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AUDIT AND GOVERNANCE COMMITTEE

Tuesday 16 September 2025
2.00 pm
Warspite Room, Council House

Members:
Councillor Allen, Chair

Councillor Finn, Vice Chair

Councillors Cuddihee, P.Nicholson, Raynsford, Sproston and Independent Member Annette Benny.

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

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Tracey Lee
Chief Executive

Audit and Governance Committee

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 - 14)**

To confirm the minutes of the meeting held on 22 July 2025.

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 Report: **(Pages 15 - 38)**

6. Management response to External Audit actions: **(Pages 39 - 50)**

7. CIPFA Financial Management Code Assessment 2025: **(Pages 51 - 66)**

8. Internal Audit Progress Report 2025/26: **(Pages 67 - 92)**

9. Risk Management Update: **(Pages 93 - 112)**

10. IFRS16 Leases: **(Pages 113 - 124)**

11. Pre-referendum Guidance compared to Pre-Election Guidance: **(To Follow)**

12. Armada Way Independent Learning Review - Audit and Governance Sub-Committee: **(Pages 125 - 142)**

13. New Engagement and Consultation Framework: **(Pages 143 - 214)**

14. Action Log: **(Pages 215 - 218)**

15. Work Programme: **(Pages 219 - 220)**

Audit and Governance Committee

Tuesday 22 July 2025

PRESENT:

Councillor Allen, in the Chair.
Councillor Finn, Vice Chair.
Councillors Raynsford, Sproston and Stevens (substitute for Councillor Cuddihee).
Independent Member Mrs Benny.

Apologies for absence: Councillors Cuddihee and P.Nicholson.

Also in attendance: Liz Bryant (Service Director for Legal Services), Hannah Chandler-Whiting (Democratic Advisor), Louise Clapton (Devon Audit Partnership), Wendy Eldridge (Lead Accountancy Manager), Glenda Favor-Ankersen (Head of Electoral Services), John Finch (Information Governance Manager), Carolyn Haynes (Lead Accountancy Manager), Pete Honeywell (Transformation Architecture Manager) (via Microsoft Teams), David Johnson (Grant Thornton), Barrie Morris (Grant Thornton), Tony Rose (Devon Audit Partnership), Jamie Sheldon (Senior Governance Advisor), Kirstie Spencer (Head of Health, Safety and Wellbeing) (via Microsoft Teams), Chris Squire (Service Director for HR & OD), Philip Symons (Category Lead for Governance and Systems), Ian Trisk-Grove (Service Director for Finance) and Ollie Woodhams (Head of Finance).

The meeting started at 2.00 pm and finished at 5.01 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.

1. **Declarations of Interest**

The following declarations were made:

Name	Minute Number	Reason	Interest
Mrs Annette Benny	10	She was a non-executive Director of Livewell South West	Personal

2. **Minutes**

The minutes of the meeting held on 01 April 2025 were agreed as an accurate record.

3. **Chair's Urgent Business**

There were no items of Chair's urgent business.

4. **Role of an Audit Member**

Barrie Morris (Grant Thornton) presented the item and discussed:

a) The importance of the Audit and Governance Committee in providing independent assurance on governance, risk management and control;

b) The need for members to ask challenging and constructive questions;

c) It was important that Committee members were satisfied with the actions of management;

d) The role of the Committee as non-political, focused on scrutiny rather than policy;

e) Important that if there was anything that wasn't understood, that questions were asked to change this;

f) Offered to meet with Committee members in private, without Council officers present, especially as this was recognised as good practice.

Following questions, the discussion covered:

g) "Non-political" referred to avoiding partisan behaviour, not excluding political insight or lived experience.

5. **Plymouth City Council Audit Plan 2024/25**

David Johnson (Grant Thornton) introduced the report and discussed:

a) There were reflections in the report from Grant Thornton on local government reorganisation and that the initial requirement of new Council boundaries to have at least 500,000 people within them, wouldn't always be achievable, as was expected across Devon;

b) Reform of local audit was also underway with a proposal to set up a new local audit office with a number of responsibilities;

c) Plymouth was an area that had been especially impacted by the backstop and Grant Thornton, as an audit firm, and the local government market, did not want to return to that position, so Grant Thornton continued to feedback on how best reforms and process changes could be managed;

d) IFRS16 leases were new and came into force 01 April 2024 and Grant Thornton would be focussing on ensuring that the processes that management had put in place were appropriate and that the disclosures within the financial statements were appropriate and accurate;

e) The backstop deadline for 2024/25 accounts was 27 February 2026 and Grant Thornton would keep Committee members informed of the work to gain reassurance over the opening balances for that year and how it would impact the 2024/25 audit opinion;

f) Key risks identified included management override of journals and valuation of land and buildings, investment properties, and the pension fund;

g) Revenue cycle and expenditure cycles were mandatory risks, but Grant Thornton had made an assessment that they did not consider these to be of significant risk for Plymouth City Council (PCC);

h) Recommendations made following the 2023/24 audit would be chased and would be reported on at future meetings;

i) The Financial Reporting Council (FRC) had reviewed Grant Thornton files all as good or limited improvements required.

In response to questions, the following was discussed:

j) The Committee could be reassured that Grant Thornton would report completed actions via reports, which would then be checked through the FRC's programme of reviews;

k) It was explained that a legal 2025/26 budget was able to be set without a final resolution to the capitalisation direction, a further update from Government was expected imminently;

l) **ACTION** Ian Trisk-Grove agreed to work with Grant Thornton on a response to Councillor Finn's query around whether the capitalisation and pension transaction were linked;

m) Grant Thornton were planning on spending more time working on site in Plymouth as they found that to be more efficient as well has having weekly meetings with Council officers;

n) The Audit Plan set out any areas that Grant Thornton believed to have a risk or significant weakness;

o) If appropriate arrangements are not in place in an area of concern, officers would be made aware.

6. **Internal Audit End of Year Report 2024/25**

Louise Clapton (Devon Assurance Partnership) introduced the report and highlighted:

a) The public sector internal audit standards and global internal audit standards that came into force from the 01 of April 2025 required the chief internal auditor provide an annual report providing an opinion that could be used by the organisation to inform its governance statement:

b) Based on work carried out throughout 2024/25, the Chief Internal Auditor had given an assurance opinion of reasonable assurance;

c) Whilst there were generally sound systems of governance, risk management and control in place, some areas for improvement had been identified;

d) The report included an assurance map for the work completed in 2024/25, a new addition to the report, which provided a visible representation of the assurance results;

e) 90% of the revised audit plan had been delivered;

f) 86% of assurance opinions were rated reasonable or substantial;

g) 14% of audits had limited assurance;

h) The Council had made notable progress in addressing management actions arising from internal audits with limited assurance ratings;

i) As of 31 March 2025, the number of audits with outstanding management actions had reduced from 15 to 10 since 31 March 2024;

j) Seven audits had fully implemented all management actions and had been removed during 2024/25, reflecting a positive downward trend;

k) Devon Audit Partnership (DAP) had been externally assessed and received the highest rating of 'generally conformed'.

In response to questions, the following was discussed:

l) Delays in implementing actions were mostly due to system upgrades and strategic planning, which were understandable and senior officers were aware;

m) Although some audits had a finance focus, sometimes they also had an impact on other directorates;

n) Audits were prioritised based on the Council's pressures, risks and objectives;

o) It was challenging for the audit teams to work across all of the various teams involved in areas such as children's services and adult services, who had their own teams, but also worked with others such a finance and business support;

p) The new Eclipse system was looking to streamline information, raise standards and bring people to work more easily together, which would also make auditing easier;

q) The Better Care finance system was due to be implemented in September 2025.

The Committee agreed:

1. To note that based on work performed during 2024/25 and previous years' audit, the Head of Internal Audit's opinion was of "Reasonable Assurance" on the adequacy and effectiveness of the Authority's internal control framework.

7. **Counter Fraud Service Annual Report 2024/25**

Tony Rose (Devon Assurance Partnership) introduced the report and highlighted:

a) A new 'failure to prevent fraud' offence would come into effect from September 2025 and the team would be working with the Council to update the relevant policies;

b) Support from Plymouth City Council (PCC) had continued to be proactive.

The Committee agreed:

1. To note the annual report.

8. **Draft Statement of Accounts 2024/25**

Carolyn Haynes (Lead Accountancy Manager) presented the item and discussed:

a) The Draft Statement of Accounts 2024/25 had been published by the statutory deadline on 30 June 2025;

b) The audited accounts would need to be signed off by 27 February 2026;

c) The introduction of IFS16 leases was a major implementation for the team to work on and introduced the concept of a right of use asset for all qualifying leases, including those with nominal or peppercorn rents;

i. This approach eliminated the previous distinction between finance and operating leases for lessees;

ii. All leases, except those with a term of less than 12 months or of a low value, were recognised on the balance sheet, regardless of the transfer of risks and rewards;

iii. To complement the new standard the accounting policies within the statement of accounts had been updated;

iv. In advance of the implementation date of 01 April 2024, PCC conducted a comprehensive review of all lease arrangements and, as a result, 59 land and building leases, 32 equipment leases, and eight vehicle leases were identified for recognition on the balance sheet;

v. PCC's private finance initiative (PFI's) lease models were also reviewed in consultation with treasury management advisors to assess the impact of the introduction of IFS16 and resulted in a net reduction of £10.8985;

vi. The recognition of right of use assets and corresponding lease liabilities increased the Council's reported borrowings, which in turn raised the capital financing requirement and authorised debt limits;

vii. No new money had had to be borrowed, the rents paid through the accounts were converted into an asset, recognising the minimum revenue provision through the accounts;

d) PCC's assets were £435 million greater than its liabilities, reflecting a downward movement of £40 million from 2023/24 due to various movements in the Council's assets and liabilities;

e) Property, plant and equipment assets had increased by £61 million due to a combination of asset revaluation and acquisition of new assets through the capital programme.

In response to questions, supported by Ian Trisk-Grove (Service Director for Finance), the following was discussed:

f) PFI's had remained fairly static and a forensic review had been undertaken due to the introduction of IFS16 and there would be no impact on the council tax payer as this was purely an accounting adjustment;

g) Local government reorganisation (LGR) narrative did not impact this set of accounts;

h) The autumn white paper on SEND (Special Educational Needs and Disabilities) was expected to address the Government's position on next steps for dedicated school grants, but in the meantime finance colleagues were working closely with those in the education department on internal mitigation plans around managing costs associated.

The Committee agreed:

1. To note the report;

2. To note the draft (unaudited) Statement of Accounts 2024/25, which were published by 30 June 2025 in accordance with the requirements of the Accounts and Audit Regulations 2015 (as amended);

3. To note the Statement of Accounts for 2024/25 would be subject to external audit and would be presented to the Committee for approval at their meeting planned for 20 January 2026, in advance of the backstop date of 27 February 2026.

9. **CIPFA assurance review – findings and response**

Ian Trisk-Grove (Service Director for Finance) provided a verbal update:

a) Eight recommendations had been made by the review, all of which had been addressed and were incorporated into the Annual Governance Statement.

10. **Annual Governance Statement**

The report was introduced by Ian Trisk-Grove (Service Director for Finance) who highlighted that:

a) The statement included progress and plans to make progress made against:

   i. External audit recommendations;

ii. Issues identified in the Annual Governance Statement 2023/24;

iii. Key delivery areas;

iv. Areas for continuous improvement;

v. CIPFA review recommendations;

vi. Armada Way Independent Learning Review (AWILR) Action Plan.

Following questions, supported by Liz Bryant (Service Director for Legal Services), these topics were covered:

b) The relevant scrutiny panel would be made aware of the priority action areas for Adult Social Care **ACTION**;

c) Any changes to the constitution could be considered by the Constitution and Civic-Sub Committee, following any relevant recommendations from the Armada Way Action Plan Sub-Committee **ACTION**;

d) Regular monitoring and forecasting reports, with regards to insufficient built-in growth for adult and children's social care pressures, would be produced and sent to the relevant Scrutiny Management Board meetings as well as reports to engage with the corporate management team, working on plans to achieve a balanced budget in these areas despite pressures;

e) It was suggested that for the next AGS statement a survey would also be undertaken to seek the views of Councillors, as well as those of senior officers **ACTION**.

The Committee agreed:

To approve the Annual Governance Statement, alongside the Statement of Accounts, prior to signature by the Leader, Chief Executive and Service Director for Finance (S.151 Officer).

11. **Armada Way Action Plan Sub-Committee Report**

Liz Bryant (Service Director for Legal Services) introduced the report:

a) A resolution had been made at the City Council meeting of 02 June 2025 that the Audit and Governance Committee establish a cross-party sub-committee to oversee the implementation of the action plan;

b) The report outlined the proposal for such a cross-party sub-committee.

In response to questions, the following was clarified:

c) The action plan was based on the content of the AWILR report and so the actions related directly to issues identified within it;

d) The sub-committee would report back into the Audit and Governance Committee.

The Committee agreed:

1. To establish a cross-party sub-committee to oversee the implementation of the Action Plan presented to City Council on 02 June 2025 in response to the Armada Independent Learning Review Report;

2. Delegated the authority to approve the Terms of Reference, membership and arrangements to the Chair and Vice-Chair of Audit and Governance Committee in discussion with the Monitoring Officer.

12. **Health, Safety and Wellbeing Annual Report 2024/25**

This item was introduced by Kirstie Spencer (Head of Health, Safety and Wellbeing) who highlighted:

a) Lone working device programme had been developed and was being rolled out across the Council;

b) Stress and incidents involving violence and aggression had continued to rise, which highlighted the importance of maintaining the safety and security of staff across all Council services;

c) A stress survey was live for staff to complete;

d) A detailed training programme had been undertaken with the corporate management team on accountabilities and responsibilities;

e) Closing incidents on time was an area for improvement.

In response to questions, supported by Chris Squire (Service Director for HR & OD), the following was discussed:

f) More incidents were being reported, but the increase was in lower level incidents, rather than higher level;

g) Near misses had increased, but this was expected to be due to people being more aware and more supported in reporting hazards;

h) Risk assessments were not held centrally and work was ongoing to change this and move risk assessments onto the Assure system;

i) It would be worth speaking to colleagues at Livewell to share best practice and learnings with regards to addressing micro-aggressions experienced in the workplace **ACTION**;

j) A new People Strategy was being developed;

k) The stress survey was anonymous, though information was being gathered on where the responses were coming from within the organisation;

i. 200 responses had been received on the first day;

ii. The survey had been created with the Health and Safety Executive (HSE)'s stress management standards in mind;

iii. Data from the survey would be used to shape further work;

l) Health, safety and wellbeing (HSW) had to be rooted in common sense, but each incident required its own assessment and it was down to the person reporting an incident whether they interpreted a something as an incident of micro-aggression;

m) It was important to ensure that customer-facing staff were trained in de-escalation techniques but were also not discouraged from making reports;

n) Occupation health provision continued to be of a good standard, but there were reporting issues, but this was expected to improve with the implementation of iTrent - the new HR system.

The Committee agreed:

1. To continue to support the management and improvement of HSW across the organisation, to ensure that all duty holders (Councillors, Managers and Staff) were undertaking mandatory and role specific HSW training;

2. To communicate and role-model positive HSW performance and actively improve, maintain and own operational HSW competency.

13. **Treasury Management Outturn Report 2024/25**

Presented by Wendy Eldridge (Lead Accountancy Manager), the introduction to this report covered:

a) The Council capital financing requirement had increased: On 02 June 2025 the provisional Capital outturn was presented to the City Council with the outturn position as at 31 March 2025 totalling £109.309m with 31% being financed through borrowing, this together with accounting treatment of capital grants used to finance the capital programme where conditions under the terms of grant funding gave a CFR (Capital financing requirement) of £870m and net borrowing increasing by £47m from £656m to £703m;

b) There had been an £11m downward adjustment to PFI liability due to the implementation of new accounting standard IFRS16 form 01 April 2024;

c) PCC's chief objective when borrowing was striking balance between securing lower interest rates/costs and cost certainty, with flexibility to renegotiate loans;

d) PCC's average interest rate for borrowing was 3.27%, lower than the investment return;

e) Investment activities showed a shift with additional cash invested within money market funds, the increase in cash was due to additional income through payment of accounts and

receipt of grant monies;

f) The Council had maintained pooled investments with Shroder, Fidelity and CCLA investment, with other investment held with Altana Social Investment Fund which had generated nearly £3m from the original £50m investment and was generating the highest yield;

g) The capital value of pooled investment funds stood at £48.464m at 31 March 2025 and was below original investment - the unrealised loss from the downward valuation did not have an impact on revenue budgets or the general fund;

h) The return and holding held from the Property regeneration fund, categorised as non-treasury holdings, had generated a positive return of 1.41% after taking account of direct costs including borrowing costs;

i) The 2024/25 revenue outturn position was a favourable variation of £6m.

The following was discussed in relation to questions:

j) The threshold level of fixed rate exposure for borrowing was exceeded during the year was detailed in paragraph 41, rather than 42 as mentioned on the cover sheet;

k) Borrowing activity showed a movement towards PWLB (Public Works Loan Board) borrowing;

l) Higher fixed rate interest costs were incurred in 2024/25 as the Council switched part of its borrowing from short term to longer term PWLB borrowing with fixed rates to limit exposure to the risk of higher interest rates;

m) Although existing borrowing was above the liability benchmark for 2024/25, it was forecast that existing borrowing in 2025/26 and 2026/27 would be below the liability benchmark, showing a forecast for improvement.

The Committee agreed:

1. To approve the Treasury Management Annual Report 2024/25;

2. To note that the threshold level of fixed rate exposure for borrowing was exceeded during the year.

14. **Procurement Strategy Report 2024/25**

Philip Simons (Procurement Lead) introduce the report and highlighted:

a) The report outlined PCC's progress to delivery it's procurement strategy, highlighting the achievements over the past year and setting out the priorities for the year ahead;

b) The strategy aligned with the Procurement Act 2023, which came into effect in February 2025 and reflected both national and local priorities, including social value, climate action

and economic inclusion;

c) There was a strong focus on continuous improvement, partnership working, and readiness for future statutory changes.

Councillor Raynsford offered the following comments which were echoed by the Chair:

d) Thanks to the PCC procurement officers for their wide range of knowledge and procurement that had to be undertaken;

e) It was positive to see the number of PL postcode suppliers was increasing.

The Committee agreed:

1. To note the progress made to date and endorse the planned actions.

15. **Risk Management Monitoring Report**

Ian Trisk-Grove (Service Director for Finance) introduced the report and highlighted the following points:

a) There were three key risks:

   i. To bring better focus to where key issues were being managed around broader social care sustainability;

   ii. Cyber security;

   iii. Management of the financial position and resilience of the authority as it navigated challenges in the medium-term financial plan;

b) Three new risks had been introduced in relation to the following topics:

   i. LGR and devolution;

   ii. Legislative change;

   iii. Risk management;

c) Further work was being done in partnership with DAP around risk management to develop strategic risks, but also to looking forward to organising some workshops with different areas of the authority to identify operational risks.

In response to questions, the following was discussed:

d) The maximum risk score was 25;

e) Two workshops were booked in with DAP and the corporate management team so that there was shared ownership and understanding of strategic risks;

f) Further updates on the work with DAP would be provided at future committee meetings;

g) The risk register referred to risks for the Council, rather than a risk for the city;

h) It was hoped in the future there would be better engagement with risk through processes that were already in place, such as business cases, and potentially the setting up of an officer risk group.

The Committee agreed:

1. To note the Strategic Risks Quarter 4 2024/25 report.

16. **Whistleblowing Policy**

Liz Bryant (Service Director for Legal) introduced the item and highlighted the following:

a) The amendments were in red and the requested amendments from the previous year were also set out in the report.

In response to questions, the following was discussed:

b) It was requested that paragraph 7.1 (g) needed to be reworded to 'their individual MP' **ACTION**;

c) More information on how contractors were made aware of the Whistleblowing Policy would be provided to the Committee **ACTION**;

d) Councillors were not covered by the policy as per legislation, and if Councillors were to 'whistle blow', they would be covered by the standards regime.

The Committee agreed:

1. To approve the updated Whistleblowing Policy.

17. **Annual Information Governance Statement**

Presented by John Finch (Information Governance Manager) and Peter Honeywell (Cyber Security Lead), the following points were covered during the introduction to the report:

a) The number of Freedom of Information (FOI) and Subject Access Requests (SARs) had increased, and benchmarking showed that this was a regional trend;

b) Compliance rates had improved due to increased capacity in team members and training;

c) It was important to continue staff training to minimise data breaches;

d) There was a serious, and increasingly sophisticated, threat from cyber criminals, using a range of different mechanisms to attack;

i. Defence to cyber attacked included staff training to recognise attempts and how to correctly respond and report them;

ii. Since KnowBe4 training had launched, there had been a significant reduction in the risk profile, monitored through the questionnaires and quizzes staff responded to as part of their training;

e) PCC had set up a cyber board with DELT Shared Services, the Council's IT provider, which met on a monthly basis to discuss and review the Council's risk profile and agree investments and implementations that would lead to a reduction in risk.

In response the questions, the following was explained:

f) Government recommendations in relation to local authority cyber attacks was to not pay any ransom and a law was expected to be introduced later in 2025 that would prohibit any public authority from paying a ransom;

g) Completion of training was tracked and chased;

h) Anyone who took the bait in a phishing tests was required to complete specific additional training;

i) KnowBe4 offered a management dashboard so that managers could monitor progress and raise issues as part of routine performance management arrangements;

j) The BitLocker codes worked well to stop attackers from getting into Council laptops, and there shouldn't be data stored on a Council laptop, but this would remain encrypted without the log on details of the user of the laptop, making it very hard to get any information from a stolen laptop, and mobiles devices if lost were remotely wiped of data.

The Committee agreed:

1. To note the report.

18. **Action Log**

The Committee noted the acion log.

19. **Work Programme**

There was a request to add the following to the work programme:

a) Pre-referendum guidance that included a timeline and detail on where it matched pre-election guidance, and where it didn't, explanations why not.

The Committee noted the work programme.

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Grant Thornton

Plymouth City Council

Audit progress report and sector updates

September 2025

Audit Progress Report

Grant Thornton

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 series of sector updates in respect of emerging issues which the Committee may wish to consider.

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:
Local government | Grant Thornton

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.

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Progress at September 2025

Financial Statements Audit

We undertook our initial planning for the 2024/25 audit in March 2025 and discussed with management a suitable timetable for the interim audit. We plan to begin our work on your draft financial statements in September.

Our interim fieldwork included:

- Updated review of the Council's control environment
- Updated understanding of financial systems
- Review of Internal Audit reports on core financial systems
- Early work on emerging accounting issues

Since we last reported we have:

- continued to have regular discussions with management discussing issues identified in previous audits, and emerging themes which are expected to impact on the current audit;
- reviewed board papers and the latest financial and operational performance reports ensuring we understand your current challenges;
- met with the s151 Officer to provide informal feedback on progress of the audit cycle and get a deeper understanding of potential issues and challenges facing the Authority. This has included meetings with management to discuss proposed actions to address audit recommendations;
- Considered any further sector wide reporting requirements or issues that would directly impact the Authority

We issued a detailed audit plan, setting out our proposed approach to the audit of the Authority's 2024/25 financial statements at the July Audit & Governance Committee.

The draft statement of accounts were published in line with the statutory deadline of 30 June 2025.

Value for Money

Under the 2020 Audit Code of Practice, we are required to undertake sufficient work to satisfy ourselves that the Authority "has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources."

Our initial risk assessment will build on our understanding of your arrangements, taking into account any findings from previous work on value for money. We reported our risk assessment to you at your July 2025 Audit & Governance Committee against the following reporting criteria:

- Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the body ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

As reported in our plan we have identified risks of significant weakness in both financial sustainability and improving economy, efficiency and effectiveness.

We will keep our risk assessment under continuous review. Where appropriate, we will update our risk assessment to reflect emerging risks or findings and report this to you. Our final commentary in the Auditors' Annual Report will include:

- a summary of our findings on any risks identified during our work;
- our judgements on the adequacy of the Authority's arrangements for each of the three reporting criteria, as set out above;
- any recommendations made to management as a result of our work; and
- a follow up of progress against any recommendations raised in previous audits.

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Local Audit Reform

On 9 April 2025, the government published Local audit reform: Government response to the consultation to overhaul local audit in England - GOV.UK

Recognising that a backlog in local audit sign off of nearly 1,000 audits had impacted on local accountability and transparency, the purpose of the consultation was to rebuild a system of local audit, ensuring that audited accounts are published on time and that trust and confidence in how councils are spending their money is restored. Grant Thornton welcomes the reforms which we believe are much needed.

The key outcome of the consultation is the decision to proceed with the establishment of a new Local Audit Office (LAO) with effect from 1 April 2026. Further details are set out below.

Local Audit Office – Core Principles

Value for Money: providing confidence for stakeholders that proper arrangements are in place

Transparency of the sector's financial health and VfM arrangements

Capacity and capability: A sustainable and resilient audit market with access to the right expertise

External scrutiny which challenges and drives improvement

Professionalism: building a sector attractive to auditors

Proportionality: local audit that is proportionate and relevant, from regulations to governance

Stronger accountability: high standards of financial reporting to promote public accountability

Timely: High quality accounts which are produced on a timely basis.

Impacts for local authorities

- A mandatory requirement for at least one independent Audit Committee member at each authority
- Mandatory reporting of the Auditor's Annual Report to full Council
- The introduction of a Local Public Accounts Committee, following the central government model
- The strengthening of Internal Audit capacity.

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The Local Authority Backstop

In the autumn of 2024, the government amended the Accounts and Audit Regulations, introducing a series of dates by which local authorities had to publish final sets of audited financial statements. By the second of these dates, 28 February 2025, approximately 40% of local authorities had received an unqualified opinion on their financial statements for 2023/24. The remaining 60% of audits were disclaimed as auditors had not been able to conclude work by the deadline. We are pleased to report that Grant Thornton issued unqualified opinions on 65% of our audits, well ahead of the national average.

Below we set out more details of how we and colleagues across the sector are working with regulators to help rebuild assurance for stakeholders.

Regaining assurance – guidance from the NAO

A major challenge for auditors in regaining assurance, and returning to an unqualified audit opinion, is that without undertaking audit work in respect of old year transactions (e.g. years which were not subject to an audit) there will be uncertainty as whether reserves have been properly accounted for.

The National Audit Office (NAO) has published a new set of guidance for auditors, as part of its Local Audit Reset and Recovery Guidance (LARRIG) series. This sets out key considerations that may assist auditors in regaining assurance at previously backstopped audits.

An audit approach to build back assurance

The LARRIG provides principles as well as indicative procedures which, with the application of professional judgement, enable the auditor to regain assurance in respect of opening balances. These include a framework for auditors to:

- Assess risk at an entity wide level
- Assess risk at a line item level including in respect of specific balances and reserves
- Determine a response to risk, including appropriate testing of prior year transactions.

Grant Funding for build back

The first priority at all audited bodies which have previously been backstopped is to gain assurance regarding in year transactions and closing balances for the current audit year. This is the approach which we will adopt over the coming months for your audit for 2024/25.

The Council has received grant funding of £120,203 under a Section 31 Grant Determination to support build-back. The government has set out its expectation that local authorities and audit firms work closely together to enable this build back to happen. We are currently piloting an approach at other local authorities which is intended to remove the disclaimer from future audit reports. We will discuss with the Service Director for Finance how re-assurance can be best achieved at your authority, including the appropriate timing of further audit work.

How you can support us

Timely preparation of draft accounts and high quality supporting working papers is fundamental to the success of audit closedown. We look for all local authorities to prioritise this in enabling the sector to return to balance. In addition, agreeing timescales for build back work will also be key.

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Audit Deliverables

Below are some of the audit deliverables planned for 2024/25

2024/25 Deliverables	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the Audit and Governance Committee setting out our proposed approach in order to give an opinion on the Council's 2024/25 financial statements.	July 2025	Completed
Audit Findings Report The Audit Findings Report will be reported to the Audit and Governance Committee.	January 2026*	Not yet due
Auditors Report This includes the opinion on your financial statements.	January 2026*	Not yet due
Auditor's Annual Report This report communicates the key outputs of the audit, including our commentary on the Council's value for money arrangements.	November 2025	Not yet due

* The backstop date for closure of the audit is 27 February 2026 and we are required to issue an opinion on the approved financial statements. Our current timeline is to complete the work in December 2025 and report to the next Audit and Governance meeting in January 2026.

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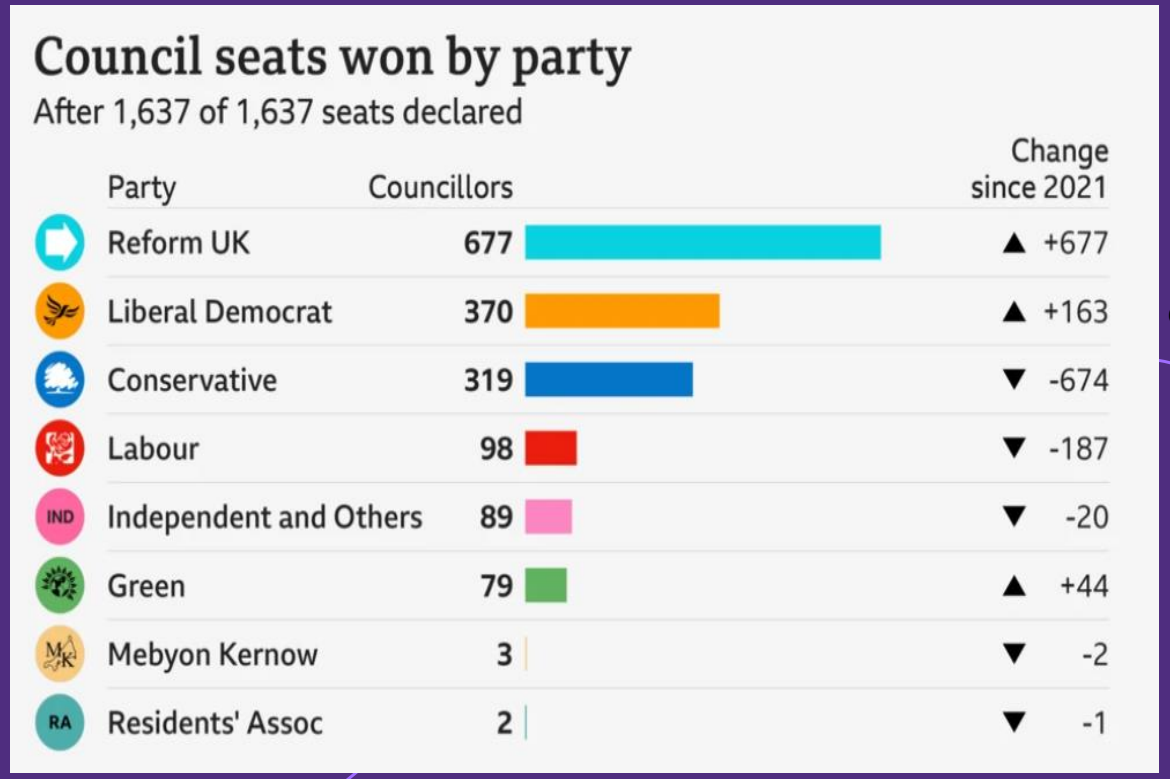
Sector Updates

New members and the 30th anniversary of Nolan

The May 2025 local elections saw significant turnover in membership at some Councils. The elections saw 677 new Reform councillors become members of local government for the first time, and 674 former Conservative councillors leave local government, often after many years of service. The extent of the changes meant that when the LGA's political proportionality was recalculated on 8th May 2025, Reform was awarded its own LGA Group for the first time.

Reform, the Liberal Democrats and the Green party all gained new councillors, many new to local government roles.

Coincidentally, May 2025 marks the 30th anniversary of the Nolan Principles. As the large number of new councillors get to grips with the challenges the local government sector faces, and the unique opportunities presently before it, there is probably no better star they can be guided by. By practicing selflessness, integrity, objectivity, accountability, openness, honesty and leadership, councillors of all political persuasions (and none) should be able to work together in the best interest of the areas they have been elected to represent.



Source: BBC News Local elections 2025: results in maps and charts

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Challenges faced by local authorities in implementing IFRS 16 (1)

IFRS 16 is an international accounting standard that changes how leases are reported in financial statements. It requires organisations to bring most leases onto the balance sheet, recognising both a right-of-use asset (the value of the leased item) and a lease liability (the obligation to make future lease payments). This change improves transparency by more comprehensively reporting the extent of an organisation's leasing commitments on the balance sheet. It replaces the previous distinction between operating and finance leases for lessees under IAS 17.

In the UK public sector, IFRS 16 is adopted through the CIPFA Code of Practice on Local Authority Accounting. After several deferrals, it is now mandatory for local authorities from 1 April 2024, impacting the 2024/25 financial year.

As local authorities prepare their 2024/25 financial statements and apply IFRS16 for the first time, several areas are proving particularly challenging. These challenges are not just technical — they have implications for governance, transparency, and the accuracy of financial reporting. The Audit Committee plays a key role in providing oversight and assurance. The table below sets out some areas which can present difficulties, along with suggested questions for finance teams and Audit Committees to consider.

Area of difficulty	Description	Challenge questions to ask the Finance team
Completeness of lease records	One of the most fundamental requirements of IFRS 16 is that all lease arrangements must be identified and recorded. This includes not only formal lease contracts but also informal or embedded leases that may be part of broader service agreements. Many authorities conducted a one-off review of leases as they prepared for the transition but without ongoing processes, there is a risk that new leases entered into during the year may not be captured. This could result in incomplete or in accurate entries in the financial statements.	(a) How does the finance team ensure that all lease agreements, including those entered after the initial review, are identified and properly recorded? (b) What approach does the finance team take to work with other departments in identifying and reporting lease arrangements, especially those that might be informal or embedded in other contracts? (c) What processes or controls are in place to keep the lease register accurate and up to date throughout the year?

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Challenges faced by local authorities in implementing IFRS 16 (2)

Area of difficulty	Description	Challenge question to ask the Finance team
Holdover leases (expired leases still in use)	In some cases, a property lease agreement may have ended but the authority continues to occupy and use the premises. These are known as holdover leases. The challenge here is determining whether the continued use of the asset creates a new lease under IFRS 16. This depends on whether there are still enforceable rights and obligations between the authority and the landlord. Making this assessment often requires legal judgment and careful documentation. The most challenging aspect of holdover leases is determining the lease term. Management must consider whether there is an implied contract, the term of the arrangement, and whether there are any continuing enforceable rights or obligations, as well as any significant costs or penalties from terminating the arrangement.	(a) Have any holdover leases been identified, and how has the finance team assessed whether these should be treated as leases under IFRS 16? (b) Where there was uncertainty, has legal advice been sought, and are the assumptions and judgments clearly documented? (c) What approach has been taken to determine the lease term for agreements that are open-ended or automatically renew?
Peppercorn or nominal rent leases	Some leases involve little or no payment — for example, a community building leased for £1 per year. These are known as peppercorn leases. Even though the payments are minimal, IFRS 16 requires the authority to recognise a right-of-use asset on its balance sheet at fair value. This can be difficult, especially if there is no recent valuation or if the asset is unique.	(a) Have any lease arrangements been identified where the payments are nominal or zero? If so, how have these been assessed under IFRS 16? (b) What process has been followed to determine the fair value of the right-of-use assets in these cases? (c) Is there sufficient documentation and evidence to support the valuation approach taken?

