key points:

- (a) the report covered the 19/20 audit which was still ongoing as auditors were awaiting the outcome of the work undertaken by Devon Pension with regards to Miel transaction – other audit work was complete. The Council was required to provide the latest proposal from Devon Pension Fund and consult the Council on that;
- (b) the audit for the 20/21 accounts had begun and officers were working through figures, this was expected to continue for the next few months;
- (c) in terms of the 21/22 accounts, it was hoped that this audit would be completed in the summer (2023);
- (d) the 20/21 and 21/22 value for money work had been completed; an action plan was required from the Council detailing what action was to be taken with regards to the 14 recommendations raised by the external auditor;
- (e) the external auditor was working with the Council with their preparation of the 22/23 accounts – it was hoped that by 2024 all accounts would be caught up in terms of delivering an annual audit within the statutory deadline of 30 September each year.

In response to questions raised it was reported that –

- (f) the legislation regarding the valuation of council's infrastructure assets was passed in December 2022 – this was a temporary solution proposed by CIPFA and was accepted so the figures relating to these assets within the accounts had been included; it was considered that this deferred the more complex accounting for highways assets for a couple of years;
- (g) a progress report detailing the 14 actions as recommended by the external auditor was to be taken to budget scrutiny; officers were looking to include further detail to the 14 point action plan however focus was upon the Miel transaction.

The Committee agreed:

1. to include the 14 point action plan and progress report on the agenda for the March 2023 Audit and Governance Committee;
2. to note the External Auditor Progress Report.

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

The Chair advised the Committee that the Pre 2023/24 Audit Plan Update was not to be discussed at the meeting as it was still undergoing some further work.

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

Wendy Eldridge (Principal Technical Accountant) presented the Mid-Term Treasury Management Report 2022/23 and highlighted the following key points:

- (a) the purpose of the report was to update the Committee with progress and changes since the 1st April 2022 and run through compliance with prudential indicators. Arlingclose was used to provide treasury management advice and the Council had taken on board a lot of the information regarding the external context of the current financial situation and economic background;
- (b) the report made reference to the impact of the Ukraine war, global inflation and the increased Bank of England rate which at the end of September was at 2.25% - there had been subsequent increases to that. The report referred to the increasing demand with inflation with disposable incomes being squeezed and higher energy bills having a further impact;
- (c) at 31 March 2022 the Council had net borrowing of £5.54m – this was presented in the outturn report at a previous Audit and Governance Committee. A summary of the Council's borrowing at 31 March 2022 and its movements to 30 September 2022 was included – key things to note included the increase in the reduction of the borrowing. At the end of 2021 the Council held cash balances from transferring short term borrowing into long term PWLB borrowing so the Council was able to use those cash balances to reduce the short term borrowing – this was primarily to deal with the risk associated with the increasing interest rates;
- (d) table two showed relatively low short term borrowing rates but the levels the Council was currently being exposed to were closer to 4% taking out new short term borrowing in the latter part of the year;
- (e) Officers were expecting the LOBO loans to be called in as the interest rates were increasing however one that was due for potential call-in in November wasn't called in so there was another group of LOBO loans due to be called in at the end of March 2023; there were only four days to repay LOBO loans therefore officers would monitor this situation;
- (f) long term borrowing was a fixed long term arrangement, mainly with Barclay's Bank;
- (g) the Council increased its PWLB (Public Work Loans Board) borrowing in April 2022 by £75m which it used to reduce its short term borrowing; the rate secured with that was just under 2.5% - this was done to protect the interest rate risk;
- (h) the table on page 12 demonstrated that the interest payable had increased above the amount budgeted for but this had been compensated by the interest received through pooled investments and the money market funds that were held with day to day cash holdings. That was considered a safe increase in investment and had protected the council's risk there;

- (i) page 13 of the report onwards highlighted where the council was tracking its compliance against prudential indicators; the Council had complied with all investment limits, operational boundaries, authorised limits and investment portfolio levels.

In response to questions raised it was reported that –

- (j) the figures in the ‘total column’ reported in the investments table on page 10 of the report should be included in brackets – that was true of all figures shown in the movement column;
- (k) in terms of the prudential indicators, the Council had increased the level of fixed term borrowing. There was expected to be more of a spread between fixed and variable however in light of the changes and the increase with Bank of England rates, the approach taken was to tie in more debt, fixed term to protect those increases;
- (l) the Council did not have any investments in any non UK banks;
- (m) a written response would be provided to Members upon the impact of the rise in interest rates from 2.75% to in excess of 4% on the Council’s budget for the next 12 months;
- (n) in terms of LOBO loan repayments, the Council would seek advice from external advisors if they were called-in for repayment however as they were predominantly quite high interest rate the Council would be keen to repay.

The Committee agreed:

1. that a written response would be provided to Members upon the impact of the rise in interest rates from 2.75% to in excess of 4% on the Council’s budget for the next 12 months;
2. to delegate responsibility of signing off LOBO loan repayments to the Section 151 Officer in consultation with the Chair and Vice Chair of the Audit and Governance Committee and the Cabinet Member for Finance;
3. to note the Mid-Year Treasury Management Report 2022/23 (This is to comply with the CIPFA Code of Practice and discharge our statutory requirement).

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

Ross Jago (Head of Governance, Performance and Risk) presented the Disclosure and Barring Checks for Councillors Policy and highlighted the following key points:

- (a) the role of the DBS was to help employers make safe recruitment decisions and prevent unsuitable people working with vulnerable groups. The Council’s

DBS policy had been presented to the Committee previously and in light of comments by Members had been reconsidered. Officers had started with the law and built the policy from there;

- (b) a training session was arranged for elected members in December and was relatively well attended – a further session to be arranged in the near future. The aim of the session was to provide Councillors with the legal framework within which DBS checks operated and the differing levels of check and what they may contain;
- (c) there were four levels of DBS checks available: the basic check which anybody could apply for and that could be paid for online, the standard check, an enhanced check with a barring list, and an enhanced check without a barring list. Of those four levels of checks, two were applicable to Members – the enhanced check without a barring list and the basic DBS check;
- (d) Councillors would be eligible for the enhanced check when they were undertaken specific duties included in the Rehabilitation of Offenders Act, the relevant exceptions order under the Police Act 1997. To be eligible they would need to be performing a role which made decisions upon social services functions for the authority (regulated activity). The requirements for the enhanced DBS check would be those Councillors sitting on the Corporate Parenting Group, because essentially they are undertaken as the council statutory function as corporate parents, and Councillor on the Cabinet Committee because they had direct decision making around the delivery of social care services;
- (e) in terms of the basic DBS check, there were eligibility requirements under the law for this check, and Councillors would be able to make their own application. This check was not included within this policy, mandatory DBS checks or basic DBS checks for Councillors, because the law would prevent the Council from enforcing that mandatory check. Essentially, the Council could ask all Members to complete the check and they would be well within their rights to refuse it;
- (f) previously the Lord Mayor had been subject to DBS checks because of their contact with young people and vulnerable groups, however it was considered that the position would be deemed to have an incidental contact with vulnerable groups, and therefore would not be eligible for any other any other check, other than a basic check – this had not been included in the policy as it could not be enforced;
- (g) it was highlighted that political groups could mandate basic checks for their Members, but that was entirely dependent on the groups' rules – if this happened then an offer was made to maintain a database and display information upon Councillors profiles if requested.

In response to questions raised it was highlighted that –

- (h) there was limited access as to who was eligible to view the DBS report; this

included the Chief Executive, the Monitoring Officer and the Head of Governance, Performance and Risk;

- (i) in terms of viewing the DBS check, if there was an issue highlighted that affected safety then it was considered that the Councillor would need to be removed from the undertaking of that role. DBS checks would be carefully monitored and should there be a risk then immediate action would be taken;
- (j) the Council was trying to interpret the law designed for employers prior to appointment. Traditionally, the Leader exercised discretion in appointing a Cabinet and therefore it was expected that the process undertaken would involve a conversation between the Chief Executive, the Monitoring Officer and the appointing member (The Leader in the case of the Cabinet), where the sensitivities of that issue would be discussed, and there would be an option to address that situation based on the information that had been disclosed;
- (k) an addendum to the Disclosure and Barring Checks for Councillors Policy would be written to specify how the process for reviewing, discussing and managing DBS checks would take place – the addendum to the policy would be created in conjunction with the Audit and Governance Committee.

The Committee agreed:

- 1. that an addendum to the Disclosure and Barring Checks for Councillors Policy would be written to specify how the process for reviewing, discussing and managing DBS checks would take place – the addendum to the policy would be created in conjunction with the Audit and Governance Committee;
- 2. to approve the Disclosure and Barring Checks for Councillors Policy.

57. **Strategic Risk Monitoring Report including Scrutiny Update**

Ross Jago (Head of Governance, Performance and Risk) presented the Strategic Risk Monitoring Report (including scrutiny update) to Members and highlighted the following key points:

- (a) since the last committee meeting the total number of strategic risks had reduced from 20 to 18 – five of those risks had a rating of red and those related to the Council's expenditure, the growing volume and complexity of demand on the Children, Young People and Family Service, its supply chain constraints, cyber attacks and the city's economic performance;
- (b) risks had been identified as sufficiently mitigated and been moved to the operational risk register; those were the Council not meeting its obligation to keep standard data secure by failing to adhere to data Protection Act Regulations – a lot of work had taken place with this led by the Strategic Director for Customer and Corporate Services to get training and development out there for staff members on GDPR requirements;
- (c) the Council had not met its legal obligation regarding its health, safety and

wellbeing of his workforce - that had been moved down into the operational risk register and was still under review. Throughout the operational register, which was appended to the report, it highlighted where the risks were being reviewed. It was highlighted that this risk was reviewed in the health safety and wellbeing officers group;

- (d) there was a slight increase of the risk of failure to deliver the range of housing to meet Plymouth's need – the risk score had increased to 12 and was now an amber risk;
- (e) scrutiny continued to receive risk reports at each of its scrutiny meetings – the Head of Governance, Performance and Risk was due to meet with the Chair of scrutiny committees this week where the updated report would be a feature of discussion and would help to plan for the final cycle of committee meetings.

In response to questions raised it was reported that –

- (f) mitigation of risks was included in the table, detailed in the report at pages 34 onwards; the risk was scored after mitigation. In terms of the traffic light system, because a risk may be categorised as red, it didn't mean that it was failing, but that there was a future risk of failure. Mitigations were detailed to prevent the risk of failure as much as possible;
- (g) Grant Thornton, the Council's external auditor, had made recommendations contained within an action plan specifying that Council's audit function should pay much closer attention to the tracking the mitigations that the Council put in place to manage its risk.

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

58. **Tracking Decisions**

The Committee agreed to note the tracking decisions document as attached to the agenda.

59. **Work Programme**

The Committee agreed to note the work programme and include an update on the Code of Conduct Review, Officers code of conduct, and IT Policy, on the agenda for the March 2023 committee meeting.

60. **Electoral Cycle Consultation - Task and Finish Group**

Ross Jago (Head of Governance, Performance and Risk) presented the Electoral Cycle Consultation - Task and Finish Group) item and highlighted that the Audit and Governance Committee met on 5 September 2022 and agreed a way forward in terms of the Electoral Cycle Consultation and this was duly endorsed by Full Council. It was for the Committee to determine the arrangements for the task and finish group, including the membership.

In response to questions raised it was reported that –

- (a) Mrs Benny, the Independent Member of the Audit and Governance Committee, would be included on the membership of the Task and Finish Group;
- (b) the Independent Alliance had formed a group under the 1989 Local Government Act provisions which defined a group as two members or more, however as the task and finish group was a sub-committee of the parent committee which was the Audit and Governance Committee then it was up to the committee to apply or not the proportionality to its sub committee. It was highlighted that it would be the audit and governance committee that would make a final decision on the advice of the working group.

The Committee agreed:

- 1. that the membership of the Electoral Cycle Consultation Task and Finish Group would consist of two Labour members to be decided by that group, two Conservative members to be decided by that group, and the Independent Member of the Audit and Governance Committee, Mrs Benny;
- 2. the terms of reference for the Electoral Cycle Consultation Task and Finish Group.

Under this item concerns were raised as to the Government's requirement for photo identification at future elections specifically with regards to the voter authority certificate, timescales involve in administering photo identification at the Council, the confusion surrounding accepted photo identification, the validity of photo identification if appearance, age or name changes had occurred, how the Council was advertising the requirement for photo ID at the May 2023 local election, and the potential impact of this upon voter turnout at the local election scheduled for May 2023.

The Committee agreed that the Chair, Councillor Lugg, would write to the Chief Executive, Tracey Lee, and request urgent clarity on the issues raised with regards to voter ID at future elections, with specific focus upon plans for raising awareness for Plymouth residents.

Plymouth City Council Audit Progress Report and Sector Update

March 2023

20 March 2023 - Audit and
Governance Committee



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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.

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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 Audit and Governance 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 March 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. Our work is substantially complete, however we are awaiting further information on the pension transaction before we can conclude our audit.

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. Our fieldwork includes:

- updated review of the Council's control environment
- updated understanding of financial systems
- review of Internal Audit reports on core financial systems
- understanding how the Authority makes material estimates for the financial statements
- some substantive work on income and expenditure and balance sheet items.

We anticipate that the audit fieldwork will be completed in Summer 2023, and that we will present our findings, to date, in our 2020/21 Audit Findings Report to the Committee in November 2023.

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 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. For the 2021/22 financial statements, we will

- present the [2021/22 Audit Plan](#) to the January 2024 Audit and Governance Committee;
- audit the 2021/22 financial statements in Spring 2024.

We need to discuss and agree with officers how we both work to auditing the annual accounts within the normal local government cycle for future financial years.

Progress at March 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.

We present an updated 2020/21 and 2021/22 Auditor’s Annual Report, with our VFM commentary in it, to this March 2023 Audit and Governance Committee with more detailed management responses.

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 30 April 2023. We will report our findings to the Governance and Audit Committee in our Certification Letter in June 2023.

Infrastructure Assets Update

Background

Most local government (LG) entities, excluding police bodies, will own infrastructure assets. The balances for highways authorities will be particularly significant and are likely to be material. For LG entities with material infrastructure assets there is therefore a potential risk of material misstatement related to this balance.

The inherent risks which we identified this year in relation to infrastructure assets were:

- An elevated risk of the overstatement of gross book value and accumulated depreciation figures, due to lack of derecognition of replaced components
- A normal risk of understatement of accumulated depreciation and impairment as a result of failure to identify and account for impairments of infrastructure assets, and an over or understatement of cumulative depreciation as a result of the use of inappropriate useful economic lives (UEls) in calculating depreciation charges.



How these issues have been addressed?

Since these issues were first identified we have been working with CIPFA and the English and Scottish Governments to find both long-term and short-term solutions which recognise the information deficits and permit full compliance with the CIPFA Code. It has been recognised that longer-term solutions, by way of a Code update, will take several years to put into place and so short-term solutions have been put in place in the interim. These short-term solutions include the issue of Statutory Instruments (SIs) by government and an update to the CIPFA Code.

The CIPFA Code update was issued on 29 November 2022. The English SI was laid before Parliament on 30 November 2022 and came into force on 25 December 2022 – see [The Local Authorities \(Capital Finance and Accounting\) \(England\) \(Amendment\) Regulations 2022 \(legislation.gov.uk\)](#). CIPFA issued [CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution](#) on 11 January 2023, which includes further guidance and illustrative examples on the depreciation of infrastructure assets and the associated useful economic lives (UEls).

Where the infrastructure asset balances are material to your financial statements, we are currently considering how the SI and Code update have been considered by the Authority, e.g. how derecognised components have been accounted for and how the financial statement disclosures have been updated. We are currently carrying out further audit procedures to assess the material accuracy of in year movements including infrastructure asset additions, impairments and depreciation charges.

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:

Public Sector

Local
government

Delayed publication of audited local authority accounts

In December 2022 there were over 600 local audit opinions outstanding. This means that many stakeholders can't rely on audited accounts to inform decision making – a significant risk for governance and control.

Local authority accounts are becoming increasingly complex as accounting standards evolve and local authorities enter more and more innovative financing arrangements and income generation projects. A significant challenge in managing local audits is the differing needs of various stakeholders. The local government sector, central government and regulators need to agree on the purpose of local audit and find a consensus on improving efficiency in publishing accounts. Grant Thornton has produced a report that explore the reasons for delayed publication of audited local authority accounts.

Table 1 below illustrates the declining performance against the target date for publication of audited accounts in recent years.

Table 1 Audited accounts published by target date over the last six years

Financial year	Deadline for publication of unaudited accounts	Target date for publication of audited accounts	% audited accounts published by target date (all firms average)	% audited accounts published by target date (Grant Thornton audits)
2016/17	30 June 2017	30 September 2017	95	97
2017/18	31 May 2018	31 July 2018	87	91
2018/19	31 May 2019	31 July 2019	58	65
2019/20	1 September 2020	30 November 2020	45	54
2020/21	1 August 2021	30 September 2021	9	12
2021/22	1 August 2022	30 November 2022	12	20

About time?

Exploring the reasons for delayed publication of audited local authority accounts

March 2023



Delayed publication of audited local authority accounts

What more can be done?

All key stakeholders in the local audit system will need to continue their efforts to secure improvement and a return to high levels of compliance with timely publication of audited accounts. The report explores several of the causes of delay and steps which might be taken to reduce the incidence of delays.

These steps relate to systems leadership, holding both authorities and auditors to account for their performance, a continued focus on the quality of accounts preparation and audit, and the effective engagement between auditors and audited bodies.

The report makes 20 recommendations for improving timeliness in publishing audited accounts.

The report also sets out a checklist which management and the audit committee should consider. The report recommends DLUHC, CIPFA or the FRC set out expectations for the system as a whole.

[Click here for full report](#)

About time?

Exploring the reasons for delayed publication of audited local authority accounts

March 2023



Local government procurement and contract management-

Background

Local authorities in England spend around £82.4 billion a year on goods and services. More than a third of all UK government spending on goods and services is spent in the local government sector¹. Allowing for capital spending as well, the UK public sector procures around £300 billion a year overall.

We reviewed a large number of reports, inspections and interventions issued by a number of firms, including 53 Annual Auditor Reports issued by Grant Thornton UK LLP. To help build on existing good practice, in this report we highlight some common themes for members and officers to consider:

This report considers a selection of issues we identified under each theme and makes recommendations both to local authorities and, in one case, to central government. The report presents a good practice checklist for local authority members and officers to reflect on.

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

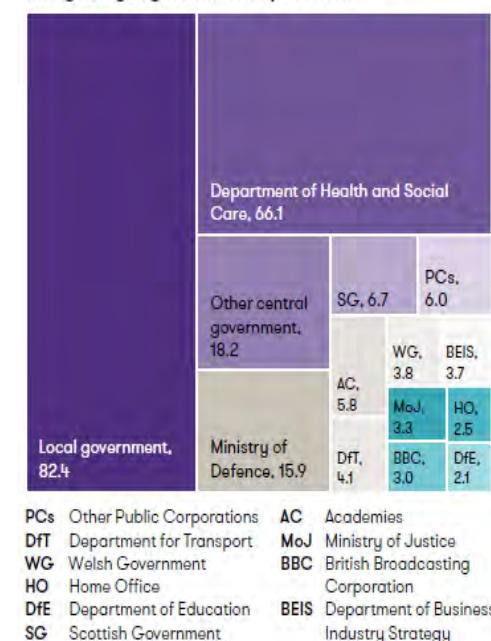
- Strategic planning
- Internal control
- Time, technical expertise, and people
- Commercial awareness
- Contract management

[full report here](#)

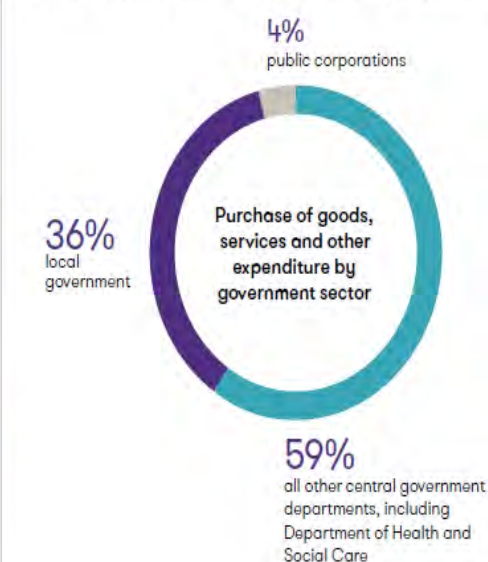
More than a third of all UK government spending on goods and services is spent by local government, so it's important councils have effective arrangements for procurement and contract management

UK public spending

Public spending on goods and services, £ billions – analysis by segment and department²



Goods, services and other expenditure by segment⁴



¹ HM Treasury, Whole of Government Accounts: year ended 31 March 2020, June 2022
² Cabinet Office, Transforming Public Procurement: Government response to consultation, December 2021
³ HM Treasury, Whole of Government Accounts: year ended 31 March 2020, June 2022
⁴ HM Treasury, Whole of Government Accounts: year ended 31 March 2020, June 2022

SEND deficits kept off budgets for another three years

The government has allowed councils to keep deficits on spending for children with special educational needs and disabilities off their balance sheets for a further three years.

The government's local government finance policy statement published on 12th December 2022 says that the statutory override for the Dedicated Schools Grant (DSG) will be extended for the next three years, from 2023-24 to 2025-26.

Councils use the high needs funding block of the DSG to fund Send provision. But for many authorities, the cost of this has been outstripping the amounts provided by tens of millions of pounds, leading to a total deficit estimated at more than £2bn.

The statutory override means that any DSG deficits are not included in council's main revenue budgets. Before today's announcement, it had been due to expire in 2023. Last year, Matt Dunkley, chair of the Association of Directors of Children's Services' resources and sustainability policy committee, said: "We think the cumulative high needs block deficits of local authorities are approximately £2.3bn."

In June, the government launched the £85m Delivering Better Value in Send programme, that involves specialist advisors probing 55 councils' financial data to try and cut their DSG deficits. The Chartered Institute of Public Finance and Accountancy, a partner in the programme, said the scheme would provide "project management, change management and financial modelling capacity".

The programme is running alongside the Department for Education's 'safety valve' support scheme that offers bailouts for the councils with the largest Send spending deficits, in return for them implementing stringent reforms.

About 40 councils are expected to receive safety valve funding, meaning that the two programmes together will include about two thirds of councils with responsibility for Send. Also in June, the then children's minister Will Quince wrote a letter to council chief executives warning that a "significant number of councils are "running services that are not sustainable, and instead jeopardise the longevity of that crucial support".

Stonewall Gold Employer: GT's LGBTQIA+ inclusion journey

Background

15 Feb 2023, Stonewall, Europe's largest charity for Lesbian, Gay, Bi, Trans, and Queer (LGBTQIA+) rights, launched its widely anticipated Top 100 Employers List – recognising us for our work in supporting LGBTQIA+ colleagues to be the best versions of themselves at work and awarding us Gold Employer, the highest award.

We're proud to announce that we've ranked among the UK's leading employers from the public, private, and third sectors in the Stonewall Workplace Equality Index (WEI). We've also been recognised as a Gold Employer. Overall, we've ranked 38th in the latest WEI results, and 26th in the private sector, and 9th in the financial services sector.

Sustainability: Finance at the heart of decision making

In November 2022 CIPFA published an article on public sector specific response to climate change. Below is an extract from CIPFA's website:

"Role of the finance profession

Finance and accounting professionals need to move beyond simply measuring and reporting the impact of climate change, environmental regulation, supply chain pressure and rising energy costs. They must focus on understanding those implications and integrating them into financial management and business planning. The ability to integrate climate risks into overall operational risks is a major challenge. The finance profession will need to be able to collect data from different professions (scientists, valuation experts, biologists, meteorologists etc) and be able to understand but also challenge assumptions and projections. The importance of effective communication to both internal and external stakeholders must not be underestimated. Climate reporting should result in decision makers having all the information necessary to be effective, to measure progress and to hold those responsible to account. Opportunities and risks must be identified and stress tested using various scenarios, including temperature rises of 2C and more. The impact of collapsed ecosystems must not be ignored – from rising sea levels to food scarcity and the mass migration of people whose land is no longer inhabitable. We need honesty, transparency and above all leadership to tackle the climate issues that exist and lie ahead.

Conclusion

The current focus on net zero emissions by 2050 misses the point that climate change is already happening. There is an urgent need for adaptation measures to be introduced that allow the UK to live with higher temperatures, wetter winters and warmer, drier summers. At the moment we are severely under prepared. This is a call for urgent action from government, both at central and local level. The IPCC recommended threshold of limiting temperature rises to 1.5C is set to be broken. Temperature rises above 2.5C will mean ecosystems will collapse which will have severe repercussions on our society as a whole. CIPFA and ICAEW share the view that the finance function has an important role to play in combating climate change. We would like to see the finance profession taking the lead for the public sector in its efforts to tackle climate change".

[Click here for link to the article](#)



Audit and Governance Committee



Date of meeting:	20 March 2023
Title of Report:	Audit Actions Review
Lead Member:	Cllr Mark Shayer
Lead Strategic Director:	Andy Ralphs, Strategic Director of Customer and Corporate Services
Author:	Paul Looby, Head of Corporate Finance
Contact Email:	paul.looby@plymouth.gov.uk
Your Reference:	PL/AC/
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To provide the Committee with an update on the tracking of Audit recommendations from Grant Thornton and Devon Audit Partnership.

Recommendations and Reasons

Members of the Audit and Governance Committee to note the content of the report.

Reason: To update members on the progress of implementing audit recommendations.

Alternative options considered and rejected

None as the Committee agreed to receive an update of all audit recommendations.

Relevance to the Corporate Plan and/or the Plymouth Plan

The implementation of all agreed audit recommendations are fundamentally linked to delivering the priorities within the Council's Corporate Plan and assists with ensuring limited resources are allocated to priorities which will maximise the benefits to the residents of Plymouth.

Implications for the Medium Term Financial Plan and Resource Implications:

Delivery of the audit plan will assist the Council in delivering value for money services.

Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations.

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

Implementation of agreed audit recommendations is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

Appendices

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
I	Devon Audit Partnership Audit							

Background papers:

Title of any background paper(s)	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

Sign off:

Fin	DJN.2 2.23.3 90	Leg	EJ/1223 /17.2.23 (1)	Mon Off	Click here to enter text.	HR	Click here to enter text.	Assets	Click here to enter text.	Strat Proc	Click here to enter text.
Originating Senior Leadership Team member Brendan Arnold, Service Director Finance & S151											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed 24/02/23											
Cabinet Member approval: Cllr Mark Shayer											
Date approved: 24/02/2023											

Audit Action Review**I. Introduction**

- I.1 Audit Committee has agreed to receive regular reports which set track the completion of agreed recommendations to improve controls and minimise exposure to risk. This will provide ongoing assurance to Senior Management and Members (Audit & Governance Committee) that scheduled actions are taking place. As previously reported the Council recognises and responds promptly and effectively to the independent assurance work completed by our external auditors, Grant Thornton (GT) and our internal auditors, Devon Audit Partnership (DAP).
- I.2 The audit recommendations set out by Grant Thornton in their report to the Audit and Governance Committee on 28 November 2022 will be addressed in a separate report to this Committee.

Status of Internal Audit Recommendations December 22

The chart to the right provides an overall breakdown of progress made by management in implementing management actions in response to audit reports. The pie chart shows the figures in percentage format and the legend details the actual numbers.

Not all recommendations can be quickly and easily implemented with some having other, longer dependencies which have to be addressed, before the recommendation can be actioned.

In addition to the 48 recommendations showing as fully implemented (including those where no further action is to be taken), management responses received indicate that a further 36 recommendations are currently work in progress (partially implemented). See Table 1 below for breakdown across audits.

Of the 63 recommendations not yet implemented, it should be noted that 17 (27%) are the result of four audit reviews where management actions have only been agreed towards the end of quarter 3 of the current year (22/23). Table 2 below provides a brief summary of all of the recommendations which are now overdue (including those which have been partially implemented), based on the target date provided by management when the draft report was finalised.

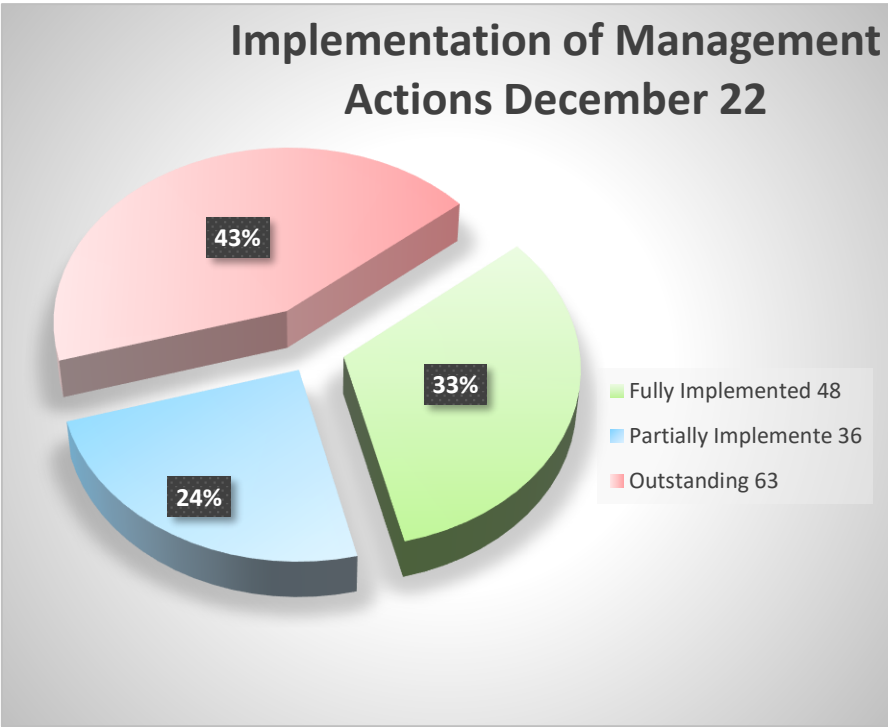


Table 1					
Audits	Total Number of Recommendations	Fully Implemented	No Further Action	Partially Implemented	Not Yet Implemented
Council Tax	1				1
Purchasing & Creditors **	4		1	1	2
Sundry Debtors	8		1	1	6
Main Accounting System	2				2
Payroll System **	10	1		6	3
Business Rates	2				2
Purchasing Cards	11	8		1	2
Electoral Registration (Follow-Up)	3	1			2
Special Guardianship Orders	29	17		12	
Street Lighting	12	8		4	
Risk Management	3			2	1
CYPF Additional Spend	7				7
Disclosure & Barring Service	14	3		2	9
IR35 Off-Payroll Working	8	2		4	2
SEND Contracts	8	1			7
Commercial Waste	6	3		1	2
Software Licensing	5	1		1	3

Street Services Stock Control – Domestic Waste Containers **	9			1	8
Street Services Stock Control – Consumables **	5	1			4
TOTAL	147	46	2	36	63

** Reports issued at the end of Quarter 3.

Table 2

Audits	Overdue Recommendations	Summary Update
Council Tax	1	This recommendation relates to the writing off historical 'Gone Aways' which has not been actioned due to resources targeting more recent accounts.
Sundry Debtors	2	These recommendations relate to suspended accounts and refresher training.
Business Rates	2	One recommendation relates to aged debt analysis, the second written refund guidance.
Purchasing Cards	3	Two actions are linked to a broader review of policy and the third has been delayed due to the Finance Restructure.
Electoral Registration	2	One recommendation relating to QA continues to be monitored with a Workshop to progress planned. The second relates to Data Analysis with the Performance Advisor to receive PowerBI training in the coming months.
Special Guardianship Orders	12	These outstanding tasks relate to the implementation of the SG service redesign and the findings of the recent Judicial Review, reported back at DMT in September 2022. Responsibility has recently transferred to new Head of Service (Permanence and Fostering).
Street Lighting	4	These partially completed recommendations continue to be monitored and means of progression identified as and where appropriate.

CYPF Additional Spend	7	No management update received. Eclipse Project Delivery and personnel changes have previously impacted delivery of recommendations and liaison with Internal Audit respectively.
Software Licensing	3	Delt have still to action three recommendations relating to record keeping and licence T&C compliance.
Disclosure & Barring Service (DBS)	12	Resources have been employed creating and issuing new Agency contracts and there has been a re-adjustment of resources following the Business Support Review. The majority of recommendations relate to further strengthening existing processes and a rescheduling of remedial tasks is to be conducted to aid their fulfilment.
IR35	6	Progress has been made on four partially completed recommendations, with little progress on two further medium priority recommendations.
SEND Contracts	6	Implementation delayed by the transfer of responsibility to the Head of Access Learning, Education, Participation and Skills.
TOTAL	60	

Audit and Governance Committee



Date of meeting:	20 March 2023
Title of Report:	Informing the Audit Risk Assessment 2020/21
Lead Member:	Councillor Mark Shayer (Deputy Leader)
Lead Strategic Director:	David Northey (Interim Service Director for Finance)
Author:	Carolyn Haynes
Contact Email:	carolyn.haynes@plymouth.gov.uk
Your Reference:	FIN/CH
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

The purpose of this report is to contribute towards the effective two-way communication between Plymouth City Council's external auditors and Plymouth City Council's Audit and Governance Committee, as 'those charged with governance'. The report covers some important areas of the auditor risk assessment where the auditors are required to make inquiries of the Audit and Governance Committee under auditing standards.

This report includes a series of questions on each of these areas and the responses that have been prepared by Plymouth City Council's management. The Audit and Governance Committee should consider whether these responses are consistent with its understanding and whether there are any further comments it wishes to make.

Recommendations and Reasons

- I. Members are asked to note the contents of the report, to consider whether the management responses are consistent with their understanding and whether they have any further comments to make.

Reasons

Under International Standards on Auditing (UK), (ISA (UK)) auditors have specific responsibilities to communicate to the Audit and Governance Committee

Alternative options considered and rejected

None – The Local Audit and Accountability Act 2014 sets out the framework for audit of local authorities.

Relevance to the Corporate Plan and/or the Plymouth Plan

External auditors provide assurance that the Council is delivering robust standards of public accountability and probity in the use of public funds, together with ensuring compliance with the Council's statutory obligations.

Implications for the Medium Term Financial Plan and Resource Implications:

Local authorities are required to maintain an effective system of internal control that supports the achievement of their policies, aims and objectives whilst safeguarding and securing value for money from the public funds at their disposal.

Financial Risks:

The External Auditors have a responsibility to satisfy themselves that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Carbon Footprint (Environmental) Implications:

None directly arising in relation to the decision.

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.*

N/A

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	Informing the Audit Risk Assessment 2020-21							

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) <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

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Sign off:

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Originating Senior Leadership Team member: David Northey											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 06/03/2023											
Cabinet Member approval: Date approved: 06/03/2023											

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Informing the audit risk assessment for Plymouth City Council 2020/21

Paul Dossett
Partner, Audit
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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 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 your business or any 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.

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Purpose

The purpose of this report is to contribute towards the effective two-way communication between Plymouth City Council's external auditors and Plymouth City Council's Audit and Governance Committee, as 'those charged with governance'. The report covers some important areas of the auditor risk assessment where we are required to make inquiries of the Audit and Governance Committee under auditing standards.

Background

Under International Standards on Auditing (UK), (ISA(UK)) auditors have specific responsibilities to communicate with the Audit and Governance Committee. ISA(UK) emphasise the importance of two-way communication between the auditor and the Audit and Governance Committee and also specify matters that should be communicated.

This two-way communication assists both the auditor and the Audit and Governance Committee in understanding matters relating to the audit and developing a constructive working relationship. It also enables the auditor to obtain information relevant to the audit from the Audit and Governance Committee and supports the Audit and Governance Committee in fulfilling its responsibilities in relation to the financial reporting process.

Communication

As part of our risk assessment procedures we are required to obtain an understanding of management processes and the Plymouth City Council's oversight of the following areas:

- General Enquiries of Management
- Fraud,
- Laws and Regulations,
- Related Parties,
- Going Concern, and
- Accounting Estimates.

Purpose

This report includes a series of questions on each of these areas and the response we have received from Plymouth City Council's management. The Audit and Governance Committee should consider whether these responses are consistent with its understanding and whether there are any further comments it wishes to make.

General Enquiries of Management

Question	Management response
1. What do you regard as the key events or issues that will have a significant impact on the financial statements for 2020/21?	The Covid-19 pandemic is by far the most significant event to have an impact on the financial statements for 2020/21 and this will have applied across the country. On a local level, accounting for the Miel transaction will impact on the financial statements for 2019/20 and 2020/21.
2. Have you considered the appropriateness of the accounting policies adopted by Plymouth City Council? Have there been any events or transactions that may cause you to change or adopt new accounting policies? If so, what are they?	We review the appropriateness of all of the accounting policies every year. We have added a new accounting policy for Interest Rate Swap Accounting in the financial statements for 2020/21 to take account of the interest rate swap transaction that took place in April 2020.
3. Is there any use of financial instruments, including derivatives? If so, please explain	The Council has a number of financial assets and liabilities, details of which are to be found in the notes to the financial statements. The Council employs Treasury Management advisers Arlingclose to advise on its financial assets and liabilities. The Council has used interest rate swaps to manage its exposure to interest rate risk arising from its portfolio of short-term borrowing.
4. Are you aware of any significant transaction outside the normal course of business? If so, what are they?	No.

General Enquiries of Management

Question	Management response
5. Are you aware of any changes in circumstances that would lead to impairment of non-current assets? If so, what are they?	No.
6. Are you aware of any guarantee contracts? If so, please provide further details	There are a small number of pension arrangements which are guarantees for the pensions for staff who have transferred to other organisations who were previously employed by the Council. None of these are material and they are included within the figures reported in the pension notes to the Statement of Accounts.
7. Are you aware of the existence of loss contingencies and/or un-asserted claims that may affect the financial statements? If so, please provide further details	The Council monitors its contingent assets and liabilities on a quarterly basis. The Council is not aware of anything that may affect the financial statements of a material nature.
8. Other than in house solicitors, can you provide details of those solicitors utilised by Plymouth City Council during the year. Please indicate where they are working on open litigation or contingencies from prior years?	<p>During the year the Council has used the following firms of solicitors:</p> <ul style="list-style-type: none"> • Browne Jacobson, Mowbray House, Castle Meadow Nottingham NG2 1BJ; • Murrell Associates, 4 High Cross, Truro, Cornwall, TR1 2AJ; • James Button, 7 Devonshire Drive, Rowsley, Matlock, Derbyshire, DE4 2HB; • Sedgwick International UK, Language Office Campus, Block A, Ashleigh Way, Plymouth PL7 5JX; • Wombles Bond Dickinson, Southampton; • Davitt Jones Bould, Taunton. <p>None are working on open litigation or contingencies from prior years.</p>

General Enquiries of Management

Question	Management response
9. Have any of the Plymouth City Council's service providers reported any items of fraud, non-compliance with laws and regulations or uncorrected misstatements which would affect the financial statements? If so, please provide further details	None known by the Counter Fraud Services Team.
10. Can you provide details of other advisors consulted during the year and the issue on which they were consulted?	<ul style="list-style-type: none"> ○ Arlingclose – Treasury Management and Interest Rate Swap. ○ Chartered Institute of Public Finance (CIPFA) – General Accountancy advice, Miel & Interest Rate Swap ○ KPMG – Miel. ○ QC advice – Miel. ○ Stephen Sheen – general accountancy advice. ○ PSTax – Employee and VAT advice. ○ Elysson – VAT advice.
11. Have you considered and identified assets for which expected credit loss provisions may be required under IFRS 9, such as debtors (including loans) and investments? If so, please provide further details.	The Council does an assessment of the expected credit loss provision for its Long Term Debtors, Bank Balances, Short term debtors and Long Term Investments.

Fraud

Matters in relation to fraud

ISA (UK) 240 covers auditors responsibilities relating to fraud in an audit of financial statements.

The primary responsibility to prevent and detect fraud rests with both the Audit and Governance Committee and management. Management, with the oversight of the Audit and Governance Committee, needs to ensure a strong emphasis on fraud prevention and deterrence and encourage a culture of honest and ethical behaviour. As part of its oversight, the Audit and Governance Committee should consider the potential for override of controls and inappropriate influence over the financial reporting process.

As Plymouth City Council's external auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error. We are required to maintain professional scepticism throughout the audit, considering the potential for management override of controls.

As part of our audit risk assessment procedures we are required to consider risks of fraud. This includes considering the arrangements management has put in place with regard to fraud risks including:

- assessment that the financial statements could be materially misstated due to fraud,
- process for identifying and responding to risks of fraud, including any identified specific risks,
- communication with the Audit and Governance Committee regarding its processes for identifying and responding to risks of fraud, and
- communication to employees regarding business practices and ethical behaviour.

We need to understand how the Audit and Governance Committee oversees the above processes. We are also required to make inquiries of both management and the Audit and Governance Committee as to their knowledge of any actual, suspected or alleged fraud. These areas have been set out in the fraud risk assessment questions below together with responses from Plymouth City Council's management.