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Challenges faced by local authorities in implementing IFRS 16 (3)

Area of difficulty	Description	Challenge question to ask the Finance team
Lease modelling and use of external advisors	Some authorities have relied on external advisors to calculate the lease liabilities and right-of-use assets required under IFRS 16. While this can be helpful, it has created challenges where the advisors have not provided the underlying data or assumptions used in the calculations. Without this information, it becomes difficult for the finance team to explain or support the figures in the accounts.	(a) Have external advisors been involved in the lease accounting process, and if so, do they have access to the detailed inputs and assumptions used in the calculations? (b) Can the finance team fully explain and support the lease figures presented in the financial statements? (c) What documentation and internal checks are in place to ensure the accuracy and completeness of lease calculations and disclosures?
Variable lease payments linked to indices or rates	Some lease payments vary based on inflation or other financial indices. For example, a lease might include annual increases linked to the Consumer Prices Index (CPI). Under IFRS 16, the authority must estimate future payments based on known changes to these indices. This requires careful judgment and can affect the accuracy of the lease liability recorded.	(a) How has the finance team addressed lease arrangements that include variable payments? (b) Have known changes to inflation rates or other relevant indices been factored into the lease calculations, and how has this been documented?
Group leases and consolidation	In some cases, leases exist between a council and its wholly owned subsidiary, or arrangements between a police and crime commissioner and the chief constable may in some circumstances meet the definition of a lease. These leases must be included in the individual accounts and then adjusted on consolidation. This can be complicated, especially if different entities within the group use different accounting standards.	(a) How has the finance team identified and accounted for lease arrangements between group entities? (b) What steps have been taken to align accounting policies in preparing group accounts? (c) How are intra-group leases treated in the consolidated financial statements, and what documentation supports this treatment?

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Climate change – new report on generating hope

Great British Energy recently announced £10 million of funding for a local government partnership to build clean energy power.

We know that each mayoral strategic authority in England will be invited to apply for a share of the funding, but there is little other detail available yet.

Localis have shared thoughts on how Great British Energy and the metro mayers can build clean power in every part of the country, starting with four simple steps:

- Provide robust data and measurement mechanisms for monitoring and evaluation.
- Target quantifiable benefits to local communities.
- Develop financial instruments such as Community Municipal Investments and Green Bonds to help support local communities.
- Embed Green Public Procurement in their procurement of energy services and utilities.

For a full copy of the Localis Report, see:

"Generating Hope: Local Power in Partnership"

Reorganisation update

March 2025:

Twenty-one two tier areas were invited by the Minister of State for Local Government and English Devolution to submit interim plans for reorganisation by 21 March 2025. Councils were asked to ***"make every effort to work together to develop and jointly submit one proposal"*** for each area. Finding the consensus necessary to achieve this has been a challenge though.

The Local Government Chronicle reports that the Minister received in reply at least 40 separate local government reorganisation (LGR) interim plan submissions; outlining across the replies at least 53 separate LGR options. From the replies, none of the 21 areas had agreed a final geography for new unitary councils.

May 2025:

Surrey was asked to submit its final proposal for reorganisation by 9 May 2025. Again though, consensus has not been achieved. The County Council put forward a final proposal for two unitaries on 30 April 2025; and one of the prominent Borough Councils put forward a final proposal for three unitaries a week or so later.

With so little consensus at this stage, moving to next steps may be difficult.

Expected next steps:

26 September 2025 - Deadline for areas in the Devolution Priority Programme to submit final proposals for reorganisation.

28 November 2025 - Deadline for all other areas to submit final proposals for reorganisation.

Recommended reading:

For these challenging times, three sets of material from Grant Thornton may be useful:

September 2024 - Learning from the new unitary councils

March 2025 - Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton

March 2025 - Dual delivery - How can areas successfully reorganise local government and implement devolution at the same time?

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Webinar for Audit Committee members

We held a webinar for members of Audit Committees on 4th June 2025.

Delivered by Grant Thornton specialists and drawing on experience from across the sector, the webinar covered: How to prepare for devolution and reorganisation; and shared experiences from other reorganisations - with a focus on:

- Learning from the recent formation of eight new unitary councils between 2019 and 2023
- Progress by the eight new unitary councils in 2023/24
- How to successfully reorganise local government at the same time as implementing devolution
- Project management lessons learned for reorganisation
- Performance measurement lessons learned for reorganisation
- Governance lessons learned for reorganisation
- Other relevant findings from Auditors Annual Reports for 2023/24.

The recording of our webinar can be accessed here: Audit committee webinar.

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Making decisions

With so much changing in local government, and across the UK economy, making good decisions has perhaps never been more important. Two recent major publications on decision-making for mayoral combined authorities and public sector mega-projects both include content that may be useful for strategic and complex decision-making at other levels of government.

Strategic decision-making:

The Institute for Government published advice in March 2025 on "How the government can support better decision making in mayoral combined authorities".

To enhance capacity and accountability for strategic decisions, councils need to:

- Provide good technical and administrative resource to ensure that the plans members are voting on are well designed.
- Consider utilising digital tools for community engagement.
- Embed participatory processes, including peer research projects, to inform and support policy making.

INSTITUTE FOR GOVERNMENT

Complex decision-making:

The National Audit Office published a report in March 2025 on: Lessons learned: Governance and decision-making on mega-projects

To improve decision-making for the most complex projects, Councils need to:

- Adopt governance arrangements that reflect the main risks to delivery and to achieving value for money.
- Map out the decision pathway, setting out which decisions will need to be made when, and by whom.
- Ensure those charged with governance over complex projects have the skills, qualification and experience needed to make decisions on the projects.

NAO National Audit Office

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Homelessness

In May 2025, a new report by the Institute for Government highlighted how local authority spending on homelessness has nearly trebled in real terms over the last 14 years, and yet the number of homeless people has continued to rise, now reaching record proportions:

Local authority spending on homelessness in real terms (2024/25 prices):

- 2010/11: £1.3 billion.
- 2024/25: £3.1 billion.

Local authority median spend on homelessness as a % of all median spend:

- 2010/11: 18%.
- 2023/24: 54%.

Changes in the level of homelessness:

- 2010/11 to 2024/25: More than doubled.
- September 2024: 126,040 households living in temporary accommodation.

The Institute for Government (IFG) highlights that we need to focus not just on how much is spent, but also on what we spend it on. Local authorities often end up spending most of their budget, plus homelessness prevention grants and rough sleeper grants, on acute responses to homelessness. These are often exorbitantly expensive and come at the cost of underlying prevention work. IFG suggests also that individual local authorities work at too small a scale to tackle the extent of the homelessness problem – and that stronger place-based approaches are needed.

A recent report by the Local Government Chronicle looks at a similar issue through a different lens, suggesting that stronger investment in counter fraud would help slash some of the escalating spend on temporary accommodation.

Although they come at the issue of spend on homelessness from different angles, both reports indicate that challenging *how* the budget is spent, *and on what*, is more important than simply asking what the budget is.

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Housing targets and housing enquiry

Figues from the Office for Budget Responsibility on 26th March 2025 indicate that changes to the planning system mean that housebuilding is at a 40-year high and that 1.3 million new homes will be built across the UK by the end of this decade.

Provisional figures from Homes England on 20th May 2025 suggest that the agency exceeded its overall targets for new housing starts and completions in 2024/25, for the second year running.

Nevertheless, the government continues to look at even more new ways of opening-up housebuilding and development activity. The UK parliament is now calling for evidence from anyone who can contribute to an enquiry around the effectiveness of the current system for developer contributions.

In 2022/23, some 44% of affordable housing was provided through Section 106 agreements. Parliament wants to consider whether:

- The current system is understandable and accessible to stakeholders;
- Local Planning Authorities are receiving the correct support from MHCLG to ensure they can efficiently and effectively collect and spend developer contributions;
- The Ministry of Housing, Communities and Local Government's (MHCLG's) oversight of the system is effective; and
- MHCLG can learn and apply lessons to the process.

A National Audit Office is reporting on the Section 106 system. Information can be found at the link embedded in this report.

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The remediation of dangerous cladding

The Committee of Public Accounts (PAC) reported in March 2025 that progress in establishing the number of buildings affected by dangerous cladding, and in remediating those with dangerous cladding, has been far too slow.

PAC described hearing how local authorities' enforcement work is facing issues of funding; skills; lack of clarity over the money available; and lack of clarity over the regulatory environment. PAC noted that local authorities are trying to train Environmental Health Officers to undertake enforcement activity as quickly as possible, but are at risk of losing them as soon as they qualify to other parts of the construction sector. PAC also stated that the government accepts that where local authorities are spending on cladding enforcement activity, they can't spend the same money on new social housing.

MHCLG did commit to providing more funding for remediation action, and an update on their plan to do so is due in the summer of 2025. Money alone is unlikely to be enough to speed things up though. As MHCLG itself recognised, there are not enough trained enforcement officers available to speed up identification; and, even if there were, there is insufficient skilled construction capacity to speed up remediation.

Eight years on from the Grenfell fire, the national issue of what to do about cladding still seems to be shrouded in uncertainty.

"We are appalled that those living in affected buildings continue to suffer an unacceptable financial and emotional toll. Far too many people continue to feel trapped in unsafe homes, many facing financial uncertainty and many unable to sell their homes and move on with their lives".

Source: PAC, 21 March 2025

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Complaints data from the Local Government and Social Care Ombudsman

Local Government & Social Care OMBUDSMAN

Annual 2024/25 complaints statistics have just been published for each Council by LGSCO: Your council's performance .

This is an earlier publication date for the statistics than in other years – because the Ombudsman is responding to requests that the timetable be made to fit better with Council complaint reporting cycles. LGSCO has also responded to Council requests by including absolute numbers in the data, so that the emphasis is shifted away from percentages (in upheld, satisfactory remedies and compliance) and better context is given.

A very clear traffic light rating system has been adopted – and both Councils and residents will be able to see immediately how well their area fares.

Complaints data is an important tool for judging where energy needs o be directed for risk and performance management. Context and proportion are important as well though for judging overall performance; and earlier data is generally more useful than later data. The improvements made this year to timing and presentation will help Councils and their members make the most of the valuable resource that LGSCO provides.

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Climate change - new role for the Energy Ombudsman

The Energy Ombudsman took on a new role on 1 April 2025, as the official dispute resolution body for Great Britain's heat network customers.

The Association for Decentralised Energy (ADE) estimates that heat networks, are projected to unlock £100 billion in UK infrastructure investment by 2050, while at the same time cutting carbon emissions. The sector is poised to play a central role in the UK's net-zero transition.

ADE estimates that most consumers are happy with the experience they have of using heat networks. Nevertheless, having an official ombudsman role boosts the credibility of the industry.

As major providers in the field, Councils do need to be aware of the new dispute resolution arrangements. The Ombudsman invited providers to register with them in the run up to 1 April. Anyone who has not done so yet, should register now so that they can keep abreast with the changes ongoing.

Register here: Join our Heat Network Supplier scheme | Energy Supplier Portal

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Audit Committee resources

The Audit Committee and organisational effectiveness in local authorities (CIPFA):

https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

Global Internal Audit Standards

Global Internal Audit Standards

Code of Audit Practice for local auditors (NAO):

https://www.nao.org.uk/code-audit-practice/

Governance risk and resilience framework: material for those with a leadership responsibility on good governance (CfGS):
https://www.cfgs.org.uk/material-for-those-with-a-leadership-responsibility-on-good-governance/

The Three Lines of Defence Model (IAA)
https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf

Risk Management Guidance / The Orange Book (UK Government):

https://www.gov.uk/government/publications/orange-book

CIPFA Guidance and Codes

The following all have a charge, so do make enquiries to determine if copies are available within your organisation.

Audit Committees: Practical Guidance For Local Authorities And Police

https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition

Delivering Good Governance in Local Government

https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition

Financial Management Code

https://www.cipfa.org/fmcode

Implementing Global Internal Audit Standards

Global Internal Audit Standards in the UK Public Sector

Prudential Code

https://www.cipfa.org/policy-and-guidance/publications/t/the-prudential-code-for-capital-finance-in-local-authorities-2021-edition

Treasury Management Code

https://www.cipfa.org/policy-and-guidance/publications/t/treasury-management-in-the-public-services-code-of-practice-and-crosssectoral-guidance-notes-2021-edition

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Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**Management response to External Audit actions**
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Ian Trisk-Grove (Service Director for Finance)
Author:	Oliver Woodhams
Contact Email:	Oliver.Woodhams@plymouth.gov.uk
Your Reference:	EA Actions / 2025
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report
To update the Audit and Governance Committee with a formal response to the recommendations from Grant Thornton, as set out in their recent Audit Findings and Annual Audit reports to the Committee during the 2024/25 financial year.

Recommendations and Reasons

1. That the Committee note the responses to the recommendations and the summary position in relation to actions addressed from previous External Audit reports, as detailed in the report.

   Reason: The report provides assurance to the Committee that External Audit recommendations are being followed up and addressed, in line with good governance practice.

Alternative options considered and rejected
None – not responding formally to recommendations made by External Auditors would not give necessary assurance to the Committee.

Relevance to the Corporate Plan and/or the Plymouth Plan
Good governance and effective financial stewardship provide the foundation for the delivery of corporate improvement priorities; however, there are no direct links between the contents of this report and Corporate Plan or Plymouth Plan objectives.

Implications for the Medium Term Financial Plan and Resource Implications:
A number of the responses and recommendations relate directly to improving the Medium-Term Financial Planning process are used to effectively support the challenges ahead.

Financial Risks
None arising directly as a result of this report.

Legal Implications

(Provided by Liz Bryant)

The issuing of statutory recommendations by the Council's external auditor is a power derived from the Local Audit and Accountability Act 2014. The Act sets out the framework for the audit of local authorities and includes specific provisions under Schedule 7 for the appointed external auditor to make reports and recommendations which an Authority must consider and respond to publicly. The specific obligations placed on the Council in responding to any Schedule 7 recommendations are set out in this report.

Carbon Footprint (Environmental) Implications:
None arising directly from this report.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:
None arising directly from this report.

Appendices

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

Background papers:

Title of any background paper(s)	**Exemption Paragraph Number** (if applicable) *If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.*						
	1	**2**	**3**	**4**	**5**	**6**	**7**
Management response to Grant Thornton actions 2024 – report to Audit & Governance Committee July 23 2024							
Audit Findings Report for Plymouth City Council (year end 31st March 2024) – report to Audit & Governance Committee February 18 2024							
Auditor's Audit Report for the year ending 31st March 2024 – report to Audit & Governance Committee November 12 2024							

Sign off:

Fin	ITG.25.26.055	Leg	LS/00003609/45/02/09/25	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: Ian Trisk-Grove

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 03/09/2025

Cabinet Member approval: Cllr. Mark Lowry (approved by email)

Date approved: 22/08/2025

Briefing Report: Management response to External Audit actions (as at August 2025)

Background

1. Each year the Council's external auditors report on findings and make recommendations following their audit of the Council's financial statements. The External auditors also consider the Council's arrangements for securing Value for Money, and provide commentary (including making recommendations) in an Annual Audit Report.

2. As a result of the backstop arrangements to address the national crisis in local audit, the council's financial statements for the 2021/22 and 2022/23 were not audited, and therefore there are no Audit Findings reports or recommendations arising from these financial statements. The audits of the Council's financial statements for 2019/20 and 2021/22 concluded during the last financial year. Paragraph 5 and table 1 below present an update on progress against recommendations arising from these audits.

3. The Council's financial statements for 2023/24 were audited in the winter of 2024-5, with Audit Findings presented to the Audit and Governance Committee at its meeting of 18 February 2025. Paragraph 6 and table 2 below present the Council's response to these most recent Audit Findings recommendations.

4. Separately, the Council's external auditors presented their commentary in relation to arrangements for securing Value for Money in their Audit Report for the 2023/24 financial year. The Council's response to these recommendations are presented in paragraphs 7 and 8, and tables 3, 4 and 5 below.

5. 22 out of 23 External Audit recommendations arising from the audit of the council's 2020/21 accounts, and all recommendations arising from the audit of the 2019/20 accounts, have been implemented and closed as complete. As set out in Table 1 below, further work relating to the final outstanding recommendation (concerning working papers and audit trails for asset accounting) is ongoing, with further training for capital project managers planned during 2025.

Table 1: 2020/21 Audit Findings – response to recommendations and update			
Priority	Recommendation	Management response March 2024	Update August 2025
Medium 6	For larger capital projects such as Mill bay the client should perform a close review as to whether any work will be performed on land or assets the council do not own and account for it accordingly. Where the client perform large adjustments for items, they maintain clear working papers, and an audit trail which can be easily accessed, so that they can clearly explain the context, double entry, and evidence the totals involved and the methodology used in arriving at the adjustments.	We will review our procedures and working papers to see how this can be improved.	**Work continues to improve practice in this area.** Capital accountants conduct regular training exercises for Project Officers.

6. 8 of 15 External Audit recommendations arising from the more recent audit of the council's 2023/24 statement of accounts have been closed, with implementation of the remaining 7 recommendations underway. Details on all of these recommendations (including closed recommendations) is set out in table 2 below.

Table 2: 2023/24 Audit Findings Report – response to recommendations and update			
Priority	Recommendation	Management response (February 2025)	Update August 2025
Medium 1	Management should review the journal process to ensure that sufficient segregation of duty controls are in place and that monitoring processes are sufficiently robust to identify and address any issues identified.	The Council has a robust set of reconciliation and monitoring processes in year to support the posting of journals. All journals above £500k are required to be authorised and if they are self-approved management have implemented a system generated alerter to notify staff when they have self approved the journal or failed to attach sufficient notes and documents to the journal	**Closed**. We believe this recommendation has been adequately addressed. The forthcoming audit of the 2024/25 accounts will confirm External Audit's position on this issue.
Medium 2	For a number of land and building and investment property assets management were unable to provide floor plans to support the measurements used within the calculations. There is a risk that management and valuers will use inaccurate information which could result in a material misstatement within the statement of accounts Management should ensure that all supporting information is maintained and is consistent with disclosures made in the statement of accounts	Work is already underway within the land and property team to collect and collate comprehensive inspection and measurement information for assets which will be retained on a standard format template and saved within individual asset files. This is being initially rolled out for PPE assets falling due for revaluation in the YE2025 programme, however due to the large quantity of assets – it may be that further technical resource is required to undertake this work more rapidly.	**Open.** Work continues to be underway.
Medium 3	For larger capital projects management should perform a close review in order to identify whether any work will be performed on land or assets the council do not own and account for it as REFCUS in that year accordingly.	Accountants will ensure they engage with Project Officers, delivering these projects at an early opportunity. We will also incorporate this into the training provided to Projects Officers at year end.	**Open**. As noted above in Table 1, work continues to improve practice in this area. Capital accountants conduct regular training exercises for Project Officers. This area will be tested again in the 2024/25 audit.

Table 2: 2023/24 Audit Findings Report – response to recommendations and update			
Priority	Recommendation	Management response (February 2025)	Update August 2025
	(continued from above) Where management perform large adjustments for items, they should maintain clear working papers, and an audit trail which can be easily accessed, so that they can clearly explain the context, double entry, and evidence the totals involved and the methodology used in arriving at the adjustments		
Medium 4	Management should ensure that all depreciation calculations and processes are accurate and that all treatment and disclosures are in line with the requirements of the Code and the accounting standards.	We will introduce more control checks prior to posting year end journals. We will also have more control over making changes in Technology Forge as we will only be managing one financial year on the system rather than five. Up until this financial year we have had to manage with a manual reconciliation between the fixed asset register and the accounts as we had to close previous years due to the system limitations.	**Open**. Work continues and we believe improvements in this area are substantially progressed. Again, it will be tested in the 2024/25 audit.
Medium 5	Management should review the process for valuing assets and ensure that all documentation is retained to fully support the valuations disclosed in the financial statements.	In order to address concerns with adhoc errors occurring on Valuation Reports, it is proposed for YE2025 going forward that a more robust system of internal auditing is required to screen for errors. This unfortunately was not possible for YE2024 due to the late issue of full instructions to the Valuer, leading to a significantly reduced timeframe for issuing valuations. The existing Valuation templates and instructions will be reviewed to ensure that there is a consistent approach to adjustments and that all valuation inputs are adequately evidenced.	**Open.** Work continues to be underway.

Table 2: 2023/24 Audit Findings Report – response to recommendations and update			
Priority	Recommendation	Management response (February 2025)	Update August 2025
Medium 6	Management should review the process for valuing assets and the necessary accounting disclosures to ensure that robust review is in place to ensure the accuracy and appropriateness of all disclosures.	We have corrected the treatment of the disposal of Academy schools	**Closed.** No further action required.
Medium 7	Management should ensure that valuations are carried out in line with the required guidance and standards to ensure that valuations are accurately recorded.	The valuer will ensure that the report makes reference to retirement obligations, even if it is to confirm a nil impact.	**Closed.** No further action requirement; this area will be tested again in the 2024/25 audit.
Medium 8	Management should consider instructing the valuer to provide further assurance over the movement in non-valued assets to provide assurance over disclosures within the statement of accounts	Agreed	**Closed.** No further action requirement; this area will be tested again in the 2024/25 audit.
Low 1	Management should ensure that a robust review process exists to ensure that the financial statements are accurate and appropriate and that the number of errors and misstatements is kept to a minimum	We will ensure through our year end training that staff are aware of the impact of errors and that they build in control checks to avoid this happening.	**Open.** Training continues and will be reviewed in the light of 2024/25 audit findings.
Low 2	Management should ensure all assets are revalued within the five-year cycle.	This was a one-year decision as we transitioned back from a 3-year rolling programme to a 5-year rolling programme. Due to resource constraints , we decided that the decision not to revalue 0.4% of our assets was a fair compromise. Under the current rolling programme all assets are revalued within a 5-year period.	**Closed.** No further action required.

Table 2: 2023/24 Audit Findings Report – response to recommendations and update			
Priority	Recommendation	Management response (February 2025)	Update August 2025
Low 3	Management should ensure that instructions and the valuers report include sufficient information to allow proper understanding of the process undertaken.	The comparable data is currently retained within folder organised by sector type. This includes data from internal sources and from third parties. Existing tables of data will be undated as further information becomes available, and resource will be deployed to ensure that this is kept up to date. Due to the specific nature of some assets, there is a shortage of available data within the locality. It is proposed that the Valuation template is amended to include a more robust explanation for adjustments that have necessarily needed to be made. A market commentary is included in all Valuation Reports, and where possible external comparable information is sourced. Due to the size of the market in Plymouth and nature of some of the assets, it is not always possible to secure this information. In order to address concerns with adhoc errors occurring on Valuation Reports, it is proposed for YE2025 going forward that a more robust system of internal auditing is required to screen for errors. This unfortunately was not possible for YE2024 due to the late issue of full instructions to the Valuer, leading to a significantly reduced timeframe for issuing valuations. As stated in the comments above, work is already underway to collate more comprehensive and robust records of measurement, inspection and condition for each asset.	**Closed.** No further action required.

Table 2: 2023/24 Audit Findings Report – response to recommendations and update			
Priority	Recommendation	Management response (February 2025)	Update August 2025
Low 4	Management should ensure all related party disclosures are included within the financial statement disclosures.	We will widen the remit of checks undertaken at year end and when gathering data for this disclosure.	**Open.** Work continues to deliver improvements in this area.
Low 5	Management should consider the appropriateness of data used to estimate disclosures and ensure that it is up to date (relates to Accumulated Absences).	Agreed.	**Closed**. No further action required.
Low 6	Management should ensure contract information is retained for all employees.	Agreed.	**Open.** This area has been reviewed as part of the iTrent migration.
Low 7	Management should review part year salaries and ensure that all disclosures within the remuneration report are in the line with Code and supporting guidance.	Agreed.	**Closed**. No further action required.

7. The most recent Annual Audit Report (for the financial year 2023/24) contained 3 Key Recommendations and 5 Improvement Recommendations (these included one Key Recommendation that remained outstanding from the previous year). Many of these recommendations relate to annual processes and are longer term in nature, therefore of the 8 recommendations in total, at this stage we believe only three can be considered closed. Tables 3 and 4 set out the response to each recommendation and the latest position.

Table 3: 2023/24 Value for Money commentary – Key Recommendations		
Conclusion	Recommendation	Management response & update (August 2025)
As we reported in our 2022/23 Auditor's Annual Report, the Council has an organisational approach to financial planning. However, we reported a significant weakness in the Council's arrangements for financial sustainability as there was a medium-term financial gap of circa £69 million in the Council's Medium Term Financial Strategy (MTFS) 2023/24 to 2027/28 published September 2023. Since we reported on 2022/23, increased costs and	Given the increased level of financial stress the Council is facing members need to ensure that there is a robust response to financial matters with a more detailed revision of the Council's Medium Term Financial Strategy (MTFS), early in 2024/25, to address how it will mitigate the risks against the financial stress indicators. Progress in delivering transformation plans should be tracked by Cabinet each month and	**Open**. The MTFS was revised in 2024/25 and an updated position was presented to Cabinet in Autumn 2024, with an updated MTFP position reported to full council in Feb. 2025. The council has balanced its 2025/26 budget through this process, and the medium-term financial gap has reduced significantly.

Table 3: 2023/24 Value for Money commentary – Key Recommendations		
Conclusion	Recommendation	Management response & update (August 2025)
activity will likely have widened this gap.	periodically reviewed by the relevant Scrutiny Committee for the service.	The development of monitoring arrangements for transformation plans remains in progress. These are being developed as part of the emerging corporate transformation programme.
Whilst there were some savings resulting from the transformation of services in Adults and Children's Services in the year under review, these demand led services overspent significantly in 2023/24 and continue to do so to date in 2024/25. As at November 2024 the Council was forecasting a net revenue overspend for 2024/25 of £6.697 million, assuming all identified mitigations delivered the benefits that they were envisaged to. As at February 2025 the latest published position is a £1.842m overspend.	The Council should implement its plans for its council wide transformation programme at sufficient scale and pace to demonstrate that it is able to address the significant structural budget deficit. This should include: • cohesive reporting to Cabinet on the planned resourcing, timescales, milestones, savings and outcomes from its council wide transformation programme, bringing together work planned and delivered by directorates; • detailing the planned annual savings and how these reconcile to the forecast savings required in the revised Medium Term Financial Strategy (MTFS) 2025/26 to 2029/30.	**Open**. The corporate transformation programme will be integrated with the council's MTFS in the forthcoming budget round to ensure that the 'prevention first' strategy mitigates demand pressures over the medium term. As noted above, monitoring arrangements for transformation plans will be developed as part of this emerging corporate transformation programme.
We concluded there was a significant weakness in arrangements to deliver good quality Children's Services within the 2023/24 financial year, as the Council was in Secretary of State (SoS) Intervention for 11 months of the financial year. This follows a significant weakness being identified in our 2022/23 Auditor's Annual Report. The Council can evidence improvement in services during 2023/24, with arrangements put in place promptly to address issues raised in the Improvement Notice. It has also approved an updated	The Council should: • ensure appropriate arrangements are in place with partners to address the actions raised in the Joint Area SEND inspection and resultant Improvement Notice; and • fully cost the improvements identified through the "Achieving Excellence "Strategy, approved in July 2024, and incorporate these into the Council's updated financial plans, with relevant timeframes identified.	**Closed.** The recent SEND review of progress noted good progress. A full SEND Re-Inspection is expected in autumn 2025. Additional resources were identified and funding provided in the 2025/26 budget. Improvements in children's social care set out in Achieving Excellence were put in place with progress monitored by the Improvement Board and our

Table 3: 2023/24 Value for Money commentary – Key Recommendations		
Conclusion	Recommendation	Management response & update (August 2025)
children's strategy within the 2024/25 financial year.		SLIP partner. Good progress was found leading to the Intervention Notice being lifted.

Table 4: 2023/24 Value for Money commentary – Improvement Recommendations	
Recommendation	Management response & update (August 2025)
The Medium Term Financial Strategy should include a sensitivity analysis where levels of assumed income and expenditure are varied to identify the best, likely and worst-case scenarios.	**Open**. The Medium Term Financial Strategy for the 2026-31 will be contain sensitivity analysis and scenario plans. This is due to be published in Autumn 2025.
The Council should clearly identify and report on the split between recurrent and non-recurrent savings each year.	**Open.** This will be addressed in the next Medium Term Financial Planning cycle, with the split reported to Cabinet and Full Council in MTFP reports for the 2026/27 year (by January / February 2026).
The information on the Corporate Risk Register needs to be reviewed so that it is fully up to date. This should be done through better triangulation with other information, to remove inconsistencies in scoring and improve understanding of the risk around the Council's operations.	**Open.** The Corporate Risk Register will be reviewed, updated and revised to address this recommendation.
The annual fraud report should incorporate details of the high-level outcomes in terms of improving the Council's control framework as a result of fraud referrals, along with the specific procedures and measures implemented to prevent similar occurrences. This will provide a more comprehensive understanding of the measures in place for preventing and detecting fraud.	**Closed.** The 2024/25 annual fraud report was reported to Audit and Governance Committee in July 2025; this incorporated details of savings and results arising from fraud referrals and associated actions.
The Council's Procurement Readiness Action Plan should be reported to the Audit and Governance Committee so it has assurance that the Council will be implementing the requirements of the new procurement regulations in a timely manner by the deadline of February 2025.	**Closed.** The Procurement Readiness Action Plan was reported to the Audit and Governance Committee at its meeting in January 2025; the Committee also received an update on the Procurement Strategy (aligning with the Procurement Act 2023) at its meeting in July 2025

8. The Annual Audit Report for the financial year 2023/24 also highlighted a further Value for Money Key Recommendation that remained partially outstanding from the previous year, as well as three

Value for Money Improvement Recommendations that were also outstanding. 3 out of these 4 outstanding recommendations are now considered closed. Table 5 sets out the response to each outstanding recommendation and the latest position.

Table 5: 2023/24 Annual Audit Report Value for Money commentary – recommendations remaining open from previous financial years in the latest report	
Recommendation	Management response & update (August 2025)
Original external audit recommendation (2022/23): Given the increased level of financial stress the Council is facing members need to ensure there is a robust response to financial matters with a more detailed revision of the Council's Medium Term Financial Strategy (MTFS), early in 2024/25, to address how it will mitigate the risks against the financial stress indicators. Progress in delivering transformation plans should be tracked by Cabinet each month and periodically reviewed by the relevant Scrutiny Committee for the service. *External Auditors' update (2023/24):* [although a Medium-Term Financial Forecast was presented to Cabinet in May 2024] … the MTFF detailed assumptions but there was no calculation of an updated medium term financial gap.	**Closed**. A medium-term financial forecast, setting out a Medium-Term financial gap, was reported to Full Council in February 2025 as part of the annual budget setting report. This position will be revised and updated and reported as part of the Medium Term Financial Strategy due to be published in Autumn 2025.
Original external audit recommendation (2022/23): The Council approved the four-year Medium Term Financial Strategy (MTFS) 2023/24 to 2027/28 in September 2023. The 2024/25 to 2028/29 MTFS should be approved early in the 2024/25 financial year, and we suggest that future MTFSs are prepared at the same time as the annual budget and approved before the start of each financial year.	**Closed.** As noted above, an MTFS position was reported to Full Council in February 2025 as part of the annual budget setting report and will be reviewed and updated in Autumn 2025.
Original external audit recommendation (2022/23): As the Council is in the bottom quartile of "general fund and earmarked reserves as a percentage of net revenue expenditure" compared to other councils then it should aim for a higher working balance target than its current 5% to protect the long-term financial health and viability of the council.	**Open.** The new S151 officer is reviewing the Council's reserves policy and financial resilience and will report on this as part of the forthcoming 2026/27 budget setting process.
Original external audit recommendation (2022/23): The Council should develop a data quality strategy articulating how it will obtain assurance over the quality and integrity of the data used for the KPI's in its corporate performance framework, with a view to including an assessment of specific data sets within non-financial performance reports.	**Closed.** The data quality strategy was published and reported to Audit and Governance Committee at its meeting in April 2025.

Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**CIPFA Financial Management Code Assessment 2025**
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Ian Trisk-Grove (Service Director for Finance)
Author:	Louise Clapton, Audit Manager
Contact Email:	Louise.clapton@plymouth.gov.uk
Your Reference:	AUD/LC
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To present the findings of the independent internal audit assessment of Plymouth City Council's compliance with the CIPFA Financial Management Code (FM Code) for 2025. The FM Code sets out principles and standards of good financial management to support financial sustainability and effective governance in local authorities.

This report provides assurance on the Council's current position, highlights areas of strong practice, and identifies four key standards requiring attention to strengthen financial resilience, stakeholder engagement, and value-for-money decision-making.

Recommendations and Reasons

1. It is recommended that the Audit and Governance Committee:
    - Note the findings of the independent assessment undertaken by Devon Assurance Partnership, which provides Reasonable Assurance on the Council's compliance with the FM Code.
    - Endorses the proposed management actions to address the four standards identified as requiring improvement:
        - Financial Resilience Assessment (FM Standard F)
        - Medium-Term Financial Planning (FM Standard I)
        - Stakeholder Engagement (FM Standard L)
        - Option Appraisal Methodology (FM Standard M)

    Reasons:
    - To fulfil the Committee's role in overseeing financial governance and assurance frameworks.
    - To ensure the Council continues to meet its statutory responsibilities for sound financial administration.
    - To support continuous improvement in financial management practices aligned with CIPFA guidance.

Alternative options considered and rejected

1. No alternative options were considered, as undertaking an independent assessment against the CIPFA Financial Management Code is a recommended best practice and essential for demonstrating compliance with statutory responsibilities for sound financial administration.

Relevance to the Corporate Plan and/or the Plymouth Plan

This assessment directly supports the Corporate Plan priority of Spending Money Wisely by promoting robust financial planning, transparency, and value-for-money decision-making. It also aligns with the Plymouth Plan's strategic objective to ensure sustainable public services and resilient financial governance.

Implications for the Medium Term Financial Plan and Resource Implications:

The findings highlight the need to strengthen integration between the Medium-Term Financial Strategy (MTFS), service and capital plans, and scenario testing. Addressing these areas will improve the robustness of the MTFS and enhance the Council's ability to manage financial risks and plan for long-term sustainability.

Resource implications include:

- Officer time to develop and implement the recommended improvements.
- Potential investment in training, stakeholder engagement tools, and option appraisal frameworks.
- Enhanced modelling and reporting capabilities to support financial resilience testing.

Financial Risks

None.

Legal Implications

(Provided by Liz Bryant)

The FM Code itself is not currently supported by a legislative framework, CIPFA's judgement is that compliance with the FM Code will assist local authorities to demonstrate that they are meeting existing important legislative requirements.