Fraud risk assessment

Question	Management response
<p>1. Has Plymouth City Council assessed the risk of material misstatement in the financial statements due to fraud?</p> <p>How has the process of identifying and responding to the risk of fraud been undertaken and what are the results of this process?</p> <p>How does the Plymouth City Councils risk management processes link to financial reporting?</p>	<p>Work of the Internal Audit Service (IAS), provided by the Devon Audit Partnership (DAP), has not identified any control weaknesses which could result in a material misstatement due to fraud. Purchasing card policy has been strengthened to ensure it is robust, specifically with regards to fraud and misuse.</p> <p>Plymouth City Council (PCC) has continued to retain the services of the Devon Audit Partnership Counter Fraud Team (CFT) who are accredited fraud investigators. The team deal with referrals from both internal and external sources. The CFT have worked closely with the IAS to provide post event assurance for business rate grants, investigating all cases highlighted as potentially fraudulent.</p> <p>2018 new Anti Fraud, Bribery and Corruption Policy and Anti-Fraud, Bribery and Corruption Strategy and Response Plan.</p> <p>2021 Updated Anti-Fraud, Bribery and Corruption Policy and Anti Fraud, Bribery and Corruption Strategy and Response Plan.</p> <p>2021 Whistleblowing Policy updated (last review 2018).</p> <p>PCC utilises the National Fraud Initiative to identify and investigate data matches.</p> <p>Strategic Risk Register and operational Risk Register and the Annual Governance Statement, monthly reports to Cabinet, performance score card – outturn forecast.</p>

Fraud risk assessment

Question	Management Response
<p>2. What have you determined to be the classes of accounts, transactions and disclosures most at risk to fraud?</p>	<p>The Council processed Covid-19 Business Grants of approximately £92m in 2020/21. These were audited by DAP who recorded a good level of assurance with regard to their administration.</p> <p>All expenditure is subject to the internal controls of the Council.</p>
<p>3. Are you aware of any instances of actual, suspected or alleged fraud, errors or other irregularities either within Plymouth City Council as a whole, or within specific departments since 1 April 2020? If so, please provide details</p>	<p>None have been considered material; fraud occurs in multiple known areas within Plymouth City Council processes. Current and historical areas of criminal fraud related offences include Revenues and Benefits – Parking – Community Connections – Insurance claims – Concessionary Travel – Social Services – Procurement Cards. However Annual and Mid year reports to Audit and Governance Committee, liaison with PCC Legal Team and Management on potential prosecution cases.</p> <p>Sharing with managers intelligence from the National Anti Fraud Network.</p> <p>eLearning Fraud Awareness training (compulsory for all new starters).</p>

Fraud risk assessment

Question	Management response
<p>4. As a management team, how do you communicate risk issues (including fraud) to those charged with governance?</p>	<p>The Risk Management Strategy is formally adopted by the Audit and Governance Committee and the annual Risk Monitoring Report is also presented to the Audit & Governance Committee annually by the Head of Governance, Performance and Risk. It is the role of the Audit and Governance Committee within the Council's Constitution to</p> <ul style="list-style-type: none"> a) Approve, support and monitor the implementation and ongoing processes for identifying and managing key risks of the authority; b) To review and advise the Cabinet and Council on the content of the corporate governance report in the annual report and to approve the statement of accounts; c) To monitor the Council's compliance with its own published standards and controls and recommend any necessary changes to Financial Regulations and Standing Orders Contracts; d) To keep under review corporate policies such as Anti- Fraud Strategy. <p>The Devon Audit Partnership reports twice yearly to the Audit and Governance Committee on Counter Fraud Services.</p>
<p>5. Have you identified any specific fraud risks? If so, please provide details</p> <p>Do you have any concerns there are areas that are at risk of fraud?</p> <p>Are there particular locations within Plymouth City Council where fraud is more likely to occur?</p>	<p>Single person discounts, Council Tax Support, C19 Grants, Blue Badge misuse, Parking Permits, Concessionary Travel passes, Devon Homes Choice applications, Homelessness applications, PCC Procurement Cards.</p> <p>All areas of business are at risk of fraud and related offences. But these risks are covered by the fraud prevention strategy managed by the fraud team, regular reporting and reviews of the fraud environment.</p> <p>High transaction areas such as Revenues and Benefits, Parking and Social Housing.</p> <p>Financial systems which are material to the statement of accounts such as Council Tax, Housing Benefits and Business Rates are subject to annual review by internal audit to ensure that system controls remain robust and any emerging weaknesses are identified and management action taken to address the issue.</p>
<p>¹² 6. What processes do Plymouth City Council have in place to identify and</p>	<p>PCC engage the Devon Audit Partnership (Plymouth is a founding member of the partnership) to respond to potential frauds as they are identified the team consists of Accredited Counter Fraud Specialist and Technicians</p>

Fraud risk assessment

Question	Management response
<p>7. How do you assess the overall control environment for Plymouth City Council, including:</p> <ul style="list-style-type: none"> the existence of internal controls, including segregation of duties; and the process for reviewing the effectiveness the system of internal control? <p>If internal controls are not in place or not effective where are the risk areas and what mitigating actions have been taken?</p> <p>What other controls are in place to help prevent, deter or detect fraud?</p> <p>Are there any areas where there is a potential for override of controls or inappropriate influence over the financial reporting process (for example because of undue pressure to achieve financial targets)? If so, please provide details</p>	<p>Annual risk based audit plan which can be 'flexed' to respond to new and emerging risks. Audit engagements consider both the design and compliance with the internal control frameworks, including segregation of duties. All "key" financial systems are subject to annual review.</p> <p>All control weaknesses are identified within the audit report and management responses obtained to the audit recommendations which include responsible officer and target date for implementation. Audit recommendations are now tracked and reported to Audit & Governance Committee.</p> <p>Reports issued to management, input on amendment of Policy's such as the Procurement Card Policy to tighten up conditions of use and potential consequences.</p> <p>National Fraud Initiative (NFI) Bi Annual Data matching. Publicising of Prosecutions undertaken by PCC to deter those who would commit similar offences. Regular 'Alerts' disseminated to relevant Management Teams from the National Anti-Fraud Network (NAFN) which identifies new and emerging risks as well as reminding about known risks which may have adapted a new strategy.</p> <ul style="list-style-type: none"> 2018 new Anti Fraud, Bribery and Corruption Policy and Anti-Fraud, Bribery and Corruption Strategy and Response Plan. 2021 Updated Anti-Fraud, Bribery and Corruption Policy and Anti Fraud, Bribery and Corruption Strategy and Response Plan. 2021 Updated Whistleblowing Policy.
<p>8. Are there any areas where there is potential for misreporting? If so, please provide details</p>	<p>Unknown at this time</p>

Fraud risk assessment

Question	Management response
<p>9. How does Plymouth City Council communicate and encourage ethical behaviours and business processes of it's staff and contractors?</p> <p>How do you encourage staff to report their concerns about fraud?</p> <p>What concerns are staff expected to report about fraud?</p> <p>Have any significant issues been reported? If so, please provide details</p>	<p>Employee Handbook – Terms and Conditions – Council Operating Manual – Anti-Fraud, Bribery and Corruption Policy – Anti-Fraud, Bribery and Corruption Strategy and Response Plan Corporate eLearning Fraud@thecouncil</p> <p>Policy and Strategy outline reporting lines and responsibilities for fraud reporting. Whistleblowing Policy. Internal Audit mailbox. DAP Website provides and additional reporting route.</p> <p>All issues suspicions in connection with fraud or related offences are expected to be reported as per the policy.</p> <p>No significant issues reported.</p>
<p>10. From a fraud and corruption perspective, what are considered to be high-risk posts?</p> <p>How are the risks relating to these posts identified, assessed and managed?</p>	<p>Some posts have greater responsibilities, but this is managed within the scheme of delegation.</p>
<p>11. Are you aware of any related party relationships or transactions that could give rise to instances of fraud? If so, please provide details</p> <p>How do you mitigate the risks associated with fraud related to related party relationships and transactions?</p>	<p>No instances relating to party relationships known to the counter fraud services team</p> <p>Risks not assessed to counter fraud teams knowledge.</p>

Fraud risk assessment

Question	Management response
<p>12. What arrangements are in place to report fraud issues and risks to the Audit and Governance Committee?</p> <p>How does the Audit and Governance Committee exercise oversight over management's processes for identifying and responding to risks of fraud and breaches of internal control?</p> <p>What has been the outcome of these arrangements so far this year?</p>	<p>Annual Report and Half Yearly report for note at Audit and Governance Committee. The Internal Audit Half Yearly and Annual Reports summarise the findings of audit reviews, including individual opinion statements and the overall Head of Audit opinion at year end.</p> <p>Audit and Governance Committee have the power to direct the pro-active and or reactive work as required if areas of concern are identified. Implementation of audit recommendations are now tracked and reported to A&G Committee.</p> <p>No recommendations made in respect of counter fraud or internal audit work.</p>
<p>13. Are you aware of any whistle blowing potential or complaints by potential whistle blowers? If so, what has been your response?</p>	<p>None identified by the counter fraud or internal audit teams.</p>
<p>14. Have any reports been made under the Bribery Act? If so, please provide details</p>	<p>None identified by the counter fraud or internal audit teams.</p>

Law and regulations

Matters in relation to laws and regulations

ISA (UK) 250 requires us to consider the impact of laws and regulations in an audit of the financial statements.

Management, with the oversight of the Audit and Governance Committee, is responsible for ensuring that Plymouth City Council's operations are conducted in accordance with laws and regulations, including those that determine amounts in the financial statements.

As auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error, taking into account the appropriate legal and regulatory framework. As part of our risk assessment procedures we are required to make inquiries of management and the Audit and Governance Committee as to whether the body is in compliance with laws and regulations. Where we become aware of non-compliance or suspected non-compliance we need to gain an understanding of the non-compliance and the possible effect on the financial statements.

Risk assessment questions have been set out below together with responses from management.

Impact of laws and regulations

Question	Management response
<p>1. How does management gain assurance that all relevant laws and regulations have been complied with?</p> <p>What arrangements does Plymouth City Council have in place to prevent and detect non-compliance with laws and regulations?</p> <p>Are you aware of any changes to the Plymouth City Council 's regulatory environment that may have a significant impact on the Plymouth City Council 's financial statements?</p>	<p>The council has an in-house policy team which provides all departments with updates in relation to changes in legislation and links to relevant government guidance. The in house legal team is available to provide legal advice to all departments and has regular liaison meetings with key services responsible for regulation and enforcement such as the planning and licensing services. Procedures are in place within the council's democracy and governance teams to ensure that all published decisions taken by the council are sent to legal services in advance and are not progressed without sign off from the in house legal team.</p>
<p>2. How is the Audit and Governance Committee provided with assurance that all relevant laws and regulations have been complied with?</p>	<p>The council has an in-house policy team which provides all departments with updates in relation to changes in legislation and links to relevant government guidance. The in house legal team is available to provide legal advice to all departments and has regular liaison meetings with key services responsible for regulation and enforcement such as the planning and licensing services. Procedures are in place within the council's democracy and governance teams to ensure that all published decisions taken by the council are sent to legal services in advance and are not progressed without sign off from the in house legal team.</p>
<p>3. Have there been any instances of non-compliance or suspected non-compliance with laws and regulation since 1 April 2021 with an on-going impact on the 2021/22 financial statements? If so, please provide details</p>	<p>There have been no instances of non compliance or suspected non compliance with laws and regulation with an ongoing impact on the 2020/21 accounts.</p>

Impact of laws and regulations

Question	Management response
4. Are there any actual or potential litigation or claims that would affect the financial statements? If so, please provide details	Of the litigation currently in progress, none is considered material to the Statement of Accounts.
5. What arrangements does Plymouth City Council have in place to identify, evaluate and account for litigation or claims?	All claims against the council are referred to the in-house legal team or the insurance team. Staff within legal services evaluate potential claims and advise staff throughout the council on the best way to respond to such claims and will instruct external lawyers in cases where the in house team does not hold the required expertise.
6. Have there been any reports from other regulatory bodies, such as HM Revenues and Customs, which indicate non-compliance? If so, please provide details	The Council has just undergone a Business Risk Review with HMRC. The Council has a pro-active approach to VAT compliance, working hard to minimise the risks associated with non-payment of VAT. There have been recent instances where the council has made voluntary disclosures to HMRC where it has become aware of the incorrect treatment of VAT. These issues are not material to the audit criteria. Other than the report from the HSW Executive, there have been no other reports from regulatory bodies indicating non compliance.

Related Parties

Matters in relation to Related Parties

Plymouth City Council are required to disclose transactions with bodies/individuals that would be classed as related parties. These may include:

- bodies that directly, or indirectly through one or more intermediaries, control, or are controlled by Plymouth City Council;
- associates;
- joint ventures;
- a body that has an interest in the authority that gives it significant influence over the authority;
- key management personnel, and close members of the family of key management personnel, and
- post-employment benefit plans (pension fund) for the benefit of employees of the authority, or of any body that is a related party of the authority.

A disclosure is required if a transaction (or series of transactions) is material on either side, i.e. if a transaction is immaterial from the [type of body]'s perspective but material from a related party viewpoint then the authority must disclose it.

ISA (UK) 550 requires us to review your procedures for identifying related party transactions and obtain an understanding of the controls that you have established to identify such transactions. We will also carry out testing to ensure the related party transaction disclosures you make in the financial statements are complete and accurate.

Related Parties

Question	Management response
<p>1. Have there been any changes in the related parties including those disclosed in Plymouth City Council's 2020/21 financial statements?</p> <p>If so please summarise:</p> <ul style="list-style-type: none"> the nature of the relationship between these related parties and Plymouth City Council whether Plymouth City Council has entered into or plans to enter into any transactions with these related parties the type and purpose of these transactions 	<p>A new wholly owned subsidiary was created to operate the museum – Arca Plymouth Ltd. The council has the right to appoint or remove the majority of the board of directors and holds directly or indirectly 75% or more of the voting rights.</p> <p>As at the 31 March 2021, the Council was a creditor on the Arca Plymouth Ltd accounts owed £368k and the Council was a debtor to Arca and owed £122k.</p> <p>The Council also created The Box Foundation which is a charitable trust. The Council is a trustee but does not have overall control. There were no related party transactions between The Box Foundation and the council at the end of March 2021.</p>
<p>2. What controls does Plymouth City Council have in place to identify, account for and disclose related party transactions and relationships?</p>	<p>The council has a system of identifying any conflicts of interest that councillors or officers may have in relation to decisions at the point that each decision is taken. Councillors will register any interests that they have when they are appointed to the council and are asked to update their register of interests annually following the council meeting. At all decision making meetings potential conflicts are identified for transparency. Where a councillor holds a discloseable pecuniary interest in the decision that is due to be taken they are required to leave the meeting whilst that decision is debated and determined. Induction training on this system is provided to all new councillors.</p> <p>All Staff are required to identify any potential conflicts of interest that may arise between their personal interests and the council to their manager as part of the council's initial induction procedures and those interests are recorded on the council's Core HR system. Individual managers are responsible for managing any conflicts that have been identified in such a way as to protect the public interest. Where this is not possible the work has to be reallocated.</p> <p>The Council also requires Councillors and staff to declare any gifts and hospitality that they receive and not to accept gifts or hospitality with a value of over £25.</p> <p>A disclosure of related party transactions is required to be completed by all Councillors and senior staff prior to year end. Accountancy staff also review the statement of accounts for related party organisations and Companies House information. Senior Finance staff are involved in the process for the creation of any new PCC related companies.</p>

Related Parties

Question	Management Response
3. What controls are in place to authorise and approve significant transactions and arrangements with related parties?	The governance arrangements for the related parties follow the scheme of delegation in operation by the Council. Senior finance staff are also represented on the board of directors for most related parties.
4. What controls are in place to authorise and approve significant transactions outside of the normal course of business?	The governance arrangements for the related parties follow the scheme of delegation in operation by the Council. Senior finance staff are also represented on the board of directors for most related parties.

Going Concern

Matters in relation to Going Concern

The audit approach for going concern is based on the requirements of ISA (UK) 570, as interpreted by Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020). It also takes into account the National Audit Office's Supplementary Guidance Note (SGN) 01: Going Concern – Auditors' responsibilities for local public bodies.

Practice Note 10 confirms that in many (but not all) public sector bodies, the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the body's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist.

For this reason, a straightforward and standardised approach to compliance with ISA (UK) 570 will often be appropriate for public sector bodies. This will be a proportionate approach to going concern based on the body's circumstances and the applicable financial reporting framework. In line with Practice Note 10, the auditor's assessment of going concern should take account of the statutory nature of the body and the fact that the financial reporting framework for local government bodies presume going concern in the event of anticipated continuation of provision of the services provided by the body. Therefore, the public sector auditor applies a 'continued provision of service approach', unless there is clear evidence to the contrary. This would also apply even where those services are planned to transfer to another body, as in such circumstances, the underlying services will continue.

For many public sector bodies, the financial sustainability of the body and the services it provides are more likely to be of significant public interest than the application of the going concern basis of accounting. Financial sustainability is a key component of value for money work and it is through such work that it will be considered.

Going Concern

Question	Management response
<p>1. What processes and controls does management have in place to identify events and / or conditions which may indicate that the statutory services being provided by Plymouth City Council will no longer continue?</p>	<p>The Council actively monitors government developments and initiatives via various sources which include the following: Local Government Information Unit (LGIU); Government websites & communication; Local Government Association (LGA); Special Interest Group of Municipal Authorities (SIGOMA); Officers frequently produce reports for senior management and members in relation to any potential changes that will have an impact on the statutory services the Council provides.</p>
<p>2. Are management aware of any factors which may mean for Plymouth City Council that either statutory services will no longer be provided or that funding for statutory services will be discontinued? If so, what are they?</p>	<p>The Council is not aware of any factors which may mean that the statutory services it provides will be discontinued or that funding for these services will be discontinued. However, it is continually monitoring the impact on Council finances of government funding decisions.</p>
<p>3. With regard to the statutory services currently provided by Plymouth City Council, does Plymouth City Council expect to continue to deliver them for the foreseeable future, or will they be delivered by related public authorities if there are any plans for Plymouth City Council to cease to exist?</p>	<p>For the foreseeable future, Plymouth City Council expects to continue to deliver its statutory services.</p>
<p>4. Are management satisfied that the financial reporting framework permits Plymouth City Council to prepare its financial statements on a going concern basis? Are management satisfied that preparing financial statements on a going concern basis will provide a faithful representation of the items in the financial statements?</p>	<p>Management are satisfied that the financial reporting framework permits Plymouth City Council to prepare its financial statements on a going concern basis and that this will provide a faithful representation of the items in the financial statements.</p>

Accounting estimates

Matters in relation to accounting estimates

ISA (UK) 540 (Revised December 2018) requires auditors to understand and assess a body's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the body's risk management process identifies and addresses risks relating to accounting estimates;
- The body's information system as it relates to accounting estimates;
- The body's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Audit Committee members:

- Understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- Oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- Evaluate how management made the accounting estimates?

We would ask the Audit Committee to satisfy itself that the arrangements for accounting estimates are adequate.

Accounting Estimates - General Enquiries of Management

Question	Management response
1. What are the classes of transactions, events and conditions, that are significant to the financial statements that give rise to the need for, or changes in, accounting estimate and related disclosures?	Property, Plant and Equipment valuation estimates, Investment Properties valuation estimates, Pension Liability valuation estimates, Provisions valuation estimates, Provision for bad debt valuation estimates, Depreciation valuation estimates, Accrued income and expenditure estimates, PFI valuation estimates, Appeals valuation estimates, Minimum revenue provision valuation estimates, Contingent assets and liabilities, Risk management.
2. How does the authorities risk management process identify and address risks relating to accounting estimates?	The Council employs qualified professionals to prepare estimates that are needed to inform or facilitate its business operations. Furthermore, the council employs a contingent of professionally qualified staff in several areas of professional competence to ensure that estimates supplied externally are used correctly and suitably in the administration of its business. The conclusions of this work are used for executive decision making and the financial statements are reviewed by the AGC in line with national practice in the sector.
3. How does management identify the methods, assumptions or source data, and the need for changes in them, in relation to key accounting estimates?	By following best practice and ensuring that staff are fully trained and undertake regular CPD.
4. How do management review the outcomes of previous accounting estimates?	Receiving regular reviews of the draft Statement of Accounts, review of Treasury Management practice and reading through the policies contained in the Statement of Accounts.
5. Were any changes made to the estimation processes in 2021/22 and, if so, what was the reason for these?	We took advice from LG Futures in relation to the Council Tax for bad debt and for the NDR estimation for bad debt and appeals due to COVID-19.

Accounting Estimates - General Enquiries of Management

Question	Management response
6. How does management identify the need for and apply specialised skills or knowledge related to accounting estimates?	By following best practice and ensuring that staff are fully trained and undertake regular CPD. Where specialised skills are required TCWG ensure that staff have access to external bodies that have specialised knowledge to provide support. Staff have access to the latest legislation, The CIPFA code, annual training and accountancy materials.
7. How does the authority determine what control activities are needed for significant accounting estimates, including the controls at any service providers or management experts?	The authority takes a risk based approach and is aware of the materiality levels for an authority of its size and complexity. The Council has also discussed the requirements for significant accounting estimates (where material) with the service provider and they have adapted their approach. In the case of the Tamar Bridge and the Energy from Waste plant, the bridge valuation is now undertaken annually by external valuers. Where a significant accounting estimate is concerned the Council may seek alternative advice from more than one expert to support the accounting estimate.
8. How does management monitor the operation of control activities related to accounting estimates, including the key controls at any service providers or management experts?	The Council employ professionally qualified finance staff to provide the accounting estimates. Year-end training is provided for the Service Accountants and regular training is provided to the financial reporting team as well as access to accounting professionals and consultants to support the provision of significant accounting estimates. Regular discussions with other local authorities through the Devon Accounting Group and the Devon Business Rate Pool.
9. What is the nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates, including: <ul style="list-style-type: none"> - Management's process for making significant accounting estimates - The methods and models used - The resultant accounting estimates included in the financial statements. 	The Council employ professionally qualified finance staff to provide the accounting estimates. Year-end training is provided for the Service Accountants and regular training is provided to the financial reporting team as well as access to accounting professionals and consultants to support the provision of significant accounting estimates. For example, LG Futures have been employed during 2020/21 to advise on the appeals and provisions process for NDR.

Accounting Estimates - General Enquiries of Management

Question	Management response
10. Are management aware of any transactions, events, conditions (or changes in these) that may give rise to recognition or disclosure of significant accounting estimates that require significant judgement (other than those in Appendix A)? If so, what are they?	No
11. Why are management satisfied that their arrangements for the accounting estimates, as detailed in Appendix A, are reasonable?	TCWG are satisfied that they are.
12. How is the Audit and Governance Committee provided with assurance that the arrangements for accounting estimates are adequate ?	Regular reporting on the adequacy from internal and external audit.