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.*

In considering this report, Members should give due regard to the Council's statutory duties under the Equality Act 2010 to promote equality of opportunity, eliminate unlawful discrimination, and foster good relations between people who share protected characteristics and those who do not. The proposed actions to strengthen financial management are expected to support inclusive and equitable service delivery.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	**Exemption Paragraph Number** (if applicable) *If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.*

		1	2	3	4	5	6	7
A	PCC CIPFA FM Code Assessment 2025							

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 <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

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

Sign off:

Fin	OW. 25.26. 077	Leg	LS/00 0036 09/43 /LB/2 9/08/ 25	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Ian Trisk-Grove											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 26/08/2025											
Cabinet Member approval: Cllr Lowry, via email. Date approved: 26/08/2025											

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Customer and Corporate Services CIPFA Financial Management Code 2024/25

Plymouth City Council

August 2025

devonassurancepartnership
Support, Assurance and Innovation

Audit Opinion

Reasonable Assurance - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

No Assurance	Limited Assurance	Reasonable Assurance	Substantial Assurance

Number of Actions

High	0
Medium	4
Low	0
Opportunity	0

Service Objective

Spending Money Wisely

Areas Covered - Key Findings	Level of Assurance
1. Compliance with CIPFA Financial Management Code. Overall, we can provide reasonable assurance that Plymouth City Council meets the standards set by the CIPFA Financial Management code, and that the Council is able to demonstrate that it satisfies the principles of good financial management for an authority of its size, responsibilities and circumstances. Of 17 standards assessed, the Council has met the standard securely in 10 areas, demonstrating strong practice in 3 further areas. Four standards were identified as requiring attention and these findings are set out in detail in Appendix A, alongside agreed management actions to address concerns.	**Reasonable Assurance**

Background and Context

The Financial Management Code (FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The CIPFA Financial Management Code applies a principles-based approach.

The six underlying principles that inform the FM Code have been designed to focus on robust financial management as a way of achieving both short-term financial resilience and long-term financial sustainability.
The principles are as follows:

- Organisational **leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.
- **Accountability** – financial management is 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 with appropriate frequency and 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 include political scrutiny and the results of external audit, internal audit and inspection.

- The long term **sustainability** of local services is at the heart of all financial management processes and is evidenced by prudent use of public resources

It is Plymouth City Councils responsibility to determine compliance with the FM Code, whether it meets the standards and to make any changes that may be required to ensure compliance. PCC should be able to demonstrate that they have reviewed their financial management arrangements against the standards and that they have taken such action as may be necessary to comply with them.

Plymouth City Council have completed a self-assessment for the last few years and have engaged its Internal Auditors, Devon Assurance Partnership, to complete the 2024/25 assessment.

Executive Summary

Devon Assurance Partnerships independent assessment provides Reasonable Assurance that Plymouth City Council is able to demonstrate, that it satisfies the principles of good financial management for an authority of its size, responsibilities and circumstances. This opinion is based on an evaluation of the following 17 standards across the six principles:

Risk Rating Scoring	Exemplary	Strong practice	Secure	Needs Attention	Causing Concern

Leadership	Accountability	Transparency	Standards	Assurance	Sustainability
Financial Management Standard A Leadership team is able to demonstrate that the services provided by the authority provide value for money. (6)	Financial Management Standard D The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016). (6)	Financial Management Standard L The authority has engaged with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget. (4)	Financial Management standard H The authority complies with the CIPFA Prudential code for Capital Finance in Local Authorities. (6)	Financial Management Standard C The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control. (6)	Financial Management Standard E The financial management style of the authority supports financial sustainability. (6)
Financial Management Standard B The authority complies with the CIPFA statement on the role of the Chief Finance Officer in Local Government. (6)	Financial Management Standard P 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". (8)	Financial Management Standard M the authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions. (4)	Financial Management Standard J the authority complies with its statutory obligations in respect of the budget setting process. (8)	Financial Management Standard F The authority has carried out a credible and transparent financial resilience test. (4)	Financial Management Standard G The authority understands it's prospects for financial sustainability in the longer term and has reported this clearly to members. (6)
Financial Management Standard O The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget and strategy and financial sustainability. (6)	Financial Management Standard Q The presentation of the final outturn figures and variations from budget all the leadership team to make strategic financial decisions. (8)		Financial Management Standard K 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. (6)	Financial Management Standard N The leadership team takes action using reports, enabling it to identify and correct emerging risks to budget strategy and financial sustainability. (6)	Financial Management Standard I The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans. (4)

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Detailed Observations and Action Plan

1. Area Covered: Compliance with CIPFA Financial Management Code.	Level of Assurance
	Reasonable Assurance

Opinion Statement:

Our independent assessment against the 17 Financial Management Standards found effective arrangements and practices, which work and deliver what is required across 13 standards. With Strong Practice demonstrated across three standards, these arrangements and practices work well and deliver effectively.

Four standards were identified as requiring attention, with change required to improve in this area, these standards should be the focus for improvement:

- FM Standard F The authority has carried out a credible and transparent financial resilience test.
- FM Standard I The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.
- FM Standard L The authority has engaged with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.
- FM Standard M the authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.

No.	Observation and Implications	Impact / Priority	Management response and action plan including responsible officer
Financial Management Standard F The authority has carried out a credible and transparent financial resilience test.			
1.1	Plymouth City Council has not yet undertaken a formal, council-led financial resilience assessment as recommended by the CIPFA Financial Management Code. While a financial resilience report was recently produced by LG Improve and shared with the Corporate Management Team, it was not commissioned by the council and does not yet meet the standard of a structured, scenario-based assessment. The Medium-Term Financial Plan includes limited sensitivity analysis, but it does not test a broad range of realistic financial scenarios or stress-test high-risk areas such as Adult Social Care or emergency accommodation. Although the council is aware of its financial risks—such as low reserve levels and reliance on one-off savings—there is limited evidence that these have been systematically addressed through a resilience framework. The S151 Officer has initiated work on a new revenue strategy and capital strategy, which may help address these risks in the future. However, to meet the	Attention Required	Work is ongoing to develop the modelling approach for the MTFP, which includes enhanced sensitivity analysis. The further actions are noted and will be considered as the financial, capital and treasury management strategies are developed during the course of the year. We continue to work with LG Futures to support analysis and benchmarking of financial resilience. The expansion of the into a wider assessment will be explored, with self-assessment through the development of the MTFP also being considered as an alternative and foundational step to see enhancements in this area.

	expectations of the Financial Management Code, the council should commission a formal resilience assessment, integrate scenario planning into its financial strategy, and ensure findings are reported and acted upon through a clear governance process. **Suggested Improvement Actions** 1. Commission a Formal Financial Resilience Assessment, develop a structured, council-led assessment using CIPFA guidance, including scenario planning and stress testing. 2. Integrate Resilience Testing into the MTFP Process, expand sensitivity analysis to include high-risk service areas and external shocks (e.g. inflation spikes, funding cuts). 3. Report and Act on Findings, present the resilience assessment to the Audit Committee, and develop an action plan to address identified vulnerabilities. 4. Embed Resilience into Strategic Financial Planning, ensure the new revenue and capital strategies explicitly address long-term sustainability and risk mitigation.		Responsible Officer: Service Director for Finance (ITG) Target Date: 31st March 2026
Financial Management Standard I The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.			
1.2	Plymouth City Council has an agreed Medium-Term Financial Strategy (MTFS) for 2023/24 to 2027/28, which integrates revenue, capital, and treasury strategies and is updated annually. While this demonstrates substantial compliance with CIPFA's Financial Management Code, the MTFS is under strain due to significant funding gaps and lacks built-in contingencies, limiting its resilience. The plan identifies key cost pressures and includes detailed assumptions, but forecasting is uncertain and knowledge of the financial planning tools is limited to a few individuals, posing a risk. However, the MTFS is only partially integrated with service and capital plans, and scenario planning is not yet embedded—only basic sensitivity analysis is used. Most notably, the Council lacks a current, council-wide asset management plan, with the last version dating back to	Attention Required	Work is already underway in many of these areas as it is acknowledged development is necessary. Notably a dedicated Asset Management workstream has been established as one of the enabling requirements to underpin the organisational prevention programme, City Help & Support. Update on progress of work in this area, including the development of a strategy, is reported to the Corporate Management Team each month via Change Board. Enhancements to the annual budget/MTFP planning cycle has also been made to better link between both growth and savings initiatives with service based business plans, to ensure there is an aligned and integrated approach to service deliver. Expansion of sensitivity has also been noted, as per FM Standard F, and will be included in modelling and reporting to be issued in

	2014. This is a critical weakness given the scale of the capital programme. To align with CIPFA's Financial Management Standard I, the Council should prioritise developing a new asset management plan, strengthen integration across financial and service planning, and implement robust scenario testing to enhance financial resilience. **Suggested Improvement Action** 1. Develop a Formal Financial Resilience Assessment, in line with FM Standard F and the guidance (p. 55–57), the Council should undertake a structured, transparent financial resilience test. This should include scenario planning and stress testing of key cost drivers (e.g. social care, homelessness) to assess the MTFS's robustness under varying conditions. 2. Strengthen Integration Across Plans, to meet FM Standard I, the MTFS should be more explicitly and consistently linked to service plans and the capital strategy. This includes aligning assumptions, priorities, and performance metrics across directorates and ensuring that financial planning supports service delivery outcomes. 3. Implement a Council-Wide Asset Management Plan, as required by FM Standard I and discussed in the guidance (p. 71–72), the Council must urgently update and publish a comprehensive asset management plan. This plan should support strategic decision-making, ensure assets contribute effectively to service delivery, and align with the capital strategy. 4. Enhance Sensitivity and Scenario Analysis, move beyond basic 1% sensitivity tests by incorporating multi-variable scenario planning (as per p. 70 of the guidance). This will improve the Council's ability to anticipate and respond to financial shocks and support more informed decision-making.		this reporting cycle. Responsible Officer: Service Director for Finance (ITG) Target Date: 31st March 2026

Financial Management Standard L The authority has engaged with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.			
1.3	Engagement occurs but is limited in reach and impact. Survey response rates are low. In addition recent external reviews found that public consultation was inadequate and poorly timed. Feedback was not meaningfully incorporated into the final design. The authority has undertaken stakeholder engagement activities, including engagement with elected members, the Chamber of Commerce, and previously with the Youth Parliament. However, this engagement has been inconsistent and limited in scope. There is no structured or ongoing engagement with key delivery partners, and engagement with budget managers and internal stakeholders could be significantly improved. Survey response rates are low, indicating limited reach and impact, and there is no evidence of a systematic approach to incorporating stakeholder feedback into financial planning processes. While engagement with members is described as good, the overall effectiveness is limited due to the lack of breadth, continuity, and structured feedback mechanisms. The absence of recent engagement with youth and community groups, and the lack of formal engagement with delivery partners, undermines the inclusivity and representativeness of the process. This limits the authority's ability to align financial strategies with community needs and expectations, as encouraged by the FM Code (Standard L). **Suggested Improvement Actions:** 1. Develop a formal stakeholder engagement strategy aligned with FM Code guidance, identifying key internal and external stakeholders and setting out clear objectives, methods, and timelines for engagement. 2. Re-establish and maintain regular engagement forums such as youth panels, business	Attention Required	With the exception of internal engagement, whilst these actions are noted and will be delivered this will form part of a longer-term redesign of the approach to financial planning. Planning work will be undertaken during the 2025-26 financial year to properly consider the approach and timing for effective stakeholder engagement, to build a more robust approach for the 2026-27 cycle onwards. Without taking the time to properly plan this engagement, and allow time for that work to be delivered, it risks not being ineffective or actually detrimental to the process. However do note that the actions are accepted and development in this area will add considerable strength to the outputs of financial planning work, particularly helping to align financial strategy to stakeholder outcomes. Note: target date outlined below is in relation to deliver of an engagement plan and structure and not necessarily deliver of the engagement activity.

	roundtables, and community focus groups to ensure diverse voices are heard. 3. Improve internal engagement by embedding financial planning discussions into service and budget manager meetings and ensuring two-way communication. 4. Enhance transparency and feedback loops by publishing summaries of engagement outcomes and how they have influenced financial decisions. 5. Use digital tools and targeted outreach to increase survey participation and reach underrepresented groups. These actions will help the authority meet the expectations of the FM Code by embedding stakeholder engagement into the financial planning cycle and ensuring that financial decisions are informed by a broad and inclusive evidence base.		Responsible Officer: Service Director for Finance (ITG) Target Date: 31st March 2026
Financial Management Standard M the authority uses and appropriate documented option appraisal methodology to demonstrate the value for money of it's decisions.			
1.4	Plymouth City Council does not currently have a documented option appraisal methodology that aligns with the IFAC/PAIB guidance. While a business case template is in use and includes an option appraisal section, it is acknowledged by the Head of Finance that this section lacks depth and is not comprehensive. Moreover, management is not familiar with the IFAC/PAIB publication "Project and Investment Appraisal for Sustainable Value Creation," indicating a gap in alignment with best practice standards. Although the Capital Manual and the Capital Programme Officers Group (CPOG) provide some procedural structure, there is no formal, organisation-wide guidance on when and how to conduct option appraisals. The current approach includes some qualitative and quantitative assessment, but lacks the consistent application of robust techniques such as cost-benefit analysis or sensitivity testing. Risk and uncertainty are considered at a high level through risk registers and	Attention Required	The development of option appraisal in line with best practice will be included as part of the review and enhancement of the Capital Manual being undertaken this year. As part of this review, the further actions around development of templates, and any necessary training, will also be actioned to ensure that any changes are understood and embedded within the organisation. It should also be noted that the planned establishment of a CPMO function will support this work, particularly in developing the reporting on business cases and ensuring consistency of risk analysis and options is maintained through review and support to Project Officers.

	CPOG scrutiny, but there is no structured or quantified risk analysis embedded in the appraisal process. Similarly, while business cases are reviewed, the clarity and consistency of reporting on options and associated risks vary, limiting transparency and informed decision-making. **Suggested Improvement Action** 1. Develop a Formal Option Appraisal Framework • Create and adopt a documented methodology aligned with the IFAC/PAIB publication "Project and Investment Appraisal for Sustainable Value Creation". This should include clear stages, decision criteria, and minimum standards for all capital and major revenue investments. 2. Update the Business Case Template • Expand the current template to include structured qualitative and quantitative appraisal techniques such as: ○ Cost-benefit analysis ○ Net present value (NPV) ○ Sensitivity and scenario analysis ○ Multi-criteria decision analysis (MCDA) • Include a mandatory section on risk and uncertainty, with guidance on how to assess and present these. 3. Build Capacity and Skills • Deliver targeted training for officers and members on option appraisal techniques, risk analysis, and investment decision-making. Consider using external experts or CIPFA-accredited courses. 4. Benchmark and Review • Periodically benchmark the Council's option appraisal practices against other local authorities and best practice. Use lessons learned from past projects to refine the methodology.		Responsible Officer: Service Director for Finance (ITG) Target Date: 31st March 2026

Scope and Objectives

The purpose of the FM Code itself is to establish the principles in a format that matches the financial management cycle and supports governance in local authorities. A series of financial management standards set out the professional standards needed if a local authority is to meet the minimal standards of financial management acceptable to meet fiduciary duties to taxpayers, customers and lenders. Since these are minimum standards, CIPFA's judgement is that compliance with them is obligatory if a local authority is to meet its statutory responsibility for sound financial administration. Effective compliance with the FM Code is critical to safeguarding an authority's financial health, ensuring good governance, and maintaining public trust. Authorities must adopt robust systems and practices to mitigate these risks and demonstrate their commitment to financial sustainability.

The scope and objective of this audit was to provide assurance on the Councils compliance with the financial management standards.

Failure to meet the FM Code places the authority at significant risk of financial instability, operational inefficiency, and reputational harm.

Acknowledgements

We thank those who provided support and assistance during this audit.

Delivery Team

Victoria Evans	Louise Clapton	Tony Rose
Delivery Officer	**Deliver Lead / Manager**	**Head of Partnership**

Inherent Limitations

The opinions and observations contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

Devon Assurance Partnership

Devon Assurance Partnership has been formed under a joint committee arrangement, details of our partners can be found on our website. We aim to be recognised as a high-quality assurance service provider. We collaborate with our Partners by providing a professional service that will assist them in meeting their challenges, managing their risks and achieving their goals.

In conducting our work, we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards. 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.

devonassurancepartnership

Confidentiality under the National Protective Marking Scheme

This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the organisation, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies. 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.

Marketing	Definitions
Official	The majority of information that is created or processed by the public sector. This includes routine business operations and services, some of which could have damaging consequences if lost, stolen or published in the media, but are not subject to a heightened threat profile.
Official: Sensitive	A limited subset of OFFICIAL information could have more damaging consequences if it were lost, stolen or published in the media. This subset of information should still be managed within the 'OFFICIAL' classification tier but may attract additional measures to reinforce the 'need to know'. In such cases where there is a clear and justifiable requirement to reinforce the 'need to know', assets should be conspicuously marked: 'OFFICIAL–SENSITIVE'. All documents marked OFFICIAL: SENSITIVE must be handled appropriately and with extra care, to ensure the information is not accessed by unauthorised people.

Definitions of Audit Assurance Opinion Levels

Assurance	Definition
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Definition of Observation Priority

Causing Concern	Arrangements are not secure. Change is required, but may not be achieved in the near future.
Attention Required	We recognise that change is required to improve in this area.
Secure	We have effective arrangements and practices, which work and deliver what is required.
Strong Practice	We have good arrangements and practices, which work well and deliver effectively.
Exemplary	We have excellent arrangements and practices, which deliver excellent outcomes.

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Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**Internal Audit Progress Report 2025/26**
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Ian Trisk-Grove (Service Director for Finance)
Author:	Louise Clapton, Audit Manager
Contact Email:	Louise.clapton@plymouth.gov.uk
Your Reference:	AUD/LC
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report presents two separate internal audit updates, providing Members of the Audit and Governance Committee with a position statement on the audit work carried out since April 2025:

- Appendix A – Internal Audit Progress Report: Provides a summary of performance against the 2025/26 Internal Audit Plan up to 30th June 2025, including the status of audit assignments, assurance opinions issued, and any changes to planned work.
- Appendix B – Management Action Tracking Update (Q1 2025/26): Details progress made in implementing management actions arising from audit recommendations, with a focus on Limited Assurance audits and overdue actions as of 30th June 2025.

Together, these documents support the Committee's oversight of internal audit delivery and the effectiveness of management responses to audit findings.

The work of Internal Audit delivers objective and relevant assurance and contributes to the effectiveness and efficiency of the governance, risk management and internal control processes. We liaise closely with management to identify changes in processes and procedures and new areas of expenditure. This risk-based approach can result in some items in the audit plan being replaced with new, higher risk areas to ensure that audit resources remain focussed on the most important areas, any changes will be highlighted within our reports to Audit and Governance Committee.

Recommendations and Reasons

1. Note the findings presented in the two accompanying internal audit reports:
   - Appendix A – Internal Audit Progress Report: Summarises delivery against the 2025/26 Internal Audit Plan to 30th June 2025, including assurance opinions and any changes to planned work.
   - Appendix B – Management Action Tracking Update (Q1 2025/26): Provides oversight of progress made in implementing agreed management actions arising from internal audit recommendations, with a focus on Limited Assurance audits and overdue actions.

   In doing so, the Committee is invited to reflect on its core responsibilities as set out in the CIPFA guidance, specifically, to:

- Seek assurance that internal audit work is appropriately focused on current risks and priorities.
- Scrutinise the adequacy and timeliness of management responses to audit findings.
- Promote accountability and continuous improvement in governance, risk management, and internal control arrangements.

2. Audit and Governance Committee has a clear mandate to seek assurance on the implementation of management actions arising from audit recommendations. To effectively discharge this responsibility, the Committee can request the attendance of relevant officers to provide updates and respond to queries regarding progress on agreed action plans. Direct engagement with officers enables members to scrutinise the adequacy and timeliness of responses to audit findings, ensuring that governance, risk, and control arrangements are robust and effective, whilst promoting transparency, accountability, and continuous improvement.

Alternative options considered and rejected

1. 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.

The implementation of all agreed management actions to address 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.

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 the provision of quality public services which also demonstrate value for money. It has also helped ensure an effective control environment is maintained in these financially challenging times.

Financial Risks

Failure to mitigate risks highlighted by Internal Audit through implementation of agreed management action may have financial consequences.

Legal Implications

(Provided by Liz Bryant)

The Council must have a sound system of internal control which facilitates the effective exercise of its functions, including effective assurance and risk management. This report provides information on the work of the Council's internal audit service in ensuring compliance.

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.*

No impacts directly arising from this report. 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) *If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.*						
		1	2	3	4	5	6	7
A	DAP Internal Audit Progress Report 2025/26							
B	Internal Audit Management Action Update Q1 2025/26							

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 <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

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

Sign off:

Fin	OW. 25.26. 076	Leg	LS/0003609/44/LB/29/08/25	Mon Off	N/A	HR	N/A	Assets	N/A	Strat Proc	N/A

Originating Senior Leadership Team member: Ian Trisk-Grove, Service Director for Finance

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 16/08/2025

Cabinet Member approval: Cllr Lowry, via email.

Date approved: 26/08/2025

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Support, Assurance and Innovation

Internal Audit Progress Report 2025-26

Plymouth City Council Audit & Governance Committee

September 2025

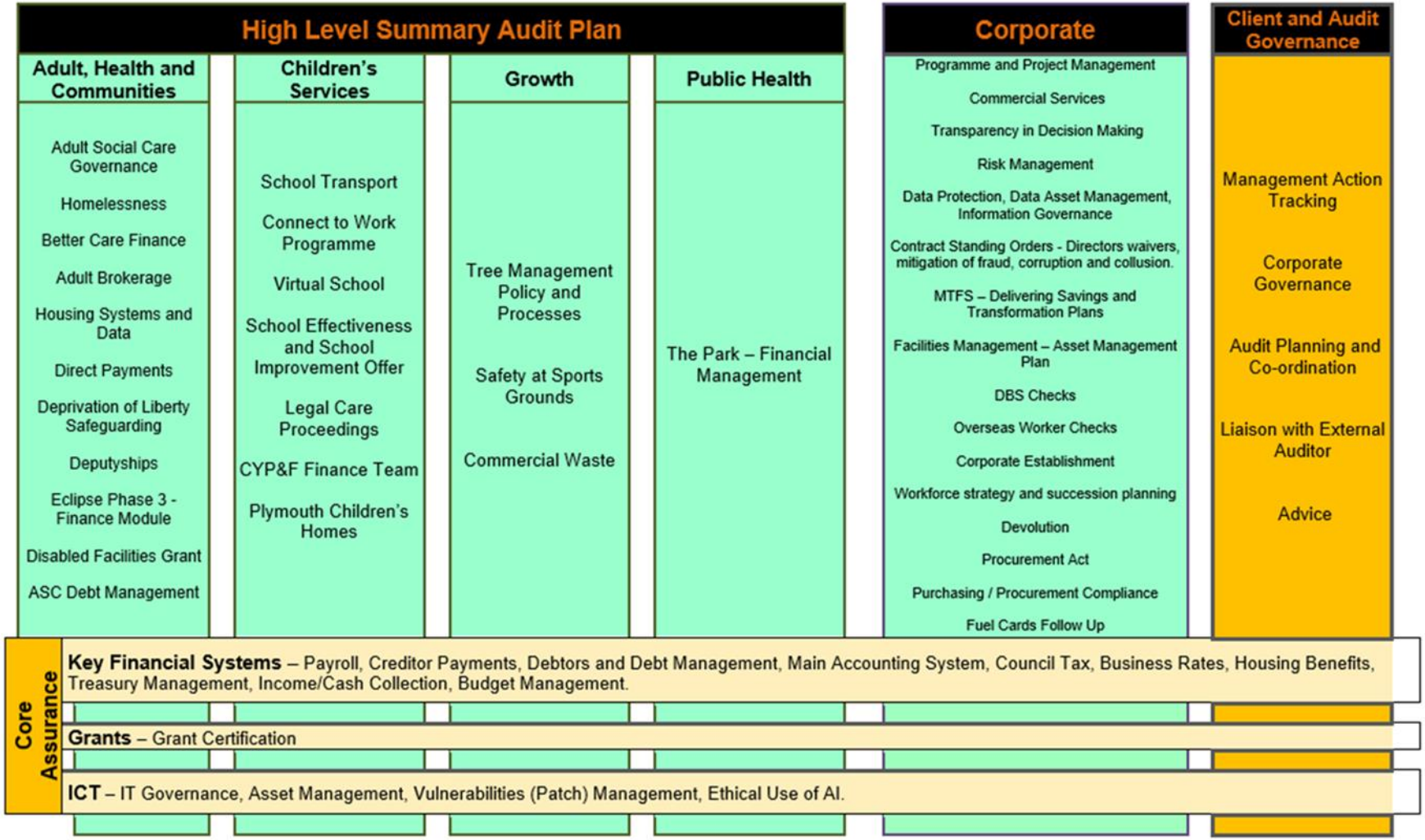
Official

Tony Rose
Head of Devon Audit Partnership

Louise Clapton
Audit Manager

Introduction

This report provides a summary of performance in the year up to 30th June 2025 against the 2025/26 Internal Audit Plan, below, agreed by Audit and Governance Committee at its meeting on 11th March 2025, highlighting the key areas of work undertaken and summarising our main findings and audit opinions. The key objectives of the Devon Audit Partnership (DAP) are to provide assurance to the Audit and Governance Committee, Section 151 Officer (Service Director for Finance) and senior management on the adequacy and security of the systems and controls operating within the Council and to provide advice and assurance to managers and staff.



Review of Audit Progress

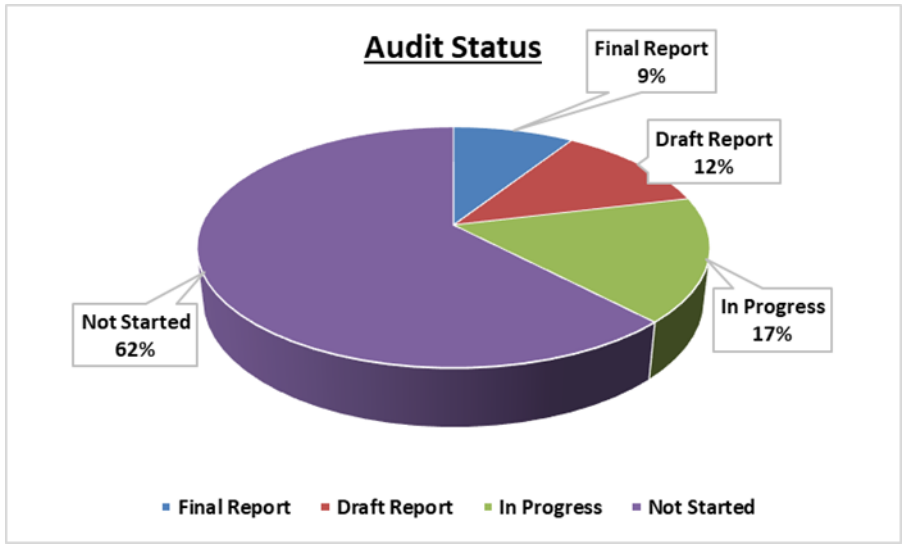
As of 30 June 2025, 38% of the 2025/26 Internal Audit Plan has either been completed or is currently in progress. Of the audits finalised to date, 64% have resulted in a “Reasonable Assurance” or “Certified” opinion, reflecting generally sound governance and control frameworks across the Council.

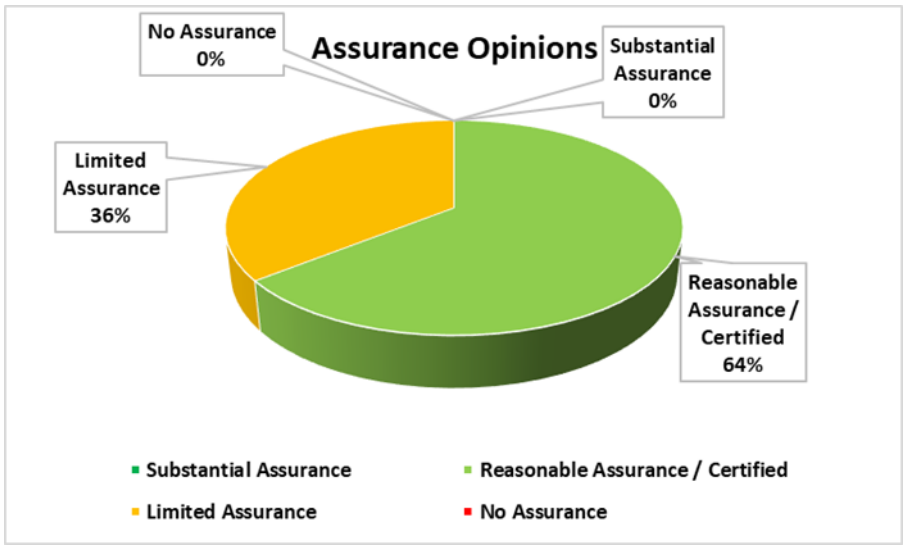
Audit activity during this period includes the completion of six audits from the 2024/25 Internal Audit Plan. These reviews were finalised after the financial year-end and required audit time and resource commitment due to their complexity and the need for thorough evaluation. The audits covered critical areas such as IR35 compliance, debtors management, joint-funded care packages, and children’s independent placements.

Key areas reviewed in the 2025/26 Plan so far include cyber risk governance, school transport and purchasing card compliance. While many areas demonstrated robust controls, several audits identified opportunities for improvement, particularly in cyber security governance, and joint-funded care arrangements, which received “Limited Assurance” ratings.

In addition to assurance work, Internal Audit continues to provide advisory support on strategic initiatives including the Improvement and Assurance Framework and Eclipse system implementation, alongside mandatory grant certification audit work. A diverse range of audits are currently underway, with further reviews scheduled throughout the year to ensure comprehensive coverage of high-risk and priority areas.

We continue to work closely with management to ensure the Council’s evolving audit needs are reflected in our agile audit plan. This approach ensures our work remains aligned with the Council’s key objectives and associated risks. Final audit reports include action plans with named responsible officers and target dates to address control issues and implement efficiency recommendations.





Internal Audit Progress 2025/26 - Audit Status and Assurance Opinion

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
IR35 Follow Up **(2024/25 IA Plan)**	Assurance	Final 03/06/2025	**Limited**	Previously reported to Committee in July 2025. 001a PCC IA End of Year Report 24-25 Final July 2025.pdf	5	3	2	0	0
Debtors (01/07/2025) **(2024/25 IA Plan)**	Assurance	Final 01/07/2025	**Limited**	Previously reported to Committee in July 2025. 001a PCC IA End of Year Report 24-25 Final July 2025.pdf	8	1	6	0	1
Garage Commercial Financial Management 2025-26 **(2024/25 IA Plan)**	Assurance	Final 13/08/2025	**Limited**	Previously reported to Committee in July 2025, whilst at draft report. 001a PCC IA End of Year Report 24-25 Final July 2025.pdf Plymouth City Council's Garage Service maintains the Council's fleet and also offers MOTs and servicing to local businesses, the public, and council staff. While the service generated approximately £126k in commercial income in 2024/25, an internal audit found that the governance, risk management, and internal control frameworks are underdeveloped, providing only limited assurance. Significant key-risks were identified and focussed intervention is required to ensure management actions address these issue.	Final	12	0	0	0
ASC Income - Joint Funded Care Packages **(2024/25 IA Plan)**	Assurance	Draft 17/07/2025	**Limited**	Joint funding decisions between Plymouth City Council and Devon ICB arise through three main routes: applications for health funding by social workers, Section 117 Mental Health Act assessments, and crisis situations due to health deterioration. As of Q2 2025/26, joint funding income is forecast at £7.55 million, though this is subject to change. However, the lack of a consistent and standardised process for identifying, authorising, and recording joint funding arrangements has led to operational inefficiencies and financial risks. Inconsistent practices across departments and service types have resulted in errors, miscommunication, and challenges in reconciling costs with	Draft	4	5	1	0

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
				partner agencies. As the paying authority, the Council bears the financial burden in cases of dispute or delay.					
Children's Independent Placements **(2024/25 IA Plan)** ***Previously reported to Committee in July 2025.*** 001a PCC IA End of Year Report 24-25 Final July 2025.pdf	Assurance	Draft 22/05/2025	**Reasonable**	The Brokerage Team within Children, Young People and Families (CYPF) oversees independent placements, though its operations remain largely unchanged since transitioning from Strategic Commissioning. There is now an opportunity to expand and refine the team's remit under new leadership, aligning placements more closely with children's needs while ensuring value for money. Strong financial controls are in place, with authorised payments and regular budget monitoring supported by collaboration between Brokerage, CYPF managers, and Finance. However, the audit identified several operational risks. These include delays in placement authorisation and payment processes, underutilisation of the Eclipse system for financial documentation, and inconsistent use of finance forms, particularly for uplifts and placement endings. Additional concerns include inadequate due diligence during provider name changes, risking duplicate payments, and a lack of formal policy around payment increases. Addressing these issues through clearer policies, improved system use, and streamlined processes will be essential to reduce financial risk, improve data accuracy, and ensure effective placement management.	Draft	1	9	0	1
CIPFA Financial Management Code 2025/26 **(2024/25 IA Plan)**	Assurance	Final 18/08/2025	**Reasonable**	The CIPFA Financial Management Code (FM Code) sets out principles to support sound financial management and sustainability in local authorities. Plymouth City Council has engaged Devon Assurance Partnership to conduct its independent assessment, which concluded with Reasonable Assurance that the Council meets the standards expected for its size and responsibilities. Strong practice was identified in three of the 17 standards, with effective arrangements in place across a further ten.	N/A for self-assessment purpose				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
Cyber Security - Governance (Risk Management) 2025-26	Assurance	Final 01/08/2025	**Limited**	Effective IT and cyber risk management is essential to safeguarding the Council's operations, data, and reputation, yet current practices show significant gaps. Key issues include an outdated IT Risk Management Policy, lack of defined roles and responsibilities, limited reporting to senior leadership, and the absence of a formal IT/cyber risk register. These weaknesses hinder the Council's ability to understand and mitigate cyber threats. Establishing a dedicated risk register and aligning reporting with the corporate risk strategy would strengthen oversight and resilience, as highlighted by a recent external review.	7	4	0	1	2
School Transport	Assurance	Draft 24/07/2025	**Reasonable**	Plymouth City Council is experiencing significant budget pressures related to home-to-school transport, with increasing demand placing strain on service delivery and finances. This risk is recognised on the Organisational Risk Register and referenced in the 2025/26 Budget Report, with additional funding allocated to help mitigate the impact. The audit aimed to assess the governance, risk, and internal control framework supporting this service. The audit provided Reasonable Assurance, confirming that policies, processes, and financial controls are generally effective. However, eight medium-priority areas for improvement were identified, including outdated policy approvals, limited system utilisation, affordability concerns, inconsistent DBS checks, and gaps in performance reporting and business continuity planning. Addressing these issues will strengthen the Council's ability to manage risks and deliver value for money in this critical service area.	Draft	0	8	6	3
Purchasing Card Compliance 2025-26	Assurance	Draft 26/06/2025	**Reasonable**	Plymouth City Council's purchasing card system is generally operating effectively, with Reasonable Assurance provided. However, recurring issues were identified, including delayed transaction authorisation, incomplete mandatory e-learning, incorrect VAT coding, and poor receipt retention. A survey of 183 cardholders (157 responses) reinforced these findings,	Draft	0	5	1	0

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
				highlighting non-compliance with training requirements, evidence upload issues, and occasional misuse such as card sharing and transaction splitting. Improved training oversight, clearer policy references, and receipt verification will strengthen compliance with the internal control framework.					
PCC Single Homelessness Accommodation Programme (SHAP)	Grant Certification	Final 10/04/2025	**Certified**	In accordance with the Ministry of Housing, Communities and Local Government Single Homelessness Accommodation Programme 2024-2025 grant determination conditions No's. 31/7416, 31/7455, 31/7537, 31/7640 and 31/7642 we undertook the audit of the statement of grants usage and provided an audit opinion that in all significant respects, the conditions have been complied with. Grant funding of £2.450m was awarded to Plymouth City Council.	N/A Mandatory Grant Certification Audit				
PCC DFE Childcare Expansion Capital Grant 31/6960	Grant Certification	Final 13/06/2025	**Certified**	In accordance with the Secretary of State Education for Childcare Expansion Capital grant determination conditions No. 31/6960 we undertook the audit of the statement of grants usage and provided an audit opinion that in all significant respects, the conditions have been complied with. Grant funding of £435k was awarded to Plymouth City Council.	N/A Mandatory Grant Certification Audit				
PCC Local Net Zero Capacity Development Fund - Local Capacity Grant LCG12	Grant Certification	Final 08/07/2025	**Certified**	In accordance with the West of England Combined Authority, South West Net Zero Hub, Local Net Zero Capacity Development Fund, LCG12 conditions we undertook the audit of the statement of grants usage and provided an audit opinion that in all significant respects, the conditions have been complied with. Grant funding of £1.360m was awarded to Plymouth City Council.	N/A Mandatory Grant Certification Audit				
BEIS Home Upgrade Grant Phase 2 2023/24	Grant Certification	Draft 21/07/2025	**Certified**	In accordance with the Secretary of State for Business, Energy & Industrial Strategy Home Upgrade Grant Phase 2 Determination (2023/24) conditions we undertook the audit of the statement of grants usage and provided an audit opinion that in all significant respects, the conditions have	N/A Mandatory Grant Certification Audit				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions H	M	L	O
				been complied with. Grant funding of £20,379 was awarded to Plymouth City Council.					
Adult Social Care Governance 2025-26	Assurance	In Progress	-	This audit will assess the effectiveness of governance arrangements in delivering Plymouth City Council's statutory Adult Social Care duties under the Care Act 2014 through the jointly commissioned Healthy Lives Contract. The review will focus on how governance structures, oversight mechanisms, performance monitoring, and risk management support safe, effective, and person-centred service delivery. It will examine the roles of key stakeholders, contract management practices, and alignment with statutory requirements, while excluding case-level reviews or provider financial audits. The audit aims to provide assurance that the Council's responsibilities are being met effectively, sustainably, and in partnership with the Integrated Care Board and NHS providers.	Currently in progress				
Safety at Sports Grounds 2025-26	Assurance	In Progress	-	This audit will assess Plymouth City Council's governance and control framework for managing its statutory responsibilities under the Safety of Sports Grounds Act 1975 and related legislation. The review, aligned with the Council's priority of keeping communities safe, will evaluate key areas including SAG governance, safety certification, monitoring, enforcement, training, and business continuity. It is being conducted in preparation for the next Sports Grounds Safety Authority (SGSA) audit in December 2025, following a positive outcome in 2023. The audit aims to provide assurance that appropriate controls are in place to safeguard public safety and uphold the Council's reputation.	Currently in progress				
Budget Management 2025-26	Assurance	In Progress	-	This audit will assess the effectiveness of Plymouth City Council's budget management processes for 2025/26, focusing on governance, internal controls, financial risk management, and compliance with statutory and regulatory requirements. It will evaluate how budgets are planned,	Currently in progress				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions H	M	L	O
				monitored, and adjusted, the clarity of roles and responsibilities, and the adequacy of scrutiny and decision-making. The review will also consider financial sustainability, risk mitigation, and alignment with corporate priorities, aiming to identify areas for improvement and promote best practice in budgetary control.					
Income Collection 2025-26	Assurance	In Progress	-	This audit will assess Plymouth City Council's income collection processes for fees and charges, focusing on governance, financial controls, compliance, and risk management. The review will evaluate how income is set, collected, monitored, and reported across statutory and discretionary streams, identifying vulnerabilities such as outdated systems, inconsistent fee setting, and debt recovery challenges. A risk and assurance framework has been developed to prioritise high-risk income areas for further scrutiny. The audit aims to ensure income collection is accurate, secure, legally compliant, and aligned with council objectives, while promoting resilience and continuous improvement.	Currently in progress				
Regulators' Pioneer Fund 3	Grant Certification	In Progress	-	This audit will assess Plymouth City Council's compliance with the grant conditions of the Regulators' Pioneer Fund Round 3, supporting the Maritime Regulatory Innovation Framework project. The project, which aims to develop a regulatory framework for testing autonomous and prototype vessels, is progressing under a multi-agency partnership and aligns with national innovation and clean maritime priorities. The review will focus on the Council's financial records and internal control arrangements as the accountable body, excluding partner organisations.	Currently in progress				
UK Shared Prosperity Fund 2025/26	Grant Certification	In Progress	-	An audit is currently underway to assess Plymouth City Council's compliance with the UK Shared Prosperity Fund Grant Determination 2022–23 (No. 50/DLU03AN221202).	Currently in progress				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions H	M	L	O
				The review focuses on ensuring that grant funding has been used in accordance with the conditions set out by the Department for Levelling Up, Housing and Communities, including adherence to the Memorandum of Understanding and Section 50 of the United Kingdom Internal Market Act 2020. The audit will provide assurance on the Council's financial management, governance, and reporting arrangements, and identify any risks of non-compliance that could result in repayment or withholding of funds.					
Eclipse Project Phase 3 2025-26	Consultancy and Advice	In Progress	**Advisory**	To attend Eclipse Project Board, to provide advice and assurance as appropriate as the Eclipse Finance module is implemented.	N/A Consultancy and Advice				
Advice (All Directorate) 2025-26	Consultancy and Advice	In Progress	**Advisory**	Provision of ad hoc real time advice throughout 2025/26 to support governance, internal control, transformational change and/or associated risk mitigation, this has included: • Better Care Finance system implementation. • ASC debt management meetings. • ASC Business Support, domiciliary care batching. • Annual Governance Statement. • Warm Homes Local Grant delivery agreements. • Street lighting contract. • South West Devon Waste Partnership Board. • Commercial waste recycling claims. • Reserves policy. • Programme and project management. • Polygamous working. • Financial scenario planning. • Grant assurance risk assessment.	N/A Consultancy and Advice				
Improvement and Assurance Framework 2025/26	Consultancy and Advice	In Progress	**Advisory**	We are supporting the development of a robust and forward-looking self-assessment model that aligns with the principles of the Local Government Association's Improvement and Assurance Framework (2024).	N/A Consultancy and Advice				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
				This work involves close collaboration with officers and elected members to embed a culture of continuous assurance, triangulate evidence from diverse sources, and ensure that both qualitative and quantitative insights inform the Council's understanding of its performance and governance. The aim is to create a reflective, evidence-based process that enables early identification of risks and opportunities, helping the Council demonstrate to residents, partners, and regulators its commitment to proactive management, transparency, and delivering best value.					
Grant Certification advice, planning and management 2025-26	Consultancy and Advice	In Progress	**Advisory**	Provision of ad hoc real time advice throughout 2024/25 to support grant funding, management and assurance.	N/A Consultancy and Advice				
IT / Cyber Security / AI Advice 2025-26	Consultancy and Advice	In Progress	**Advisory**	Attendance at Cyber Board and provision of real time input and advice to support the council in mitigating the risk of a successful Cyber-attack.	N/A Consultancy and Advice				
ASC Debt Management – Follow Up	Assurance	Not Started	-	Planned Q4	Not Started				
Better Care Finance	Assurance	Not Started	-	Planned Q3 although subject to change due to system implementation delays.	Not Started				
PCC Deprivation of Liberty Safeguarding	Assurance	Not Started	-	Planned Q3	Not Started				
Deputyships	Assurance	Not Started	-	Planned Q4	Not Started				
Direct Payments	Assurance	Not Started	-	Q4 although possibility of deferral due to changes within service.	Not Started				
Homelessness	Assurance	Not Started	-	Planned Q2	Not Started				
Housing Standards and Housing Solutions Systems and Data	Assurance	Not Started	-	Planned Q3	Not Started				
C&YP Finance Team	Assurance	Not Started	-	Planned Q3	Not Started				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
Connect to Work Programme	Assurance	Not Started	-	Planned Q3	Not Started				
Legal Care proceedings Follow Up	Assurance	Not Started	-	Planned Q3	Not Started				
Plymouth Children's Homes	Assurance	Not Started	-	Planned Q4	Not Started				
School Effectiveness and School Improvement Offer	Assurance	Not Started	-	Planned Q3	Not Started				
SEND Follow Up	Assurance	Not Started	-	Planned Q2	Not Started				
Virtual School - including extended offer	Assurance	Not Started	-	Planned Q3	Not Started				
Risk Management	Assurance	Not Started	-	Planned Q4	Not Started				
Transparency in Decision Making	Assurance	Not Started	-	Planned Q4	Not Started				
Commercial Waste	Assurance	Not Started	-	Planned Q4 although may be deferred due to system implementation delays.	Not Started				
Tree Management Policy and Procedures	Assurance	Not Started	-	Planned Q4	Not Started				
Bereavement Service "The Park" - Financial Management	Assurance	Not Started	-	Planned Q2	Not Started				
Business Rates	Assurance	Not Started	-	Planned Q2	Not Started				
Commercial Services	Assurance	Not Started	-	Planned Q2	Not Started				
Corporate Establishment	Assurance	Not Started	-	Planned Q3	Not Started				
Council Tax	Assurance	Not Started	-	Planned Q2	Not Started				
Creditors	Assurance	Not Started	-	Planned Q2	Not Started				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
Cyber Security - Access Controls (External Users)	Assurance	Not Started	-	Planned Q2	Not Started				
Cyber Security - Vulnerability (Inc. Patching) Management	Assurance	Not Started	-	Planned Q3	Not Started				
DBS and Overseas Workers Checks	Assurance	Not Started	-	Planned Q3	Not Started				
Debtors (incl. debt mgt)	Assurance	Not Started	-	Planned Q4	Not Started				
Facilities Management - Asset Management Plan	Assurance	Not Started	-	Planned Q4	Not Started				
Fuel Cards Follow Up	Assurance	Not Started	-	Planned Q4	Not Started				
Housing Benefits	Assurance	Not Started	-	Planned Q2	Not Started				
Information Governance (Inc. Data Asset Mgt & follow up ICO Report)	Assurance	Not Started	-	Planned Q4	Not Started				
Main Accounting System	Assurance	Not Started	-	Planned Q2	Not Started				
Mitigation of fraud, corruption & collusion risk in contract awards inc. use of Directors Waivers	Assurance	Not Started	-	Planned Q3	Not Started				
MTFS-Delivering savings & transformation plans	Assurance	Not Started	-	Planned Q4	Not Started				
Payroll	Assurance	Not Started	-	Planned Q3	Not Started				
People Plan - Work Force Strategy and succession planning	Assurance	Not Started	-	Planned Q4	Not Started				

Audit Area	Audit Type	Status	Opinion	Audit Summary / Comment	Total Agreed Actions	Management Actions			
						H	M	L	O
Procurement Act	Assurance	Not Started	-	Planned Q3	Not Started				
Programme and Project Management	Assurance	Not Started	-	Planned Q4	Not Started				
Treasury Management	Assurance	Not Started	-	Planned Q3	Not Started				

Management Action Tracking Q1 Report 2025-26

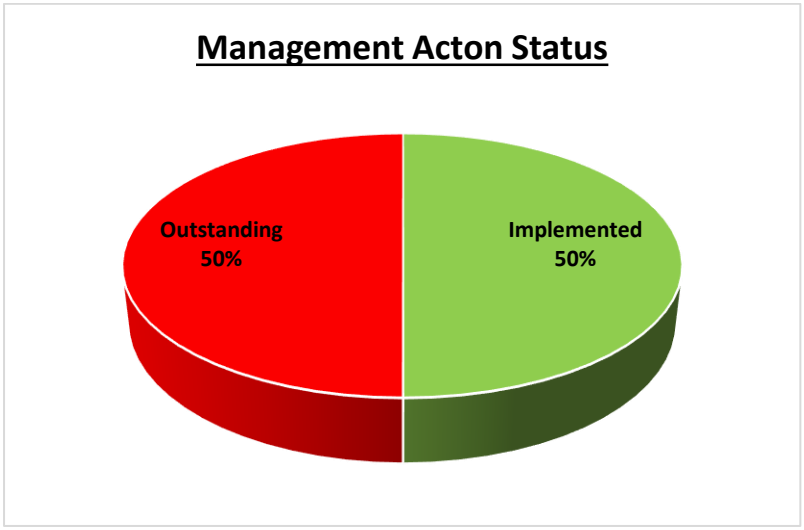
Plymouth City Council Audit & Governance Committee

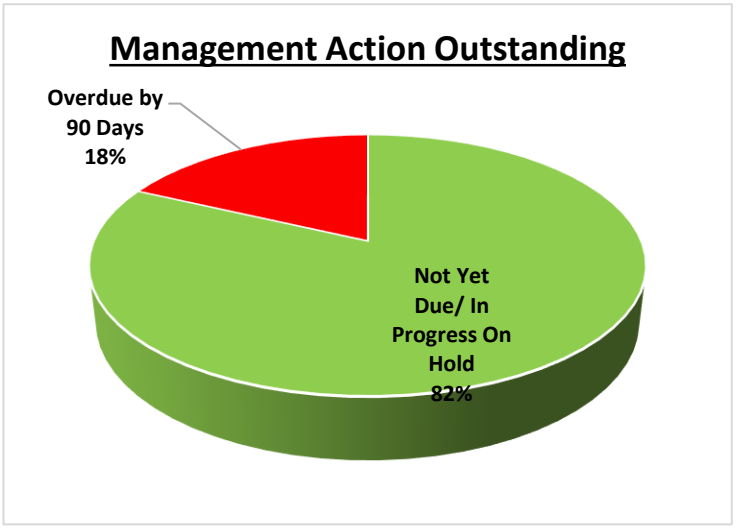
September 2025

Official

Plymouth City Council Audit Recommendation – Management Action Progress to 30/06/2025

In accordance with Public Sector Internal Auditing Standards, PSIAS, now Global Internal Audit Standards (GIAS) the chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. As of 30th June 2025 there were 12 agreed 'Limited Assurance' audits that had management action outstanding. Good progress continues to be made with one audit having implemented all agreed management actions. Of 96 management actions agreed 48 (50%) have been implemented and 48 (50%) remain outstanding, of which 8 (18%) are now overdue and 4 (10%) are on hold due to a significant control change. We have taken the opportunity to update management actions to remove duplicates.





The table below sets out all those Limited Assurance audits, the number of high and medium priority recommendations made, and details of how many of those recommendations have management action outstanding, those that await a significant control change and those that have been outstanding for more than 90 days of the agreed target implementation date agreed at the time the audit report was finalised.

Audit and Governance Committee has a clear mandate to seek assurance on the implementation of management actions arising from audit recommendations. To effectively discharge this responsibility, the Committee can request the attendance of relevant officers to provide updates and respond to queries regarding progress on agreed action plans. Direct engagement with officers enables members to scrutinise the adequacy and timeliness of responses to audit findings, ensuring that governance, risk, and control arrangements are robust and effective, whilst promoting transparency, accountability, and continuous improvement.

Directorate	Audit Area (Date report issued)	Assurance Opinion	Number of Recommendations		Management Action Outstanding		Management Action In Progress – on hold due to significant control change target date revised or audit due.		Management Action overdue by 90 days+	
			High	Medium	High	Medium	High	Medium	High	Medium
Adults Health and Communities	ASC Debt Management (27/11/2024)	Limited Assurance	5	5	1	-	-	-	-	-
Adults Health and Communities	ASC Service Provider Viability (05/11/2024)	Limited Assurance	3	1	3	1	-	-	1	-
Adults Health and Communities	Client Financials Services (CFS) (20/04/2023)**	Limited Assurance	4	6	2	2	-	1	2	1
Adults Health and Communities	CSC to ASC Social Care Transitions (22/04/2025)	Limited Assurance	3	3	3	3	-	-	-	-
Children's Services	CYPF Additional Spend (22/01/2022)	Limited Assurance	2	5	1	2	-	2	1	-
Children's Services	SEND Governance (17/01/2024)	Limited Assurance	4	2	**All outstanding management actions have been implemented**					
Children's Services	SEND Commissioning and Contracting (20/03/2024)	Limited Assurance	9	4	1	-	-	-	1	-
Executive Office	Fuel Cards (27/06/2025) *	Limited Assurance	11	3	11	3	. -	-	-	-
Resources	Cyber Governance and Access Management (13/10/2023)***	Limited Assurance	1	8	1	1	-	-	1	1
Resources	Hand Arm Vibration Syndrome (02/03/2023) ****	Limited Assurance	3	6	-	1	-	1	-	-
Resources	Debtors 01/07/2025 *	Limited Assurance	1	6	1	6	-	-	-	-

Directorate	Audit Area (Date report issued)	Assurance Opinion	Number of Recommendations		Management Action Outstanding		Management Action In Progress – on hold due to significant control change target date revised or audit due.		Management Action overdue by 90 days+	
			High	Medium	High	Medium	High	Medium	High	Medium
Resources	IR35 Off Payroll Working Follow Up 03/06/2025 *	Limited Assurance	3	4	3	2	-	-	-	-
		Total	**96**		**48**		**4**		**8**	

*Final reports sent in June 2025/26 no update sought on outstanding actions
** Two high and one medium outstanding recommendations were consolidated into 1 High recommendation as all three related to CFS resource.
*** consolidated two high management actions into one.
****consolidated two medium management actions into one

Plymouth City Council Audit Recommendation – Status of overdue management action.

This table provides an indication of the current progress of management action taken to implement overdue audit recommendations and relevant audit updates to note.

Directorate	Audit Area	Assurance Opinion	Status of Progress for Management Action overdue by 90 days+				Latest Management Update / Comment
			High		Medium		
			Management Action Not Yet Taken	Partially Implemented	Management Action Not Yet Taken	Partially Implemented	
Adults, Health and Communities	Client Financial Services	Limited Assurance	-	2	1	-	Financial assessments are completed within the KPI of an average of 28 days. Issues identified which impact on the timeliness of the whole process (from implementation of a service package, to referral being made, to assessments being undertaken) have been raised at ASC debt meetings and alongside this, separate business cases have been submitted and have been successful. In brief these are: - it has been agreed to recruit for another Deputy (new post) . It has been agreed to recruit for a financial support officer within Income Recovery Team (fill existing post). A new self-serve system (Bettercare Finance) is in the process of being created. Eclipse has been implemented for ASC however not yet the financial assessment side. This will likely be implemented in 2026. In order not to create a significant amount of duplication and additional pressure, the implementation of Eclipse Financials is essential once Bettercare Finance is operational. This is linked to the question of the separate billing of the third party tops as we need Eclipse to interact with the billing system and produce all invoices. We have been advised Eclipse has the functionality to produce separate invoices so need to wait for this. Management action also reliant on implementation of Eclipse phase three and training.

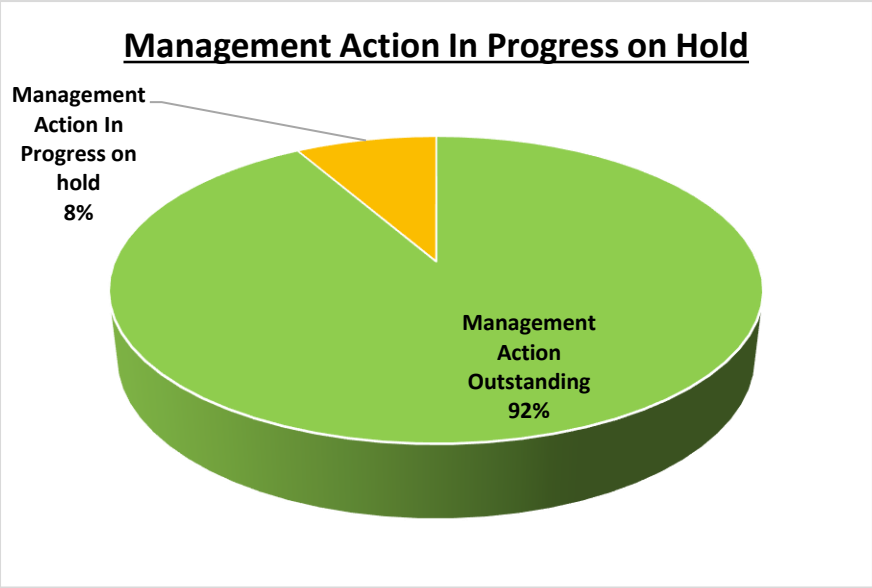
Directorate	Audit Area	Assurance Opinion	Status of Progress for Management Action overdue by 90 days+				Latest Management Update / Comment
			High		Medium		
			Management Action Not Yet Taken	Partially Implemented	Management Action Not Yet Taken	Partially Implemented	
Adults Health and Communities	ASC Service Provider Viability	Limited Assurance	-	1	-	-	A Commissioning for Quality policy has been put in place which sets out how to monitor providers and the actions PCC will take. PCC are checking that there are explicit references to financial checks in the document. Development is ongoing.
Children's Services	CYPF Additional Spend	Limited Assurance	-	1	-	-	CareFirst capability needs to be maximised as the finance module is not transferring to Eclipse until 2026. Action to reissued guidance, integrate into the financial scheme of delegation for managers in CYPFS (HOS QA and Safeguarding) and develop regular reporting capability in CareFirst to ensure QA of sign offs is possible and incorrect authorisations are monitored has currently been put on hold for CQC Preparations. However scoping out how the changes brought about by the move to Eclipse (Abolition of Low Cost Activity) impact on the Reporting.
Children's Services	SEND Commissioning and Contracting	Limited Assurance	-	1	-	-	A working group is in place. There is now a framework with amendments being made and the process is being refined with the new Head of Service. There are monthly transition meetings underway with partnership representation to continue to improve in this area.
Resources	Cyber Governance and access management ***	Limited Assurance	-	1	-	1	Draft IT Strategy in place and working to this, considering if further alignment required within draft or in addition for prevention, digital and AI. Improvement plan in development by Delt for Joiners, Movers and Leavers. To be discussed with PCC Client. iTrent went live in June 2025 will need some time for this to embed and will then be looking to

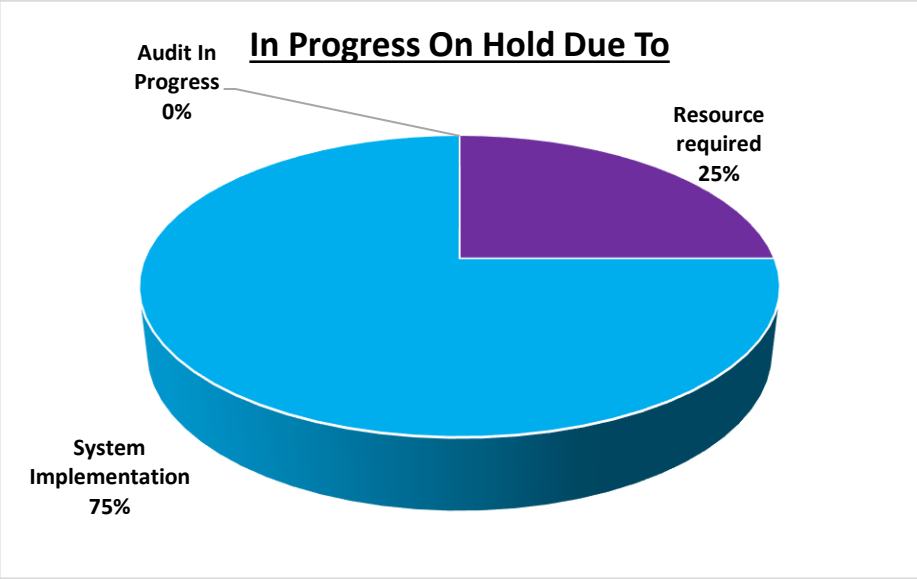
Directorate	Audit Area	Assurance Opinion	Status of Progress for Management Action overdue by 90 days+				Latest Management Update / Comment
			High		Medium		
			Management Action Not Yet Taken	Partially Implemented	Management Action Not Yet Taken	Partially Implemented	
							define digital identities, IT characteristics for role/position linked to systems, hardware, licences required to do their job.
			-	6	1	1	
Total management actions outstanding 90 days +			**8**				

Plymouth City Council Audit Recommendation – Status of management action in progress, on hold

Of the 48 management actions outstanding 4 (8%) are currently in progress on hold the charts below summarise the reason for this position:

- Three management actions are on hold due to awaiting the implementation of the Eclipse Financial Module, expected to be implemented in 2026.
- One management action is on hold due to service restructure that includes dedicated HSW resource.





Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**Risk Management Update**
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Ian Trisk-Grove (Service Director for Finance)
Author:	Brad Hutton
Contact Email:	bradley.hutton@devon.gov.uk
Your Reference:	Risk Management Update – September 2025.
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report
This report provides members of the Audit & Governance Committee an update on the work both completed and proposed, which will support the development and embedding of Plymouth City Council's (PCC) Risk Management framework.

The expectation from central government on public bodies regarding Risk Management is outlined in the 'Orange Book Management of Risk'. Additionally, 'The Accounts and Audit Regulations 2015' states that risk is appropriately managed within public bodies.

Devon Assurance Partnership (DAP) is providing support, insight and facilitation to ensure that Risk Management is well embedded within PCC.

Recommendations and Reasons

1. That members of the Audit & Governance Committee note the information in the report

   Reason: to update the Committee on the focus of work with DAP on further developing the Risk Management framework

Alternative options considered and rejected

1. N/a

Relevance to the Corporate Plan and/or the Plymouth Plan
Risks are specifically linked to the achievement of objectives or goals, therefore Risk Management is relevant to the corporate plan and the priorities detailed within the plan.

Implications for the Medium Term Financial Plan and Resource Implications:
The work to be delivered utilising available resources and has no material impact on the MTFP

Financial Risks
There are no financial risks related to the delivery of the planned work

Legal Implications

(Provided by Liz Bryant)

There are no legal implications arising directly from this report.

Carbon Footprint (Environmental) Implications:
N/a

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

Appendices
**Add rows as required to box below*

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

Background papers:

**Add rows as required to box below*

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

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

Sign off:

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Originating Senior Leadership Team member: Ian Trisk-Grove											

Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 08/09/2025
Cabinet Member approval: Councillor Tudor Evans OBE (Leader) agreed verbally. Date approved: 08/09/2025

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Risk Management Update

Audit & Governance Committee

Plymouth City Council

16th September 2025

Official

devonassurancepartnership
Support, Assurance and Innovation

PLYMOUTH CITY COUNCIL

Brad Hutton

Senior Assurance Manager

CUSTOMER SERVICE EXCELLENCE CSE

15 YEAR ANNIVERSARY 2009-2024

Risk Integrated Assurance Counter Fraud Internal Audit

1. Introduction.

Plymouth City Council (PCC) like all public sector organisations, cannot be risk adverse and be successful. Risk Management enhances the ability to achieve the council's objectives, deliver its services and be successful, it strengthens the ability to respond to change and challenge, be more resilient and improve decision-making across the council.

PCC has an existing Risk Management framework that it uses to ensure that there is a consistent approach to Risk Management, this was approved by the Audit & Governance committee in November 2023.

Following the issue of Central Government's English Devolution White Paper - GOV.UK senior leadership resource has been reassigned to ensure PCC is best prepared to deal with the challenges and opportunities that Devolution will create. This has meant that active support around Risk Management was reduced, therefore PCC leadership utilised its relationship with Devon Assurance Partnership (DAP) to help support the continued support and development of the Risk Management framework, ensuring that the risks accurately reflect PCC's position and that risks are managed in line with the risk management framework that PCC has set out. DAP has qualified and experienced staff to help assist with this and work has begun in further embedding the framework and accurate risk definition.

In addition, PCC were subject to a recent 'Risk Management' audit review in March 2025, which whilst awarded a 'Reasonable Assurance' rating highlighted some key areas for improvement;

- Key Risk Management positions, sponsorship and support.
- Training and awareness of PCC's risk management framework.
- Fully developed and defined risks on the council's risk register.
- Further embedding and development of the council's risk management framework.
- Closer connections between audit reviews and risks identified.
- Increased responsibility and collaboration between service/operational areas.
- Opportunity risk management.
- Clear accountability supporting Risk Management.
- Risk management performance.

2. Planned actions.

Following discussion with Senior Leadership, the work supporting risk management will be delivered in three phases as described below;

1. Working with the Senior Leadership team to further embed the current Risk Management framework, this work will focus on accurate risk language and definitions, scoring methodology and appropriate response. Additionally, work with Senior Leadership will focus on developing the key corporate risks that the council faces, describing these risks accurately and designing mitigating controls the are effective and efficient.

2. Collaborating with operational staff to embed the Risk Management framework, increasing the knowledge, and understanding around risk language giving staff the confidence to accurately describe, score and respond to a risk.

3. Further development of the Risk Management framework, including establishing a Corporate Risk Management Group to actively manage risk, creation of operational risk

registers, updating training materials and designing risk engagement strategies that support identification and management of risk across the organisation.

Work has already commenced around the first phase of the work, whereby a risk workshop was held with DAP and PCC colleagues in August 2025. The remainder of the first phase, and the work supporting the second and third phase are due to be completed in the remainder of 2025. Further updates will be provided to each Audit & Governance committee providing progress against the work outlined above.

Brad Hutton – Senior Assurance Manager, Devon Assurance Partnership. August 2025.

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Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	Risk Management Monitoring Report Q1 2025-26
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Ian Trisk-Grove (Service Director for Finance)
Author:	Paul Stephens
Contact Email:	paul.stephens@plymouth.gov.uk
Your Reference:	RISK-Q1-2025/26(PS)
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To provide an update on the current risks included on the Strategic Risk Register. This quarterly report analyses the strategic risks facing Plymouth City Council as of Q1 (30 June 2025).

The report provides information about changes since the previous quarter, the risk appetite identified for the risks along with a copy of the actual risks for further information.

Recommendations and Reasons

1. To note report

Alternative options considered and rejected

1. None identified

Relevance to the Corporate Plan and/or the Plymouth Plan

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

Implications for the Medium Term Financial Plan and Resource Implications:

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

Financial Risks

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

Legal Implications

(Provided by Liz Bryant)

There are no legal implications arising directly from this report other than matters identified in the risk register itself.

Carbon Footprint (Environmental) Implications:

Failure to deliver against actions in the Climate Emergency Action Plan and Corporate Carbon Reduction Plan are included on risk registers (Risk: Climate Adaptation and Environmental Resilience)

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

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

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

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	**Exemption Paragraph Number** (if applicable) *If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.*						
		1	**2**	**3**	**4**	**5**	**6**	**7**
A	Risk Management Monitoring Report Q1 2025-26 v4							

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 <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

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

Sign off:

Fin	OW. 25.26. 074	Leg	LS/00 0036/ 32/LB /26/0 8/25	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Ollie Woodhams											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 22/08/2025											
Cabinet Member approval: *Cllr Mark Lowry approved by email* Date approved: 19/08/2025											

RISK MANAGEMENT MONITORING REPORT

Q1 2025/26

1. **Purpose**

1.1. This quarterly report analyses the strategic risks facing Plymouth City Council as of Q1.

1.2. Overall, the strategic risk profile has remained reasonably stable between Q4 of 2024/25 and Q1 of 2024/25, with 17 strategic risks held on the register (one less than Q4).

1.3. Most concerning are risks with 'Management effort required' and 'Management effort worthwhile' status, particularly in the areas of Social Care Sustainability, cyber-security, and organisational financial management.

2. **Risk Appetite Status Overview**

2.1. The risk register (as at 07 August 2025) shows the following breakdown of strategic risks by appetite status:

Risk Appetite Status	Number of Risks	Percentage
Management effort required	2	11.8%
Management effort worthwhile	3	17.6%
Manage & monitor	5	29.4%
Accept but monitor	7	41.2%
Accept	0	0.0%

3. **Risk Changes: Q4 to Q1**

3.1. The strategic risk previously covering 'Social Care Sustainability' has been divided into two distinct risks: one focused on Adult Social Care and another on Children's Social Care. While both directorates encounter some shared challenges, they also face unique issues that may require different mitigation strategies.

3.2. The two strategic risks listed below have been reclassified as operational risks:

- Concession bus fares reimbursement, and
- Emergency Response Centre (ERC) back-up power.

4. **Risk Review**

4.1. A full review of our Risk Management process is underway, and the council has commenced a partnership with Devon Audit Partnership. This activity launched with a Risk Workshop with CMT on 7 August 2025. A further workshop is planned in September.