Appendix A - Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Land and buildings valuations	Valuations are reported on the basis of 'material valuation uncertainty' as per the RICS Red Book Global	All property assets valued over £4m (70%) are revalued annually to avoid the risk of material valuation uncertainty.	In-house valuers are RICS qualified valuers	Valuations are reported on the basis of 'material valuation uncertainty'. At the current time it is not possible to accurately predict the longevity and severity of the impact of COVID-19 on the economy. Property valuations will be kept under review as the valuers assess the future impact of COVID-19 on property markets.	No
Investment property valuations	Valuations are reported on the basis of 'material valuation uncertainty' as per the RICS Red Book Global	These property valuations are undertaken every year	In-house valuers are RICS qualified valuers	The Council's valuers use valuation techniques to determine the fair value of investment property. This involves developing estimates and assumptions consistent with how market participants would price the property. The COVID-19 global impact on financial markets has made judgements on valuations more challenging due to market uncertainty and a higher degree of caution should be attached to valuations than would normally be the case.	No
Depreciation	Depreciation is not an estimate and details of the Council's policy on depreciation is documented within the policies included in the Statement of Accounts. The depreciation periods currently used range from 5 to 60 years depending on the life of the asset. Property assets valued at over £4m are valued annually and therefore depreciation is no longer applied.	Not an estimate	Policies are in line with those provided in CIPFA guidance	Not an estimate	No

Appendix A - Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Valuation of defined benefit net pension fund liabilities	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets.	The pension cashflow data supplied to the Devon LGPS comes from the monthly data reconciled as part of the Council's payroll reconciliation. The only estimates involved are for month 12 and any movement in the data supplied would not be material.	The Devon LGPS employs Barnett Waddingham as actuaries for the pension fund.	An assessment of the degree of uncertainty is reported in the pension notes to the Statement of Accounts. Any changes to the assumptions made by the actuary would either increase or decrease the net pension liability on the balance sheet and the cost would be shown in the CIES. The changes do not impact on the Council's General Fund position as the Council is not required to fund such non-cash charges from council tax receipts.	No
Level 2 investments	Details of the methods/models used for reporting financial instruments are contained in the Council's notes to the Statement of Accounts. Valuations are provided by Arlingclose based on the most up to date valuations as at the 31 March.	The council's investments as at the end of March are supplied to Arlingclose for valuation purposes	Arlingclose provide the fair value measurements for the Council's financial instruments.	We are advised by Arlingclose our Treasury Management advisors.	Yes, we have used Arlingclose to provide fair value valuations
Level 3 investments	See details for Level 2 Investments	See details for level 2 Investments	See details for level 2 Investments	See details for level 2 Investments	See details for level 2 Investments
Fair value estimates	See details for Level 2 Investments	See details for level 2 Investments	See details for level 2 Investments	See details for level 2 Investments	See details for level 2 Investments

Appendix A - Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Provisions	These will vary depending on the type of provision being reviewed. Method and models are based on policies adapted for historic experience and the success rates of claims/risk.	Provisions are based on real data and trend analysis.	This depends on the type of provision and whether it requires specialist knowledge. We used LG Futures for NDR provision for bad debt and appeals	Provisions are updated each year taking into account real data and trend analysis.	Yes, for NDR bad debt and appeals using LG Futures.
Accruals	Activity is accounted for in the year it takes place, not simply when cash payments are made or received.	Requested accruals are processed in line with our standard finance procedures and policies, supporting information is retained for audit trail purposes.	The services provide information about expenditure and income expected but not yet received.	Level of uncertainty is reduced as accruals based on detailed transactional information which provide the evidence for the accrual rather than relying on the accountant to estimate.	No
Credit loss and impairment allowances	These will vary depending on the type of provision being reviewed. Method and models are based on policies adapted for historic experience and the success rates of collection.	Credit loss and impairment allowances are based on real data and historic collection rates.	See provisions above	Increases assessment of the degree of uncertainty of collection were built into assumptions for 2020/21 due to COVID-19.	Yes, for NDR and Council Tax and other Council bad debt due to impact of COVID-19.



Appendix A - Accounting Estimates (Continued)

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Finance lease liabilities	Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the leases at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower).	Year-end reporting by Service Accountants	Arlingclose provided the fair values for the leases	Further details are contained in note 1.18 to the Statement of Accounts on page 40.	No
PFI Liabilities	Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as Property, Plant and Equipment owned by the Council.	Year-end reporting by Service Accountants	Arlingclose provided the fair values for the PFI leases	Further details can be found in note 1.20 to the Statement of Accounts on page 43. The models in use were provided by external accountancy consultants at the time the Council recognised the assets on its Balance Sheet.	No



Audit and Governance Committee



Date of meeting: 20 March 2023
 Title of Report: **I4 Point Action Plan**
 Lead Member: Councillor Mark Shayer (Deputy Leader)
 Lead Strategic Director: David Northey (Interim Service Director for Finance)
 Author: David Northey
 Paul Looby
 Contact Email: David.northey@plymouth.gov.uk
 Your Reference: DJNI/audit
 Key Decision: No
 Confidentiality: Part I - Official

Purpose of Report

To update the Audit and Governance Committee with a formal response to the I4 recommendations from Grant Thornton, as set out in their November Audit Report.

In respect of Recommendation I0 which is the council carries out a self-assessment against the CIPFA Financial Standards, produces a robust action plan with SMART targets to achieve full compliance by the deadline and reports this to the Audit & Governance Committee, this report sets out in Appendix I the first draft desktop review, undertaken by the S151 and Deputy S151 officers. It is included to give the Committee assurance that a review is underway. A further update will be made available to the Committee which will include SMART targets to achieve full compliance where required.

Recommendations and Reasons

1. That the Committee note the responses to the I4 recommendations from the S151 Officer, as set out in the report.
2. That the Committee note the 1st Draft Desktop review of the CIPFA Financial Management Code

It is an opportunity to give the Committee assurance around the good governance of the Council's finances

Alternative options considered and rejected

No alternative considered as not addressing the improvement recommendations would not have given the necessary assurances to either the Committee or the external auditors.

Relevance to the Corporate Plan and/or the Plymouth Plan

Nothing as a result of this report.

Implications for the Medium Term Financial Plan and Resource Implications:

None as a direct result of this report, but where there are actions to be taken these will strengthen the production of the MTFP.

Financial Risks

None as a result of this report

Carbon Footprint (Environmental) Implications:

None as a result of this report

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.

None as a result of this report

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 12 of the Local Government Act 1972 by ticking the relevant box</i>						
		1	2	3	4	5	6	7
I.	The CIPFA Financial Management Code							

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) <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
Auditor's 20/21 and 21/22 Annual Report on Plymouth City Council							

Sign off:

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Originating Senior Leadership Team member: David Northey											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 08/03/2023											
Cabinet Member approval verbal at 1:1											
Date approved: 10/03/2023											

	Recommendation	Management Comment Nov 22	Updated Management Comment March 23
1	Members should follow the advice of the Council's 151 Officer and if recommended allow for the increase of council tax within referendum limits for 23/24 financial year so that the Council may both reduce its funding gap and build up a sustainable level of reserves over time.	Agreed	The Service Director Finance presented a budget report to Cabinet on 17 January 2023. This set out the latest financial position for 2023/24 and proposed the maximum Council Tax increase of 2.99% and ASC precept of 2%. At the Full Council meeting on 27 February 2023 the Council Tax increase – the maximum before a local referendum – was agreed. Within the Revenue and Capital Budget 2023/24 report, the S151 Officer's Budget Robustness Statement stated: The statement also included advice on the consequences of not maximising the increase. There is a clear commitment to increase the council's general fund balance as part of the MTFP refresh. It will need a longer term strategy to move from the current £8.4m to hold a 5% balance against the 2023/24 resources of £218m being £10.9m
2	The MTFP needs to be updated as a priority, for the mid-year 2022 Cabinet and Council meetings so it reflects the latest inflationary and energy price increases. The MTFP needs to be robustly triangulated with savings, capital , treasury, workforce and operational business planning for 23/24	The 2023/24 position was presented to Council in November 2022 which is the earliest available opportunity to match savings to the funding gap. The funding gap has discussed since early July 2022 with Cabinet Members and public have been notified of the scale of the deficit. It is difficult to maintain a meaningful	A further update was presented to Cabinet on 17 January and this will be presented to Scrutiny for discussion and debate in January. A recommendation from Scrutiny is: a) that a three year Medium Term Financial Plan is prepared and considered at Full Council in September. This reflects similar recommendations made through the LGA corporate peer challenge and external auditors report. In response, the Section 151 Officer agreed to undertake a review of the MTFS and will submit for consideration to Council in September 2023. The budget for 2023/24 has taken account of the latest inflationary and energy price increases, and includes additional budget allocations for key areas such as social care (both adults and children) and the Place Directorate.

		MTFP when central government have been giving in-year settlements.	The Budget Report includes Section I – Helping Plymouth Build Back Better which sets out the four key priorities. There is also a Directorate Summary section setting out the costs and services for the delivery of over 300 vital services. The S151 Officer is proposing the development of a 5 year MTFP.
3	The Council needs to employ an interim senior officer to start immediately, to support the newly promoted S151 officer, so the Finance department has adequate capacity and knowledge required to help manage the significant financial challenges and associated workload	An interim has been appointed, starting 16 November.	The interim was appointed and has been supporting the council's in year and future years budget planning and will be here through closedown as a minimum.
4	The Council needs to identify new recurrent savings each year to sustainably close its significant funding gap rather than rely on annual vacancy rates. Difficult service decisions will need to be made to identify sufficient significant potential savings for members to choose from.	The savings proposals listed in the 2023/23 budget show this with sustainable savings and difficult decisions. Here will always be some element of one off savings: we are working to minimise these	The full list of savings proposals were published in the budget report for Cabinet on 17 January 2023 and approved by Full Council in February 2023. The size of the shortfall between anticipated resources and financial commitments for the coming year has been considerable, and a disciplined approach to achieving a balanced budget whilst maintaining delivery against the Council's agreed priorities has been necessary. Setting the budget does not mean the work is over as financial pressures will continue to provide a challenge and we will need to deliver our savings plans that are being put in place. The Council will need to continue to transform how it operates to reduce costs. As part of the budget setting, it has been a major consideration to implement sustainable and recurring savings, reducing the reliance on one-off opportunities. There will always been a requirement to find one-off savings however the ratio of such savings as part of the £23m is at an acceptable level. A plan to further reduce reliance will form a key strand of the new MTFP.
5	The council's annual financial budget needs to be clearly aligned to activity plans to	We do ensure the budgets are	The approach to balance the budget has been informed by a clear focus

	ensure there is consistency and triangulation between all elements of the organisation. Service budgets and financial forecasts should be aligned with council outcomes.	aligned to our outcomes	on agreed priorities, the delivery of measures to increase efficiency, maximising income opportunities where appropriate and changing our systems, processes and structures to improve the way we deliver services.
6	The Council's Strategic Risk Register needs to record significant financial risks at a more granular level, over the short and medium term. The mitigating actions to manage these risks need to be recorded in the Action Plan / Future Mitigation column of the Risk Register which currently replicates the controls in place, so that officers and Members are clear how the council may put itself in a sustainable financial footing, reduce its financial pressures and achieve its strategic outcomes	We have requested further detail.	An updated risk register was submitted to the Audit and Governance Committee on 16 January 23. 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, and Risk number two relates to possible failure to meet statutory duties due to growing volume and complexity of demand for children's social care services. The mitigations are set out in detail.
7	The council's levels of reserves, at some £8m, is insufficient to maintain financial sustainability as the council continues to face increasing financial pressures due to ever increasing inflation, expected pay increases and escalating fuel and energy costs. The council needs to revisit its Reserves Strategy and build up its reserves at a rate of greater than £350,000 a year from 23/24	We had planned to increase by £350,000 p.a. but this is difficult in the current financial climate. We have asked for clarification on what level would be sufficient	The S151 Officer has had a follow up discussion on this issue with the external auditors. The updated MTFP will be made available to Full Council in September 2023 and will include a clear strategy and ongoing commitment to increasing the Working Balance.
8	We recommend that the Strategic Risk Register informs the annual overview and scrutiny work programmes so that risk management is properly embedded in members decision making	We are undertaking a review of our scrutiny arrangements	The recommendation is noted. As previously stated, we are undertaking a review of our scrutiny arrangements and this will form part of the discussion.
9	Given the financial challenges faced by the council we recommend that a more granular level of information by cost centre is included in the monthly finance monitoring reports so senior officers and members may see the level of variances at an activity level which will better inform their decision making around services.	We are always open to suggestions to better inform and report. However we have to be mindful of too much detail. Best Practice is sought.	The external auditors have not provided examples of best practice. The S151 Officer has been reviewing the financial monitoring reports of other unitary authorities. It is considered that the current level of transparency within the monthly finance monitoring report meets the requirements of Cabinet and Scrutiny, with the quarterly reports being noted at Full Council. The Management Scrutiny Board have requested changes to the report format, particularly given the unprecedented pressures of the

			financial year 2022/23. The S151 Officer is open to discussions with the Administration when known in May on any further improvements or additional information. It should be noted that the reporting process is more than just the public facing reports which are published.
10	We recommend the council carries out a self-assessment against the CIPFA Financial Standards, produces a robust action plan with SMART targets to achieve full compliance by the deadline and reports this to the Audit & Governance Committee.	We have asked for clarification	The S151 Officer has reviewed the Code and will ensure a self-assessment is undertaken this month (March 2023) and update the Committee at a future meeting. A 1 st draft is attached as Appendix I for information.
11	The council should develop a data quality strategy setting out the councils approach to improving the quality of data required to support good decision making including an independent assessment and assurance around data quality	Management will consider this recommendation	As part of the Finance restructure which went live 1 st December 2022, a new post was created for a Service Accountant within the Corporate Accountancy team. This role will provide the link between finance and the systems team to ensure data accuracy and provide resource for system updates and changes. There is a CMT lead on data quality – following this recommendation the S151 Officer will ensure dialogue at CMT. For example the idea of strengthening the use of data and evidence in decision making is a part of the health determinant research collaboration, where PCC has been awarded grant funding to progress. We do have a strong governance in place around, for example, the level of detail within financial information provided to Cabinet, and therefore published to the public, as well as full transparency for all scrutiny committees and Full Council.
12	The council should consider how it can use the independent formal benchmarking in its reporting to the Cabinet to (1) explore may high unit costs and potential savings within its services and (2) provide assurance that it is delivering cost effective services in other areas.	Management will consider this recommendation	As part of the annual budget setting process, senior officers work with finance to establish the cost base of the major areas of expenditure – adult and children's social care; waste collection as examples. Work undertaken includes cost and volume analysis. Independent benchmarking will be considered as an input to the MTFP under revision.

13.	The council should define its significant partnerships and develop a register that identifies the contribution that the partnerships makes to the City's corporate objectives. Define its significant partnerships and better understanding their contribution to the council's objectives will enable the council to evaluate and access their level of contribution.	Management will consider this recommendation	The Corporate Management Team recently undertook a desktop review of the "Family of Companies" looking at ownership; responsibilities and contribution to PCC. The Strategic Director for Customer & Corporate Services has an action to further review and report as required.
14	The council should produce a procurement strategy as part of a review of its procurement arrangements to ensure the councils policies procedures and practices up to date in terms of better analysis of spend budget and risk.	Management will consider this recommendation	PCC do not have a procurement strategy, however Procurement will be refreshing the Council's Contract Standing Orders as part of the wider constitutional review being undertaken by the Monitoring Officer. This refresh will look to make improvements across all aspects of Procurement including rules, policies and procedures. Work is currently underway.

Appendix 1

The CIPFA Financial Management Code

Plymouth City Council CFO “Desk Top”

Review

The CIPFA Financial Management Code was released by CIPFA in October 2019.

Extracts from the consultation document have been replicated in this document

Objectives

The CIPFA Financial Management Code (CIPFA FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The CIPFA FM Code therefore for the first time sets the standards of financial management for local authorities.

The Code is based on a series of principles supported by specific standards and statements of practice which are considered necessary to provide the strong foundation to:

- *financially manage the short, medium and long term finances of a local authority*
- *manage financial resilience to meet foreseen demands on services; and*
- *financially manage unexpected shocks in their financial circumstances*

The Code is based on principles rather than prescription. Plymouth City Council must demonstrate that the requirements of the Code are being satisfied, **this is a collective responsibility of elected members, the Chief Finance Officer and the Corporate Management Team.**

The FM Code should not be considered in isolation and accompanying tools, including the use of objective quantitative measures of financial resilience, should form part of the suite of evidence to demonstrate sound decision-making.

CIPFA’s judgement is that although the FM Code does not have legislative backing it applies to all local authorities.

The first full year of compliance will be 2021/22. This reflects the recognition that organisations will need time to work towards compliance.

The CIPFA Statement of Principles of Good Financial Management

The Code requires that a local authority demonstrates that its processes satisfy the principles of good financial management for an authority of its size, responsibilities and circumstances. Good financial management is proportionate to the risks to the authority's financial sustainability posed by the twin pressures of scarce resources and the rising demands on services. The FM Code identifies these risks to financial sustainability and introduces an overarching framework of assurance which builds on existing best practice but for the first time sets explicit standards of financial management.

The underlying principles of the Code:-

- ☐ Organisational **leadership** - demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture
- ☐ **Accountability** - based on medium term financial planning which drives the annual budget process supported by effective risk management, quality supporting data and whole life costs
- ☐ Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making
- ☐ Adherence to professional **Standards** is promoted by the leadership team and is evidenced.
- ☐ Sources of **assurance** are recognised as an effective tool mainstreamed into financial management and includes political scrutiny and the results of both external audit, internal audit and inspection.
- ☐ **The long term** of local services is at the heart of all financial management process and is evidenced by prudent use of public resources.

CIPFA Financial Management Standards Summary Draft 1

FM Ref	CIPFA Financial Management Standards	Related Principal	Red 1-3	Amber 4-7	Green 8-10	Comments
Section 1 The Responsibilities of the Chief Finance Officer and Corporate Management Team (Leadership Team)						
A	<p><i>The leadership team demonstrates that the services provided by the authority provide value for money.</i></p> <p>Key questions</p> <p>Does the authority have a clear and consistent understanding of what value for money means to it and to its leadership team?</p> <p>Does the authority have suitable mechanisms in place to promote value for money at a corporate level and at the level of individual services?</p> <p>Is the authority able to demonstrate the action that it has taken to promote value for money (VFM) and what it has achieved?</p>	Leadership		7		<p>All published reports to Committee have mandatory sections where the financial implications for all decisions must be set out. This includes a section on implications for the MTFP and a section on Financial risks.</p> <p>Reports will be signed off by at least one CMT member and reports will be presented to CMT where considered appropriate to ensure VFM is achieved.</p> <p>CMT is the Leadership Team at PCC.</p> <p>The Procurement Team work with all teams across the authority to promote the importance of VFM on all contracts. There is always room for improvement and a full procurement review is under way. More emphasis could be placed on post-decision reviews to assess performance and outcomes</p>

The CIPFA Financial Management Code

B	<p><i>The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government</i></p> <p>Key questions</p> <p>Is the authority's CFO a key member of the leadership team, involved in, and able to bring influence to bear on, all material business decisions?</p> <p>Does the CFO lead and champion the promotion and delivery of good financial management across the authority?</p> <p>Is the CFO suitably qualified and experienced?</p> <p>Is the finance team suitably resourced and fit for purpose?</p>	Leadership			8	<p>The CFO is an attendee of CMT and although the reporting line is to the Strategic Director of Customer and Corporate Services, there is a direct reporting line to the Chief Executive for matters of strategic finance – the budget; MTFP; monthly reports to Cabinet and Scrutiny.</p> <p>All reports must be signed off by the CFO and these require a Finance Sign of Code which can only be issued by the CFO or Deputy S151 Officer. No report can be published without this sign off.</p> <p>The CFO is a qualified accountant and suitably qualified by experience of operating at the highest level.</p> <p>The finance function has undertaken a restructure to ensure it can meet the requirements of CMT and service needs and to support the CFO. Challenges remain as the structure recruits to all posts and it is recognised there is a shortage of qualified finance officers particularly in corporate and technical accountancy. Resources and capacity are under constant review particularly due to the ever increasing external audit requirements.</p>
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Section 2 Governance and Financial Management Style						
C	<p><i>The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.</i></p> <p>Key questions</p> <p>Does the leadership team espouse the Nolan principles?</p> <p>Does the authority have in place a clear framework for governance and internal control?</p> <p>Has the leadership put in place effective arrangements for assurance, internal audit and internal accountability?</p> <p>Does the leadership team espouse high standards of governance and internal control?</p> <p>Does the leadership team nurture a culture of effective governance and robust internal control across the authority?</p>	Assurance			8	<p>The Constitution sets out the key documents which provide a framework for governance and internal control. This includes the officer scheme of delegation, financial regulations, and contract regulations.</p> <p>There is in place a robust Audit and Governance Committee which includes independent members.</p> <p>The independence of the internal audit function is further enhanced by Devon Audit Partnership (DAP) providing internal audit services and a Counter Fraud Team.</p>
D	<p><i>The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)</i></p> <p>Key questions</p> <p>Has the authority sought to apply the principles, behaviour and actions set out in the framework to its own governance arrangements?</p>	Accountability			8	<p>The Council is currently undertaking a review of its Constitution and will seek to adopt the Code of Corporate Governance within it. The Annual Governance Statement is presented and reviewed by the Audit and Governance Committee each year.</p>