5. Current Strategic Risks

Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Customer and Corporate Services	Financial	Delivery of financial sustainability through Medium Term Financial Plan	System of monthly financial reporting to DMT's, CMT, and Cabinet and Quarterly to Full Council, with monthly consideration of directorate level financial issues at each Scrutiny Committee. In addition, the Council has introduced a system of detailed monitoring of the delivery of savings targets so that a view is published monthly in Cabinet reports. The Council also holds an annual review of fees and charges and has annual and ongoing programmes of work to identify and understand potential savings opportunities. The governance system of the Council - as unpacked in the Annual Governance Statement comprise a rigorous system of financial control.	25	Close monitoring of spend with mitigations for any forecast pressures. Build constant dialogue with DMTs through finance partnering. and extend with updates to SLT and Team Plymouth. MTFS developed over summer and presented to full Council in early Autumn, with clear plan set out to produce a balanced budget and MTFP by February 2026. CIPFA Financial Self-Assessment undertaken annually, with action plan developed for improvements.	20	◄ ►	20
Children's Services	Operational/Service Delivery	Social Care Sustainability (Children's)	Regular robust review of demand and capacity across children's services, informing trend analysis, future projections and resource requirements Early introduction of Families First Partnership to strengthen Partnership working and early intervention to help more children and families receive services at the lowest level of intervention and prevent children from coming into the Council's Care. Strong Governance processes in place to support children and families at the lowest level of intervention. The delivery of a work programme called Family Homes for Plymouth Children to reduce the number of children in residential and un-regulated placements and increase the number of in-house foster carers.	25	Delivery of Children's Services 'Achieving Excellence' 3-year Improvement and Transformation Strategy to March 2027. Development of in-house residential children's home provision run and managed by the Council. A focus and continued investment in early intervention and prevention. Collaborative commissioning with health partners and challenge to the level of health funding to individual packages of care.	20	▲	16
Adults, Health and Communities	Operational/Service Delivery	Social Care Sustainability (Adult's)	Regular review of demand and capacity across adults' services and trend analysis informing projections and workforce planning. Strong Reablement offer for hospital discharge routes maximising independence, provider failure and mutual aid process,	25	The key mitigations are monitored through our integrated transformation and business as usual governance including: A Focus on early intervention and prevention Operational performance oversight and capacity planning Development of Reablement pathways through our social care front door Collaborative commissioning with health partners Provider of concern oversight and active support Care zoning approach in adult services Wider system workforce capacity planning supported by our Caring Plymouth initiative	16	◄ ►	16

Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Customer and Corporate Services	Cyber	Digital and Data Resilience	IT Security Policy, Business Continuity plans, Infrastructure patching, IT provider assessment, Information Audits, Staff training	25	Implement clearly defined risk ownership model for IT risks Develop consistent Risk Appetite statement specific to IT and Cyber Security Investments in tracking assets connecting to our networks and managing and detecting threats on laptops and other user devices are being implemented. Mandatory staff and Member training around information and cyber security provided each month via KnowBe4. Proposals to improve technical vulnerability scanning being finalised Improved controls over staff joining, moving roles and leaving PCC to ensure we provide the least privileges required to perform any given role. Implement strengthened data protection capabilities included with latest Microsoft licencing deal. 2025 PSN certificate just issued to PCC based on sample testing of systems in March. Update the Councils record of data processing activity (ROPA) to track where and how data is being used across the organisation Work to continue to strengthen and test business continuity plans	16	◄ ►	16
Adults, Health and Communities	Operational/Service Delivery	Homelessness	The Homelessness Delivery Plan 2020 - 2025 which encompassed all work within Homelessness services in the city. Demand has now risen over and above the planned demand as articulated in the strategy, with availability of long-term housing below required levels and legislation changes (Renters Reforms) also creating some short-term demand growth.	25	Homelessness Recovery Plan has been developed. Housing Task Force providing strategic leadership and is driving the recovery plan this includes representation from across the council to ensure that the organisational has the appropriate focus on this priority areas - This is led by the Relevant Cabinet Member and the Chief Executive. The Homelessness Recovery Board is managing / delivering operational elements of the recovery plan, and reports onto the Taskforce.	12	◄ ►	12

Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Chief Executive Office	Strategic Change	Local Government Reorganisation Uncertainty	Interim Plan submission to Government (March 2025) establishing Plymouth's initial position and growth ambitions Programme Board with senior leadership to coordinate business case development Initial stakeholder mapping and engagement with parish councils and key partners Regular dialogue with Ministry of Housing, Communities and Local Government Dedicated Programme Director and project resources allocated Collaborative engagement with relevant local authorities in Devon Development of compelling evidence base for Plymouth Growth Area proposal	20	Develop comprehensive, evidence-based business case for Plymouth Growth Area by November 2025 deadline Implement structured 'Let's Talk' engagement programme with residents and stakeholders to demonstrate local support Build strategic alliances with parish councils in the 13 proposed areas to strengthen proposal Establish regular briefings with MPs and government officials to advocate for Plymouth's position Develop robust financial modelling demonstrating clear benefits of Plymouth's proposal compared to alternatives Create contingency plans for alternative reorganisation outcomes Ensure strong alignment between Plymouth's proposal and government's devolution objectives Develop compelling service improvement plans showing benefits to residents across the expanded footprint Maintain active involvement in Devon-wide discussions to influence emerging proposals Establish dedicated communications strategy to build public and stakeholder support	12	◄ ►	12
Growth	Development and Regeneration	Climate Adaptation and Environmental Resilience	Climate Emergency Declaration (March 2019) Net Zero Action Plan with annual monitoring Flood risk management plans Emergency response plans for extreme weather events Planning policies requiring climate-resilient development	20	PCC's Climate Emergency Declaration (March 2019) triggered multiple actions including: annual Climate Emergency Action Plans (now the Net Zero Action Plan); the creation of a Climate Emergency Investment Fund; the establishment of the Plymouth Net Zero Partnership; annual monitoring of and reporting on Plymouth's greenhouse gas emissions Substantial investment in infrastructure resilience, decarbonising transport and housing retrofit Behavioural change programmes and Climate Connections digital hub for local engagement on climate issues Climate Ambassadors programme to enhance community engagement Continuing to be proactive in seeking funding for new carbon reduction and adaptation initiatives Three main priorities: rationalisation/decarbonisation of fleet; investment in renewables and energy efficiency across corporate estate and infrastructure; changes to working practices	12	◄ ►	12

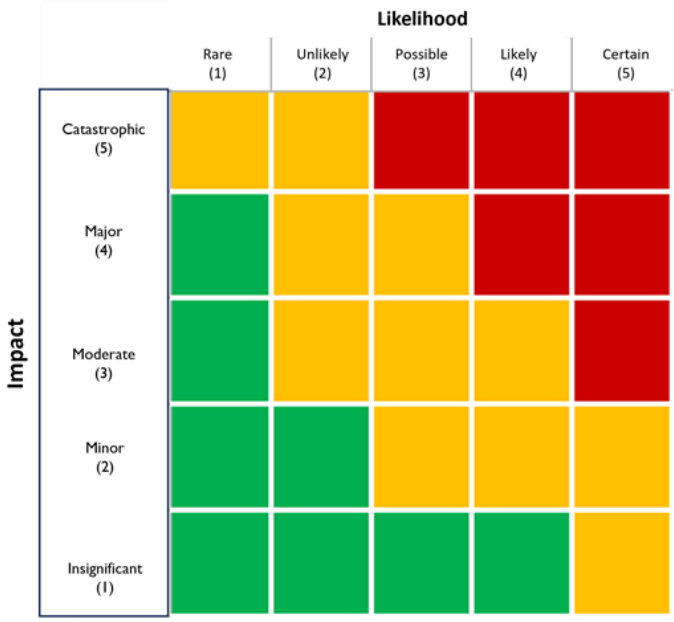
Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Public Health	Operational/Service Delivery	Failure to reduce Health Inequalities	The Thrive Plymouth framework Plymouth Plan and Integrated Commissioning Strategies	16	Significant council actions are underway to address Health Inequalities. This has included the recent cost of living programme and ongoing work around reducing barriers to opportunity. The strength of external factors (Cost of Living Crisis etc) which are beyond the Council's control mean that this risk is unlikely to be further mitigated. The development of the Building Bridges to Opportunity Framework will help to draw further attention to the potential mitigations across the city, as will the relaunch of Thrive Plymouth in November. The confirmation of the Household Support Fund will enable some mitigation of these risks.	12	◄ ►	12
Customer and Corporate Services	Compliance, Regulation and Safeguarding	Risk Culture and Capability	Risk and Opportunity Management Strategy Risk app for reporting CMT quarterly reviews Risk Management site with accessible guidance on risk management.	16	Devon Audit Partnership commissioned to deliver enhanced risk management approach, including a planned updated to risk strategy, appetite and internal escalation management. Initial engagement during summer 2025 to develop refreshed strategic risk register alongside risk management action plan for delivery in second half of year.	12	◄ ►	12
Public Health	Operational/Service Delivery	Pandemic or high impact disease outbreak	UKHSA disease surveillance and early warning system including local participation in disease surveillance and reporting schemes e.g. NOIDS and Port health / UKHSA case responses/ planning exercises; COVID19 and flu seasonal vaccination programme/ Corporate emergency response plans / business continuity plans / regular meetings ODPH and UKHSA	12	Incident response and recovery plans are agile and are up to date, and business continuity plans are being reviewed. All plans incorporate key learning from covid and are tested regularly. There are national alerting systems for new potential threats and the plans to manage them. The Council is a proactive Local Resilience Forum partner and pandemic exercising is undertaken.	12	◄ ►	12

Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Growth	Development and Regeneration	Insufficient economic performance	Account management of our key businesses helps to identify businesses under economic stress. Labour market remains very tight and is likely to remain tight, restricting economic growth. We are working closely with people directorate to support the skills launch pad. Destination Plymouth are funded by the Council to undertake brand and image study of Plymouth around attracting talent to the City. The defence sector and HM Naval Base has significant construction plans we are working closely with government and Homes England to position Plymouth for additional investment and help attract new people/workforce to the city. Shared Prosperity Funding is targeted at support for Port development, City Centre and Skills. In addition, we are still facing the longer-term impact of inflation, higher levels on interest rates and Covid debt repayment. The combined effect of which is to reduce the level of capital available for new investment in both the public and private sectors.	16	Seeking to maximise all opportunities to secure inward investment, additional funding for economic initiatives including focussing on creating new jobs in the Blue and green economy. Account manage new inward investment landings in high growth sectors. The initiatives include: The Plymouth and South Devon Freeport, National Marine Park, large scale defence investment, £4bn development pipeline and over £100m of grant funding. We will continue to maximise all inward investment and good growth through account management and seeking funding opportunities for our city region. We also have a strong economic monitoring function and well developed strategic economic partnership to monitor and oversee our interventions and impact.	9	◄ ►	9
Chief Executive Office	Compliance, Regulation and Safeguarding	Legislative Change Implementation	Directorate-level monitoring of legislative changes Legal Services briefings to Corporate Management Team Departmental policy reviews Contract Standing Orders Monitoring of legislative changes	16	Legislative change tracker with implementation timelines and responsibilities Cross-directorate coordination group for managing legislative changes Early engagement with government departments on implementation challenges Budget planning for implementation costs Prioritisation based on compliance risk All procurement professionals to complete new regulations training programme delivered by central government Act upon findings of purchasing access review to include removal/amendment of officer access Develop Procurement self-service approach to make it easier for Officers to comply with procurement rules	9	◄ ►	9

Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Customer and Corporate Services	Compliance, Regulation and Safeguarding	Insufficient workforce	Workforce data. Employee Assistance Programme. Organisational Restructure toolkit. Workforce Planning Toolkit Management & Leadership Development Programs	15	Targeted support for Children Services – resourcing and capacity / Introduction of new assistant social worker positions Review of People Strategy for 2025 Improving recruitment & induction/onboarding processes. Implementing program of workforce planning Collaborative work with ADEPT on national campaign for Place recruitment Implementation of Apprenticeships & Early Careers Strategy Management & Leadership Development Programs	9	◄ ►	9
Growth	Financial	Major projects - capacity and cost inflation	All projects have strong governance models using Prince 2 methodology with identified SRO, Project Dir and Programme manager. All political decisions clearly flag risk and there is monthly reporting on all projects There however remains a significant programme risk linked to grant funding deadlines of Mark 25 and March 26.	15	We have secured additional project management capacity for the NMP, Freeport and Civic Centre. These costs are added to overall project costs. We have also increased contingency where possible to allow for the current contractor market instability. We have liaised with funding bodies such as DLUC and Homes England to ensure that the programme and inflationary risks are shared.	9	◄ ►	9
Adults, Health and Communities	Operational/Service Delivery	Adult Social Care - funding for National Living Wage increase	Budget planning in hand to ensure that the cost of the increase is covered.	9	Market engagement and communications plan with providers around the process in place to determine fee rates. Use Low Pay Commission data to inform budget and MTFP planning BAU commissioning activity with providers to understand pressures. Providers who approach us with concerns will be asked to submit financial information so we can assess the risk to sustainability to allow mitigation if needed.	9	◄ ►	9

Directorate	Category	Title	Existing Key Controls	Pre Mitigation Risk Score (gross)	Mitigation	Post Mitigation Risk Score (net)	Direction of travel	Previous quarter Risk Score
Executive Office	Trust and Confidence	Governance Arrangements for the Family of Companies	The council adheres to a code of corporate governance, which is based on and revised in accordance with the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016. The annual governance statement details how the council fulfils key principles of corporate governance. Within the council's family, there are 21 companies; all Articles of Association are centrally stored. A register of directors and shareholders is also established and regularly updated. The family of companies is frequently discussed by the Corporate Management Team, and officers representing the council or linked to the companies are surveyed annually to confirm their compliance with the corporate governance code.	9	A New Family of Companies Governance Framework has been established to define clear roles, responsibilities, and accountability mechanisms for effective oversight. This includes a Shareholder Committee (a sub-committee of Cabinet) to provide guidance and oversight to the family of companies, with provisions for involving scrutineers. The framework aims to improve transparency and ensure consistent reporting through the Shareholder Committee. Conflict of interest policies have been created, along with an Officer interest register. Training for current and prospective shareholder representatives and Council-appointed directors is currently in development, with an anticipated launch in the Autumn 2025. Although there are 21 companies, they range in complexity and therefore financial and governance arrangements. These differing requirements will form part of the governance review. The PCC commercial finance team work with both internal and external auditors to ensure good financial arrangements are in place	6	◄ ►	6
Adults, Health and Communities	Operational/Service Delivery	Commissioned providers - workforce recruitment and retention	Caring Plymouth Partnership - working with providers, schools and colleges and those seeking work to match people to careers and job opportunities.	6	Update February 2025: Ongoing engagement such as provider events, tracking of demand and capacity in the provider market, protocols such as Shackleton to draw on mutual support in the event of a provider failure. Provider stability/performance is tracked through fortnightly "Provider of Concern" briefings to the Service Director to support intervention where needed. Quarterly meetings remain in place with CQC to share market intelligence. The Caring Plymouth partnership and associated governance supports the future pipeline for recruitment. If a provider faces challenges, we provide wrap around support for the staff to ensure they are aware of other employment options in the sector.	6	◄ ►	6

6. Annex: Risk Analysis and Scoring Guidance



Score	Likelihood	Threat / Risk
5	Almost Certain (81-100%)	• Is expected to occur within twelve months in most circumstances • Imminent/near miss
4	Likely (51-80%)	• Will probably occur in many circumstances • Will probably happen, but not a persistent issue e.g. once in three years • Has happened in the past
3	Possible (26-50%)	• Could occur in certain circumstances • May happen occasionally, e.g. once in 10 years • Has happened elsewhere
2	Unlikely (11-25%)	• May occur only in exceptional circumstances • Not expected to happen, but is possible e.g. once in 25 years • Not known in this activity happening
1	Rare (0-10%)	• Is never likely to occur • Very unlikely this will ever happen e.g. once in 100 years

Score	Impact (Severity)	Threat / Risk
5	Catastrophic Risk	Risks which can have a catastrophic effect on the operation of the Council or service. This may result in critical financial loss, severe service disruption or a severe impact on the public. Examples: - • Unable to function without the aid of government or other external Agency • Inability to fulfil obligations • Medium – long term damage to service capability • Severe financial loss – supplementary estimate needed which will have a catastrophic impact on the Council's financial plan and resources are unlikely to be available • Death (single or multiple) or work-related diagnosis leading to death Page 136 • Adverse national publicity – highly damaging, severe loss of public confidence • Very significant exposure of public funds with funding being managed across organisations and complex reporting • Very complex stakeholder community with new partnerships, collaborations and suppliers/stakeholder environment volatile or with significant external change factors
4	Major Risk	Risks which can have a major effect on the operation of the Council or service. This may result in major financial loss, major service disruption or a significant impact on the public. Examples: - • Significant impact on service objectives • Short–medium term impairment to service capability • Major financial loss – supplementary estimate needed which will have a major impact on the Council's financial plan • Extensive injuries, major permanent harm, long term sick • Permanent/significant disability • Major adverse local publicity, major loss of confidence

Score	Impact (Severity)	Threat / Risk
3	Moderate Risk	Risks which have a noticeable effect on the services provided. Each one will cause a degree of disruption to service provision and impinge on the budget. Examples: - • Service objectives partially achievable • Short term disruption to service capability • Significant financial loss – supplementary estimate needed which will have an impact on the Council's financial plan • RIDDOR (Reporting of injuries, diseases and dangerous occurrences regulations) or major injury • Medical treatment required, semi-permanent harm up to one year • Some adverse publicity, needs careful public relations • High potential for complaint, litigation possible • Breaches of law punishable by fines only
2	Minor Risk	Risks where the consequences will not be severe and any associated losses will be minor. As individual occurrences they will have a negligible effect on service provision. If action is not taken, then such risks may have a more significant cumulative effect. Examples: - • Minor impact on service objectives • No significant disruption to service capability • Moderate financial loss – can be accommodated at head of service level • Three day + injury • First aid treatment, non-permanent harm up to one month • Some public embarrassment, no damage to reputation • May result in complaints/litigation • Breaches of regulations/standards • Budget within delegation
1	Insignificant Risk	Risks where the consequences will not be severe and any associated losses will be relatively small. As individual occurrences they will have a negligible effect on service provision. If action is not taken, then such risks may have a more significant cumulative effect. Examples: - • Minimal impact, no service disruption • Negligible impact on service capability • Minimal loss – can be accommodated at senior technical accounting level • First aid injury • Unlikely to cause any adverse publicity, internal only • Breaches of local procedures/standards • Budget within delegation and relatively small or within operational costs

Residual Risk Score		1-4	5-10	10 - 15	15-20	20-25
Risk Category	Compliance, Regulation & Safeguarding (including Health, Safety & Wellbeing)	Accept	Accept but monitor	Management effort worthwhile	Management effort required	Extensive management essential
	Financial	Accept	Accept but monitor	Management effort worthwhile	Management effort required	Extensive management essential
	Reputation	Accept	Accept but monitor	Manage effort worthwhile	Management effort required	Extensive management essential
	Operational/Service Delivery	Management effort to identify opportunities	Accept but monitor	Manage & monitor	Management effort worthwhile	Extensive management essential
	Strategic Change	Management effort to identify opportunities	Accept but monitor	Manage & monitor	Management effort worthwhile	Extensive management essential
	Development & Regeneration	Management effort to identify opportunities	Accept but monitor	Manage & monitor	Management effort worthwhile	Extensive management essential
	People & Culture	Management effort to identify opportunities	Accept but monitor	Manage & monitor	Management effort worthwhile	Extensive management essential

Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**IFRS 16 Update Report**
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Ian Trisk-Grove (Service Director for Finance)
Author:	Carolyn Haynes
Contact Email:	carolyn.haynes@plymouth.gov.uk
Your Reference:	CH AG 200825
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report
This report provides the Audit and Governance Committee with a summary of the key changes and implications of implementing International Financial Reporting Standard 16 Leases (IFRS 16 Leases).

Recommendations and Reasons

1. To note the contents of this report which contains details of the accounting implications in relation to the introduction of IFRS 16.

   Reason: This report provides the Audit & Governance Committee with a summary of the key changes and implications of implementing accounting standard IFRS 16 Leases.

Alternative options considered and rejected

I None – the changes are mandatory as required by the CIPFA LASAAC Local Authority Accounting Code Board.

Relevance to the Corporate Plan and/or the Plymouth Plan
The Council's expenditure forms the basis on which the Corporate Plan can be delivered.

Implications for the Medium Term Financial Plan and Resource Implications:
The 2024/25 Statement of Accounts will have implications on the Medium-Term Financial Plan. The level of Working Balance and reserves will affect the level of funding available in future years and variations in service expenditure will also need to be reviewed to assess the effects.

Financial Risks

There will be no direct financial impact for the council as a result of the implementation of the new accounting standard IFRS 16 Leases. The council is already making lease payments for these 'right of use' assets. Adjustments will be required equal to the principal element of the existing lease repayments (which will be included in the annual minimum revenue provision (MRP) charge), and therefore there will be a net nil effect on the council's revenue budget. The number of assets on the council's balance sheet required to be valued at fair value on an annual basis in future years will increase. This may have an impact on costs associated with the independent valuations of the council's

assets. It is not possible to assess the scale of this cost at this stage. The cost associated with acquiring these 'right of use' assets will qualify as capital expenditure and in turn will increase the councils CFR and impact on a number of Prudential Indicators.

Legal Implications

It is a requirement of the Local Government Act 2003 and the Accounts and Audit (England) Regulations 2015 that the council's Statement of Accounts is produced in accordance with proper accounting practices. Accounting standard IFRS 16 Leases, was issued by the International Accounting Standards Board in 2016 and was initially due to be implemented in April 2022 but due to issues in local audit, the CIPFA LASAAC Local Authority Accounting Code Board decided to defer mandatory implementation until 1 April 2024. This new standard supersedes the existing accounting standards for leases, International Accounting Standard 17 Leases (IAS 17).

Carbon Footprint (Environmental) Implications:
N/A

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

Appendices

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

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 <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

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

Sign off:

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Originating Senior Leadership Team member: Oliver Woodhams											

Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 01/09/2025
Cabinet Member approval: Cllr Mark Lowry approved by email Date approved: 22/08/2025

IFRS 16 – Leases

1. Background

1.1 IFRS 16 is a financial reporting standard issued by the International Accounting Standards Board (IASB) that primarily deals with lease accounting. The standard is not specifically tailored for the public sector; it applies to both public and private sector entities.

1.2 IFRS 16 introduces a significant change in how leases are accounted for by lessees (defined as the entities that obtain the right to use an asset for a specific period in exchange for lease payments).

1.3 Under the previous standard (IAS 17), lessees classified leases as either operating leases or finance leases, with only finance leases being recognised on the Balance Sheet. Under the new standard (IFRS 16), most leases are now recognised on the Balance Sheet, as the distinction between operating and finance leases is removed. This means lessees are required to recognise a lease liability representing their obligation to make lease payments and a corresponding 'right-of-use' asset, reflecting their right to use the leased asset. PFI liabilities are already on the Balance Sheet but are required to be remeasured under the standard.

1.4 The introduction of IFRS 16 aims to enhance transparency and comparability in financial reporting by bringing leases onto the Balance Sheet.

1.5 The standard was issued in January 2016 and was originally planned to be adopted by local authorities in 2020-21 but was initially deferred to 2021-22. Due to the pressures on finance teams during and after Covid-19, the adoption has been deferred further and was finally adopted for the 2024-25 Statement of Accounts.

1.6 The CIPFA Code of Practice contains specific guidance for local authorities which Finance have considered and incorporated into our accounting policies which are shown in Appendix A.

1.7 As per Note 32 in our 2024-25 accounts, the accounting change required new accounting treatment for approximately 100 assets, of which 59 are property or land, 8 are vehicles and 32 equipment. The Council also has 2 Private Finance Initiatives (PFI), one for the Energy from Waste Plant (EfW) and a separate one for schools.

2 Lease Identification

2.1 The Finance Team have considered all the types of assets which are potentially relevant and have made a judgement as to which assets are within scope of IFRS 16.

2.2 Property lease agreements, vehicles and large contracts were assessed as leases for the purposes of IFRS 16.

2.3 Easements, licences, licences to carry out works, agreements for a lease and office equipment (unless the individual asset value exceeds £5k) are excluded.

2.4 The Council uses a database system (Civica Property) to record information and store relevant documents such as title plans and lease agreements. This is the primary source of information on property leases.

2.5 It is possible for lease agreements to exist as part of a wider service delivery contract. To identify these, an annual review of the Council's Contracts Register was completed to identify any assets which are used in the delivery of a contract and meet the criteria for recognition as a lease under IFRS 16. No embedded leases were identified.

2.6 The Procurement Team are working with Finance to ensure that any new contract awards are assessed for the possibility of an embedded lease.

2.7 The finance team delivered training to all finance staff on the IFRS 16 lease requirements and provided guidance to all budget holders to assist with populating the required corporate returns. This provided some of the lease information used for IFRS 16.

3. Exemptions

3.1 The standard excludes leases which are considered 'short term'. Short term leases are defined as leases that have a lease term of 12 months or less at the commencement date of 1 April 2024. Therefore, leases which have a lease end date of 31 March 2025 or earlier are excluded. The only exception to this is for holding over leases (see Section 4).

3.2 The standard allows authorities to elect not to apply IFRS 16 lease accounting to leases where the underlying asset is of low value. The low value exemption applies to the asset value when it is new, irrespective of its age. The assessment is made on a lease-by-lease basis, and the assessment is on an absolute basis (therefore it applies to individual assets).

3.3 To ensure consistency between capital expenditure accounting for Property, Plant & Equipment, Finance have implemented a low value exemption limit of £10,000 for Property and £5,000 for Plant and Equipment. This ensures that the treatment of both owned and leased assets is presented in the same manner on the Balance Sheet.

3.4 Exempt leases are recognised as an expense over the lease term and are part of the Comprehensive Income & Expenditure Statement.

4. Holding Over Leases

4.1 A remaining lease term is required to calculate the lease liability under IFRS 16. For leases which are still within their lease term, the original lease dates as per the agreement can be used to determine the lease end of the lease period.

4.2 For the context of IFRS 16, holding over leases occur when a tenant stays, with consent from the landlord, in occupation of a lease beyond its expiry date, without renewing or entering a new agreement. The finance team have spoken to the relevant departments with leases that have expired to determine how long the property will continue to be in use.

5. Incremental Borrowing Rates

5.1 On transition, the CIPFA Code of Practice requires lease liabilities to be discounted using the Council's Incremental Borrowing Rate (IBR) at 1 April 2024.

5.2 The IBR is defined in the Code of Practice as the rate of interest a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5.3 Both central government and NHS bodies have been prescribed a rate to use. In the absence of this for local authorities, the Public Works Loan Board (PWLB) rates as at the beginning of April 2024 have been used. These rates are appropriate, current, and auditable as historic rates are published and are consistent with the approach in many other local authorities.

5.4 PWLB rates are not available for periods over 50 years. For any leases with a remaining term of over 50 years, the 50-year rate will be used.

6. Non-Commercial Leases

6.1 Leases which are non-commercial in nature (for example a building which the Council rents at a nominal or peppercorn rate) are treated as per the Code of Practice as a donated asset. It is considered that, in substance, the agreements mean the lessor donates the asset to the lessee.

6.2 This means that lease liabilities and right-of-use assets are still calculated in the same way, but the right-of-use asset is uplifted to its fair value. Valuations have been requested for these assets from the Council's internal valuers. The excess of the fair value over the cost of the right-of-use asset is credited as a gain in the surplus or deficit on the provision of services in the Comprehensive Income & Expenditure Statement but neutralised by statutory reversals through the Capital Adjustment Account.

7. Private Finance Initiatives

7.1 Private Finance Initiatives (PFI) are otherwise known as service concession arrangements. The accounting treatment is different when IFRS 16 is adopted.

7.2 The most significant difference between IFRS 16 and IAS 17 is in relation to the treatment for lessees. Under IAS 17, finance lease liabilities are not remeasured when the value of payments changes in a way which is not predetermined in the lease contract; for example, where payments are increased in line with an inflation index such as RPI or CPI. The increase in payments arising from indexation is treated in the same way as finance costs and simply expensed in the period to which the payment relates. This additional payment is known as 'contingent rent'.

Under IFRS 16 a different treatment is applied: where indexation or changes in a rate affect future payments, the lease liability is remeasured. Instead of expensing the additional (or reduced) payment, the net present value of future payments that comprise the liability is recalculated based on the revised level of payments.

7.3 The Council employed treasury management consultants Arlingclose to review the financial models for the PFI schemes. The overall impact of the changes to the models has meant a reduction in the lease liability of £11.076m for the EfW and an increase of £0.092m for the schools PFI. The overall net movement of £10.985m can be seen in note 31 Capital Financing Requirement to the Statement of Accounts.

8. Assessing the Lease Term

8.1 It is a requirement of IFRS 16 to assess the lease term where there are options to terminate or extend. Adjustments to lease terms are made based on judgements of the likelihood of the Council taking up any available options.

8.2 With the nature of services and requirements of the Council for property changing as a result of policy decisions in the Council. Finance will work with the property team to review lease options on an annual basis to ensure that the appropriate lease term is chosen based on the likelihood of them being continued. As this is a judgement at a fixed point in time, it is possible these options will need to be amended in the following financial year to best reflect the latest position.

9. Valuations

9.1 Valuations are not required for all right of use assets in the same way they are for freehold land and buildings. This is because the IFRS 16 guidance allows them to be measured at the value of the lease liability, adjusted for certain eligible costs and reductions.

9.2 However, where there are no provisions in the lease for market-based rent reviews or these have not been undertaken, or where the reviews are at periods of more than five years then a valuation is required.

9.3 In addition, a valuation must be obtained for any right of use assets under non-commercial leases (e.g. where we are paying a peppercorn rent).

9.4 This has increased the number of valuations we require from our internal valuer and will be an ongoing requirement to fulfil the obligations required from implementing IFRS 16.

9.5 Vehicle leases do not require valuations as there are not any significant changes to the lease terms and conditions during the lifetime of the lease agreement.

10. Lessor Accounting

10.1 The impact of IFRS 16 on lessor accounting is relatively unchanged compared to lessees.

10.2 Lessors must classify each lease as either a finance or operating lease. This will determine how the lease is accounted for.

10.3 The main change under lessor accounting is in relation to sub-leases. When a lessor sub-leases an asset, its classification will depend to an extent on the nature of the head lease.

11. Capital Financing Requirement (CFR)

11.1 The application of IFRS 16 will impact on statutory reporting and capital finance requirements for leased assets which refer to finance leases. The recognition of 'right of use' assets brings leases into the scope of the Prudential Code.

11.2 The Right of Use (ROU) asset becomes an asset on the balance sheet and an unfunded liability of the outstanding lease payments. This in turn increases the Authority's Capital Financing Requirement (CFR) and its authorised debt limits.

11.3 The cost of the 'right of use' asset serves a dual role. As well as providing the basis for the balance sheet entries it also constitutes capital expenditure, resulting in an increase to the Council's CFR.

11.4 An annual charge is posted to revenue for the use of assets through the council's depreciation policy. This policy will also apply to new 'right of use' assets brought onto the balance sheet. IFRS 16 requires these assets to be depreciated on a straight-line basis over the remaining useful life of the asset or the remaining years on the associated liability.

11.5 In line with statutory accounting requirements, depreciation is not a recognised charge to revenue and is reversed out of the general fund balance in the Movement in Reserves Statement (MiRS).

11.6 The CFR is reduced each year as resources are set aside to finance the capital expenditure either from capital receipts, grants and contributions or by annual charges of Minimum Revenue Provision (MRP). Whilst the CIPFA Code does not stipulate what the associated MRP charge should be for 'right of use' type assets, common treatment (as per the statutory guidance) is to set aside an amount by which the lease liability has been written down by payments in the year.

11.7 As the council is already making lease payments for these 'right of use' assets, an adjustment is made to remove these entries and replace them with MRP.

12 Conclusion

12.1 The Council has reviewed the policy requirements of IFRS 16 and the amended policies are shown in Appendix A.

12.2 The finance team were under pressure to implement IFRS 16 effectively due to the requirement under the Backstop Legislation to publish all outstanding Statement of Accounts for 2019/20 to 2022/23 by the 13 December 2024 and the 2023/24 Statement of Accounts by the 28 February 2025. As this was the first year for implementing the standard, the finance team are now revisiting the papers for IFRS 16 for 2024/25 to ensure compliance with the standard and to make sure that the correct valuations have been applied.

12.3 Going forward, the Finance team will work with the Procurement, Legal and Property teams to ensure that all potential leases are identified and reviewed and to embed the identification of leases into the processes within the Council.

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Lease Accounting Policy

(Note 1.19 in Statement of Accounts Pages 40 to 42)

The Authority as Lessee

From 01 April 2024, the authority has applied IFRS 16 Leases as adopted by the Code of Practice on Local Authority Accounting. The new accounting standard requires that the rights to use items acquired under all leases are recognised as assets on the Balance Sheet, together with a liability for the payments to be made for the acquisition. Previously this was only done for leases where the Council acquired substantially all the risks and rewards of ownership of the leased item (finance leases).

Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

Initial Measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options.

The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, included in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the authority is reasonably certain to exercise
- lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the authority is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent Measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases
- leases where rent reviews do not necessarily reflect market conditions
- leases with terms of more then five years that do not have any provision for rent reviews
- leases where rent reviews will be at periods of more than five years

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate for the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recording in the income statement.

Low Value and Short Lease Exemption

As permitted by the Code, the authority excludes leases:

- for low-value items that cost less than £10,000 for land and property and £5,000 for vehicle, plant and equipment. when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

Lease Expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

The Council as the Lessor (Assets Leased Out)

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the (Surplus)/Deficit on Continuing Operations in the CIES. Credits are made on a straight-line basis over the life of the lease.

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Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**Armada Way Independent Learning Review – Audit and Governance Sub-Committee**
Lead Strategic Director:	Tracey Lee (Chief Executive)
Author:	Liz Bryant, Service Director for Legal (Monitoring Officer)
Contact Email:	Liz.bryant@plymouth.gov.uk
Your Reference:	Click here to enter text.
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

On 22 July 2025 the Committee considered a report seeking to establish a sub-committee of Audit and Governance Committee to monitor the progress of the Armada Way Independent Learning Review Action Plan (the Action Plan). The Committee considered a report from the Monitoring Officer which set out the options for the formation of the sub-committee, including membership, formal arrangements and terms of reference.

The Committee passed a resolution as follows (draft minute 11) that:

"Delegated the authority to approve the Terms of Reference, membership and arrangements to the Chair and Vice Chair of Audit and Governance Committee. To discuss with the Monitoring Officer and then inform the Audit and Governance Committee of the outcome."

However, subsequent legal advice has been obtained which now requires this matter to be brought back to the Committee because it is not legally permissible for an ordinary committee of the Council, (which includes Audit and Governance Committee) to delegate authority for its functions to the Chair of the Committee. The relevant legal provision being section 101 of the Local Government Act 1972.

It will now therefore be necessary for the Committee to reconsider the arrangements for the establishment of a sub-committee in accordance with the full Council resolution taken on 2 June 2025.

There are three options available for the establishment of the sub-committee, which are:

i) An informal working group. The group would have no decision-making powers and would not be formally constituted, however political proportionality would not apply and any members could sit on the group.
ii) An advisory committee. This would be formally constituted, would not have decision making powers, but would not need to comply with proportionality requirements.
iii) A formal sub-committee of Audit and Governance Committee with co-opted members – this would be a formally constituted sub-committee consisting of existing Committee

members but would co-opt members from unrepresented groups who could take part in the Committee discussions but would have no voting rights.

It is open to the Committee to choose which model would be the most suitable to reflect the resolution made by full Council on 2 June 2025. It should be noted however that, as instructed by the Committee, a meeting of the Chair, the Vice Chair and the Monitoring Officer took place to consider the possible recommendations to the Committee and the recommendation contained in this report is reflective of the option considered to be the most suitable as an outcome from that discussion.

Recommendations and Reasons

1. Audit and Governance Committee establishes a politically balanced sub-committee and co-opts members to the Committee who are not currently represented to ensure that all political groups are heard. Co-opted members will have the ability to participate in discussions and scrutinise matters before the sub-committee but will have no voting rights.

   Reason: This recommendation ensures that the resolution of full Council is complied with, whilst also complying will all relevant legislative provisions and enables all groups to be represented on the sub-committee.

2. Agree the draft Terms of Reference for the sub-committee (Appendix A), in particular the following points:
   a. that the membership consists of members of the Audit and Governance Committee (or substitutes put forward by existing members) as well as co-opted members from parties not currently represented under political proportionality.
   c. that the sub-committee is formally constituted and meets the requirements of the Constitution in relation to notice and access to information requirements;
   d. that the sub-committee meets in accordance with the timetable appended to the Terms of Reference.

   Reason: *To ensure the sub-committee is constituted in accordance with the full Council decision, and relevant legislation, has a clear purpose and timescales for delivery.*

Alternative options considered and rejected

1. A member working group (or working party) holding informal meetings, in that they do not need to adhere to the formal constraints or processes of a committee or sub-committee of council, including notice of meetings and meetings held in private. This would enable membership of all groups, however, meetings would not be open to the public, thus limiting transparency.
2. Establishment of an advisory sub-committee, being a more formal version of the working group approach, under section 102(4) of the Local Government Act 1972. This would not be an ordinary committee of Council, and as a non-decision-making committee. there would be no bar on appointment or voting. It may even consist wholly of persons who are not members of the authority. The advisory committee would have no decision-making capacity and could not take any decisions that may be necessary to ensure the timely implantation of the Action Plan. This option is most suitable for circumstances where expert advice to the parent Committee is required. This is not the case here.

Relevance to the Corporate Plan and/or the Plymouth Plan

The establishment of a cross-party sub-committee to oversee the implementation of the Action Plan supports the Corporate Plan by ensuring that it follows a democratic and co-operative process.

Implications for the Medium Term Financial Plan and Resource Implications:
There are no MTFP implications. The establishment of an additional committee will require existing officer resources to manage the running of the sub-committee.

Financial Risks

There are no financial risks.

Legal Implications

(Provided by LB)
The legal implications concerning the establishment of sub-committees are set out in the body of this report.

Carbon Footprint (Environmental) Implications:
There are no direct carbon footprint implications arising from the creation of a sub-committee in itself.