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	<p>Does the authority have in place a suitable local code of governance?</p> <p>Does the authority have a robust assurance process to support its Annual Governance Statement (AGS)?</p>					<p>The Constitution provides the main driver and framework for the Council's governance arrangements. Elements of the Constitution are under review and further reports will be considered by the Audit and Governance Committee with respect to required changes.</p> <p>Senior Leadership (political and officer) maintain oversight and accountability for ensuring good governance through a number of mechanisms, including monthly cross party Council Leadership Group meetings with Group Leaders from the two main parties, Chief Executive and Monitoring Officer. More recently, given the 2022/23 in-year financial pressures and the £37.6m funding gap in the 2023/24 Budget, the S151 Officer has also been in attendance.</p>
E	<p><i>The Financial Management Style of the authority supports financial sustainability</i></p> <p>Key questions</p> <p>Does the authority have in place an effective framework of financial accountability?</p>	Sustainability			8	<p>Finance officers are key to supporting services and financial decisions. Lead Accountancy Managers (LAMs) are represented on departmental management teams for all key financial decisions and issues. LAMs or senior finance officers are members and play a part on key project boards.</p>

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						The Council has had a recent LGA Peer Review follow up meeting, which undertook a review of finance. Their report to CMT is currently awaited.
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	<p>Is the authority committed to continuous improvement in terms of the economy, efficiency, effectiveness and equity of its services?</p> <p>Does the authority's finance team have appropriate input into the development of strategic and operational plans?</p> <p>Do managers across the authority possess sufficient financial literacy to deliver services cost effectively and to be held accountable for doing so?</p> <p>Has the authority sought an external view on its financial style, for example through a process of peer review?</p> <p>Do individuals with governance and financial management responsibilities have suitable delegated powers and appropriate skills and training to fulfil these responsibilities?</p>				<p>All formal decisions must be reviewed by finance officers and a formal sign off before decisions can be actioned and implemented.</p> <p>Service departments look to utilize limited resources and maximise outputs with finance officer support.</p> <p>All senior officers are expected to demonstrate good financial acumen and seek financial advice as required.</p> <p>The S151 Officer has recently presented finance training sessions with members, particularly ahead of the recent scrutiny and budget discussions at Full Council. There are regular monthly updates to the Union Representatives to ensure full awareness of both issues and mitigations. 2022/23 has seen a wider understanding of financial matters through updates and budget sessions with the Senior Leadership Team comprising Strategic and Service Directors.</p> <p>Consideration must be given to ongoing training around financial literacy of SLT and key staff.</p>
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Section 3 Long to Medium Term Financial Management						
F	<p><i>The authority has carried out a credible and transparent Financial Resilience Assessment</i></p> <p>Key questions</p> <p>Has the authority undertaken a financial resilience assessment?</p> <p>Has the assessment tested the resilience of the Authority's financial plans to a broad range of alternative scenarios?</p> <p>Has the Authority taken appropriate action to address any risks identified as part of the assessment?</p>	Assurance		7		<p>The limitations of government funding announcements has constrained medium term financial planning. Annual local government finance settlements has hindered the council's financial planning and the council continues to ask for a minimum three year funding allocation.</p> <p>The risks of financial resilience is included as a key risk win the Strategic Risk Register and is continually monitored.</p> <p>The annual budget report sets out a statement by the CFO on the robustness of the estimates and reserves. Reserves are monitored and a strategy of increasing the Working Balance will be presented to Council in September 2023.</p> <p>Council is aware of its financial resilience risks, and consideration of these could be documented more in a formal review and presented to Council in September 2023.</p>

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G	<p><i>The authority has a Long-Term Financial Strategy for financial sustainability.</i></p> <p>Key questions</p> <p>Does the authority have a sufficiently robust understanding of the risks to its financial sustainability?</p> <p>Does the authority have a strategic plan and long-term financial strategy that adequately address these risks?</p> <p>Has the authority sought to understand the impact on its future financial sustainability of the strategic, operational and financial challenges that it might face (eg using a technique such as scenario planning)?</p> <p>Has the authority reported effectively to the leadership team and to members its prospects for long-term financial sustainability, the associated risks and the impact of these for short and medium-term decision making?</p>	Sustainability		7		<p>The Council has a rolling five year MTFP and five year capital plan. Due to the absence of a medium term funding allocation from Government the MTFP has been developed as a working document as opposed to a published plan. An updated MTFP will be presented to Council in September 2023. The sensitivity of future risks are known and understood with particular emphasis on the long term impact of the final accounting treatment of the pension transaction in 2019/20 and the impact on any necessary restatement of the accounts for 2019/20 on the accounts for 2020/21 to 2022/23.</p> <p>The preparation of the 2023/24 Budget has emphasized the over-reliance on one-off savings and the need for sustainable savings; difficult decisions have been made to set out savings of £23m in one year.</p>
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H	<p><i>The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities</i></p> <p>Key questions</p> <p>Has the authority prepared a suitable capital strategy?</p> <p>Has the authority set Prudential Indicators in line with the Prudential Code?</p> <p>Does the authority have in place suitable mechanisms for monitoring its performance against the Prudential Indicators that it has set?</p>	Standards			9	<p>The council is compliant with the Code and presents its Capital Strategy, Prudential Indicators, and Treasury Management Strategy to Audit & Governance Committee and Council. These are all presented to Council as part of the budget.</p>
I	<p><i>The authority has a rolling multi-year Medium Term Financial Plan consistent with sustainable service plans</i></p> <p>Key questions</p> <p>Does the authority have in place an agreed medium-term financial plan?</p> <p>Is the medium-term financial plan consistent with and integrated into relevant service plans and its capital strategy?</p> <p>Has the medium-term financial plan been prepared on the basis of a robust assessment of relevant drivers of cost and demand?</p> <p>Has the medium-term financial plan been tested for resilience against realistic potential variations in key drivers of cost and demand?</p>	Sustainability		6		<p>The Council has a rolling five year MTFP and five year capital plan. Due to the absence of a medium term funding allocation from Government the MTFP has been developed as a working document as opposed to a published plan. An updated MTFP will be presented to Council in September 2023.</p> <p>Cost drivers and know future demands are reflected within the MTFP</p> <p>There is an annual service planning process and Business Plans are produced in line with the budget.</p>

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	<p>Does the authority have in place a suitable asset management plan that seeks to ensure that its property, plant and equipment including infrastructure assets contribute effectively to the delivery of services and to the achievement of the authority’s strategic aims?</p>					<p>An Asset Management Plan was published in January 2019. The Strategic Asset Management Framework details the principles by which all of the Council’s assets should be managed. It sets out the environment in which the Council is currently operating and provides details of how all of the Council’s assets will be managed. This plan will provide the details for how assets within Land and Property will be managed. It is a 5 year plan.</p> <p>Extensive work has been undertaken in 2022/23 to identify all estate properties, their condition and sets out a plan for future use or disposal.</p>
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Section 4 The Annual Budget					
	<p>The authority complies with its statutory obligations in respect of the budget setting process.</p> <p>Key questions</p> <p>Is the authority aware of its statutory obligations in respect of the budget-setting process?</p> <p>Has the authority set a balanced budget for the current year?</p> <p>Is the authority aware of the circumstances under which it should issue a Section 114 notice and how it would go about doing so?</p>	Standards			<p>10</p> <p>The council is compliant in relation to the statutory requirements.</p> <p>A balanced budget was approved by Full Council at the meeting 27 February 2023 for the financial year 2023/24.</p> <p>All officers and elected members have been made aware of both the circumstances under which a S114 Notice would be issued and the consequences of issuing the notice.</p>

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K	<p><i>The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves.</i></p> <p>Key questions</p> <p>Does the authority's most recent budget report include a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves?</p> <p>Does this report accurately identify and consider the most significant estimates used to prepare the budget, the potential for these estimates being incorrect, and the impact should this be the case?</p>	Standards			9	<p>The budget report to Council sets out a statement by the CFO on the robustness of estimates and a statement of the adequacy of reserves. The Budget Amendment tabled by the Labour Group for 2023/24 also includes a S151 officer statement on the impact on the robustness of the budget and the impact on reserves. It states:</p> <p><i>This (budget) process takes account of previous and current spending patterns in terms of base spending plans and the reasonableness and achievability of additional spending to meet increasing or new service pressures. This is a thorough process involving both financial and non-financial senior managers throughout the Council. The Cabinet have also been actively involved in reviewing all options for income generation and cost savings.</i></p> <p>Under the Financial Risks section the report states:</p> <p>The Council is a complex service organisation with a gross revenue expenditure</p>
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	<p>Does the authority have sufficient reserves to ensure its financial sustainability for the foreseeable future?</p> <p>Does the report set out the current level of the authority’s reserves, whether these are sufficient to ensure the authority’s ongoing financial sustainability and the action that the authority is to take to address any shortfall</p>					<p>budget exceeding £500m. It is essential that careful consideration is given to all factors that could impact upon the budget to ensure they are – when approved - robust and deliverable within the overall budget allocations that are available</p> <p>The Authority has acknowledged that a Working Balance of £8,4m or 3.8% of the net budget needs to be supplemented with a clear plan to achieve a safer threshold of 5%, which will require an additional £2.5m. The Select Committee to scrutinize the 2023/24 budget recommended the Section 151 Officer should undertake a review of the level of the working balance and with a robust and transparent plan to cover the future contributions to the working balances.</p>
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Section 5 Stakeholder Engagement and Business Plans						
L	<p><i>The authority has engaged with key stakeholders in developing its long-term financial strategy, medium term financial plan and annual budget.</i></p> <p>Key questions</p> <p>How has the authority sought to engage with key stakeholders in developing its long-term financial strategy, its medium-term financial plan and its annual budget?</p> <p>How effective has this engagement been?</p> <p>What action does the authority plan to take to improve its engagement with key stakeholders?</p>	Transparency		7		<p>The annual budget was subject to subject extensive consultation with residents and staff. Residents were able to express their opinions via the council website and there were a number of Q&A sessions for all council staff.</p> <p>The budget proposals were subject to detail scrutiny by the Scrutiny Committees.</p> <p>A public engagement to support the 2023/24 budget setting process took place with a questionnaire which asked respondents to give their views on a range of budget savings / income proposals being put forward by the Administration. Questionnaire was available online through Plymouth City Council's consultation portal and available in other formats upon request. A communications plan was developed including social media, Plymouth Newsroom, resident e-newsletter and direct messaging to stakeholders. A budget engagement event on the 07 December 2022 with Plymouth's Youth Parliament explored the current situation and the savings and income options</p>

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						proposed. A meeting was held on 21 December 2022 with several of the City’s key business group representatives. Groups and organisations represented included Devon and Plymouth Chamber; Destination Plymouth and Plymouth Federation of Small Businesses (FSB).The budget issues were outlined and, with recognition of these, representatives shared their thinking on the way forward regarding economic development in the city. This was well received, and the Chair of the FSB wrote to Plymouth City Council in response.
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M	<p><i>The authority uses a documented option appraisal methodology to demonstrate the VFM of its decisions</i></p> <p>Key questions</p> <p>Does the authority have a documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal?</p> <p>Does the authority offer guidance to officers as to when an option appraisal should be undertaken?</p> <p>Does the authority's approach to option appraisal include appropriate techniques for the qualitative and quantitative assessment of options?</p> <p>Does the authority's approach to option appraisal include suitable mechanisms to address risk and uncertainty?</p> <p>Does the authority report the results of option appraisals in a clear, robust and informative manner that gives clear recommendations and outlines the risk associated with any preferred option(s)?</p>	Transparency		6		<p>All major decisions are supported by a business case and a financial appraisal.</p> <p>There is a business case template that has to be completed for capital projects which have a number of mandatory sections. These business cases must be signed off by the CFO.</p> <p>The authority is undertaking a further review of the Capital Programme, particularly the governance arrangements.</p>
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Section 6 Monitoring Financial Performance						
N	<p><i>The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability</i></p> <p>Key questions</p> <p>Does the authority provide the leadership team with an appropriate suite of reports that allow it to identify and to correct emerging risks to its budget strategy and financial sustainability?</p> <p>Do the reports cover both forward and backward-looking information in respect of financial and operational performance?</p> <p>Are the reports provided to the leadership team in a timely manner and in a suitable format?</p> <p>Is the leadership team happy with the reports that it receives and with its ability to use these reports to take appropriate action?</p> <p>Are there mechanisms in place to report the performance of the authority's significant delivery partnerships such as contract monitoring data?</p>	Assurance			8	<p>CMT sign off a monthly revenue monitoring report. Monthly revenue monitoring reports are presented to Cabinet. Scrutiny Committees review the latest monitoring report based on their calendar of meetings.</p> <p>Quarterly revenue and capital monitoring reports are presented to Cabinet and Council. These report set out the main variations, emerging pressures and key risks.</p> <p>The monthly and quarterly reports are presented to CMT and Members in a timely fashion.</p> <p>For 2022/23 Cabinet and senior officers have worked together to overcome a £15m+ financial pressure, demonstrating a clear understanding of the risks and implications of emerging issues. These have been carried forward into the preparation of the 2023/24 budget.</p> <p>Contract monitoring of performance is an area that requires further strengthening.</p>

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O	<p><i>The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability.</i></p> <p>Key questions</p> <p>Has the authority identified the elements of its balance sheet that are most critical to its financial sustainability?</p> <p>Has the authority put in place suitable mechanisms to monitor the risk associated with these critical elements of its balance sheet?</p> <p>Is the authority taking action to mitigate any risks identified?</p> <p>Does the authority report unplanned use of its reserves to the leadership team in a timely manner?</p> <p>Is the monitoring of balance sheet risks integrated into the authority's management accounts reporting processes?</p>	Leadership		7		<p>Key parts of the balance sheet that impact on the Council's operations are reviewed regularly such as Treasury Management – which is included within the reports to CMT and Members.</p> <p>Treasury Management reports twice per year (6 monthly) to the Audit & Governance Committee and there is a separate outturn report for Treasury which includes the Prudential Indictors.</p> <p>Reserves are reviewed on an annual basis and link to the budget and MTFP. The drawdown of un-allocated reserves during 2022/23 has been well documented in the monitoring reporting.</p> <p>Consideration needs to be given to a wider update on all aspects of balance sheet. Greater challenge of the highest and best use of the council non-current assets. A further review will be required once the pension issue has been resolved.</p>
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The CIPFA Financial Management Code

Section 7 External Financial Reporting					
P	<p><i>The Chief Finance Officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom.</i></p> <p>Key questions</p> <p>Are these responsibilities included in the CFO's role description, personal objectives and other relevant performance management mechanisms?</p> <p>Have the authority's financial statements hitherto been prepared on time and in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom?</p> <p>Is the authority's CFO aware of their responsibilities in terms of the preparation of the annual financial statements?</p>	Accountability		9	<p>The council complies with the Code of Practice.</p> <p>Prior to the 2019/20 Statement of Accounts, the draft and audited Accounts have always met the statutory deadline for publication.</p> <p>Whilst the publication of the draft accounts continues to meet the deadlines, the target date for signing the final audited accounts has not been achieved due to the ongoing issues with respect to the Pension transaction in 2019/20 which has delayed the sign off by the external auditors of subsequent accounts.</p> <p>The Chief Finance Officer is fully aware of their responsibilities in terms of the preparation of the annual financial statements.</p>

Q	<p><i>The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions.</i></p> <p>Key questions</p> <p>Is the authority's leadership team provided with a suitable suite of reports on the authority's financial outturn and on significant variations from budget?</p> <p>Is the information in these reports presented effectively?</p> <p>Are these reports focused on information that is of interest and relevance to the leadership team?</p> <p>Does the leadership team feel that the reports support it in making strategic financial decisions?</p>	Accountability			8	<p>The outturn position for the councils account is presented to CMT in a timely fashion.</p> <p>Any adjustments to future budgets are considered at this time and the impact of the outturn is reflected within the MTFP.</p> <p>Consideration to be given to a documented challenge of a service's outturn position both in relation to is net cost but also the outcomes achieved.</p>
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Audit and Governance Committee



Date of meeting:	20 March 2023
Title of Report:	Internal Audit Plan 2023/24
Lead Member:	Councillor Mark Shayer, Deputy Leader and Cabinet Member for Finance and Economy
Lead Strategic Director:	David Northey (Interim Service Director for Finance)
Author:	Brenda Davis, Snr Assurance Manager
Contact Email:	brenda.davis@plymouth.gov.uk
Your Reference:	AUD/BD
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

The Public Sector Internal Audit Standards (PSIAS) require the preparation of a risk-based plan of Internal Audit activity that is designed to support an annual opinion on the effectiveness of the systems of governance, risk management and internal control and is informed by the audit strategy, consultation with stakeholders and a dynamic assessment of risks.

Against a background of already stretched budgets and resources, the continuing uncertainty about resourcing from central government and the wider economic environment, the Council will inevitably continue to face significant challenges across 2023/24. To enable Internal Audit to be more agile and responsive to the rapidly changing risk profile, the 2023/24 Internal Audit Plan has been developed as a high-level thematic plan, underpinned by core assurance work. This will ensure that the focus of audit coverage is targeted according to the needs and priorities of the Council at that point in time thereby enabling us to add most value.

Recommendations and Reasons

In accordance with the Constitution, the Audit and Governance Committee to:

- Review and approve the 2022/23 Internal Audit Plan.

Alternative options considered and rejected

None, as failure to maintain an adequate and effective system of internal audit would contravene the Accounts and Audit Regulations 2015.

Relevance to the Corporate Plan and/or the Plymouth Plan

The internal audit service assists the Council in delivering robust standards of public accountability and probity in the use of public funds and has a role in promoting high standards of service planning, performance monitoring and review throughout the organisation, together with ensuring compliance with the Council's statutory obligations.

Our work supports delivery of the values and priorities set out in Corporate Plan by ensuring that resources are used wisely, and service areas meet the needs of residents, businesses and communities through the delivery of quality public services.

Implications for the Medium Term Financial Plan and Resource Implications:

Delivery of the audit plan assists the Council in delivering value for money services and has helped ensure an effective control environment as the Council works to deliver on its corporate priorities.

Carbon Footprint (Environmental) Implications:

No impacts directly arising from this report.

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 work of the internal audit service is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

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	DAP Internal Audit Plan 2023/24							

Sign off:

Fin	DJN.22.23.384	Leg	EJ/1223/27.2.23(2)	Mon Off	Click here to enter text.	HR	Click here to enter text.	Assets	Click here to enter text.	Strat Proc	Click here to enter text.
Originating Senior Leadership Team member: David Northey, Interim Service Director for Finance											
Please confirm the Strategic Director(s) has agreed the report? Date agreed: 21/02/2023											
Cabinet Member approval: Cllr Mark Shayer											
Date approved: 04/03/2023											

DAP - Internal Audit Plan 2023/24

Plymouth City Council Audit & Governance Committee

March 2023

Official

Tony Rose
Head of Audit Partnership

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INTRODUCTION

ANNUAL FLEXIBLE AUDIT PLAN 2023/24

THEMATIC OVERVIEW OF AUDIT COVERAGE FOR 2023/24

FRAUD PREVENTION AND DETECTION AND THE NATIONAL FRAUD INITIATIVE

APPENDIX 1 - AUDIT FRAMEWORK

APPENDIX 2 - ANNUAL GOVERNANCE FRAMEWORK ASSURANCE

APPENDIX 3 - AUDIT NEEDS ASSESSMENT

APPENDIX 4 - OUR AUDIT TEAM AND THE AUDIT DELIVERY CYCLE

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<div><div>Devon Audit Partnership</div><div><p>The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay, Devon, Mid Devon, North Devon and Torridge Councils. We aim to be recognised as a high-quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.</p><p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at tony.d.rose@devon.gov.uk</p></div></div>	<div><div>Confidentiality and Disclosure Clause</div><div><p>This report is protectively marked in accordance with the government security classifications. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation’s disclosure policies.</p><p>This report is prepared for the organisation’s use. We can take no responsibility to any third party for any reliance they might place upon it.</p></div></div>
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Introduction

Internal auditing is defined by the Public Sector Internal Audit Standards (PSIAS) which set out the requirements of a 'Board' and of 'senior management'. For the purposes of the internal audit activity within the Council the role of the Board within the Standards is taken by the Council's Audit & Governance Committee and senior management is the Council's Corporate Management Team. The Audit & Governance Committee, under its Terms of Reference contained in the Council's Constitution, is required to consider the Internal Audit Plan to provide assurance to support the governance framework (see Appendix 2).

This Council's Internal Audit Charter formally describes the purpose, authority, and principal responsibilities of the Council's Internal Audit Service, which is provided by the Devon Audit Partnership (DAP) as represented in the audit framework at Appendix 1, and the scope of Internal Audit work. The PSIAS refer to the role of 'Chief Audit Executive'. For the Council this role is fulfilled by the Head of Devon Audit Partnership.

The Chief Audit Executive is responsible for developing a risk-based plan which considers the organisation's risk management framework, including using risk appetite levels set by management for the different activities or parts of the organisation as represented in Appendix 3.

The need for robust and effective controls to ensure that resources are used to best effect and deliver the authority's objectives has never been greater. National factors largely beyond the control of the Authority, including rapidly rising energy costs, demand pressures and costs in social care has placed unprecedented pressures on the budget and Internal Audit will help provide independent assurance that risks are known, understood and addressed, and that systems and procedures are sound, effective and efficient.

The audit plan for 2023/24 is a high-level thematic plan which outlines areas for coverage. In collaboration with senior management, we will prioritise areas, issues, and risks for review as the year progresses. This will ensure that the focus of audit coverage is targeted according to the needs and priorities of the Council at that point in time enable us to add most value. At the start of each audit the scope is discussed and agreed with management with the view to providing management, the Service Director for Finance (Section 151) and members with assurance on the control framework to manage the risks identified. Delivery of the plan will continue to be reported and any changes agreed formally with management and reported to Audit and Governance Committee.

Expectations of the Audit Committee for this annual plan

Audit Committee members are requested to consider: -

- the annual governance framework requirements;
- the basis of assessment of the audit work in the proposed plan;
- the resources allocated to meet the plan;
- proposed areas of internal audit coverage in 2023/24.

In review of the above the Audit Committee are required to consider the proposed audit plan.

Tony Rose
Head of Audit Partnership

Annual Flexible Audit Plan 2023/24

There has been a growing trend in the sector towards more flexible audit plans to enable internal audit to be more agile and responsive to the rapidly changing risks, in turn maximising resource focus to clients’ needs as and when needed – *Agile Auditing*. This principle looks set to continue and has several benefits with ever changing priority and related risks. Key benefits provide for:

- reduction in non-productive resource planning which subsequently require significant plan changes.
- improved opportunity to keep plan aligned to current risks within Service Areas and as a whole for the Authority.
- more effective and timely pre-audit engagement with Service Leads.
- greater and more regular discussion with client leads – supporting current risk and work priorities.
- the current trend for more flexible audit plans – agile auditing.
- experience that plans change regularly.
- changes in external risk drivers are more easily picked up in audit assurance needs.

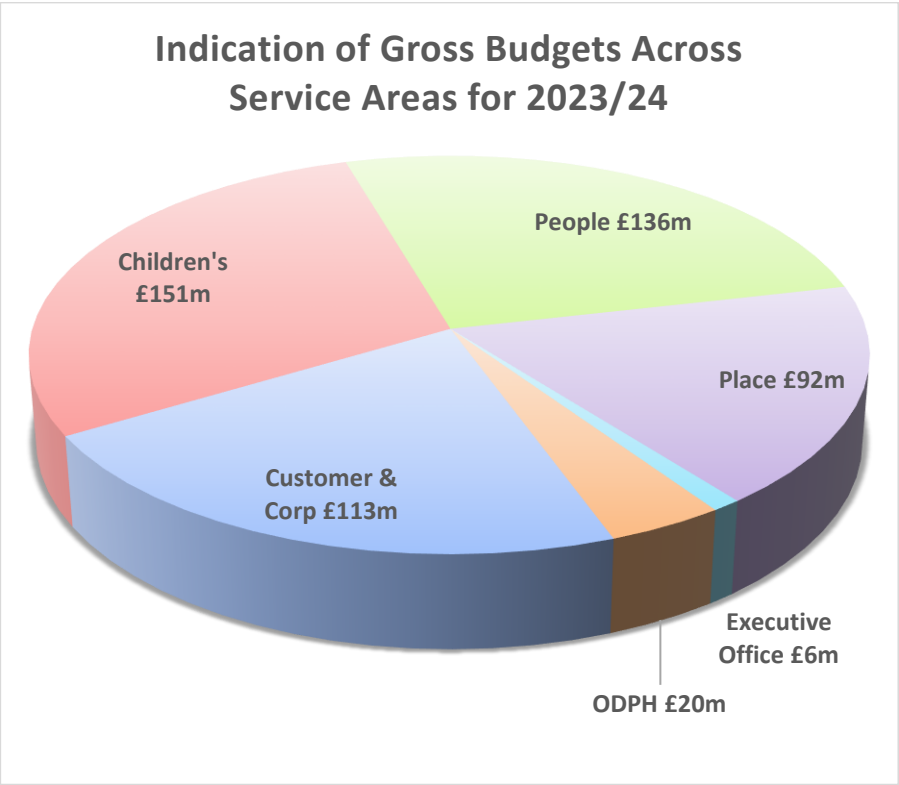
The table on the following page details our proposed high-level and thematic overview of audit coverage and should be considered alongside the pie chart to the right, showing indicative gross budgets across the different service areas. The thematic plan has been developed around the risks identified through risk management, audit needs and perceptions of current issues and in discussion with client management and the S151 Officer. Audit work in the most high-risk areas is underpinned by our core assurance work on the main financial systems, numerous grant certifications and work to assess the Council’s ICT provider against the National Cyber Security Centre’s (NCSC) new cyber assessment framework.

Audit coverage for the year, based on the priority areas for review referred to in the thematic table below shows a good spread of coverage across service areas enabling us to provide assurance on the wider control framework from which we will build our annual assurance opinion. More detailed terms of reference will be drawn up and agreed with management prior to the start of each individual assignment – in this way we can ensure that the key risks to the operation or function are considered during our review. In addition, all high and medium priority management actions are tracked through to implementation.

We also continue to provide an internal audit service to the maintained schools with the City.

Anti-fraud and Corruption

Working alongside the DAP Counter Fraud Team we ensure that our work contains elements to ensure that sound and effective arrangements are in place to prevent and detect fraud and / or irregularity.



Thematic Overview of Audit Coverage for 2023/24

Thematic Overview Audit Coverage	Customer & Corporate	Children's Services	People	Executive Office	Office of Director for Public Health	Place	Client & Audit Governance
	Intelligent Automation	Children's Review Programme	Care Act - ASC Reforms	Trusted Advisor Support - Electoral Registration	To be determined	Governance Capital Programme	Corporate Governance
	Purchasing Cards	Payments e.g. SEND Contracts Foster Carers Care Leavers	Payments e.g. Residential Homes Domiciliary Care Direct Payments	Risk Management		Governance - Plymouth & S.Devon Freeport	Audit Planning & Co-ordination
		Joint Funding Arrangements	Eclipse Project, inc Finance Module			Safety at Sports Grounds	Liaison with External Auditor
							Tracking of Audit Actions Agreed by Management
							Advice
Core Assurance	Key Financial Systems – Payroll, Creditors, Debtors, Main Accounting System, Council Tax, Business Rates, Housing Benefits, Treasury Management						
	ICT – NCSC Cyber Assessment Framework, User/ Account Management						
	Grants – 30+ Grants for Certification, Supporting Families Payment by Results, Pause Project						

The above diagram shows the thematic approach to audit coverage in the coming year underpinned by defined, core assurance work.

Fraud Prevention and Detection and the National Fraud Initiative

Counter-fraud arrangements are a high priority for the Council and assist in the protection of public funds and accountability. Devon Audit Partnership will continue to investigate instances of potential fraud and irregularities referred to it by managers and will also carry out pro-active anti-fraud and corruption testing of systems considered to be most at risk to fraud. The joint working arrangements between the Internal Audit and Counter Fraud teams, enables intelligence to be shared and resources focussed on higher risk areas to prevent a fraud occurring.

The Cabinet Office runs a national data matching exercise (The National Fraud Initiative - NFI) every two years. DAP have co-ordinated the process to extract and upload the relevant datasets onto the NFI secure website in accordance with the NFI timetable for the 2022/23 exercise. The data matches from the exercise have recently been made available to service areas for review.

Integrated Assurance

Collaboration between the Audit Team and the Counter Fraud Team continues to evolve and strengthen with auditors becoming more aware of fraud risks and fraud investigators having a greater understanding of systems and controls.

This joined up approach will help us to continue to provide the highest level of assurance possible and, for the Council to minimise fraud loss to the lowest level possible.



Internal Audit Governance

An element of our work is classified as client governance – this is work that ensures effective and efficient audit services are provided to the Council and the internal audit function continues to meet statutory responsibilities. Some of the areas that this may cover include:-

- Preparing the internal audit plan and monitoring implementation.
- Preparing and presenting monitoring reports to Senior Management and the Audit & Governance Committee.
- Assistance with the Annual Governance Statement.

Partnership working with other auditors

We will continue to develop and maintain effective partnership working arrangements between ourselves and other audit agencies where appropriate and beneficial. We participate in a range of internal audit networks, both locally and nationally which provide for a beneficial exchange of information and practices with the aim of improving the effectiveness and efficiency of the audit process, through avoidance of instances of “re-inventing the wheel” in new areas of work.

Appendix 1 Audit Framework

Internal Audit is a statutory service in the context of The Accounts and Audit (England) Regulations 2015, which state: ‘A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, considering public sector internal auditing standards (PSIAS) or guidance’.

DAP, through external assessment, demonstrates that it meets the Public Sector Internal Audit Standards (PSIAS).

The Standards require that the Chief Audit Executive must ‘establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation’s goals. When completing these plans, the Chief Audit Executive should take account of the organisation’s risk management framework. The plan should be adjusted and reviewed, as necessary, in response to changes in the organisation’s business, risk, operations, programs, systems and controls. The plan must take account of the requirement to produce an internal audit opinion and assurance framework.

This audit plan has been drawn up, therefore, to enable an opinion to be provided at the end of the year in accordance with the above requirements.



We will seek opportunity for shared working across member authorities. In shared working Devon Audit Partnership will maximise the effectiveness of operations, sharing learning & best practice, helping each authority develop further to ensure that risk remains suitably managed.

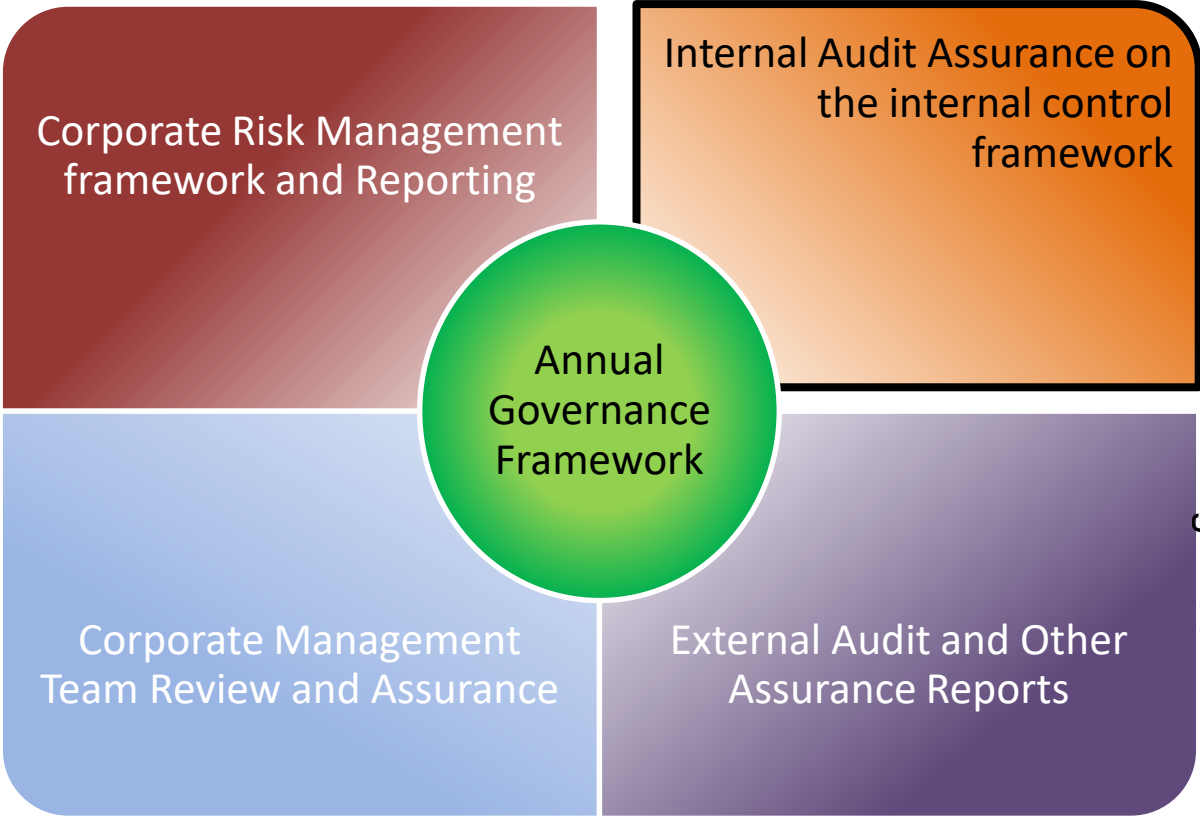
Appendix 2 - Annual Governance Framework Assurance

The Annual Governance Statement provides assurance that

- The Authority’s policies have been complied with in practice;
- high quality services are delivered efficiently and effectively;
- ethical standards are met;
- laws and regulations are complied with;
- processes are adhered to;
- performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should: -

- be prepared by senior management and signed by the Chief Executive and Leader of the Council;
- highlight significant events or developments in the year;
- acknowledge the responsibility on management to ensure good governance;
- indicate the level of assurance that systems and processes can provide;
- provide a narrative on the process that is followed to ensure that the governance arrangements remain effective. This will include comment upon:
 - The Authority;
 - Audit Committee;
 - Risk Management;
 - Internal Audit;
 - Other reviews / assurance;
- Provide confirmation that the Authority complies with CIPFA recently revised International Framework – Good Governance in the Public Sector. If not, a statement is required stating how other arrangements provide the same level of assurance.



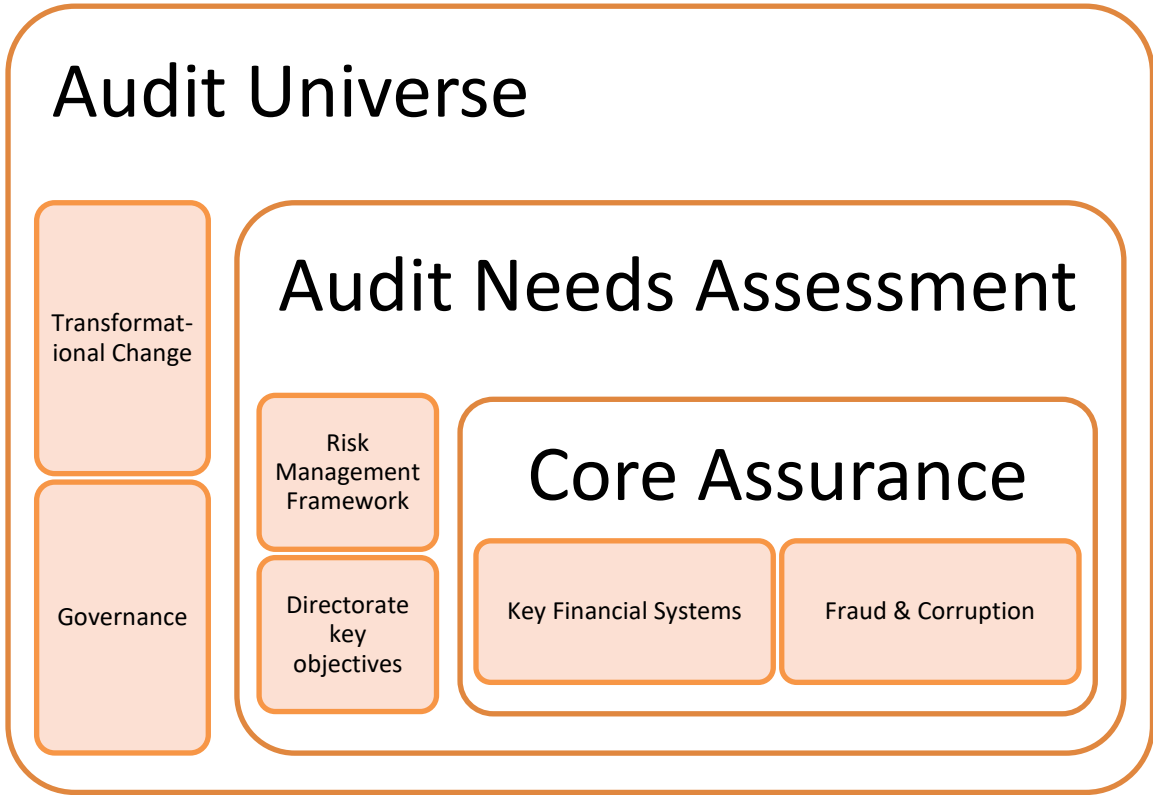
The AGS needs to be presented to, and approved by, the Audit Committee, and then signed by the Chair.

The Committee should satisfy themselves, from the assurances provided by Risk Management, Leadership Group and Internal Audit that the statement meets statutory requirements.

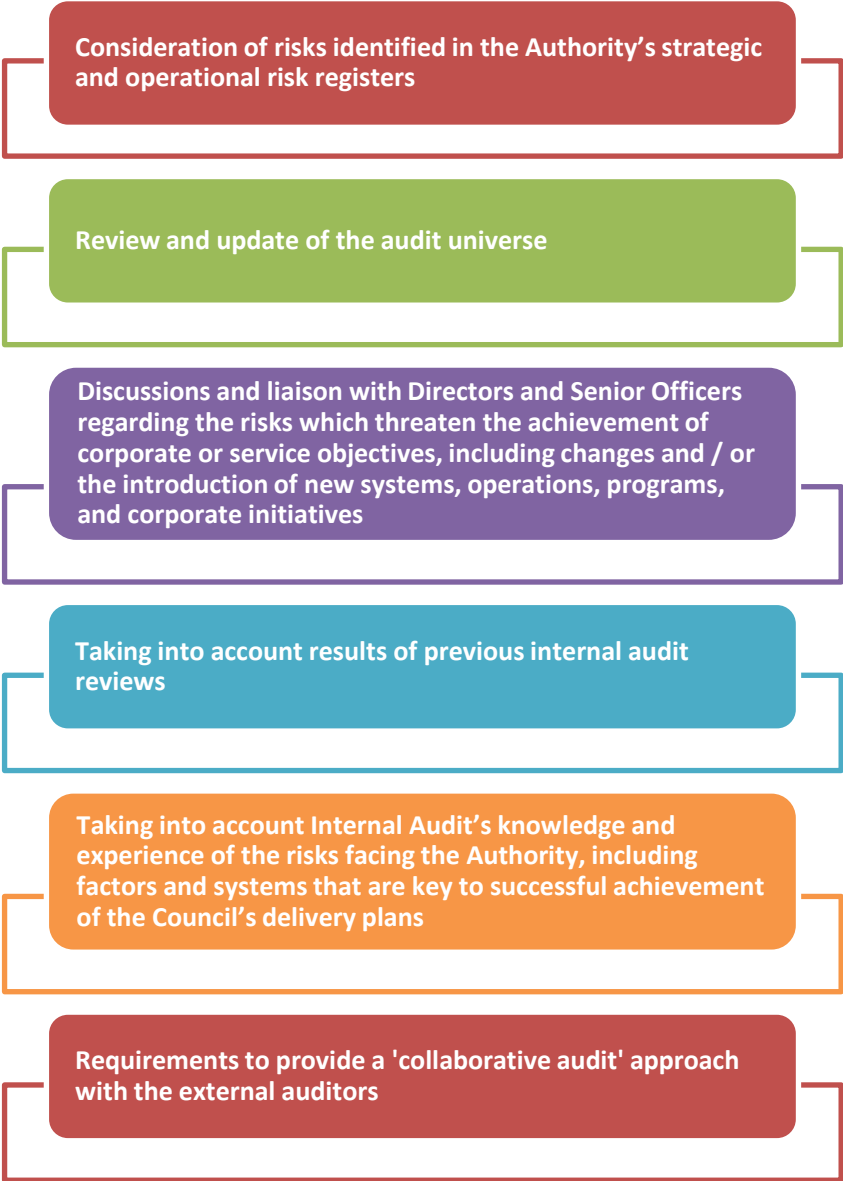
Appendix 3 - Audit Needs Assessment

We employ a risk-based priority audit planning tool to identify those areas where audit resources can be most usefully targeted. This involves scoring a range of systems, services and functions across the whole Authority, known as the 'Audit Universe' using a number of factors/criteria. The final score, or risk factor for each area, together with a priority ranking, then determines an initial schedule of priorities for audit attention.