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.*
There are no other implications

Appendices
**Add rows as required to box below*

Ref.	Title of Appendix	**Exemption Paragraph Number** (if applicable) *If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.*						
		1	**2**	**3**	**4**	**5**	**6**	**7**
A	Draft Sub-committee Terms of Reference and							

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 <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	**Exemption Paragraph Number** (if applicable)

	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	**2**	**3**	**4**	**5**	**6**	**7**

Sign off:

Fin	OW. 25.26. 068	Leg	LS/00 0036 09/40 /17/0 7/25	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Liz Bryant											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 03/09/2025											

AUDIT AND GOVERNANCE SUB-COMMITTEE

ARMADA WAY INDEPENDENT LEARNING REVIEW ACTION PLAN

Purpose:
To provide oversight, scrutiny, and independent assurance on the progress of implementation of the Armada Way Independent Learning Review Action Plan ("the Action Plan"), ensuring robust and timely implementation of the improvements required in the Action Plan, giving consideration to compliance with statutory and best practice standards.

Objectives:

- Monitor the implementation of agreed actions within the Action Plan.
- Report findings, progress updates, and recommendations to the Audit and Governance Committee.
- Receive officer reports in relation compliance with the timescales set out in the Action Plan and if considered necessary report any issues to Audit and Governance Committee to establish whether any update to full Council is required.

Membership:

- Chair: Member of the Audit and Governance Committee
- The members of the Audit and Governance Committee, or a substitute member from the same group to be nominated by Group Leaders.
- At least one co-opted member from unrepresented political groups, to be agreed by the Chair. Such co-opted members will not have voting rights.
- Officers may attend for specific agenda items (e.g. Chief Executive, Monitoring Officer, Section 151 Officer)

Meetings:

- In order to coincide with the deadlines set out in the Action Plan the Committee will meet in accordance with the timetable appended to these Terms of Reference;
- Additional meetings may be convened to respond to urgent issues

Responsibilities:

- Review pre-deadline progress reports from officers responsible for each of the actions set out in the Action Plan
- Assess risks and barriers to implementation
- Consider evidence provided for completed actions
- Recommend corrective actions where progress is delayed
- Maintain an audit trail of oversight activity and decisions taken

Reporting Arrangements:

- Produce summary progress reports for inclusion in Audit and Governance Committee agendas

- Escalate unresolved issues or concerns to the Committee Chair for a decision as to whether such issues should be escalated to the Audit and Governance Committee
- Submit progress reports to Audit and Governance Committee and a final report confirming that the Action Plan is complete for onward reporting to Full Council
- The sub-committee will be formally constituted and meet the requirements set out in the Constitution for formal committees.
- The sub-committee will cease to operate following a report to full Council confirming the delivery of the requirements of the Action Plan.

Armada Way Independent Learning Review Action Plan – Audit and Governance Sub-Committee Schedule of meetings

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
Sub-committee **Sept 2025**	**<u>Governance</u>:** 1. Enhance the role of the Statutory Officers by ensuring they meet regularly and take shared responsibility to address key governance issues.	None	Complete	Statutory Officers
	<u>Project Management</u>: 1. With other local authorities, press the case with Government for more realistic funding models.	A letter will be sent on behalf of PCC to LGA, Key Cities Group, SIGOMA and the Department of Transport highlight the need for a national approach to resolving the issues that Local Authorities in receipt of Government funding experience nationally.	Complete	Chief Executive

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	1. Embrace and resource a corporate approach to Project Management, including oversight. 2. Enhance risk awareness involving works to public places and ensure the risk assessment methodology, timing and approach is the most appropriate for the location and community	Development of a new corporate framework for project management to address the inconsistencies and gaps identified in the Armada Way project. This framework will ensure that all projects — particularly those with significant public impact — are delivered with greater rigour, transparency, and strategic oversight. See Action Plan for full actions	Training to be rolled out August 2025.	Transformation Architecture Manager / Service Director for Finance
	<u>Consultation and Engagement</u> Create a compelling and collaborative narrative for the city's vision	The Council and Homes England are currently working together on a master plan for the city centre. There will be an extensive consultation with residents and stakeholders.	Initial engagement on the new master plan will commence in Autumn 2025.	Service Director for Economic Development

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	<u>Environmental Regulations</u> Heighten expertise and awareness of Environmental regulation and practice	Reviewing our Tree Management Principles policy, which aims to: • Protect PCC's tree asset through appropriate management and re-stocking, • Meet our legal obligations around tree risk and safety in relation to our own tree stock, • Maintain and encourage biodiversity, • Respond to risks including climate change, diseases, etc. • Reduce maintenance cost by replacing tree stock • Enhance Plymouth's tree cover The new Director of Growth will review this recommendation, and our capacity and capability for environmental legislation to ensure we have sufficient moving forward. This includes consideration of any further training for all relevant officers.	August 2025	Service Director for Economic Development

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	<u>Employee Wellbeing</u> Review the corporate provision of wellbeing and healing support	**Refreshing Our People Strategy** Our new People Strategy will focus on: • Building stronger cross-team networks. • Developing inclusive leadership at all levels. • Embedding organisational values. • Providing proactive and reactive support for staff — before, during, and after challenging events or personal difficulties.	August 2025	Service Director for HR and OD
Sub-committee October 2025	**<u>Governance</u>** 1. Extend the rolling Forward Plan for Council decision making.	Review our current forward planning practices and consider best practice, including benchmarking against other Local Authorities of a similar size and demographic. The review will be undertaken in the context of previous governance reviews undertaken by Grant Thornton.	October 2025	Monitoring Officer

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	<u>Consultation and Engagement</u> Elevate the importance of engagement and consultation and build in capacity for engagement and consultation professionals with earlier involvement of in-house communications experts	To build on the learning from the Armada Way project and strengthen our relationship with residents, communities, and partners, we are taking the following steps: **A. New Engagement Framework** **B. Improved Community Engagement** **C. Resourcing for Delivery** **D. Modern Engagement Tools** **E. Training and Best Practice**	October 2025	Director of Public Health/Head of Public and Partner Relations
	<u>Employee Wellbeing</u> Review the corporate provision of wellbeing and healing support	**New modules in our Management and Leadership Development Programme** We will add additional modules in our new management programme to help ensure that managers are equipped to lead with empathy, responding to emerging needs.	September 2025	Service Director for HR and OD

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
		Addressing Abuse and Unacceptable Behaviour We are developing an Unacceptable Behaviour Policy that clearly defines the actions we will take to protect staff and members from abuse, including: • Clear escalation routes. • Use of single point of contact arrangements. • Engagement with the police where appropriate.	October 2025	Service Director for HR and OD
		Enhancing Safety and Responsiveness We are introducing practical tools and systems to improve staff safety and organisational awareness: • Personal alert devices for all staff in higher-risk roles • A new Staff Concerns Protocol to provide a clear, rapid route for raising issues and accessing support.	September - October 2025	Service Director of HR and OD

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
Audit and Governance Committee 18 Nov 2025	To receive the report from the September and October 2025 Sub-committees			
Sub-Committee December 2025	**<u>Governance</u>** Review the Constitution, including Urgency provisions and enhance the recording of advice and decisions	To ensure our governance framework remains robust, transparent and aligned with the Council's values, we will undertake a targeted review of key constitutional provisions. To include: A. Use of urgent and key decision-making B. Scheme of delegation C. Governance of key boards D. Best Practice Further improvements to the recording of advice and decisions, particularly in relation to key projects will be embedded within the introduction of an enhanced approach to project management. This will tie in with the project management actions set out below.	November 2025	Monitoring Officer

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	Ensure that internal advisory and decision-making Capital Project Boards have Terms of Reference.	To continue the improvements already implemented, we are: **A. Overhauling Project Governance** **B. Reviewing the Capital Programme Handbook** These actions will provide enhanced clarity and embed a culture of transparency, accountability, and good governance across all capital projects.	November 2025	Service Director for Finance
	Review the Council's approach to Scrutiny and Cabinet.	In response to the Panel's recommendation, we will work with both Scrutiny and Cabinet to ensure that roles, responsibilities, and oversight arrangements are clearly defined and effectively delivered. This will include: **A. Review of Scrutiny Function** **B. Cabinet Role and Clarity** **C. Project Oversight and Assurance**	November 2025	Monitoring Officer

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	Review the approach to the Pre-Election period	We will undertake a comprehensive review of the Council's approach to the pre-election period, drawing on experiences from recent years — including the learning from the Armada Way project. This review will assess how guidance has been applied in practice and identify opportunities to improve clarity, consistency, and proportionality. As part of this work, we will benchmark our pre-election guidance against that of other local authorities, with a particular focus on how they manage 'business as usual' decisions during the pre-election period. This will help ensure that our future guidance supports lawful, transparent decision-making while enabling the Council to continue delivering essential services and progressing key projects.	December 2025	Monitoring Officer
	Refresh Good Governance training	Building on the learning from the Armada Way review, we are taking a comprehensive approach to	December 2025	Monitoring Officer and Head of Democratic Services

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
	Ensure greater rigour in decision-making reports so they are accurate, accessible, based on sound evidence. Ensure that the political and officer leadership work together to maintain a common understanding and collective grip over the application of good governance across the council Ensure that Officers take responsibility for the advice that they give, and Councillors take responsibility for the decisions that they make.	improving our governance culture, decision-making rigour, and the working relationship between officers and elected members. This will include: **A. Refreshed Good Governance Training and Development** **B. Strengthening Member–Officer Relationships** **C. Oversight of High-Risk Reports** D. **Reinforcing Shared Leadership Accountability**		
	<u>Employee Wellbeing</u> Review the corporate provision of wellbeing and healing support	**Enhancing Safety and Responsiveness** We are introducing practical tools and systems to improve staff safety and organisational awareness: • A dangerous Sites Database to enable teams to share intelligence and flag concerns	November 2025	Service Director for HR and OD

Meeting Date	Recommendation under review	Action Required	Anticipated completion/Implementation date	Lead Officer
Audit and Governance Committee 20 Jan 2026	To receive the final report from the sub-committee confirming completion of the Action Plan actions for a final report to full Council			
Full Council 22 Feb 2026	To receive final report from Audit and Governance Committee confirming completion of the Action Plan			

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Audit and Governance Committee

Date of meeting:	16 September 2025
Title of Report:	**New Engagement and Consultation Framework**
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing, Cooperative Development, and Communities)
Lead Strategic Director:	Professor Steve Maddern (Director of Public Health)
Author:	Elinor Firth
Contact Email:	Elinor.firth@plymouth.gov.uk
Your Reference:	N/A
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

In March 2023, the Council commissioned an independent learning review into the events surrounding the felling of trees on Armada Way. The review, led by a panel of experts, examined how decisions were made, how the project was managed, and how the Council engaged with residents.

As part of the review, the panel made a number of recommendations regarding how the Council consults and engages with residents around decision making. Specifically:

1. *Promote the capacity and influence of the in-house Communications Team to advise and oversee other professions on engagement and consultation.*

2. *Introduce corporate standards for consultation and engagement that set out how engaging with and listening to residents will be put into practice, such as "You said: We Did" to enable residents and stakeholders to see what changes their input has made.*

3. *Ensure that capital programmes and projects allocate enough (c10% is recommended by National Lottery for projects they fund) from the overall budget to consultation and engagement.*

4. *Introduce a protocol for officers and members, with associated training, regarding the use of social media.*

In response, the Council acknowledged that while there are pockets of excellent engagement practice across the organisation, a more consistent and strategic approach is needed. Alongside the Independent Learning Review report, the Council's Action Plan was presented to and agreed by Council on the 2 June 2025. As part of the Action Plan, it was agreed that we would build on the learning from the Armada Way project and strengthen our relationship with residents, communities, and partners, by taking the following steps:

- **New Engagement Framework** - A revised corporate framework for engagement and consultation will be presented to the Audit and Governance Committee in September 2025.

This framework will set out clear standards and expectations for how we engage with the public and stakeholders.

- **Improved Community Engagement** - We will enhance our approach to community engagement by introducing new mechanisms for inclusive and meaningful dialogue. These will help build stronger, more positive relationships between the Council and local communities.

- **Resourcing for Delivery** - To support this enhanced approach, we will assess the resources and capacity required and ensure that the Council is equipped to deliver high-quality engagement consistently across all services and projects.

- **Modern Engagement Tools** - We will review the tools currently used for consultation and engagement and identify a modern platform that enables us to:

    - Reach a broader range of communities of geography, identity and interest

    - Facilitate two-way conversations

    - Analyse feedback effectively

    - Collaborate with residents on future ideas.

- **Training and Best Practice** - We will roll out training across the organisation to ensure that all staff involved in engagement and consultation are working in line with best practice and the new corporate standards.

Whilst not all decisions the Council makes require engagement activity, where it does, it should be proportional to the issue and delivered to a high standard. The Council's existing Engagement and Consultation Framework was last updated in 2014. While it provided a foundation for involving communities in decision-making, it no longer reflects current best practice, digital engagement methods, or public expectations. This report introduces a new corporate framework for engagement and consultation, co-designed with experienced practitioners from across the Council who are recognised for their leadership in this field. It draws directly on their expertise in delivering inclusive, meaningful engagement and reflects the best of current practice across the organisation.

The framework draws on national guidance, including the Local Government Association's *New Conversations 2.0*, and is aligned with the Council's Community Empowerment Programme and Corporate Plan.

The new framework includes:

- A public-facing Engagement and Consultation Charter

- A staff toolkit and training programme

- An internal corporate engagement calendar and new public online hub

- Internal quarterly engagement reporting to improve information sharing

- A revitalised Community of Practice and Engagement Champions network

It sets out a clear, consistent, and inclusive approach to engagement and consultation, ensuring that residents are not only informed but actively involved in shaping the future of the city.

Recommendations and Reasons

It is recommended that the Audit and Governance Committee:

1. Endorse the Engagement and Consultation Charter and Framework as the Council's corporate approach to engaging with residents, partners, and stakeholders.
   Reasons: The Charter and Framework demonstrates the Council's commitment to a consistent, transparent, and inclusive approach to engagement. It directly addresses the Independent Learning Review's findings by embedding meaningful consultation at key stages of decision-making and setting out clear principles for how we work with our communities.

2. Support the introduction of a supporting toolkit and training programme to aid implementation of the Framework and Charter.
   Reasons: These resources provide practical guidance and capacity-building for staff, ensuring that engagement activity meets legal requirements and reflects the Council's values of openness, inclusion, and responsiveness.

3. Note and support that the framework will be embedded across all Council departments, with oversight from an Engagement and Consultation Lead and the Community of Practice.
   Reasons: Embedding the framework corporately will help raise standards, reduce inconsistency, and ensure that engagement is not siloed but supported by shared learning and expert guidance.

4. Work with officers to develop a similar framework and training for elected members.
   Reasons: Members play a key role in community engagement and public trust. A tailored approach will support them to engage effectively and ethically, including through social media, as recommended by the Independent Learning Review.

Alternative options considered and rejected

1. Maintaining the existing 2014 Engagement and Consultation Framework was considered but rejected due to its outdated nature and lack of alignment with current best practice, digital tools, and public expectations.

2. Developing service-specific engagement strategies without a corporate framework was also considered but rejected, as this would risk continued inconsistency, duplication, and lack of organisational learning.

3. Delaying the introduction of a new strategy until after Local Government Reorganisation was considered but rejected, as the need for improved engagement is immediate and foundational to future governance models.

Relevance to the Corporate Plan and/or the Plymouth Plan

The new Engagement and Consultation Framework directly supports the Council's Corporate Plan, adopted in 2023, which commits the organisation to "listening more actively, engaging more meaningfully, and trusting our communities to be partners in decision-making." By embedding consistent standards and inclusive practices across all services, the framework provides a practical mechanism for delivering on these commitments. It ensures that engagement is not only a communications function but a core part of how the Council designs services, allocates resources, and

builds trust with residents—helping to realise the Corporate Plan's vision of a more open, responsive, and community-led local authority.

Implications for the Medium-Term Financial Plan and Resource Implications:
No implication from the MTFP from this paper. The resource implications will be contained within existing officer capacity, with additional capacity provided through an engagement officer role which would equate to approximately £50k

Financial Risks
No impacts directly arising from this report.

Legal Implications

(Provided by Liz Bryant)

The Engagement and Consultation Framework does not replace any statutory duty to consult under function specific legislation. The council will continue to meet its statutory duty to consult as per relevant legislation where required. The Engagement and Consultation Framework is complimentary to any existing duty which prescribes the content, form or length of formal consultations required by law.

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.*
Click here to enter text.

Appendices
**Add rows as required to box below*

Ref.	Title of Appendix	**Exemption Paragraph Number** (if applicable) *If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.*						
		1	**2**	**3**	**4**	**5**	**6**	**7**
1	Engagement and Consultation Framework							
2	Engagement and consultation charter							
3	Staff guide to engagement and consultation							
4	Training plan for staff							

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 <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	**Exemption Paragraph Number** (if applicable)

	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	**2**	**3**	**4**	**5**	**6**	**7**

Sign off: LS/00003609/41/LB/28/08/25

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Originating Senior Leadership Team member: Elinor Firth

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 12 August 2025

Cabinet Member approval: Councillor Chris Penberthy approved by email

Date approved: 14 August 2025

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A NEW APPROACH TO ENGAGEMENT AND CONSULTATION (DRAFT)

Appendix One

Introduction

Plymouth City Council's Community Empowerment Programme, adopted in 2021, set out a bold and progressive vision for Plymouth City Council

"To enable communities to take greater control over their lives by supporting them to do things for themselves, influence decisions, and shape the services and places that matter to them."

This vision has been brought to life through a range of initiatives that have made a tangible difference—improving access to information, community building, supporting volunteering, enabling community ownership, and promoting inclusive growth in disadvantaged neighbourhoods. (See case studies below)

The Community Empowerment Programme recognises that engagement is a vital strand on the journey toward full empowerment.

Alongside this, the Council's Consultation and Engagement Framework, established in 2014, provided a foundation for how we involve residents, partners, and stakeholders in shaping services and decisions. However, the world has moved on significantly since this was developed. Advances in technology, shifts in public expectations, and new ways of working have transformed how people interact with public services and participate in civic life.

While there are pockets of excellence across the organisation—where services are already working in empowering and innovative ways—this is not consistent across the Council.

This paper focuses specifically on engagement and consultation as a critical step toward realising the broader goal of community empowerment. It does not attempt to address the full scope of the Empowerment Programme, but instead aims to strengthen the foundations upon which empowerment can grow. While engagement is a vital part of decision-making, it is important to recognise that not every decision will involve consultation or engagement. Where engagement activity does take place, it will inform the decision-making process, but final decisions will also be shaped by other factors such as financial constraints, legal obligations, and property ownership.

This following approach is grounded in best practice and informed by the principles of Human Learning Systems - an approach that recognises the complexity of public service delivery and the need to work relationally, strength-based, adaptively, and reflectively. It encourages learning and collaborating with communities, rather than 'doing to', and aligns closely with our ambition to move from transactional engagement to genuine empowerment. At its heart, this is also about the Council

being curious—actively seeking to understand what matters to people, how they experience services and places, and what ideas they have for change.

The case for change

The original engagement and consultation framework developed over a decade ago, was ambitious in its vision. It aimed to create a culture of listening and responsiveness, where residents had a clear voice in shaping local services and decisions.

However, due to a combination of reduced capacity, shifting priorities, and limited resources, many of the commitments outlined in the 2014 strategy were never fully enacted. As a result, engagement, particularly around decision making, has often been inconsistent across the council, with varying levels of quality, transparency, and follow-through.

Digital technology has transformed how people communicate, access information, and participate in civic life. Social media, online platforms, and mobile apps have opened new channels for dialogue, but they have also raised expectations for immediacy, responsiveness, and inclusion.

At the same time, public trust in institutions has become more fragile, and communities are increasingly demanding a more meaningful role in shaping the decisions that affect their lives.

Our **Corporate Plan** adopted in 2023 reflects this shift. It commits us to:

- Listening more actively
- Engaging more meaningfully
- Trusting our communities to be partners in decision-making.

This commitment must now be translated into a new framework that is fit for purpose—one that reflects the values of empowerment, inclusivity, and shared responsibility.

It is important to note that this framework complements and builds upon the Council's adopted **Statement of Community Involvement (SCI)** (or it's replacement under the Levelling Up Act), which sets out statutory requirements for consultation in planning matters. While the SCI remains the definitive guide for planning-related engagement, this framework provides a broader, organisation-wide approach to engagement and consultation. It ensures consistency, transparency, and inclusivity across all service areas, while respecting the legal obligations and specialist processes outlined in the SCI.

Examples of good practice in our engagement and consultation work

Across Plymouth City Council, there are pockets of excellent consultation and engagement practice. These examples demonstrate how different teams are working creatively and collaboratively with communities to shape services and policies.
Our new framework has been developed alongside the Council's Community Empowerment Board and Engagement Community of Practice to ensure that we are

learning from those areas, considering best practice and looking at how we can complement the work that they are already doing.

Strategic Commissioning
We coproduced the Plymouth All-Age Unpaid Carers Strategy and a Co-Production Commissioning Toolkit including resources and examples of Appreciative Inquiry and co-design. We developed an engagement calendar to coordinate activity and reduce duplication for the Carers Strategy. Coproduction training delivered to strategic commissioners co-delivered with Changing Futures staff. Following training commissioning staff were invited to attend a community of practice 'Coproduction Circle' where they can develop their skills and test out new ideas alongside people with relevant lived and learned experience.

SEND Service
Our SEND Service takes a structured and inclusive approach to co-production, embedding it throughout the year via a planned calendar of engagement activities. These include workshops, consultations, and feedback sessions designed in partnership with Parent Carer Forums and young people.

Young people from the SEND Participation Group play an active role in shaping services—from contributing to project briefs to influencing full-scale service redesigns. Their involvement is not tokenistic; they hold a seat at the SEND Improvement Board, where their lived experience directly informs strategic decision-making. This approach ensures that services are not only shaped by professional expertise but also by the voices of those who use them. It reflects a commitment to shared power, transparency, and continuous learning—hallmarks of meaningful co-production.

Strategic Planning and Infrastructure
We combine creative engagement methods—like a citywide "sofa tour"—with formal consultation to support the Local Plan and Plymouth Plan, balancing innovation with statutory requirements and utilising digital tools.

Public Health
We use Appreciative Inquiry and asset-based approaches to build relationships with communities and understand lived experience, gathering insight with the city's team of Community Builders, who facilitate community-led initiatives. We have trained 90 citywide professionals in Asset Based Community Development and meet regularly as a network to share best practice and learning.

Plymouth Health Determinants Research Collaboration (HDRC)
The HDRC embeds research expertise within Plymouth City Council to support evidence-based service design. Working with communities and researchers, the programme focuses on the wider determinants of health—like housing, education, and employment. Through co-produced research and lived experience insight, HDRC helps ensure decisions are grounded in real-world needs and data, strengthening inclusive and responsive service delivery.

Natural Environment Team
Through our projects and programmes such as Green Minds and the Plymouth Sound National Marine Park, have built strong partnerships with environmental groups, transforming relationships through practical volunteering and co-designed delivery through Asset Based Community Development and Appreciative Inquiry.

Changing Futures Plymouth
Working with people with lived experience of multiple disadvantage we have co-produced toolkits, training, and policies. Engagement is rooted in trauma-informed practice and peer research.

Net Zero Delivery Team
We have engaged with communities through events like Climate Mingle and interactive tools such as online mapping for EV charging point suggestions. Focusing all our work on co-designing innovative, community-led climate solutions. The team also facilitate Plymouth Climate Ambassadors with the Participation Team to ensure young people's voices are heard within the city's net zero action plan

Youth Services
Our Youth Participation Team worked with unaccompanied asylum-seeking children to understand their experiences upon arriving in Plymouth and the support they received. Young people helped create an animation, *Listening to the Voices of Unaccompanied Asylum-Seeking Children and Young People*, sharing their stories. This led to the formation of a dedicated team to address the challenges they faced. In a recent focused visit, Ofsted praised the team's culturally sensitive approach and ability to build trusting relationships, noting that young people are placed in accommodation that meets their needs and receive consistently high-quality support regardless of location.

Safeguarding Children's Partnership
Young people across Plymouth, supported by the Participation Team and Young Safeguarders, developed the *Ten Wishes – What Children and Young People Want from Professionals*. They created a film and booklet to share these wishes with the local workforce. A Ten Wishes Charter was launched, with key agencies – including the Council, Livewell, Devon and Cornwall Police, NSPCC and schools, signing up. This reflects a city-wide commitment to listening to young people and embedding their wishes into training, policies, procedures, and quality assurance across organisations.

There are many more examples, and we aim to build on them to continue raising the standard of engagement and consultation across the organisation.

External expectations for change

The **Civil Society Covenant Framework**, launched by the UK Government in July 2025, is an important backdrop to this. The Covenant sets out shared principles—recognition, partnership, participation, and transparency—that define how public bodies and civil society should work together. It reinforces the importance of inclusive, respectful, and collaborative relationships with communities, aligning closely with our own ambitions for community empowerment. By

embedding these principles locally, we can strengthen trust, support more meaningful participation, and ensure our engagement practices reflect national expectations for a more open and responsive public sector.

Whilst there are pockets of excellence within the organisation, over the past year, several developments have underscored the need for a more coherent and strategic approach.

The **Independent Learning Review of the Armada Way** consultation process highlighted critical shortcomings, including:

- a lack of early engagement
- unclear communication of purpose
- insufficient feedback mechanisms.

These findings point to a broader issue: the absence of a shared organisational standard for what good engagement looks like.

The review panel recommended that the Council needed to:

- Introduce corporate standards for consultation and engagement that set out how engaging with and listening to residents will be put into practice.
- Introduce a protocol for officers and members, with associated training.

In parallel, the Government's expectations under **Local Government Reorganisation (LGR)** have placed a renewed emphasis on local accountability, resident involvement, and transparent decision-making. And recent legislation, such as the **English Devolution and Community Empowerment Bill**, aims to move decision-making closer to residents, thereby empowering communities to shape their futures. This includes the introduction of effective neighbourhood governance structures to amplify local voices and giving more power to local communities to purchase assets of community value and making reforms to commercial leases.

While Plymouth City Council's proposals are still under development, it is clear that there is an expectation that councils need to fundamentally reshape their relationship with communities, embedding local voices more deeply in how services are shaped and delivered. This will signal a shift toward a more open, collaborative way of working—one that aligns with our broader ambition to place empowerment at the heart of everything we do.

Whilst this could be the longer-term direction of travel, it is important to get the basics around engagement right. We must ensure that residents are not only informed but actively involved in shaping the future of the city. Building trust, clarity, and consistency in how we engage and consult today will lay the foundation for stronger, more empowered communities tomorrow.

Indeed, these expectations align closely with our own organisational effectiveness journey, where empowerment has been identified as a key driver for change.

"We want to design services that better meet the needs of our customers and we will do this by listening, learning and co-creating with our communities."

Empowerment v Engagement v Consultation: clarifying the distinction

To build an effective engagement and consultation framework, it is essential to distinguish the differences and linkages between empowerment, engagement and consultation. The ultimate goal of engagement is 'empowerment'.

To empower you must engage, but engagement alone is not empowerment.

- **Empowerment** is the process of enabling individuals and communities to have the authority, resources, and confidence to influence or lead on making decisions that affect their lives. It goes beyond engagement by moving the power away from institutions to people, allowing communities to take ownership of solutions, lead initiatives, and shape outcomes. Empowerment is about shared decision-making, capacity building, and long-term influence.
  Example: Asset based community development e.g. Carrying out a parking ballot for a new Controlled Parking Zone, where at least 51% of households in an area must vote in favour of the proposal.

- **Engagement** is the ongoing process of building relationships and involving people in shaping decisions, policies, and services. It includes a spectrum of activities—from informing and listening to collaborating and co-producing. Engagement is about dialogue, mutual understanding, and working together to improve outcomes. However, it is important to note that the Council still retains the 'power', rather than communities.
  Example: Working with residents and stakeholders on developing proposals for the Manadon improvement scheme through workshops, interviews, drop in sessions and consultation.

- **Consultation** is a more structured and time-limited process where an organisation seeks feedback on a specific proposal or decision before it is finalised. It typically involves asking for views, analysing responses, and reporting back on how those views influenced the outcome. Consultation is about gathering input, not sharing power.
  Example: The annual budget consultation carried out by the Council.

It is important to recognise Arnstein's *Ladder of Participation,* which illustrates the varying degrees of public involvement in decision-making, from non-participation, through informing, consultation, engagement and up to empowerment, where citizens hold the control.

In the context of this piece of work, it is important that there is a shared definition of the word 'Community'. Community can mean different things, but in the context of engagement, it refers to groups of people connected by a shared interest, identity, or location. People often belong to multiple communities, each with its own needs and perspectives. Broadly, communities fall into three types:

- **Communities of place** – linked by geography, such as a neighbourhood or park.
- **Communities of identity** – connected by shared characteristics or experiences, like age, disability, or faith.
- **Communities of interest** – united by a common concern or passion, such as environmental groups or hobby clubs.

Benefits of a new framework

Our new approach to engagement and consultation must seek to get the basics right, whilst have an overarching commitment to work towards genuine empowerment. This new framework will ensure that:

- Residents understand what to expect when they are asked to participate and engage with the Council.
- The Council has a clear and accurate understanding of community views
- Council decisions are informed by the lived experiences and insights of local people.
- There is an improved sharing of data and insight across the Council
- The Council engages effectively with all relevant stakeholders when making decisions

Such a framework will not only improve the quality of decision-making but also strengthen community bonds, increase transparency, and build trust. It will help us

deliver better services, reduce conflict, and create a more resilient and responsive local authority.

Best practice for an engagement and consultation framework

To modernise our approach and deliver on the Engagement strand in our Community Empowerment Strategy and potential changes from Local Government Reorganisation, we are drawing on national best practice—particularly the **Local Government Association's *New Conversations 2.0* framework**

This framework emphasises that engagement is not a one-off event, but an ongoing relationship built on trust, clarity, and mutual respect. It outlines key principles such as early planning, transparency, and legal compliance, and highlights the importance of embedding engagement across the organisation—not just within specialist teams.

What are the pillars of effective engagement?
The Local Government Association (LGA) identifies several core pillars that underpin high-quality engagement:

- **Clarity**: Being transparent about what is being decided, what input is being sought, and how it will be used.
- **Leadership**: Recognising the role of councillors as connectors between the council and the community.
- **Culture**: Embedding engagement across all services, supported by leadership and reflected in organisational systems.
- **Co-production**: Working alongside communities to design services and solutions together.
- **Decision-making**: Ensuring engagement is linked to real decisions, such as budgets, policies, and service design.
- **Inclusion**: Reaching underrepresented groups through trusted messengers and community networks.
- **Place-based working**: Tailoring engagement to the unique needs and identities of different neighbourhoods.
- **Capacity-building**: Supporting residents to participate meaningfully by building skills, confidence, and access to information.

By adopting the principles of *New Conversations*, we can ensure that our engagement is not only more effective but also more equitable, inclusive, and sustainable. It will help us build a culture where residents are not just heard but genuinely involved in shaping the future of their communities. We have used this guidance as a practical roadmap for implementation - one that aligns closely with our proposed charter, toolkit, and training programme (see below).

Framework for engagement and consultation

The below framework has been designed so that it aligns with existing examples of best practice across the Council. For example, the SEND Service demonstrates structured, inclusive co-production through a year-round calendar of engagement, with young people actively contributing to service design and decision-making via the SEND Improvement

Board. Similarly, the Changing Futures programme works with people with lived experience of multiple disadvantage to co-design services, embedding trauma-informed, peer-led approaches across commissioning and delivery. Together, these initiatives (and others referenced above) reflect a culture where collaboration is embedded in service delivery - not treated as an add-on.

OUR NEW FRAMEWORK FOR ENGAGEMENT AND CONSULTATION

Engagement and consultation won't always look the same and they shouldn't. Our approach will be flexible but principled, shaped by the scale, impact, and complexity of the issue. Some matters will need deep collaboration with communities; others may require focused consultation or clear communication. What matters is that our approach is thoughtful, transparent, and aligned with our values and legal duties.

Some engagement is a legal requirement. For example, planning applications or budget proposals. These statutory processes are set out in the Council's Statement of Community Involvement (SCI). This framework complements, but does not replace, those obligations.

Beyond legal duties, we will take a consistent, values-led approach. We'll consider public interest, potential impact, opportunities for influence, and the importance of trust. We'll be clear about what's open to change and what isn't. We will avoid overpromising and manage expectations honestly.

Engagement sits on a spectrum. From informing and consulting to collaborating and empowering. We'll clearly explain where each activity sits and why, ensuring our approach is proportionate, strategic, and meaningful.

OUR NEW PUBLIC COMMITMENT:

At the heart of this approach is a public-facing **Engagement and Consultation Charter** that sets out our values - respect, transparency, inclusion, responsiveness, and partnership. It outlines the behaviours we expect from staff and the commitments we make to residents and stakeholders. Rooted in the Gunning Principles, the Charter ensures our engagement is fair, timely, and meaningful. It will be brought to life through practical tools and support. (See appendix two).

A STRENGTHENED APPROACH TO LISTENING AND ENGAGING

The Council has a layered and coordinated approach to listening to residents and gathering insight into their views, experiences, and expectations. This includes structured surveys such as:

- The City Survey, which captures perceptions about the city, community, and personal wellbeing.
- The Council Residents Survey, which focuses on views about council services and performance.

These are statistically robust surveys that are designed collaboratively with internal teams and external partners. They are conducted regularly to inform strategic

planning, service improvement, and city promotion. However, they are subject to funding availability.

In addition to these corporate surveys, the Council undertakes a customer data audit to understand what feedback is already being collected across departments. This feeds into a customer feedback dashboard, which provides real-time intelligence on satisfaction, complaints, and service experiences.

Feedback is also gathered through digital platforms like Firmstep, which captures comments, compliments, and complaints, and can be configured to generate strategic insights such as heat maps and performance metrics.

Many individual services have also developed their own ways of engaging and listening to residents on a regular basis, with approaches tailored to their specific audiences and service areas. These local approaches provide valuable insight and complement the corporate mechanisms. See the case studies for more information on how services are embedding engagement in their day-to-day work.

Beyond these structured mechanisms, residents can also share their views through other democratic routes. These include submitting petitions, asking questions at Council or Cabinet meetings, or requesting that the Scrutiny function explore specific issues e.g. such as through a task and finish group. These channels provide important opportunities for residents to raise concerns, influence decisions, and contribute to the Council's work.

Other sources of insight include councillor casework, MP enquiries, social media monitoring, and feedback collected by external service providers. These diverse channels ensure that resident voices are heard at both strategic and operational levels, supporting shared decision-making and continuous improvement.

However, to strengthen this, moving forward we will launch:

A new rolling programme of engagement and listening across the city
Building on the success of the Big Community Conversation, we will deliver a rolling programme of engagement using both digital and face-to-face methods. This programme will be underpinned by the principles of Appreciative Inquiry, focusing on what's strong in our communities rather than what's wrong.

By creating spaces for positive, strengths-based dialogue, we aim to have deeper conversations with communities into specific themes and topics, enabling us to uncover local assets, celebrate community achievements, and co-create solutions.

This approach will help us reach a wide and diverse audience, with a particular focus on amplifying underrepresented voices and fostering inclusive participation. A further proposal outlining how this will work will be developed over the next few months. It will be led by the new Engagement and Consultation lead and will require organisational support in terms of delivery.

An improved public-facing online hub

At the moment there is no one place to find all consultation and engagement activities being undertaken by the Council, making it confusing to understand what opportunities there are to have your say. An improved online hub will showcase all live engagement and consultation opportunities and share outcomes and impacts, making the process more transparent and accessible.

NEW RESOURCES TO DRIVE GOOD PRACTICE ACROSS THE ORGANISATION

Engagement and Consultation Lead

To support delivery, a dedicated Engagement and Consultation Lead will be appointed. While engagement and consultation will remain the responsibility of individual services - who must also ensure compliance with any statutory requirements - this role will provide additional capacity and expertise. We will also explore the possibility of an apprenticeship programme to booster resource and skills across the organisation.

The officer will work alongside the Empowerment and Corporate Communications teams to oversee implementation of this framework, manage the online engagement hub and calendar, along with the Council's corporate consultation tool. They will also ensure staff are trained and supported. They will act as the organisation's central point of contact for advice and guidance, helping teams design inclusive and effective engagement strategies.

STRENGTHENED TRAINING AND SUPPORT

New engagement and consultation toolkit/staff guide

A new toolkit/staff guide will provide clear, practical guidance on when and how to engage, which tools to use, and how to ensure activity is inclusive and proportionate. It will help staff assess the right level of engagement, understand legal requirements, and apply best practice.

It will include templates, planning checklists, stakeholder mapping guidance, and feedback mechanisms. It will also offer advice on using digital tools, analysing responses (including ethical use of AI), and working across services to avoid duplication. As a living resource, it will evolve with case studies, lessons learned, and peer contributions. (See appendix 3)

Improved training and support package

A refreshed training offer will include an online learning hub, regular learning sessions, and peer support. This will ensure staff feel confident and equipped to deliver high-quality engagement and consultation. It will also be included as part of the new-starter induction process.

Our training offer will also introduce staff to the Human Learning Systems and using the principles of delivering engagement through a Trauma Informed approach, helping them to understand how learning, relationships, and context can shape more meaningful engagement. This will support a culture of reflection, curiosity, and continuous improvement across the organisation.

Refresh the Engagement Champions and Community of Practice
The Council already has an Engagement Community of Practice, where staff who are regularly involved in engagement work come together to share ideas, build confidence, and promote best practice. Training will include facilitation, managing difficult conversations, Appreciative Inquiry, and Asset-Based Community Development. However, the group have not been active for some time. Therefore, membership and purpose will be reviewed to revitalise and re-embed good practice across the organisation. Existing members of the group have also fed into the development of the toolkit/staff guide.

STRENGTHENED PLANNING AND PROCESSES

New Engagement and consultation calendar
A central internal calendar, managed by the Engagement and Consultation Lead, will coordinate activity across the organisation. It will help avoid duplication, identify opportunities for collaboration, and ensure residents are not overwhelmed by overlapping consultations.

Central repository of engagement feedback
To improve insight-sharing, we will develop an internal central repository for engagement feedback. This will allow departments to access relevant intelligence, build a more complete picture of community needs, and respond more effectively to cross-cutting issues.

MODERNISING THE TOOLS WE USE

A review of engagement and consultation tools
We will review the tools currently used across the organisation to ensure they are accessible, effective, and aligned with our principles. This includes reviewing the Council's commissioned survey platform and other digital and in-person tools, so staff are aware of what's available and can choose the right approach.
See the appendix for further information on a number of these areas.

REPORTING TO UNDERSTAND WHAT PEOPLE THINK

New quarterly engagement report
To strengthen our understanding of public sentiment and improve transparency, the Council will introduce a quarterly engagement report. This report will be produced by the Engagement and Consultation Lead, with support from the Community of Practice, and will provide a regular summary of how we have engaged with residents, what we have heard, and what we have learned.

The report will draw together insights from across the organisation. This will include: corporate surveys, service-level engagement, digital platforms, councillor casework, and Community Conversations, to build a clearer picture of what people think about the Council, the work we are delivering, and the decisions we are making.

By publishing this report quarterly, we aim to:

- Improve visibility of engagement activity across the Council.
- Identify trends in public feedback and sentiment.
- Support learning and reflection across services.
- Inform decision-making and service improvement.
- Demonstrate accountability to residents.

The quarterly report will be shared internally to support strategic planning and performance management, and externally to promote transparency and build trust with our communities.

Conclusion

The need for a new approach to engagement and consultation is clear. Our current policy is outdated, some of our practices are inconsistent, and our communities are asking for more. By adopting a new framework with an ambition to work towards further community empowerment, transparency, and co-design, we can build a stronger, more responsive, and more trusted local authority. This is not just about better engagement—it is about better governance, better services, and better outcomes for everyone.

As we prepare for the changes brought by Local Government Reorganisation (LGR), this framework positions us to lead with confidence and clarity. It provides the foundation for a more community-driven model.

By embedding consistent standards, strengthening our culture of listening, and investing in the capacity of both staff and residents, we are laying the groundwork for a future where local voices are not only heard but are central to how decisions are made.

This is our opportunity to reset the relationship between the Council and the communities we serve. Through this framework, we commit to building a more open, inclusive, and collaborative local government—one that is ready for the future and rooted in the strengths of its people.

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ENGAGEMENT AND CONSULTATION CHARTER

Appendix Two

We believe the best decisions are made with people, not just for them. While engagement is a vital part of how we shape our city, we recognise that decisions are informed by a wide range of factors including; legal duties, financial considerations, contractual obligations, land ownership, and national policy, alongside the views and experiences of residents, communities, and partners.

Not every decision the Council makes will require engagement or consultation. However, this Charter focuses on the decisions where we do engage, setting out our commitment to do so openly, respectfully, and meaningfully. When we ask for views, we do it with purpose, and we listen with intent.

We are committed to listening to all voices, but decisions will be based on a range of factors. We recognise that louder voices may not always represent broader community views, and we will strive for balanced, inclusive analysis that reflects the diversity of perspectives shared. Engagement and consultation are not the same as a referendum or vote - they are about gathering insight, understanding experiences, and informing decisions, not necessarily determining them by majority.

We also understand that engagement won't always lead to consensus. When views differ, we will be transparent - clearly explaining what feedback was received, how it was considered, and how it influenced the outcome.

This Charter is our commitment to building trust, fostering a culture of reflection and learning, strengthening relationships, and ensuring every voice helps shape our city's future. It's not a static document—it will grow with us. We'll review it every two years, together with residents and stakeholders, to keep it relevant, ambitious, and meaningful.

A scaled approach

We know that engagement isn't one-size-fits-all. Our approach will be rooted in the Gunning Principles, and will be:

- Proportionate to the scale and impact of the decision.
- Flexible to suit different communities and contexts.
- Legally compliant, meeting all statutory requirements.
- Transparent, with clear communication about the purpose and use of feedback.
- We'll use a range of engagement methods—from informing to empowering—and always be clear about where each activity sits on that spectrum and why.

Our engagement and consultation values

Our approach to engagement will be guided by our corporate values and the following five principles. These are not just words—they shape how we work, how we listen, and how we respond.

1. Respect
    - We treat everyone with dignity and fairness.
    - We listen without judgment and value all contributions, not just those with the loudest voices.
    - We recognise and celebrate the diversity of our communities.

2. Transparency
    - We are open about what we're doing, why we're doing it, and how decisions are made.
    - We share information in clear, accessible formats.

- We explain how feedback has influenced outcomes—or why it hasn't.

3. Inclusion
   - We will work hard to remove barriers to participation.
   - We reach out to underrepresented voices and seldom-heard groups.
   - We design engagement that is culturally sensitive, accessible, and equitable.

4. Responsiveness
   - We listen carefully and act meaningfully.
   - We adapt our approach based on what we hear.
   - We provide timely feedback and close the loop with participants.

5. Partnership
   - We will work collaboratively with residents, community groups, and stakeholders.
   - We will strive to co-design solutions and share power where possible.
   - We will build long-term relationships, not one-off transactions—grounded in mutual respect, curiosity, and a belief in the strengths and potential of every community.

Our commitments to residents

We will:

- Engage early – before decisions are made.
- Be honest – about what can and can't change.
- Speak clearly – using plain language, with technical detail only where needed.
- Offer choice – online, in person, and through trusted community partners.
- Be inclusive – removing barriers and reaching those often left out.
- Feedback – showing how the engagement/consultation shaped the outcome.
- Keep learning – improving how we engage and sharing insights across teams.

Our expectations of our staff

We expect all staff involved in engagement to:

- Be approachable – creating safe, respectful spaces for conversation.
- Be open – welcoming challenge and new ideas.
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- Be accountable – following through and being transparent.
- Be collaborative – working with communities and across teams.
- Be prepared – to manage difficult conversations with confidence.

We'll support our staff with the training, tools, and time they need to do engagement well.

PLYMOUTH CITY COUNCIL

Staff guide to

Better community engagement and consultation

Community Empowerment Programme

Version: September 2025

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Engagement *is the active, inclusive, and ongoing involvement of people in shaping decisions that affect them. It's about building relationships, fostering trust and creating space for meaningful, two-way dialogue that evolves over time.*

Consultation*, while part of engagement, is typically a one-off moment in time – where we ask for views or feedback on a specific issue. It's more transactional, offering a snapshot of opinion rather than a sustained conversation.*

The difference lies in depth and continuity: consultation gathers input but engagement builds understanding.

At its most powerful, engagement leads to ***empowerment*** *- where people feel heard, valued and able to influence outcomes.*

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1 INTRODUCTION

At Plymouth City Council, we believe that strong communities are built on trust, inclusion and meaningful dialogue. In a time when public expectations are rising and resources are under pressure, working in partnership with our residents is more important than ever.

Not every decision we make requires engagement – but where it does, we're committed to doing it well. We believe that good engagement builds trust, strengthens relationships and helps create a city where everyone feels welcome, heard and empowered to play their part.

Some engagement is required by legislation but our commitment aspires to go beyond compliance wherever possible. We want to foster a culture where people feel confident contributing to the decisions that affect them.

There's no one-size-fits-all approach. Different communities have different needs and different services call for different methods. That's why our approach is flexible, inclusive and rooted in the belief that everyone should have the opportunity to shape the places in which they live.

This framework sets out our commitment to open, honest, and accessible conversations. By listening well and acting together, we can strengthen trust, improve services and build a more connected, resilient Plymouth.

This guide aims to provide you with a framework and links to a range of resources that you can use to help you choose the right approach. Throughout the guide, we use the word stakeholder as an all-encompassing term to describe the diverse groups of people that the Council engages with. This includes community groups, businesses, partners and residents amongst others. If you are commissioning an external agency or company to deliver your engagement activity, please pass on this guide, along with the Charter, as part of your procurement, to outline the expected Plymouth City Council standards required.

damaging to human+ecological syste.
damaging, small and temporary

2 THE VALUE OF ENGAGEMENT

Throughout this document, the word 'engagement' is used to cover the many different ways of involving and listening to residents, communities and businesses.

Why engagement matters

Effective engagement is at the heart of how Plymouth City Council works with its residents, communities and partners. It plays a vital role in shaping a city that is inclusive, resilient, and responsive to the needs of its people. Through meaningful engagement, we can:

- **Give residents, communities and stakeholders a voice** in shaping the decisions that affect their lives and neighbourhoods.
- **Empower people and communities** to take an active role in public life, helping to build confidence, capacity and local pride.
- **Strengthen trust and relationships** between the Council and the city by fostering transparency, openness and mutual respect.
- **Improve our understanding of local needs and priorities**, ensuring that the lived experiences of residents inform the way we design and deliver services.
- **Build a robust evidence base** that supports better decision-making, policy development and service improvement.
- **Enable greater accountability and scrutiny**, helping to ensure that decisions are fair, inclusive and in the public interest.

Engagement is not a one-off activity or a tick-box exercise – it's a continuous process that helps us build a better Plymouth, together.

3 WHAT IS GOOD ENGAGEMENT?

Whilst engagement activities will look different across the Council, conversations and activity should always start from the position of mutual respect and aim to create meaningful interactions where possible.

Effective engagement should provide people with an opportunity to share their opinions to help inform a decision, shape a service or influence a project. If participants are not able to shape the outcome of the decision that you are taking, there is a risk that the engagement activity becomes tokenistic and ineffective.

It is important to recognise that truly inclusive and meaningful engagement can be difficult. We must be mindful of loud voices dominating the conversation and ensure that we engage with as representative cohort of people as possible to ensure we meet and exceed our statutory requirements.

While the tools we use across the Council to deliver our activity may be different, our approach to engagement should always be shaped by the Council's Engagement and Consultation Charter (see page 8) to help ensure that you follow best engagement practice.

Make sure you are realistic about the appropriate level of engagement for your project: distinct levels of engagement, and therefore different engagement activities, will be required depending on the decision being taken. The 'Spectrum of Public Participation' framework (see table 1) can guide your thinking about the choices to make. There are five levels in the engagement table; these are 'inform, consult, involve, collaborate and empower.'

Each level differs in terms of:

- Stakeholder involvement in the decision-making process
- Stakeholder influence over shaping a decision
- Expectations from stakeholders in the process of shaping decisions

4 ENGAGEMENT AND CONSULTATION CHARTER

Our Engagement and Consultation Charter

We believe the best decisions are made with people, not just for them. While engagement is a vital part of how we shape our city, we recognise that decisions are informed by a wide range of factors – including legal duties, financial considerations, contractual obligations, land ownership and national policy – alongside the views and experiences of residents, communities and partners.

Not every decision the Council makes will require engagement or consultation. This Charter focuses on the decisions where we do engage, setting out our commitment to do so openly, respectfully, and meaningfully. When we ask for views, we do it with purpose, and we listen with intent.

We are committed to listening to all voices, but decisions will be based on a range of factors. We recognise that louder voices may not always represent broader community views, and we will strive for balanced, inclusive analysis that reflects the diversity of perspectives shared. Engagement and consultation are not the same as a referendum or vote - they are about gathering insight, understanding experiences, and informing decisions, not necessarily determining them by majority. .

We also understand that engagement won't always lead to consensus. When views differ, we will be transparent – clearly explaining what feedback was received, how it was considered and how it influenced the outcome.

This Charter is our commitment to building trust, fostering a culture of reflection and learning, strengthening relationships and ensuring every voice helps shape our city's future. It's not a static document – it will grow with us. We'll review it every two years, together with residents and stakeholders, to keep it relevant, ambitious and meaningful.

A scaled approach

We know that engagement isn't one-size-fits-all. Our approach will be rooted in The Gunning Principles:

- Proportionate to the scale and impact of the decision.
- Flexible to suit different communities and contexts.
- Legally compliant, meeting all statutory requirements.
- Transparent, with clear communication about the purpose and use of feedback.

We'll use a range of engagement methods – from informing to empowering – and always be clear about where each activity sits on that spectrum and why.

Our engagement and consultation values

Our approach to engagement will be guided by our corporate values and the following five principles. These are not just words – they shape how we work, how we listen and how we respond.

1. Respect

- We treat everyone with dignity and fairness.
- We listen without judgment and value all contributions, not just those with the loudest voices.
- We recognise and celebrate the diversity of our communities.

2. Transparency

- We are open about what we're doing, why we're doing it and how decisions are made.
- We share information in clear, accessible formats.
- We explain how feedback has influenced outcomes – or why it hasn't.

3. Inclusion

- We will work hard to remove barriers to participation.
- We reach out to underrepresented voices and seldom-heard groups.
- We design engagement that is culturally sensitive, accessible and equitable.

4. Responsiveness

- We listen carefully and act meaningfully.
- We adapt our approach based on what we hear.
- We provide timely feedback and close the loop with participants.

5. Partnership

- We will work collaboratively with residents, community groups and stakeholders.
- We will strive to co-design solutions and share power where possible.
- We will build long-term relationships, not one-off transactions – grounded in mutual respect, curiosity and a belief in the strengths and potential of every community.

Our commitments to residents

We will:

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- **be honest** – about what can and can't change.
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- **offer choice** – online, in person, and/or through trusted community partners.
- **be inclusive** – removing barriers and reaching those often left out.
- **feedback** – the engagement/consultation shaped the outcome.
- **keep learning** – improving how we engage and sharing insights across teams.

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We expect all staff involved in engagement to:

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Table 1

Spectrum of Public Participation framework

Each engagement step within the Spectrum of Public Participation builds upon the aims of the last, progressively increasing the level of involvement and influence that local people have on the decisions being made.

Good engagement will consider and apply the appropriate level of participation at each stage of the process.

For example, in developing the Local Plan, the Council used:

Level 3 Involve during early visioning workshops to gather ideas and priorities from the community,

Level 2 Consult during statutory consultation to seek feedback on proposed policies

Level 1 Inform when publishing the final version to ensure transparency and accessibility of the outcome.

This approach is set out in legislation and ensures that engagement is meaningful, responsive, and tailored to the decision-making context.

	Level 1: Inform	Level 2: Consult
Engagement aim	**To provide the public with balanced and objective information that assists helps them understand the rationale for a decision, its impact and any opportunities and/or solutions.**	**To obtain public feedback on proposals and/or decisions.**
Promise to stakeholders	**To keep our stakeholders informed.** **We will listen to and acknowledge their concerns and aspirations.**	**To work with our stakeholders to ensure that their views, feedback and aspirations are captured. Where possible we will reflect this in the decision being taken.** **We will provide feedback on how our stakeholders input influenced the decision.**
For more case studies, please see Staff Room	**Level 1 inform:** An example is where we are feeding back the results of a consultation or we have to close a facility/property or land for urgent repairs due to a urgent health and safety risk.	**Level 2 consult:** An example is the legal requirement to carry out a public consultation on a planning application or proposals to make small changes to a service or provision.

Level 3: Involve	Level 4: Collaborate	Level 5: Empower
To involve those people who may be affected by a decision throughout the decision-making process.	**To partner with those people the decision may affect in each aspect of the decision-making process. This includes the development of the proposal and any alternatives and, the identification of the preferred solution.**	**To place final decision making in the hands of the public.**
To work with our stakeholders throughout the process to shape decisions. Findings from any engagement activities will be truly reflected in any decisions taken and this will be communicated once the decision has been taken.	**To seek advice from our stakeholders in formulating solutions and incorporate their advice and recommendations into the decision to the maximum possible extent.** **We will provide feedback on how they influenced the decision.**	**To implement what our stakeholders decide. We will work with our stakeholders to communicate how and where our their input influenced the decision.** **It is important to remember that as a statutory body this step is likely to be limited and it may not always be possible to do as people wish. At times, the Council will need to take unpopular decisions.**
Level 3 involve: An example is where we are making significant changes to a particular service, for example adult social care, where specific users will be concerned about the outcome of the decision.	**Level 4 collaborate:** An example of this includes the Changing Futures programme, where people with lived experience of disadvantage help design services, leading to more inclusive, trauma-informed approaches. Similarly, the SEND Service works closely with Parent Carer Forums and young people through a structured calendar of engagement, with young representatives actively contributing to service design and decision-making via the SEND Improvement Board.	**Level 5 empower:** An example is where communities make the final decision – for example, where we ensure that a specific percentage of an impacted community are in favour of a controlled parking zone, before the Council implements the proposal.

5 THINGS TO CONSIDER WHEN ENGAGING

To ensure that any engagement is meaningful, start by building in engagement time upfront. Engagement activity should never be a last minute 'add on'.

Think strategically about your engagement activity – carefully and realistically consider where and how stakeholders will be able to influence the decision that is being taken.

A communications and engagement plan will help ensure that your engagement is well coordinated, stakeholder analysis is completed and that any messages are clearly communicated. We recommend that you seek the advice of the Communications Team early in this process.

Templates to aid your planning are available on Staff Room. However, you may want to consider the following:

- Why are you engaging with people?
- When are you going to carry out your engagement activities? For example: what time of year, stage of process.
- Who do you plan/need to engage with? For examplewhich group of people?
- How much influence will the people you are engaging with have over the decision ie: Where are the red lines? The elements that are fixed and cannot be changed?
- What are you going to be asking people?
- Are you asking people about things that they care about?
- What supporting communications or material will you need and is it presented in a way that is easy to understand?
- What resource/budget do you have? If you are carrying out a significant engagement project, do you need to consider additional resource to help?
- How will you collect views and feedback?
- Will your engagement be carried out digitally, in person or a mix of both?

5.1 Statutory requirements

Is your engagement statutory including consultation?

Some engagement and consultation activities are required by law and must follow specific processes, timeframes, and methods. For example, in Planning, the Statement of Community Involvement (SCI) sets out how and when the Council must consult.

If your engagement is statutory, you must ensure you understand and follow the relevant legal requirements. These may include who you need to consult, how long the consultation must run and how feedback should be considered.

If your engagement is not statutory, this guide will guide you in designing an inclusive, proportionate and effective approach that reflects the needs of your audience and the purpose of the engagement.

Always check whether your activity has any legal obligations before you begin and use this framework to support best practice alongside any statutory requirements.

5.2 Scope

What is the aim of your engagement activity?

Be clear about the aim of any engagement activity early in the process. For example, is your engagement gathering views on a broad spectrum of issues or is it more specific?

What is the decision being taken?

Be clear with those you are engaging with about what it is that they can and cannot influence. You may wish to think about which aspects of a decision have already been made ie: which are fixed due to legal, financial, policy or other constraints.

5.3 Stakeholders

Have you identified your stakeholders?

A simple stakeholder analysis can help to identify who you need to engage with and the levels of influence and interest they may have in your proposed activity.

Do you need to liaise with other internal services or departments?

Before carrying out any engagement activities, ensure you have considered any other Council departments that should be consulted, in advance of you going live.

Do you have approval/sign-off from your Head of Service/Manager to engage and are the relevant portfolio holder/s and the ward councillors aware of your engagement plans?

Before carrying out any engagement activities you need to have consulted with the relevant internal stakeholders e.g. other teams or departments. Remember to get sign-off on any engagement plans from the relevant manager or Head of Service. Once approved, you must ensure that the appropriate portfolio holder(s) are informed. After the Cabinet Member is aware, depending on the engagement it may also be advisable to engage with ward councillors.

Are there any other engagement activities happening at the same time as your engagement activity?

Coordinate with other departments to avoid engagement overload. Use the internal engagement calendar (launching late 2025) and consider joint engagement activities where possible. This helps avoid overlap with other major activities and ensures your engagement doesn't get lost among multiple competing messages – especially if your topic is politically sensitive or likely to have a significant impact.

You should also be mindful of a pre-election period, a time of heightened political sensitivity when certain types of engagement and communication may be restricted. Always seek advice if your engagement is scheduled close to an election.

Even when engaging informally with smaller communities or organisations, timing matters. Be mindful of engagement fatigue, which can occur when the same individuals or groups – particularly those representing protected characteristics – are repeatedly asked for input without seeing clear outcomes. While their insights are vital, it's important not to rely on the same voices every time. Instead, we should broaden our reach, engaging a wider range of communities and perspectives.

Coordinating across services, spacing out engagement activities and being clear about how feedback will be used can help maintain trust, reduce pressure on over-engaged groups and support more inclusive participation.

By planning ahead you can maximise the reach and impact of your engagement while respecting the time and capacity of the communities you're working with.

Will your planned engagement activity coincide with any major religious or cultural festivals or significant community days?

To find out if there are any other engagements taking place have a look at the Council's Equality and Diversity Calendar.

When does a decision need to be made?

To ensure engagement meaningfully informs decisions, plan early by working backwards from the decision-making timeline. Allow a good period of time between the close of engagement and drafting the final report. This provides enough time for thorough analysis and conscientious consideration of the findings, ensuring they are properly reflected in the final recommendations. Rushing this stage risks overlooking valuable insights, weakening the impact of the engagement and potentially risking legal challenge. It is also important to remember other key milestones before a decision can be made, for example DMT discussions, CMT consideration, Capital Planning Oversight Group, and/or Cabinet Planning.

What is your timescale for engagement activities?

Plan your engagement timescales early, ensuring people have enough time to respond meaningfully. Check for any statutory requirements, as some consultations have legally defined timeframes. The scale and complexity of your engagement will influence how long it should run. If it overlaps with holidays or targets groups with limited availability, consider extending the period. Build in lead-in time to raise awareness and prepare your audience – early communication is key. The Corporate Communications Team can support you with this. Well-timed, well-promoted engagement leads to better participation and more valuable insights.

5.5 Resources

What resources are available to support your engagement?

The availability of resources (for example, budget, time and people.) will influence the type of engagement methodology that you decide to use. If you are working on a project that will have major engagement implications e.g. a Capital project, make sure that you allocate resource as part of any early financial grant applications. For example, where resources are limited, you could create a simple survey with closed questions to aid quick analysis. Where there are more resources available you could include more open text questions to your survey, organise a focus group or hold a workshop. However, it is important that the methodology is appropriate and proportionate and aligns with the aims of your engagement. If you have limited resources, please seek advice and support from the Community Empowerment Team.

Who else has good relationships with the community that can support your engagement?

It is important to think about which local community groups and organisations exist in the area (or community) you are hoping to engage with. If these groups know the community well, they may be able to help you build relationships quickly and provide advice on how best to engage with that community. They may also help provide venues and staffing to support you.

If your service does not have this information, consider speaking to other services such as the Community Empowerment Team, Corporate Communications or Planning.

6 WHO ARE YOU ENGAGING WITH?

Who you will engage with will depend on the topic you wish to gather feedback on.

6.1 What is a community?

The word community means different things to different people but in the context of engagement 'community' is accepted to be groups of people who have something in common. This could be a similar interest, location or a shared characteristic. Remember that different people may be a member of more than one community; communities are not homogeneous and within different communities will have unique needs and views.

There are typically three main types of communities:

Communities of place

- Communities of place centre on a location. They tend to focus on where people identify with a defined geographical area, for example a local neighbourhood, a local park, council ward or housing development etc. The shared interest in a specific geography is what creates the community.

Communities of identity

- Communities of interest and communities of identity are sometimes used interchangeably. They focus on a shared experience or characteristic amongst a group of people. This could include people with a shared protected characteristic or those with a shared concern due to their previous and current experience. Examples could include a young people or older people, faith groups, migrant groups, or disabled groups.

A community of interest

- A community of interest is a group of people who share a common policy concern or interest in a particular topic. Examples could include friends of park groups.

We publish information about the different communities in our city each year to meet our Public Sector Equality Duty. To help you identify which stakeholders you need to engage with, see the profiles here:
www.plymouth.gov.uk/understanding-our-communities

6.2 Inclusive engagement

We have a legal duty to give 'due regard' to equality and as a public sector equality organisation we must proactively promote equality amongst people with a protected characteristic and those who do not share a protected characteristic.

In practice, this means that your engagement activities need to be as inclusive as possible. This is not only to ensure that any findings are representative of the local community, but also to ensure that we are encouraging and facilitating participation in public life for all our residents.

While it is important to be mindful of intersectionality and to recognise that some people have complex needs or a variety of characteristics (including those from disadvantaged backgrounds, which can sometimes be tricky to navigate), the sections below have been separated to highlight the different considerations required for different groups of people.

Although information on supporting inclusive engagement for all the protected characteristics is not included in this section, it is important to remember that there will be considerations required for the broad range of people who might participate in your engagement or consultation. For example, if you are engaging with families about services for children you might need to consider holding an event in a breastfeeding friendly space, or avoid engaging during religious or cultural festivals or you might want to consider the needs of the LGB and Trans communities when booking an engagement event to ensure there is space for sensitive conversations.

Completing an Equality Impact Assessment (EIA) on your engagement plan will support your thinking about inclusive engagement and help to mitigate any adverse impacts arising from your planned activity. If your engagement or consultation is with a specific community or group of people with a similar protected characteristic, then co-designing the engagement with someone from that community should be considered. Our staff networks might also be able to assist.

6.3 People with disabilities or health conditions

Disabled people are overrepresented amongst the people who use public services. Yet, disabled people tend to be less likely to participate in public life due to the numerous barriers they face.

It is important that we remove as many of these barriers as possible in our engagement activities including:

- Following the corporate branding guidelines to ensure that your documents are written in plain English and are easy to understand. The Communications Team can review materials and provide guidance. Colleagues in Digital Services can work with you to ensure that any information you put on the Council's website is accessible.

- 1. You should provide any information in an 'easy read' format or, at the very least, offer it as an option.
  This may mean providing documents with fewer words and more pictures or even just pictures and/or symbols.
  2. Please remember that PDFs are not always readable by screen readers and information should be presented directly on screen.
  3. You also need to check if people need large print or information printed on coloured paper to support accessibility.
  4. The Communications Team can provide guidance on providers able to create documents in easy read formats.
- Providing relevant contact details should anyone require additional support to participate in your engagement activity. It is vital that you respond promptly to any questions and meet the request where reasonable to ensure compliance with the Equality Act.

6.3.1 Top tips for accessible engagement:

- Publish your engagement activities in advance and avoid arranging things at last minute as this will often exclude disabled people if they need to arrange additional support, for example personal assistants or support workers.
- Ensure that you engage with local partner organisations early in the process, for example PADAN.
- Plan for the information to be made available in other formats, for example large print/web accessible.
- Consider if the use of interpreters may be required for discussions or sessions. These could include British Sign Language or Makaton signing. The Deafblind UK website has a useful list of various forms of accessible communication. Contact the SEND (Special Educational Needs and Disabilities) Team for more information.
- Any venue should be wheelchair accessible. You should also consider how a person with a disability will access the building. For example, if wheelchair access is at the back of a dimly lit building this will not be a positive first experience of the engagement activity.
- Confirm if the venue has a hearing loop for people who may have hearing difficulties. If the venue does not, please consider the implications on your target audience.
- Provide clear contact details. Remember that the Council has a legal obligation to make reasonable adjustments.
- Depending on the type of engagement, allow for longer comfort breaks due to the additional needs of disabled people.

6.4 People from Black, Asian and Minority Ethnic backgrounds

People who identify as Black, Asian or minority ethnic tend to be less likely to participate in engagement activities for a multitude of reasons. It is important that we make every effort to remove barriers to our engagement activities.

6.4.1 Top tips for encouraging involvement from different ethnic communities:

- **Identify community leaders**

Identify the key community figures in the community you wish to engage with and contact them early in your engagement planning. While community leaders can be useful to access to communities, it is important that you do not rely solely on them to ensure your engagement results are representative. The Community Empowerment Team can help with this.

- **Identify community meetings/events to attend**

As part of your early engagement planning identify events/meetings with the community you wish to engage with and attend these in advance of the engagement activity. This will help you to understand any community dynamics and will help you to build relationships. It may be during these meetings/events that you start to identify community leaders/connectors.

- **Identify community groups**

Identify groups that are already established and who are working with the communities you wish to engage with if this has not already been done.

- **Accessible information**

If you are communicating with people who may speak English as a second language, ensure you are using plain English and that your written and spoken communication is jargon free. Consider if you will need to translate information and if so, ensure you leave plenty of time to request translation services.

- **Consider your language carefully**

Be thoughtful and respectful in your use of language when describing people from Black, Asian and Minority Ethnic backgrounds. Terminology matters, and preferences can vary – some individuals and communities may identify with terms like global majority or other descriptors. To avoid causing offence and to ensure your language is inclusive and appropriate, always work with relevant local groups or organisations to sense-check your phrasing and approach.

- **Culturally competent engagement**

Remember that Black, Asian and Minority Ethnic groups are not homogenous. Prior to any engagement activity, try to understand the different cultures within the communities you will be engaging. You may wish to try to understand things like cultural behaviours, community languages and gender norms (if relevant).

While it is important to listen to as many different groups as possible, be mindful of overwhelming some of the smaller groups with multiple requests. Remember that if a group is unable to participate it may be that they have limited capacity. Ensuring a long lead-in time for any engagement activities can help to minimise this.

If serving food ensure that it is culturally appropriate food such as halal, kosher, and vegetarian. If you are not sure of the dietary preferences of the group that you are engaging with, serving food that does not contain animal products is recommended.

Hold events at well-used community locations / venues to ensure people feel comfortable.

Engagement needs to be mutually beneficial – to encourage future engagement you could for example, support organisations working with Black, Asian and minority ethnic communities to make wider links with funding opportunities, existing contacts/networks and Council colleagues.

- **Working with faith groups**

Ensure you have contacts of the key organisations that represent the key faith groups in the city and remember that faith groups are not homogenous. Prior to any engagement activity, try to understand the different beliefs and values within the communities you will be engaging.

6.5 Engaging with businesses

Plymouth is a place where businesses are welcome and encouraged to grow. Engaging with businesses to help create a positive business environment is key to the city's economic success. When engaging with businesses you should:

- Draw on existing business networks such as the Devon and Plymouth Chamber of Commerce, the Federation of Small Businesses, BIDs, Destination Plymouth, the Plymouth Area Business Council, and the Plymouth Social Enterprise Network.
- Reduce the burden on businesses by joining up engagement activities.
- Be mindful of timing. Avoid school holidays, the end of the financial year, and peak periods such as the run-up to Christmas for retail or summer holidays for hospitality. Consider offering two options for engagement times to accommodate different business needs.
- Share information well in advance of any meetings or events.
- Engage with colleagues in our Economic Development Marketing Team, who have established relationships with many local businesses. Use business-specific channels such as the Economic Development newsletter, LinkedIn, or the Invest Plymouth web page.
- Use clear and concise language. Highlight areas of direct relevance to businesses, such as cost-saving opportunities, reaching new audiences, or accessing additional support.

6.6 Engaging with young people

Young people are a vital part of Plymouth's community and future. Their voices, experiences and ideas bring fresh perspectives to decision-making and help shape services that are inclusive, relevant and impactful. Involving young people meaningfully in planning and policy development is not only a matter of fairness – it's essential for creating a city that works for everyone.

Why youth engagement matters

Involving young people in decision-making:

- builds confidence and leadership skills.
- ensures services are designed with real insight into young people's needs.
- promotes civic responsibility and active citizenship.
- helps organisations make better, more inclusive decisions.
- young people are experts in their own lives. When we listen to them, we create policies and services that are more effective, equitable, and future-focused.
- the decisions we make today not only affect young people now, but also shape the future Plymouth – where they will be the residents, leaders, and changemakers living with the outcomes of those decisions

Professionals Participation Group

Plans are in place to develop a collaborative network of professionals from various organisations who lead and support youth engagement activities across the city. This group work will aim to work together to improve youth participation, co-production and share best practice.

Youth participation groups and forums

Across Plymouth, there are several well-established groups and networks that represent the diverse voices of young people:

- **Youth Ascends:** A dynamic group representing young people with Special Educational Needs and Disabilities (SEND), ensuring their views are heard and considered in SEND service design and delivery.
- **Listen and Care Councils:** A number of safe spaces for care experienced and children in care (aged eight to 25) and to share their experiences and influence the systems that support them.
- **Young Safeguarders Group:** A young people's reference group for the Plymouth Safeguarding Children's Partnership. They raise issues of safeguarding and wellbeing and get involved in quality assurance work.
- **Young Persons' Patient Council:** run by University Hospital Plymouth to hear the voices of children accessing services at Derriford Hospital and related services.
- **Young Climate Ambassadors:** A group of young people who work with the Council to ensure that young people's voices are heard as the city tackles its Net Zero challenges.

There are other special interest groups that we seek views of young people from in areas that affect them which include groups that support LGBTQ+ young people and Young Carers. For more information, please contact the Youth Participation Team.