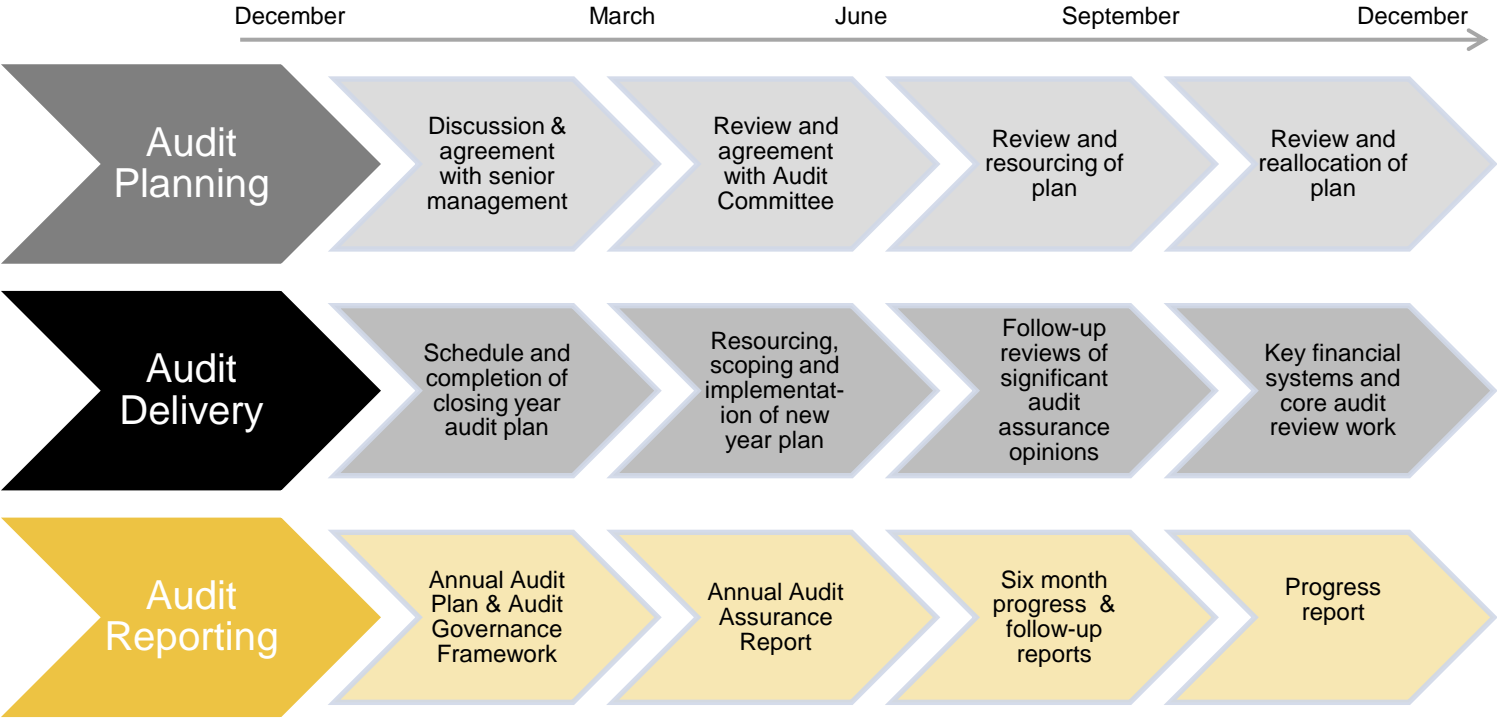
The result is the Internal Audit Plan set out earlier in this report.



The audit plan for the year has been created by:



Appendix 4 - Our Audit Team and the Audit Delivery Cycle



Date	Activity
Dec / 2022 Jan 2023	Directorate planning meetings
Mar 2023	Internal Audit Plan presented to Audit & Gov Committee
	Internal Audit Governance Arrangements reviewed by Audit & Gov Committee
March 2022	Year-end field work completed
April 2022	Annual Performance reports written
Jul 2022	Annual Internal Audit Report presented to Audit & Gov Committee
	Recommendation Tracking is an ongoing process
Sept 2023	Progress report presented to Audit & Gov Committee
Nov 2023	Six-month progress reports presented to Audit & Gov Committee
	2024/25 Internal Audit Plan preparation commences

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Cabinet



Date of meeting: 20 March 2023

Title of Report: **Officer Code of Conduct**

Relevant Cabinet Member: Councillor James Stoneman (Cabinet Member for Climate Change and Governance)

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: OCC/3/23

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

This report follows a request from the Audit and Governance Committee to consider the Officer Code of Conduct.

The Officer Code of Conduct in its current form has been part of the Constitution since its update in 2012. The code is based on the model Code of Conduct for Local Authority Employees published by the then Local Government Management Board and local government associations in 1994. The Plymouth code contained is broadly in line those agreed by other unitary local authorities within our family group.

There is no statutory requirement for an officer code of conduct. Government has consulted on making the Officer Code of Conduct a statutory requirement twice in 2004 and 2008. The Local Government Association has maintained the position that the code should not become a statutory requirement as authorities already have well developed codes of conduct which apply to employees.

The code as it currently appears in the constitution is appended to this report for the benefit of the committee.

Recommendations and Reasons

The committee is recommended to note-

1. the current Officer Code of Conduct as published within the constitution,
2. that a wider review of the constitution is underway and further reports will be provided to the Audit and Governance Committee concerning any further changes required to the Officer Code of Conduct / Protocol on Member and Officer Relations.

Alternative options considered and rejected

None – This was a request of the Audit and Governance Committee.

Relevance to the Corporate Plan and/or the Plymouth Plan

An effective code of conduct which is open, transparent and clear supports the democratic values of the Council.

Implications for the Medium Term Financial Plan and Resource Implications:

None arising specifically from this report.

Financial Risks

None arising specifically from this report.

Carbon Footprint (Environmental) Implications:

None arising specifically from this report.

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.*

None arising specifically from this report.

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

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) <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

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Sign off:

Fin	Click here to enter text.	Leg	EJ/1223 /9.3.22	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: Giles Perritt, Assistant Chief Executive.											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 10/03/2023											

Officers' Code of Conduct

1. PURPOSE

- 1.1. The purpose of this code is to supplement the seven Principles of Public Life, to lay down guidelines to assist employees in maintaining and improving standards and protect employees from any misunderstanding or criticism.

2. CODES OF CONDUCT

- 2.1. Whilst this Code concentrates upon the rights and responsibilities of employees in the conduct of business, the Council equally recognises the rights of employees to be full and active participants in the life of the community and workplace. In fact, the Council encourages all citizens to participate fully in the wider community.
- 2.2. The Council recognises the rights afforded to employees through the Human Rights Act, its Equal Opportunities Policy and the principles of Social Inclusion. This Code will therefore be applied in the context of recognising the rights available under the Human Rights Act, and in particular the following provisions of the European Convention on Human Rights;
- The right to respect for a person's private and family life, their home and correspondence.
 - The right for every person to freedom of thought, conscience and religion.
 - The right to freedom of expression, including the right to hold opinions and receive and impart information and ideas.
 - Everyone has the right to freedom of peaceful assembly and association with others, including the right to form and join Trade Unions for the protection of their interests.
 - The right to enjoy these and all of the rights set out in the Convention without discrimination on grounds of sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status³.
- 2.3. The Council will similarly apply this Code so as to avoid the social exclusion of any of its employees, which can occur when individuals do not have access to social networks.
- 2.4. The Council will, therefore, ensure that all rights under the European Convention, but particularly those listed above, are fully taken into account in interpreting this Code and will not unnecessarily restrict or disadvantage employees from playing a full role in their community and workplace.

3. In particular, the Council will;

- Continue to encourage active community participation amongst employees including the right to participate in community associations, governing bodies of schools, clubs and societies, campaigns etc.
- Continue to encourage employees to be active in a trade union of their choice.

³ NB This right carries duties and responsibilities and as such may be subject to restrictions including the right to restrict the expression of views, which may be racially or otherwise offensive, or incite racial hatred.

- Not discourage Members and employees from being friends and good colleagues and participating in social activities.
- Not discourage employees from taking part in party political activities (subject to the restrictions that might apply under the Local Government and Housing Act 1989).

4. INTRODUCTION

- 4.1. Central Government takes the view that the Conduct of everyone in Local Government - Councillors and Council employees - needs to be of the highest standards. On this depends the bond of trust between Councils and their local people which is essential if Councils are to play their part in leading communities and improving people's quality of life.
- 4.2. Plymouth City Council agrees with this statement.
- 4.3. In July 1997, Lord Nolan's Committee on Standards in Public Life issued its third report dealing with Standards of Conduct in Local Government. The report made wide ranging proposals concerning the conduct of Local Government. At the moment, Central Government is finalising its plans for legislating on the proposals. The City Council does not intend to wait for this legislation; It is proposed to include Codes and guidance which address the points made by Lord Nolan without delay and to modify them as and when Statutory Provisions are introduced.
- 4.4. This Code provides standards of conduct for employees. It is a document which has been drawn up after consultation with Staff Representatives and thus represents a joint proposal for conduct.

5. The Seven Principles of Public Life

- 5.1. The Nolan Report sets out the Seven Principles of Public Life. These are repeated below.
- 5.2. The City Council endorses these principles; they form the underlying basis for its Ethical Standards.

Selflessness

- 5.3. Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

- 5.4. Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

- 5.5. In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

- 5.6. Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

- 5.7. Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

- 5.8. Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

- 5.9. Holders of public office should promote and support these principles by leadership and example.

6. The Aim of the Code

- 6.1. The aim of this Code is to supplement the Seven Principles of Public Life, to lay down guidelines, to assist employees in maintaining and improving standards and protect employees from any misunderstanding or criticism.

7. Who the Code is aimed at

- 7.1. Inevitably, some of the issues covered by the Code will affect senior, managerial and professional employees more than others. Nonetheless, this Code is intended to cover all employees under a contract of employment with the City Council, including office holders such as Registrars, and also part-time and agency workers. Employees acting as members of companies or voluntary organisations under appointment from the City Council should also subject themselves to the minimum standards within this Code.

8. STANDARDS

- 8.1. Local Government employees are expected to give the highest possible standards of service to the public, and this means that they must bear in mind at all times the general requirements of the Seven Principles of Public Life.
- 8.2. Whenever called upon to do so, and where it is in-keeping with their duties, employees will be expected to give advice to colleagues and Council Members.
- 8.3. The Council will introduce procedures which will allow employees to bring to the attention of appropriate persons any deficiency in the level of service, or any suspicion of impropriety or breach of procedure. These opportunities will be available free of any possibility of recrimination.

- 8.4. By these means staff will be provided with the opportunity to take leadership in matters concerning the upholding of the Seven Principles of Public Life.

9. DISCLOSURE OF INFORMATION

- 9.1. The law already provides for the activities of Local Authorities to be open to public scrutiny. Certain types of information must be available to Members, auditors, services users and the public. The Council may itself take a view that certain information over and above the legal requirements should be made openly available.
- 9.2. This Code will be backed with guidance as to the nature of the information that is required to be disclosed by law. Employees should co-operate in ensuring that this process of open government is not interfered with in any way and should cooperate with any reasonable request for information, which should be disclosed by law to be released or made available.
- 9.3. In certain circumstances information which is of a commercially sensitive nature will be known to or available to employees. This will apply in cases where, for example, services, goods or works are being submitted to a tendering process (including under Best Value). In such cases the general principle of openness will give way to commercial needs and employees should not release information without the authority of their line manager.
- 9.4. By these means employees should be able to meet the requirements of accountability and openness as set out in the Seven Principles of Public Life.

10. POLITICAL NEUTRALITY

- 10.1. Employees serve the authority as a whole. It follows they must serve all Councillors and not just those of the controlling group, and must ensure that the individual rights of all Councillors are respected.
- 10.2. The City Council takes the view that it is appropriate for employees to be asked to give briefings to political groups. However, the City Council recognises that in giving advice to political groups employees should not be expected to compromise their political neutrality. The City Council will include in a separate protocol relating to Member and employee relationships, guidance as to how both Members and employees should conduct themselves when employees are required to give advice in a political forum.
- 10.3. Employees, whether or not politically restricted, must follow every lawful policy of the authority and must not allow their own personal or political opinions to interfere with their work.
- 10.4. Political Assistants appointed on fixed term contracts in accordance with the Local Government and Housing Act 1989 are exempt from the standards set out in the preceding three paragraphs.
- 10.5. Employees acting in their role as Trade Union activists are similarly exempt from the provisions set out in the paragraphs above.
- 10.6. By these means employees should be able to meet the principles of selflessness and objectivity set out in the seven principles of public life.

11. RELATIONSHIPS

- 11.1. The City Council believes that the most productive form of relationship between Member and employees arises when communication can freely take place between the two at all levels of the organisation. However, the City Council also recognises that relationships between Members and employees must be based upon mutual respect and that close personal familiarity between employees and individual Councillors may damage that relationship and prove embarrassing to other employees and Councillors and should therefore be avoided. The Council will, therefore, introduce a range of guidance as to how the relationship might be managed to avoid these potential problems.
- 11.2. Employees should also remember that their responsibilities are to the Council and community they serve and they should be courteous, efficient and impartial and available to all groups and individuals within the community as defined by the policies of the authority.
- 11.3. If an employee has relationships of a business, personal or private nature with external contractors, or potential contractors, then he or she should make them known to the appropriate Head of Service or Director and should take no further part in the matter concerned. The City Council will introduce guidance and processes to ensure that declarations of this sort are recorded and these will not be public records.
- 11.4. Orders and contracts must be awarded on merit, by fair competition against other tenders, or otherwise in accordance with the Council's Standing Orders and no special favour should be shown to business run by, for example, friends, partners, or relatives. No part of the local community should be discriminated against.
- 11.5. Employees who in the course of their duties engage or supervise contractors, or have any other official relationship with contractors, and who have previously had or currently have a relationship in a private or domestic capacity with contractors should again make that relationship known to the appropriate Head of Service or Strategic Director.
- 11.6. By these means employees should be able to meet the principles of selflessness, integrity, objectivity, accountability, openness and honesty set out in the Seven Principles of Public Life.

12. APPOINTMENTS AND OTHER EMPLOYMENT MATTERS

- 12.1. The City Council has a Recruitment and Selection Code of Practice. Employees involved in making appointments should ensure that the Recruitment Code of Practice is applied in all relevant circumstances.
- 12.2. Similarly, the Council has appropriate Codes relating to Disciplinary Procedures and employees should not be involved in decisions relating to discipline, promotion or pay adjustments for any other employee who is a relative or partner.
- 12.3. By these means employees should be able to meet the principles of selflessness, integrity and objectivity set out in the Seven Principles of Public Life.

13. PERSONAL INTERESTS

- 13.1. Employees must declare to an appropriate Head of Service or Strategic Director any

financial, or non-financial interests which relate to their work, as well as membership of any organisation not open to the public without formal membership and commitments of allegiance and which has secrecy about rules or membership or conduct. The Council will provide appropriate procedures for the registration of such interests in documents which will not be publicly disclosable.

- 13.2. By these means an employee will be able to meet the requirements of the principles of selflessness, integrity, objectivity, accountability, openness and honesty set out in the Seven Principles of Public Life.

14. OUTSIDE COMMITMENTS

- 14.1. Some employees have Conditions of Service which require them to obtain written consent to take any outside employment. This Code is supported by guidance as to the nature of those Terms and Conditions of Employment. All employees should ensure that they are clear about their contractual obligations and should not take outside employment which conflicts with the authority's interests.
- 14.2. It is line management's responsibility to ensure all staff are made aware of the Codes of Conduct and that they receive copies for which employees have signed to confirm they have read and understood the documents. Where the Council considers it appropriate it may from time to time seek to bind employees to a duty of confidentiality after they have left the employ of the Council. This will be to protect commercially sensitive information. Employees subject to such terms should make sure that they are clear as to the implications for them and their future employment.
- 14.3. Employees should also be aware of the law and the Council's rules relating to ownership of intellectual property or copyright created during their employment. Again, this Code is supported by guidance on this point.
- 14.4. The Council accepts that in certain circumstances some employees are required or appointed to provide advice to, or sit upon outside bodies by the Council. In this event the Council will provide guidance as to how employees should conduct themselves and what indemnity can be given whilst acting with or for the outside body so as not to conflict with the authority's interests. The Council will also do whatever it is legally possible to do in order to indemnify employees against any such commitments.
- 14.5. By these means employees should be able to meet the principles of selflessness, integrity and objectivity set out in the Seven Principles of Public Life.

15. EQUALITY ISSUES

- 15.1. The City Council has a very clear Policy on Equality issues. All employees should ensure that the Policies relating to Equality are complied with in addition to the requirements of the law. All members of the local community, customers and other employees have a right to be treated with fairness and equity.
- 15.2. In applying the Council's Equal Opportunities and other policies relating to social inclusion, employees will be fulfilling the principle of objectivity set out in the seven Principles of Public Life.

16. BEST VALUE

16.1. The City Council is committed to the pursuit of Best Value. Employees should conduct themselves in a way which does not conflict with the pursuit of Best Value. Equally, employees should ensure that insofar as it is legally possible the Council's work with partners or contractors under Best Value requires those partners or contractors to comply with the Seven Principles of Public Life.

16.2. By these means employees should be able to apply the Seven Principles of Public Life into Best Value.

17. CORRUPTION

17.1. Employees should be aware that it is a serious criminal offence for them corruptly to receive or give any gift, loan, fee, reward or advantage for doing or not doing anything, or showing favour or disfavour to any person in their official capacity.

17.2. The City Council will provide guidance relating to fraud and how to deal with it and employees should make themselves aware of its contents. Similarly, the main statutory provisions relating to fraud and corruption are repeated in guidance to this Code.

17.3. By these means employees should be able to meet the principles of selflessness and integrity set out in the Seven Principles of Public Life.

18. USE OF FINANCIAL AND OTHER RESOURCES

18.1. Employees must ensure that they use public funds or resources entrusted to them in a reasonable, responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid legal challenge to the authority. In this context the City Council has Standing Orders and Financial Regulations dealing with the financial affairs of the City and employees should make themselves aware of those.

18.2. By these means employees should be able to satisfy the requirements of the principles of selflessness and honesty set out in the Seven Principles of Public Life.

19. HOSPITALITY / GIFTS

19.1. Employees should be sensitive to the possibility that they may find themselves compromised by accepting gifts or hospitality from persons who provide goods, services or works for the Council.

19.2. The principle of openness suggests that hospitality, money or gifts, if offered (and whether or not accepted) should be declared. Employees should only accept offers of hospitality if there is a genuine need to impart information, or represent the local authority in the community. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community, or where the authority should be seen to be represented.

19.3. They should be properly authorised and recorded and for this purpose the City Council will set out guidance for Heads of Service and Strategic Directors to hold registers of such hospitality or activities. These records are not to be subject to public disclosure.

19.4. When hospitality has to be declined those making the offer should be courteously but

firmly informed of the procedures and standards operating within the authority.

19.5. Attendance at paid for events should be authorised and recorded in the same way as for other hospitality, with a clear rationale explaining why attendance is beneficial.

19.6. In such circumstances it is generally expected that there would be no more than one councillor and one officer attending

19.7. The Council may occasionally sponsor a table at an event or ceremony hosted by another organisation. On such occasions, the relevant Cabinet member must be consulted on both the decision to provide sponsorship and the guest list.

19.8. Employees should not accept significant personal gifts from contractors and outside suppliers, although the appropriate Head of Service or Strategic Director may allow employees to keep insignificant items of token value such as pens, diaries, etc. In all instances, however, the appropriate Head of Service or Strategic Director should be advised of the gift and a record of it should be taken in the register already referred to.

19.9. When accepting hospitality employees should be particularly sensitive as to its timing in relation to decisions which the authority may be taking affecting those providing the hospitality.

19.10. Where visits to inspect equipment, etc, are required, employees should ensure that the Council meets the cost of such visits to avoid jeopardising the integrity of any subsequent purchasing decision.

19.11. By these means employees should be able to satisfy the principles of integrity, objectivity, accountability, openness and honesty set out in the Seven Principles of Public Life.

20. SPONSORSHIP - GIVING AND RECEIVING

20.1. Where an outside organisation wishes to sponsor, or is seeking to sponsor a Council activity, whether by invitation, tender, negotiation or voluntarily, the basic conventions concerning acceptance of gifts or hospitality (whether obtained directly or indirectly) will apply. Particular care must be taken when dealing with contractors or potential contractors.

20.2. Where the authority wishes to sponsor an event or service neither an employee, nor any partner, spouse or relative, must benefit from such sponsorship in a direct way, without there being full disclosure to an appropriate manager of any such interest. Similarly, where the authority through sponsorship, grant aid, financial or other means, gives support in the community, employees should ensure that impartial advice is given and that there is no conflict of interest involved.

20.3. By these means employees should be able to satisfy the principles of selflessness, integrity, objectivity, accountability, openness and honesty within the Seven Principles of Public Life.

21. RELATIONSHIP WITH OTHER CODES AND PROTOCOLS

21.1. The matters dealt with in this Code are also referred to in other Codes and Protocols adopted by the City Council –

- Code of Conduct for Members
- Protocol for Member/Employee relationships
- Financial Regulations
- Standing Orders for Contracts

FURTHER ADVICE ON THIS CODE MAY BE OBTAINED FROM THE MONITORING OFFICER

Protocol on Member/Officer Relations

1. Introduction

- 1.1. Councillors are democratically accountable and have political affiliations. Officers must serve the whole Council objectively. Together they must balance a complex range of obligations and competing interests. For this to be effective Members and officers must have mutual trust and respect for each other's requirements and duties.
- 1.2. Seven general principles of conduct for Members and officers, co-opted and independent members of local authorities have been prescribed by legislation. The Council has also adopted both a Member and an Officer Code of Conduct, which sets out the minimum standards Members and officers must observe. This Protocol operates within that framework and provides the Council's local ground rules.
- 1.3. Councillors, co-opted and independent members and officers agree to observe the general principals, the Code of Conduct and this Protocol and be guided by them in the interest of fair treatment and good government.

2. The Protocol is the Council's way of applying the following best principles

Members have a right to information and support on a "need to know" basis

- 2.1. The need is so that they can perform their role as a Councillor. It can be limited by conflict of interest, confidentiality and practicality.

Officers must serve the whole Council objectively

- 2.2. Officers must provide "unified advice" at all times. This advice is to be objective, consistent and point out all relevant factors. Different points of view between officers should be resolved or presented in a balanced way which helps Members choose between them.

Political processes and different roles of Members are a legitimate part of local democracy

- 2.3. Officers' advice and support can be tailored accordingly, a party group is entitled to the confidentiality of officer advice on developing policies. The overall arrangements for officer advice must be transparent.

3. The Relationship: General Points

- 3.1. Both Members and officers are public servants and they are indispensable to one another. But their responsibilities are distinct. Members are responsible to the electorate and serve only so long as their term of office lasts. Officers are responsible to the Council. Their job is to give advice to Members and the Council, and to carry out the Council's work under the direction and control of the Council, Cabinet, and the committees and sub-committees.
- 3.2. At the heart of the Code of Conduct and this Protocol, is the importance of mutual respect. Member/officer relationships should be conducted in a positive and constructive way. It is important that any dealings between Members and officers should observe standards of courtesy and that neither party should seek to take unfair advantage of their

position or seek to exert undue influence on the other party.

- 3.3. Inappropriate relationships can be inferred from language/style. So, Members and officers should always seek to address each other with courtesy.
- 3.4. A Member should not raise matters relating to the conduct or capability of an officer in a manner that is incompatible with the objectives of this Protocol. This is a long-standing tradition in public service. An officer has no means of responding to such criticism in public. If a Member feels he/she has not been treated with proper respect, courtesy or has any concern about the conduct or capability of an officer, and fails to resolve it through direct discussion with the officer, the Member should raise the matter with the respective Head of Service. The Head of Service will then look into the facts and report back to the Member. If the Member continues to feel concern, then he/she should report the facts to the Strategic Director who is responsible for the Directorate concerned, or if, after doing so, is still dissatisfied, should raise the issue with the Chief Executive who will look into the matter afresh. Any action taken against an officer in response to a complaint will be in accordance with the provisions of the Council's Procedures.
- 3.5. An officer should not raise in public with a Member matters relating to the conduct or capability of another officer or the internal management of a Section/ Division/Department/Directorate in a manner that is incompatible with the overall objectives of this Protocol. If such issues are raised by Members, then the matter will be dealt with in accordance with the Officers' Code of Conduct and the Council's disciplinary Rules and Procedures. Unwarranted criticism of officers by Members should be avoided, particularly when they cannot respond on equal terms such as at public Council Meetings.
- 3.6. Where an officer feels that she/he has not been properly treated with respect and courtesy by a Member, she/he should raise the matter with his/her head of Service or Director, especially if they do not feel able to discuss it directly with the Member concerned. In these circumstances, the Head of Service or Director will take appropriate action either by approaching the individual Member and/or Group Leader. The Director will inform the Chief Executive if the party Group Leader does become involved, or as the Director feels appropriate. If the matter cannot be resolved to the satisfaction of the employee concerned and their Director the matter will be treated as a grievance and dealt with under the Council's formal grievance and harassment procedures.

4. The Relationship-Officer Support to Members: General Points

- 4.1. Members are democratically accountable and have political affiliations. They have a clear role in providing leadership within the community and as ward Councillors, to represent their constituents. Officers are responsible for day-to-day managerial and operational decisions within Plymouth City Council and provide services to the local community.
- 4.2. Certain statutory officers – Chief Executive, Monitoring Officer and the Responsible Finance Officer (Service Director for Finance) have specific roles. These are set out in the Constitution. Their roles need to be understood and respected by all Members.
5. The following key principles reflect the way in which officers generally relate to Members. All officers are employed by, and accountable to Plymouth City Council as a whole:
 - 5.1. Support from officers is needed for all Plymouth City Council's functions including, Full Council, Cabinet, Overview and Scrutiny, Council Committees and individual Members

representing their communities.

- 5.2. Cabinet members are responsible for providing leadership and direction on policy matters. Day-to-day managerial and operational decisions on the delivery of services should remain the responsibility of the Chief Executive and other officers.
- 5.3. On occasion, a decision may be reached which authorises named officers to take action between meetings following consultation with a Member or Members, It must be recognised that it is the officer, rather than the Member or Members, who takes the action and it is the officer who is accountable for it.
- 5.4. Officers within a Unit/Division/Department or a Directorate are accountable to their Head of Service and Director and whilst officers should always seek to assist a Member, they must not, in doing so, go beyond the bounds of whatever authority they have been given by their Head of Service or Director.

6. The Relationship - Officer Support: Members and Party Groups

- 6.1. It must be recognised by all officers and Members that in discharging their duties and responsibilities, officers serve the Council as a whole and not any political group, combination of groups, or any individual member of the Council. However, political assistants are not required to maintain political neutrality, since their role is to support the political group on whose behalf they have been engaged. Consequently, such officers may be exempted from the constraints on officer neutrality set out below
- 6.2. There is now statutory recognition for party groups and it is commonplace for such groups to give preliminary consideration to matters of Council business in advance of such matters being considered by the relevant Council decision-making body. Officers may properly be called upon to support and contribute to such deliberations by party groups but must at all times maintain political neutrality. All officers must, in their dealings with political groups and individual Members, treat them in a fair and even-handed manner.
- 6.3. The support provided by officers can take many forms. Whilst in practice such officer support is likely to be in most demand from whichever party group is for the time being in control of the Council, such support is available to all party groups.
- 6.4. Certain points must however, be clearly understood by all those participating in this type of process, Members and officers alike. In particular:
 - 6.4.1. the observance of neutrality will be assisted if officers only attend party group meetings for specified business and officers withdraw from the meeting after briefing and any questions and before political discussion;
 - 6.4.2. party group meetings, whilst they form part of the preliminaries to Council decision-making, are not empowered to make decisions on behalf of the Council. Conclusions reached at such meetings do not rank as Council decisions and it is essential that they are not interpreted or acted upon as such; and
 - 6.4.3. similarly, where officers provide information and advice to a party group meeting in relation to a matter of Council business, this cannot act as a substitute for providing all necessary information and advice to the relevant committee or sub-committee when the matter in question is considered.

- 6.5. Special care needs to be exercised whenever officers are involved in providing information

and advice to a party group meeting, which includes persons who are not Members of the Council. Such persons are not bound by the Code of Conduct for Members (in particular, the provisions concerning the declaration of interests and confidentiality) and for this and other reasons officers must be cautious about attending and/or giving advice to such meetings.

- 6.6. Officers must respect the confidentiality of any party group discussions at which they are present in the sense that they should not relay the content of any such discussion to another party group.
- 6.7. Any Member may ask a relevant Head of Service, Director or the Chief Executive for written, factual information about a Directorate or service, but such requests must be reasonable and not seek information relating to, for instance, casework of a confidential nature (eg Social Services, employment,). Requests will be met subject to any overriding legal considerations (to be determined by the Head of Legal or designee), or if the recipient of any request considers the cost of providing the information requested or the nature of the request to be unreasonable. If a Member requesting such information is dissatisfied by such a response, she/he should raise the matter in the first place with the relevant Director, and if still dissatisfied, should raise the issue with the Chief Executive who will discuss the issue with the relevant Group Leader(s).
- 6.8. In relation to budget proposals:
 - 6.8.1. the Administration (i.e. the political party in control) shall be entitled to confidential discussions with officers regarding options and proposals. These will remain confidential until determined by the Administration or until published in advance of committee/Council Meetings, whichever is earlier.
 - 6.8.2. the opposition groups shall also be entitled to confidential discussions with officers to enable them to formulate alternative budget proposals. These will remain confidential until determined by the respective opposition groups or until published in advance of committee/Council meetings, whichever is earlier.
- 6.9. It must not be assumed by any party group or Member that any officer is supportive of any policy or strategy developed because of that officer's assistance in the formulation of that policy or strategy.
- 6.10. If any Member or officer experiences any particular case of difficulty or uncertainty in this area of officer advice to party groups they should raise the matter with the Chief Executive who will discuss those concerns with the relevant Group Leaders.

7. The Relationship - Officer Support: The Cabinet

- 7.1. It is clearly important that there should be a close working relationship between Cabinet members and the officers who support and/or interact with them.
- 7.2. However, such relationships should never be allowed to become so close, or appear to be so close, as to bring into question the officer's ability to deal impartially with other Members and other party groups.
- 7.3. Cabinet members will routinely be consulted as part of the process of drawing up proposals for consideration on an agenda for a forthcoming meeting, but it must be

recognised that in some situations an officer will be under a professional duty to submit a report. Similarly, a Director or senior officer will always be fully responsible for the contents of any report submitted in their name. This means that any such report will be amended only where the amendment reflects the professional judgement of the author of the report. This is to be distinguished from a situation where there is a value judgement to be made. Any issues arising between a Cabinet member and a Director in this area should be referred to the Chief Executive for resolution in conjunction with the Leader of the Council.

7.4. Cabinet members both individually and sitting together in Cabinet have wide ranging leadership roles. They will:

- 7.4.1. Lead the community planning process and the search for best Value, with input and advice from Scrutiny Committees, other Council committees and any other person(s) as appropriate;
- 7.4.2. Lead the preparation of the Council's Budget and Policy Framework;
- 7.4.3. Take in-year decisions on resources and priorities together with other stakeholders and partners in the local community, to deliver and implement the Budget & Policy Framework adopted by the Full Council; and
- 7.4.4. Be the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.

7.5. Where functions which are the responsibility of the Cabinet are delegated to officers or other structures the Cabinet will remain accountable to the Council through Overview and Scrutiny for the discharge of those functions. A Cabinet member will be held to account for both their decision to delegate a function and the way that the function is being carried out

7.6. Under Executive Arrangements, Individual Cabinet members are allowed to formally take decisions and they must satisfy themselves that they are clear what exactly they can and cannot do.

7.7. The Council has put in place mechanisms/protocols, which ensure that (as with the Council, Cabinet, committees and sub-committees) an individual Cabinet member seeks advice from the relevant officers before taking a decision within their delegated authority. This includes taking legal, financial or professional officer advice (particularly about contractual matters) as well as consulting the Monitoring Officer where there is doubt about the legality of a decision.

7.8. Decisions taken by individual Cabinet members give rise to legal and financial obligations in the same way as decisions taken collectively. Cabinet members should always be aware of legal and financial liabilities (consulting the Monitoring Officer and Responsible Finance Officer as appropriate) that arise from their decisions. To ensure effective leadership for the Council and its community there are arrangements to ensure co-ordination of and responsibility for Cabinet decisions including those by individuals.

7.9. Officers will continue to work for and serve the Council as a whole. Significant functions are not the responsibility of Cabinet members through their delegated authority and it is likely that in practice many officers will be working for Cabinet members for most of their time. Cabinet members must respect the political neutrality of officers. Officers must ensure that even when they are predominantly supporting Cabinet members or the Cabinet that their critical neutrality is not compromised.

7.10. In organising support for Cabinet & its members, there is a potential for tension between Chief Officers and Cabinet members. All Members and officers need to be constantly aware of the possibility of such tensions and conflicts existing or being perceived.

8. The Relationship - Officer Support: Overview and Scrutiny Committees/sub-committees

8.1. The Overview and Scrutiny function is vital for good governance of the Council and is conducted through the Overview and Scrutiny Committees/sub-committees within the Council. Many Members sit on a committee and are entitled to receive appropriate officer support for the work they do.

8.2. The Overview and Scrutiny Committees determine their work programmes for scrutinising the implementation of decisions and for recommending policy changes to the Cabinet. It is expected that reports commissioned and evidence requested will:

8.2.1. Avoid cutting across work in support of developing Cabinet policies

8.2.2. Involve reasonable cost and use of officer time

9. An Overview and Scrutiny Protocol has been agreed and incorporated into the Council's Constitution. This contains clear guidelines for Members and officers in the conduct of the business of Overview and Scrutiny Committees/sub-committees.

10. Support Services to Members and Party Groups

10.1. The only basis on which the Council can lawfully provide support services (eg stationery, typing, printing, photocopying, transport etc) to Members is to assist them in discharging their role as members of the Council. Such support services must only be used on Council business. They should never be used in connection with party political or campaigning activity or for private purposes.

11. Members' Access to Information and Council Documents

11.1. Members have the ability to ask for information in accordance with their legal right. This right extends to such information, explanation and advice as they may reasonably need in order to assist them in discharging their role as a Member of the Council. This can range from a request for general information about some aspect of the Council's activities to a request for specific information on behalf of a constituent. Such approaches should normally be directed to the Head of Service or another senior officer of the Unit/Division/Department concerned. In cases of doubt, Members should approach the Monitoring Officer.

11.2. As regards the legal rights of Members to inspect Council Documents, these are covered partly by statute and partly by common law.

11.3. Members have a statutory right to inspect any Council document *which contains material relating to any business which is to be transacted by the Council*. This right applies irrespective of whether the Member is a member of the committee, or sub-committee concerned and extends not only to reports which are submitted to the meeting but also any relevant background papers. This right does not, however, apply to documents relating to certain items which may appear as confidential (Part II) items on the agenda for a meeting. The items in question are those which contain exempt information relating to employees,

occupiers of Council property, applicants for grants and other services, the care of children & the vulnerable, contract and industrial relations negotiations, advice from counsel and criminal investigations.

11.4. In relation to the business for the Cabinet or individual Cabinet members, by virtue of Regulation 17 of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000:

11.4.1. where there is a Cabinet meeting and there is a document relating to the business to be conducted at that meeting, that document shall be made available for inspection;

11.4.2. Where the decision is made at a private meeting by a Cabinet member or is a decision delegated to an officer and there is a document relating to that business, the document shall be available for inspection;

11.5. the above is subject to the general rules for exempt and confidential material.

11.6. The Council's Constitution exceeds this minimum legal requirement in its provision for the publication of all proposed decisions which will set out clearly background papers which are available for inspections.

11.7. The common law rights of Members remains intact, are much broader and are based on the principle that any Member has a right to inspect Council Documents *so far as his/her access to the document is reasonably necessary to enable the Member's properly to perform his/her duties as a member of the Council*. This principle is commonly referred to as the "need to know" principle.

11.8. The exercise of this common law right depends upon an individual Member being able to demonstrate that she/he has the necessary "need to know". In this respect a Member has no right to a "roving commission" to go and examine documents of the Council. Mere curiosity is not sufficient. The crucial question is the determination of the "need to know". This question must initially be determined by the particular Head of Service whose Unit/Division/Department holds the document in question (with advice from the Monitoring Officer). In the event of dispute, the question falls to be determined by the Monitoring Officer in association with the relevant Director.

11.9. In some circumstances (e.g. committee member wishing to inspect documents relating to the business of the committee) a Member's "need to know" will normally be presumed. In other circumstances (e.g. a Member wishing to inspect documents which contain personal information about third parties) the Member will normally be expected to justify the request in specific terms. There will be a range of documents, which because of their nature are either not accessible to Members or are accessible only by the political group forming the administration and not by other political groups; an example of the latter category would be draft documents compiled in the context of emerging Council policies and draft committee reports, the disclosure of which prematurely might be against the Council's and the public interest.

11.10. Whilst the term "Council Document" is very broad and includes for example, any document produced with Council resources, it is accepted by convention that a Member of one party group will not have a "need to know" and therefore, a right to inspect, a document which forms a part of the integral workings of another party.

- 11.11. Any Council information provided to a Member must only be used by the Member for the purpose for which it was provided, ie in connection with the proper performance of the Member's duties as a member of the Council. Therefore, for example, early drafts of committee reports/ briefing papers are not suitable for public disclosure and should not be used other than for the purpose for which they are supplied. This point is emphasised in paragraph 4 of the Code of Local Government Conduct:

12. Correspondence

- 12.1. Correspondence between an individual Member and an officer should not normally be copied (by the officer) to any other Member without the consent of that Member. Correspondence includes both hard copy memoranda or letters and email.
- 12.2. Most official letters on behalf of the Council will normally be sent in the name of the appropriate officer rather than in the name of a Member, particularly when dealing with operational or service delivery matters. However, it will be appropriate in certain circumstances (e.g. representations to Government) for correspondence to be sent in the name of a Cabinet member or the Leader of the Council. Letters which create legal obligations or give instructions on behalf of the Council and which are sent out in the name of a Member should always be agreed in consultation with the Chief Executive or the relevant Director and, on legal matters, on advice from the Monitoring Officer

13. Publicity and Press Releases

- 13.1. Local Authorities are accountable to their electorate. Accountability requires local understanding. This will be promoted by the authority, explaining its objectives and policies to the electors and ratepayers. In recent years, all Local Authorities have increasingly used publicity to keep the public informed and to encourage public participation; every Council needs to tell the public about the services it provides. Increasingly, Local Authorities see this task as an essential part of providing services. Good, effective publicity aimed to improve public awareness of the Council's activities is to be welcomed.
- 13.2. Publicity is, however, a sensitive matter in any political environment because of the impact it can have. Expenditure on publicity can be significant. It is essential to ensure that the Council's decisions on publicity are properly made in accordance with clear principles of good practice. The Government has issued a code of Recommended Practice on Local Authority Publicity. The purpose of the Code is to set out such principles. The Code affects the conventions which should apply to all publicity at public expense and which traditionally have applied in both central and local government. The Code requires that all Local Authorities shall have regard to its provisions in coming to any decision on publicity.
- 13.3. Officers and members of the Council will, in making decisions on publicity, take account of the provisions of this Code. If in doubt, officers and/or Members should initially seek advice from the Corporate Communications Manager who will refer the matter to the Monitoring Officer if required. Particular care should be paid to any publicity used by the Council around the time of an election. Particular advice will be given on this by the Monitoring Officer, as appropriate.
- 13.4. For the sake of clarity, the Code does not apply to press releases and publicity that Members may arrange and distribute in their individual political capacity rather than through the Council.

14. Involvement of Ward Councillors

- 14.1. It is a fundamental principle that ward Councillors should be consulted and provided with information on matters to enable them properly to fulfil their role in representing their constituents.

15. Conclusion

- 15.1. Mutual understanding, openness on these sort of sensitive issues and basic respect are the greatest safeguard of the integrity of the Council, its Members and officers.

Audit and Governance Committee – Tracking Decisions 2022/23

Minute No.	Resolution	Progress
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 39 External Auditor - Audit Plan 2020/21	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.	Date: November 2022 Progress: 1. Complete – added to March agenda for discussion. 2. Complete
16 January 2023 Minute 52 Chair's Urgent Business	The Committee agreed that the Chair would write to Mr Shipperley thanking him for his service on the Committee as an Independent Member.	Complete

Audit and Governance Committee – Tracking Decisions 2022/23

16 January 2023 Minute 53 External Auditor – Progress Report	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. to include the 14 point action plan and progress report on the agenda for the March 2023 Audit and Governance Committee; 2. to note the External Auditor Progress Report. 	Progress: Complete – added to March agenda
16 January 2023 Minute 55 Mid-Term Treasury Management Report 2022/23	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. that a written response would be provided to Members upon the impact of the rise in interest rates from 2.75% to in excess of 4% on the Council's budget for the next 12 months; 2. to delegate responsibility of signing off LOBO loan repayments to the Section 151 Officer in consultation with the Chair and Vice Chair of the Audit and Governance Committee and the Cabinet Member for Finance; 3. to note the Mid-Year Treasury Management Report 2022/23 (This is to comply with the CIPFA Code of Practice and discharge our statutory requirement). 	<p>Date: January Progress:</p> <ol style="list-style-type: none"> 1 – information requested 2 – complete 3 – complete
16 January 2023 Minute 56 Disclosure and Barring Checks for Councillors - Policy	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. that an addendum to the Disclosure and Barring Checks for Councillors Policy would be written to specify how the process for reviewing, discussing and managing DBS checks would take place – the addendum to the policy would be created in conjunction with the Audit and Governance Committee; 4. to approve the Disclosure and Barring Checks for Councillors Policy. 	<p>Date: January Progress: This is in development.</p>

Audit and Governance Committee – Tracking Decisions 2022/23

16 January 2023 Minute 57 Strategic Risk Monitoring Report Including Scrutiny Update	The Committee agreed to note the current position with regard to the Strategic Risk Register.	Date: January Progress: Complete
16 January 2023 Minute 59 Work Programme	The Committee agreed to note the work programme and include an update on the Code of Conduct Review, Officers code of conduct, and IT Policy, on the agenda for the March 2023 committee meeting.	Date: January Progress: Complete
16 January 2023 Minute 60 Electoral Cycle Consultation – Task and Finish Group	<p>The Committee agreed:</p> <ol style="list-style-type: none"> 1. that the membership of the Electoral Cycle Consultation Task and Finish Group would consist of two Labour members to be decided by that group, two Conservative members to be decided by that group, and the Independent Member of the Audit and Governance Committee, Mrs Benny; 2. the terms of reference for the Electoral Cycle Consultation Task and Finish Group. <p>The Committee agreed that the Chair, Councillor Lugger, would write to the Chief Executive, Tracey Lee, and request urgent clarity on the issues raised with regards to voter ID at future elections, with specific focus upon plans for raising awareness for Plymouth residents.</p>	Date: January Progress: Complete – a meeting has been set up for March.

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.
	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
	Internal Audit Annual Audit Plan 2023/24	Brenda Davis	
	Review of Arrangements for dealing with complaints through the code of conduct	Emma Jackman	Statutory Requirement
	Risk Management Update	Ross Jago	Standing Item

Date of meeting	Agenda item	Responsible Officer	Reason for consideration
	Audit training and the understanding of roles and responsibilities	Ross Jago	Added at 28 November 2022 meeting.
	Review of Council's ICT Policy	John Finch	Added at 16 January 2023 meeting