Plymouth Youth Parliament

The Plymouth Youth Parliament is a city-wide initiative that empowers young people aged 11 to 18 to campaign on issues that matter to them. Members are elected annually through city-wide school and college elections. They meet weekly to discuss topics young people have voted on such as homework, mental health, transport, cost of living and violence against women and girls and they actively engage with local councillors and decision-makers to advocate for change.

How can you reach these groups?

If you're working on plans, policies or projects and want to include the views of young people, reach out to the Youth Participation Team. They can guide you on the best approach – whether that's connecting with existing youth groups, commissioning the Youth Parliament to conduct research or partnering with them to co-design solutions.

6.7 Engaging with strategic stakeholders

Strategic stakeholders – such as statutory agencies, formal partners and key city organisations – are often essential to successful engagement. In many cases, there is a statutory requirement to involve specific partners so it's important to check any legal obligations early.

Even where not required by law, engaging with the right stakeholders can improve outcomes, align your work with wider city priorities, and strengthen trust. When engaging with stakeholders, you should:

- check for any statutory requirements to engage specific partners.
- identify relevant citywide stakeholders who may be affected or have influence.
- speak to internal council teams with existing relationships for advice and coordination.
- engage early to allow time for meaningful input.
- be clear about the purpose of the engagement and how their input will be used.

7 WHAT METHODOLOGY DO I USE?

7.1 Community/public events

This section looks at some the methodologies you might employ as part of your engagement or consultation. You might use a range of different methodologies to meet the needs of different audiences and at different stages in your engagement process.

Community and public events can be a valuable way of sharing information. The face-to-face nature of these events provides an opportunity to demonstrate openness and transparency to stakeholders.

However, it's important to consider what will make your event engaging and accessible, as attendance can sometimes be low or limited to a small group of people whose views may not reflect the wider community.

Public meetings may be appropriate in limited circumstances but they are often ineffective for inclusive engagement. Consider alternative formats such as pop-up stalls, sofa discussions or 'Planning for Real' exercises, which can create more informal, welcoming spaces and help reach a broader and more representative audience.

Event type	Definition
Public meeting	Open gathering where officials present information and take feedback from the public in a Q and A style.
Town Hall event	Informal public meeting where political representatives answer questions from the audience.
Information session	Event focused on delivering key information to the public, often with presentations or handouts.
Exhibition/ Open house	Drop-in style event with displays, posters, and staff available to answer questions.
Facilitated discussion	A structured event where information is presented to the audience followed by a guided discussion led by a facilitator.
Creative events	Creative engagement methods like sofa discussions, pop-up stalls at existing community or stakeholder events, and 'Planning for Real' exercises can offer more inclusive and engaging alternatives to traditional formats.

Top tips for successful community meetings:

- Define clear objectives – only focus on one or two areas. Share the purpose of the event with attendees in advance.
- Choose the right format. Match the format to your goals and audience.
- Select an appropriate and accessible venue, based on your target audience. Choose a venue that is a well known community building or asset, easy to find, physically accessible and has necessary facilities (for exmaple parking, toilets, AV equipment).
- Don't forget refreshments.
- Consider asking people to book in advance, using a system like Eventbrite.
- Promote widely, giving people as much notice as possible (the Communications Team can help).
- Prepare materials in advance – make sure they are clear from jargon. Remember things like sign-in sheets and any print-outs.
- Provide 'house rules' to promote a safe and welcoming environment.

	Pros	Cons
	Encourages transparency Allows for direct interaction Builds community trust	Can be dominated by vocal individuals May not represent all views
	Promotes dialogue Builds rapport with community Efficient for clarifying specific issues	Can become confrontational May lack structure or focus Limited depth May not allow for broader discussion
	Clear and structured Good for awareness-raising	One-way communication – no questions Limited engagement or feedback
	Flexible attendance Visual and interactive Encourages informal conversations	Less structured feedback May not attract a wide audience
	Combines clarity of presentation with interactive dialogue Encourages informed feedback Helps manage group dynamics	Requires skilled facilitation May limit spontaneous input Time constraints can affect depth of discussion

7.2 Online engagement

Online engagement refers to the use of digital platforms and tools to involve communities in consultation, dialogue, and decision-making – it is a whole lot more than just having an online survey. It can include interactive mapping tools (like Commonplace or Bang the Table), virtual town halls, social media polls, discussion forums and digital reading groups. These tools allow people to participate at their convenience, making engagement more inclusive and far-reaching.

Strengths:

- Provides a wider reach and can engage people who might not attend in-person events, for example younger audiences or busy professionals.
- Can offer convenience and flexibility – enabling people to engage at a time and place that suits them.
- Many platforms offer real-time data analysis, including AI-powered tools that identify key themes, trends, and sentiments, helping you to quickly understand public opinion.
- It can be cost effective, reducing the need for venue hire, printed materials and travel.

Weaknesses:

- Not everyone has access to or is comfortable using digital tools, which can exclude some groups.
- Comments on social media or open platforms may come from unverified users, making it difficult to assess the representativeness of feedback.
- Online input can sometimes be brief, reactive or lack depth compared to in-person discussions.
- Online spaces will require active moderation to manage misinformation or inappropriate content.

Top Tips

- Be transparent about how online input will be used, especially if you're not collecting feedback from social media platforms.
- Use social media primarily for promotion, directing people to structured engagement platforms where feedback can be properly captured and analysed.
- Choose the right platform for your audience – tools like Commonplace, CitizenLab, or Bang the Table offer tailored features for community consultation.
- Ensure accessibility by offering mobile-friendly formats and considering language or accessibility needs.
- Monitor and moderate online spaces to maintain respectful and constructive dialogue.
- Be clear about data protection – where and how data will be used and stored.
- Leverage built-in analytics and AI tools to identify key themes, trends and sentiments efficiently.

7.3 Surveys

Surveys and questionnaires are commonly used to gather stakeholder opinions, often through yes/no or scaled questions. Online surveys are particularly popular due to their ease of design, cost-effectiveness, and user-friendly interfaces. However, to ensure a more comprehensive and inclusive range of responses, it's important to consider complementing surveys with other engagement methods that allow for deeper, more qualitative input.

Data protection and privacy

When collecting personal data during engagement activities, it is essential to be transparent and compliant with data protection legislation such as the UK GDPR.

Strengths:

- Useful to collect and collate substantial amounts of quantitative data.
- Everyone can receive the same information and complete the survey in private, which will lower the chance of the results being influenced by external factors.
- If comparable questions are used in subsequent surveys, trends can be identified over time and between groups.
- It is a quick and cost-effective way to gather feedback from large groups of people.

Weaknesses:

- Surveys are not usually useful to identify reasons behind stakeholder opinions unless there are several 'open' text (qualitative) questions.
- Qualitative responses make analysis more time consuming.
- They are not as effective in establishing community relationships or developing dialogue.
- Response rates may be limited, as response rates for surveys can be less than 20 per cent (a good response rate is typically between 30% - 35%. If several surveys are circulated at the same time the response rate may be lower due to 'survey fatigue.'
- Not all surveys are statistically representative. When interpreting results, consider sample size, response rate, and methodology. For statistically robust surveys, seek advice from the Policy Team.

Top tips for successful surveys

- Ensure that your questions are easy to read, clear about what they are asking, kept short and concise and not biased or leading.
- Use a consistent response scale when asking questions to minimise confusion amongst respondents.
- Ensure the response options are consistent with the question being asked – include a neutral and 'do not know' option where possible.
- Do not mandate that respondents answer specific questions – unless necessary.
- Unless participants have been randomly selected and an adequate response received, recognise that survey responses may not be representative of all groups and interests.
- Surveys can be online, postal and/or face-to-face. Remember if they are online only, they may exclude people who do not have access to the internet. Hard copies should alwasy be made available.
- Use a survey in conjunction with another engagement method to allow more detailed responses. Be clear if your survey is an informal 'pulse check' or a formal consultation.
- In statutory contexts (for example planning), formal representation forms may be required. Ensure these are clearly explained and accessible.

Hosting an online survey

The Council uses an online consultation portal to create and host its surveys and or gather feedback from stakeholders. These surveys can be set as 'open' to any stakeholder or 'closed' so only selected stakeholders can respond.

Key points:

- All public facing/stakeholder surveys should be carried out using the consultation portal and included in the consultation hub.
- Only registered users can access and use the consultation portal to create their surveys. If you or your team carry out consultations or conduct surveys on a regular basis, then please contact the Policy Team to get access and receive training.
- You will need to develop your questions set, know your start, and close date, write your survey instructions and the introduction and background to the survey, and provide contact details before creating your survey online (our Policy Team can assist if necessary).
- MS Forms is another online survey tool that can be used for internal or small group consultations.

7.4 Please remember

Participants must be informed about how their data will be used, stored and shared. This includes specifying the purpose of data collection, who will have access to the data and how long it will be retained.

A clear and accessible privacy statement should be provided at the point of data collection, whether online, in paper or in person.

This statement should outline the lawful basis for processing data and provide contact details for further information or to withdraw consent.

More information is available here: **www.plymouth.gov.uk/data-protection** and **www.plymouth.gov.uk/privacy-policy** Please see Staff Room for example templates.

Collecting equalities data

Gathering equalities data, such as age, gender, ethnicity, disability status and other protected characteristics (including care experience and armed forces serving/ veterans/spouse) is a vital part of inclusive engagement. This information helps assess whether engagement activities are reaching a broad and representative audience and supports the completion of equality impact assessments.

Collecting this data enables organisations to identify gaps in participation and take steps to address them. It's important to explain why this information is being collected, that it is optional, and how it will be used and protected.

For more information about what to ask, contact the Policy Team.

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7.5 Focus groups Page 196

Focus groups encourage discussion and work well when reaching out to smaller groups. Focus groups are useful when dealing with a sensitive topic that may be difficult to unpick by using just a survey.

Strengths:

- A small group setting is an efficient way to use resources and identify critical issues.
- Focus groups can be planned and organised to reach a specific group of people or developed around a particular topic.
- If there is conflict it can be handled more easily in a small group.
- Dialogue between participants provides opportunity for networking and prevents silo working.

Weaknesses:

- Must involve an experienced facilitator to ensure the process runs smoothly.
- Focus groups are not an effective method to ensure all stakeholders and perspectives are represented.
- Focus groups can be resource intensive as they require at least two people to be run effectively.
- Analysis of the findings can be time-consuming.
- Venue needs to be near to public transport, welcoming and fully accessible.

Top tips for successful focus groups:

- Focus groups work well when participants feel comfortable and are in a safe environment. Setting ground rules at the start of the session is an effective way to create a space where people feel comfortable to share their opinions.
- Ensure the facilitator is mindful of the need to encourage 'quieter voices' to be heard. Splitting larger groups into smaller groups is recommended to encourage people to contribute.
- If you have a limited number of focus groups/space, it is recommended that you limit groups to one or two representatives from the same organisation – this will help you to hear as many different voices as possible.

7.6 Service user reference groups

User reference groups (URGs), also sometimes known as community panels, or service user panels are groups of people with a lived experience or interest in the delivery of services. They are a useful way of gathering feedback from people who tend to be passionate about the way a service is delivered. The groups can be set up for specific project and you should ensure you engage with any existing groups.

Strengths:

- Once established URGs are an effective way of gathering insight into service delivery at short notice
- They can facilitate targeted communications to a specific group of people
- They can be an effective informal method of gathering feedback on anything from draft documents to gauge accessibility of policy proposals
- They are effective in exploring view and ideas or delving deeper in higher level survey results
- A smaller group may be able to provide a sample of the views of the wider community. This is especially true if the group is reflective of the demographics of the community.

Weaknesses:

- Small groups of people will not be representative of the whole community
- The 'loudest voice' in the group may dominate
- The groups need to be engaged with regularly to keep the group active
- If engaging on a major decision it is recommended that URGs are used to complement other engagement tools to ensure that a range of voices are heard
- Groups can become integrated into the 'system' and so it is important that they are refreshed regularly.

7.7 Appreciative Inquiry

Appreciative Inquiry is a tool or technique to help understand and facilitate change in complex systems. Appreciative Inquiry starts with understanding people's experiences and the context in which they experience things and aims to understand how systems work and the impacts that these have on individuals.

AI is a cycle in which you are constantly learning. Discovering how your system works, dreaming of a better system, designing that system and delivering it to see the changes you want.

While Appreciative Inquiry can be an effective and meaningful engagement tool, it can also be resource intensive - both during the engagement activity and during the analysis period. If you are interested in exploring further, speak to the Community Empowerment team (details at end of document) who have access to a community of trained practitioners.

7.8 Other things to consider so that your engagement is accessible

- Consider the time of your engagement and try to pick a time that will not exclude a substantial proportion of people. For example, face-to-face engagement activities during school pick-up/drop-off times (8am to 10am and 2pm to 4pm) may make it harder for parents (and especially for women) to attend engagement activities. You should avoid these times if possible or, if in the winter, consider the timing of evening events.
- It is important to ensure we are not just hearing from the 'usual' people. Any engagement should ensure that as many different voices are heard as possible, this means that you may need to consider the needs of more than one community when holding an event.
- If you are engaging with children and young people, activities need to be age appropriate and, where possible, fun and creative and provide refreshments to help to create a welcoming atmosphere. Working with artists or other local organisations could help to deliver the activity in an engaging and interesting way (if relevant and budget permitting). We recommend contacting colleagues in Children's Services for their advice on how to engage successfully and address issues around consent, and any requirements for DBS checks.
- If relevant, ensure that the venue where you host your engagement activity is inclusive in its widest sense. For example, a community centre may be preferable to a pub as a pub would not be suitable for people under 18 and some faith groups.

Visit the Plymouth **Online Directory** to find lists of different community groups and voluntary organisations in the city. Plymouth Octopus Project have links to contacts at a range of voluntary and community sector organisations, you can also engage with Family and Wellbeing Hubs, Community Economic Development Trusts and Community Builders.

7.9 Digital inclusion Page 199

While the Council relies heavily on digital communication to communicate with its stakeholders, it is important to remember that not everyone has access to the internet or digital technology. Digital exclusion is complex and there can be more than one reason why people may be digitally excluded. This includes barriers such as lack of devices, digital skills, disability, motivation, poverty, and limited access / **weak signal** to home broadband or Wi-Fi. Some groups face significantly lower access to digital technologies compared to the wider population, which can affect their ability to participate in online engagement. Recognising and addressing these barriers is essential to ensuring inclusive and equitable involvement.

To support digital inclusion, you could promote courses available for people to learn digital skills, inform people where they have free access to Wi-Fi and devices within their communities, such as libraries and centres providing adult education courses. The Community Digital Volunteer Scheme, accessed through the Central Library and Council Contact Centre allows you to book volunteers to help those people who require digital assistance.

But most importantly, you need to be aware that by only engaging using digital channels means you will be excluding people. Therefore, when you are carrying out engagement activities it is important that you put in place mechanisms for those people who may be digitally excluded to have their voice heard.

8 HOW TO ENGAGE SENSITIVELY

8.1 Engaging with people with a lived experience

People with lived experience is a broad phrase used to encompass people who have experience of the services or topic which are they are being asked about as part of an engagement activity. Individuals with a lived experience bring their own experiences of using services/not using services, engaging and working with professionals and navigating organisations/systems.

This experience allows people to bring useful insights and often innovative ideas to improve or change services and identify what matters most to them.

There is no one size fits all to engaging with people with a lived experience, however sensitivity, compassion and patience is recommended.

Strengths:

- Opportunities for first-hand experience of services/topic
- Feedback is often detailed and specific
- Methods can be tailored to the needs of individuals e.g. phone calls, group session

Weaknesses:

- Small groups will not be representative of all views
- Can be resource and time intensive

Trauma informed approach

It is vital that a trauma informed approach is used when engaging with people with lived experiences to minimise the likelihood of re-traumatisation. Trauma is and, where possible, fun is best explained as the emotional and psychological impact and legacy of an individual's experiences and will manifest and present differently in different people. Be mindful that engaging with people with a lived experience can be triggering and emotional for both the individual and the professional.

Trauma Informed Plymouth Network **can provide further guidance on ensuring that your work is trauma informed.**

8.2 Top tips for engaging people with a lived experience:

- Create a list of local services to share with participants in advance of the engagement activity should attendees or participants feel that they require additional support following the engagement activities.
- Be clear in your engagement communications that the engagement will be dealing with sensitive and/or potentially triggering content. For example, you may wish to include a statement at the start of a survey or focus group that participants will be asked about their own experiences.
- Be clear about which topics will be included in any engagement activities and at what stage – who is sharing, what they are sharing and why and how any information will be used. This will give people the ability to opt out should they wish.
- Consider that some people may need support during the event too and provide a quiet space for someone to move to should they need a break during the session
- Identify a facilitator (separate from the person taking notes) for any group work – this will allow the individual to focus on the needs of the group.
- Identify a neutral space for your engagement activity (if happening in person). Doctor's surgeries, police stations and rooms used for service delivery should be avoided.
- Develop a set of ground rules for any group consultation to encourage respectful behaviour.
- If you have resources, offer participants the opportunity to follow any group consultation with one-to-one interviews or conversations. This will allow you to dive deeper into any issues and allow the participant the opportunity to speak more freely.
- Be as flexible as possible to accommodate the needs (if required) of people. This may include changing the time or date of a session at short notice using different methods for engaging for example telephone, MS Teams etc.
- Provide support to participants before, during and after any engagement activity has concluded. Be clear with participants about what the outcome of any conversations or engagement activity has been.

9 ANALYSIS AND FEEDBACK

9.1 Analysis and feedback

Analysing engagement feedback is a crucial step in the consultation process. It transforms public input into meaningful insights that inform decisions. Done well, analysis builds trust, identifies key themes and supports transparent, evidence-based choices. Poor analysis risks overlooking important views, misrepresenting feedback, or undermining the legitimacy of decisions. It also risks the Council being subject to legal challenge.

What good analysis looks like

- Goes beyond counting responses – focuses on understanding depth, diversity, and nuance.
- Begins with a clear purpose: What were you trying to learn, and from whom?
- Identifies key themes, areas of agreement/disagreement, and differences between groups.
- Is proportionate to the scale and complexity of the consultation.
- Is transparent – clearly shows how conclusions were reached and how feedback was used.

Approaches to analysis

- **Quantitative analysis:** Use for closed survey questions – calculate percentages, trends, and group comparisons.
- **Qualitative analysis:** Use for open comments, focus groups, or interviews – group responses into themes (manually or with digital tools).
- **Demographic analysis:** Compare responses across different groups to ensure inclusivity.
- **Longitudinal analysis:** Track changes in opinion over time where relevant.

9.2 Using AI to support analysis

AI tools can be a powerful aid in analysing large volumes of qualitative data. Natural language processing can help identify recurring themes, keywords, and sentiment in open-text responses, saving time and surfacing patterns that might otherwise be missed. However, AI should enhance – not replace – human judgment.

Top tips:

- Use AI to support manual analysis, not as a substitute.
- Always review AI-generated insights in context.
- Be transparent with participants about the use of AI tools.
- Regularly review your approach as technology and best practice evolve.
- Invite feedback from staff, residents, and stakeholders on the role of AI.

Ethical Considerations

Ethical engagement means being transparent, fair, and respectful of people's data and experiences. Responses must be fully anonymised before use—removing names, places, and any identifying details – especially when working with AI, which lacks context and nuance. Participants should be made aware that their input may be used by developers, and care must be taken when handling sensitive or personal stories to ensure they cannot be traced back to individuals.

Remember:

- Fully anonymise all responses, especially when using AI tools.
- Avoid uploading personal data into AI platforms.
- Clearly explain how data will be used and offer opt-out options.
- Don't overgeneralise from small or skewed samples.
- Reflect the full range of views, including those that challenge your position.

9.3 Reporting and feeding back

Providing feedback after engagement activities is essential. It shows participants that their time and input were valued, helps build ongoing relationships with stakeholders and demonstrates how their contributions influenced decisions. Feedback should be proportionate to the scale and impact of the decision being made and should be shared in a clear, accessible and timely way.

Top tips:

- Show appreciation by thanking participants – consider sending a follow-up email to those who took part.
- Summarise key findings from the engagement clearly and concisely.
- Explain the decision – share the rationale and evidence behind it, especially if it differs from what some participants hoped for.
- Tailor your feedback to the scale of the decision – more detailed reporting may be needed for high-impact or controversial issues.
- Work with your communications team for decisions with wide-reaching implications or where broader public awareness is important.
- Use plain English and accessible formats to ensure everyone can understand the outcomes.

10 EVALUATION

Consider how you measure the success of your engagement activity and include this in your engagement plan. You may wish to consider the following:

- How many people responded to your survey?
- Who did you engage with? Did you engage with a wide and diverse range of people or groups?
- Were people contributing to discussions in meetings/focus groups?
- Did your findings from your engagement activity help to influence a decision or have a broader impact?

REFERENCES AND FURTHER SOURCES OF INFORMATION

Plymouth City Council Community Empowerment Team

This team can help with training and support for your engagement through:

- Working with our Community Builders team. Embedded within particular geographic and identity/interest communities across the city, the team has good relationships with a wide range of stakeholders, organisations, resources and contacts that can help you engage.

  Find out more at **www.plymouth.gov.uk/community-builders**
- Links to the wider voluntary and community sector organisations, networks such as Wellbeing and Family Hubs or Plymouth and Devon Racial Equality Council, who can support and promote your activities and may already have user groups you can engage with directly.
- Access to training and resources including asset based community development (ABCD), an approach that supports communities, professionals and institutions to make better use of the resources that exist in people, places and networks and seeks to identify, connect and mobilise existing strengths within communities and institutions that lead to greater citizen-led action.
- Engaging with or seeking advice from our staff community of practice – a support network that meets quarterly to share experiences, challenges and learning.

Local Government Association (LGA) guide for effective engagement. The guide goes into further detail on many of the topics covered in this toolkit.

New Conversations 2.0 LGA (Local Government Association) guide to engagement

Key contacts

Community Empowerment team:
communityempowerment@plymouth.gov.uk

Corporate Communications team:
commun@plymouth.gov.uk

Youth Participation team:
Participation.Youth@plymouth.gov.uk

Economic Development marketing team:
invest@plymouth.gov.uk

Changing Futures Programme:
The Plymouth Alliance in Plymouth, England

Staff networks:
Staff Networks

Digital Services:
Digital services

To see a list of external groups and organisations that can help you with your engagement, please see Staff Room.

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Term	Definition
Engagement	The ongoing process of involving people in decisions that affect them, through open, inclusive and meaningful dialogue.
Inform	A level of public involvement where information is provided to the public, but there is no opportunity for feedback, influence, or decision-making. The goal is to educate or notify stakeholders about decisions that have already been made or are being made.
Consultation	A specific moment where feedback is sought on a proposal or issue, often as part of a legal or formal process.
Collaborate / co-design	A collaborative process where stakeholders and service users help design policies, services, or solutions.
Inclusive engagement	Ensuring that all voices, especially those from underrepresented or marginalised groups, are heard and considered.
Empowerment	Enabling people to influence decisions and take action on issues that matter to them. The difference between empowerment and consultation/engagement is that the power sits with the people, rather than the organisation.
Public participation	The process by which individuals and groups influence decisions that affect their lives through a range of engagement activity.
Co-production	A collaborative approach where professionals and communities work together as equal partners to design and deliver services.

Term	Definition
Engagement plan	A structured outline of how, when and with whom engagement activities will take place, including goals, methods, and resources.
Communications plan	A structured outline of how, when and with whom the publicity for an engagement activity will take place.
Stakeholder	Any individual, group or organisation with an interest in or affected by a decision, policy, or service.
Community of place	A group of people connected by a shared geographic location, such as a neighbourhood or ward.
Community of identity	A group of people who share a common characteristic or experience, such as age, ethnicity or disability.
Community of interest	A group united by a shared concern or passion, such as environmental issues or local heritage.
Spectrum of Public Participation	A framework outlining five levels of engagement: Inform, Consult, Involve, Collaborate and Empower.
Statutory requirement	A legal obligation that must be followed, such as public consultation in planning processes.
Equality impact assessment (EIA)	A tool used to assess how a policy or activity may affect different groups, especially those with protected characteristics. Engagement activity with a particular group or community may be needed as a mitigating factor to any adverse impact.
Protected characteristics	Traits protected by law under the Equality Act 2010, including age, disability, race, religion, sex and others. Plymouth City Council also considers those with care experience as a protected characteristic.

Term	Definition
Focus group	A small, facilitated discussion group is a method of engagement that is used to explore views on a specific topic in depth.
Service user reference group (URG)	A group of people with lived experience of a service who provide feedback and insights to improve it.
Appreciative Inquiry (AI)	A method of engagement that focuses on strengths and positive experiences to drive change.
Digital inclusion	Ensuring everyone has access to and can use digital tools and services, regardless of income, ability or background.
Trauma-informed approach	A way of working that recognises the impact of trauma and seeks to avoid re-traumatisation during engagement.
Community builders	Staff who work directly with communities to build relationships and support local engagement.
Asset-based community development (abcd)	An approach that focuses on the strengths and resources already present in communities. This is sometimes known as taking a 'strengths based approach'.
Quantitative data	Information that can be measured and expressed numerically.
Qualitative data	Descriptive written information, such as opinions or experiences, often gathered through interviews or open-ended questions.
Demographic analysis	Examining data by characteristics like age, sex, postcode, location or ethnicity ethnicity to understand who is participating.

Term	Definition
Feedback loop	The process of informing participants how their input was used and what decisions were made as a result.
Survey fatigue	A decline in response rates or engagement due to participants being asked to complete too many surveys in a short time.
Inclusive language	Language that avoids bias, slang, or jargon and respects all individuals, making communication accessible and respectful.
Safe space	An environment where participants feel comfortable expressing their views without fear of judgment or harm.
Plain English	Clear, straightforward language that avoids jargon and is easy for everyone to understand.
Engagement fatigue	When communities or individuals become less responsive due to repeated engagement requests without seeing meaningful outcomes.
Multiple disadvantage	Where people facing multiple disadvantage experience a combination of problems and for many, their current circumstances are shaped by long-term experiences of poverty, deprivation, trauma, abuse and neglect.

ENGAGEMENT AND CONSULTATION TRAINING PLAN FOR STAFF

Appendix Four

Objectives of training

- Embed the core principles of community empowerment into all engagement activity, including:
    - Working with people, not doing to them
    - Building on community strengths and assets
    - Ensuring inclusivity, accessibility, and cultural sensitivity
    - Being transparent about purpose, process, and outcomes
    - Fostering trust through long-term relationships
    - Supporting and enabling community-led action

- Ensure all staff understand the new Engagement and Consultation Charter and Toolkit.
- Equip managers and teams with the skills and tools to engage meaningfully and inclusively.
- Embed a culture of continuous learning and improvement through a community of practice.
- Prepare the organisation for our journey to empowerment that we are already on.

Core components of a training and support programme

Online learning hub (foundations for all staff)

- A central digital platform accessible to all staff, offering:
    - Introductory e-learning module: "What is Engagement and Why It Matters' - new staff will be encouraged to complete this training as part of their induction.
    - Interactive Charter walkthrough: values, behaviours, and expectations
    - Toolkit tutorials: how to use templates, plan engagement, analysis and feedback and apply the Gunning Principles
    - Scenario-based learning: real-life case studies and decision-making exercises
    - Equalities, Diversity and Inclusion in engagement (including cultural competence and intersectionality)
    - Knowledge checks and certificates of completion

Manager and specialist training (deep dive)

- Targeted training for team leaders, project managers, and officers who lead engagement:
    - Half-day workshops (in-person or virtual) topics include:
    - Designing inclusive engagement
    - Legal duties and the Gunning Principles
    - Using the LGA pillars in practice
    - Managing risk and reputational impact
    - Feeding back and closing the loop
- Facilitated by internal leads or external experts

Engagement and consultation champions: Community of Practice (ongoing support)

Targeted training for those staff across the organisation that regularly deliver consultation and engagement activity. Ensuring that there is one person in each department that is the 'go to lead' for consultation and engagement queries in each department. Training and support would include:

- Deep dive into the Engagement and Consultation Framework
- Coaching on how to support others and troubleshoot challenges
- Tools for promoting inclusive engagement in their service areas

- Regular check-ins and development sessions with the Engagement Lead

A cross-departmental network to share learning, troubleshoot challenges, and build confidence:

- Monthly drop-in sessions
- Peer-to-peer mentoring
- Guest speakers and case studies
- Shared resource library (FAQs, templates, evaluation tools)
- Led by the new Engagement and Consultation Lead and supported by champions in each service area

Leadership briefings

Short, strategic sessions for senior leaders:

- Why engagement matters for governance and trust
- The role of leadership in modelling good engagement
- How the framework supports LGR and neighbourhood-level decision-making

All training modules will be underpinned by the principles of community empowerment as set out in the Council's Empowerment Programme, ensuring that staff understand not just the "how" of engagement, but the "why."

Audit and Governance Committee – Action Log 2025/26

Key:	
	Complete
	In Progress
	Not Started
	On Hold

Minute No.	Resolution	Date Due & Progress
Minute 42 **Risk Management Monitoring Report November 2023** 28 November 2023	A SharePoint page would be created for members of the Committee, to see risk management information in near real time.	**Date Due:** January 2024 **Officer Responsible:** Paul Stephens/Ian Trisk-Grove **Progress:** Request formally made to Ross Jago1 December 2023. Chased 26 March 2024, 23 April 2024, 12 July 2024, 01 April 2025. Request made to Paul/Ian 19 June 2025 - page is in development.
Minute 94i **Civic Protocol** 11 March 2025	Officers would share information on the last investigation into the cost of repairs for the Lady Astor diamonds.	**Date Due:** September 2025 **Officer Responsible:** Glenda Favor-Ankersen/Maddie Halifax **Progress:** Formal request made 11 March 2025. Update provided via email in briefing note on Civic Handbook on 02 April 2025. Asked for further update 19 June 2025.
Minute 100	The letter with regards to the pension transaction would be shared with Committee members when it was available.	**Date Due:** TBD **Officer Responsible:** Ollie Woodhams/Ian Trisk-Grove

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Audit Progress Report and Sector Updates 01 April 2025		**Progress:** Request made 01 April 2025.
Minute 105 **Work Programme** 01 April 2025	The Committee agreed to do a task and finish on constitution under the name of the "constitutional review group" specifically to look at the way in which a Lord Mayor is elected which would report back to the Committee in 2025/26.	**Date Due:** December 2025 **Officer Responsible:** Glenda Favor-Ankersen **Progress:** Meeting to be set up before end of 2025.
Minute 5l **Plymouth City Council Audit Plan 2024/25** 22 July 2025	Ian Trisk-Grove/Grant Thornton to discuss pension transaction query regarding a 2021 report with Councillor Finn.	**Date Due:** 05 August 2025 **Officer Responsible:** Ian Trisk-Grove/Grant Thornton **Progress:** Formal request made 24 July 2025. Response sent via email to Councillor Finn 08 August 2025.
Minute 10b **Annual Governance Statement** 22 July 2025	The relevant scrutiny panel would be made aware of the priority action areas for Adult Social Care.	**Date Due:** 05 August 2025 **Officer Responsible:** Hannah Chandler-Whiting **Progress:** COMPLETE. Email sent to Chair of Health and Adult Social Care Scrutiny Panel as well as Lead Senior Officer, Gary Walbridge and Democratic Advisor, Elliot Wearne-Gould.

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Minute 11c **Annual Governance Statement** 22 July 2025	Any changes to the constitution could be considered by the Constitution and Civic-Sub Committee, following any relevant recommendations from the Armada Way Action Plan Sub-Committee.	**Date Due:** TBD **Officer Responsible:** Liz Bryant **Progress:** Dependent on whether the AW Sub-Committee makes any recommendations to change the constitution.
Minute 11e **Annual Governance Statement** 22 July 2025	It was suggested that for the next AGS statement a survey would also be undertaken to seek the views of Councillors, as well as those of senior officers.	**Date Due:** TBD **Officer Responsible:** Jamie Sheldon **Progress:** Informed of action. Awaiting timeline based on next deadline for an AGS.
Minute 12i **Health, Safety and Wellbeing Annual Report** 22 July 2025	It would be worth speaking to colleagues at Livewell to share best practice and learnings with regards to addressing micro-aggressions experienced in the workplace.	**Date Due:** TBD **Officer Responsible:** Kirstie Spencer/Annette Benny **Progress:** Annette Benny to connect Livewell with Kirstie.
Minute 13 **Armada Way Action Plan Sub-Committee Report** 22 July 2025	Delegated the authority to approve the Terms of Reference, membership and arrangements to the Chair and Vice-Chair of Audit and Governance Committee. To discuss with the Monitoring Officer and then inform the Audit and Governance Committee of the outcome.	**Date Due:** 01 August 2025 **Officer Responsible:** Liz Bryant **Progress:** Formal request made 24 July 2025. Update to be provided at September 2025 meeting.

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Minute 17b **Whistleblowing Policy** 22 July 2025	It was requested that paragraph 7.1 (g) be reworded to 'their individual MP'	**Date Due:** 05 August 2025 **Officer Responsible:** Liz Bryant **Progress:** Formal request made 24 July 2025.
Minute 17c **Whistleblowing Policy** 22 July 2025	More information on how contractors were made aware of the Whistleblowing Policy would be provided to the Committee.	**Date Due:** 05 August 2025 **Officer Responsible:** Liz Bryant **Progress:** Formal request made 24 July 2025.

Audit and Governance Committee

Work Programme 2025/26

Please note that the work programme is a 'live' document and subject to change at short notice. The information in this work programme is intended to be of strategic relevance.

For general enquiries relating to the Council's Committees, including this Committee's work programme, please contact Hannah Chandler-Whiting (Democratic Advisor) on 01752 305155.

Date of Meeting	Agenda Item	Reason for Consideration	Lead Officer(s)
16 September 2025	External Audit Report		Barrie Morris/Grace Hawkins
	Update on External Audit Actions		Ian Trisk-Grove
	Internal Audit Review of Financial Management Framework	Added August 2025	Louise Clapton
	Internal Audit Progress Report		Louise Clapton
	Risk Management Strategy	Standing Item	Bradley Hutton/Ian Trisk-Grove
	IFRS16 Leases	Identified for consideration at the January 2025 meeting.	Carolyn Haynes
	Pre-referendum Guidance compared to Pre-election Guidance (Title TBC)	Identified for consideration at the July 2025 meeting.	Liz Bryant
	Armada Way Action Plan Sub-Committee	Added August 2025	Liz Bryant
	Engagement and Consultation Framework	Added August 2025	Ellie Firth/Prof Steve Maddern
18 November 2025	Interim Auditor's Annual Report		Barrie Morris/Grace Hawkins
	Update on External Audit Actions		Ian Trisk-Grove
	Draft External Auditor's Annual Report		Barrie Morris/Grace Hawkins
	Counter Fraud Half Year Report	Half Year Report	Tony Rose
	Internal Audit Half Year Report	Half Year Report	Louise Clapton
	Treasury Management Mid-Year Review	Annual Report	Wendy Eldridge
	Risk Management Monitoring Report	Standing Item	Paul Stephens
	Cost Risk Management of Capital Programme	Identified for consideration at the February 2025 meeting.	Ollie Woodhams/Ian Trisk-Grove

	Armada Way Action Plan Sub Group Update		Liz Bryant
	Committee Self-Assessment	Added by officers 30 August 2024.	Jamie Sheldon/Ian Trisk-Grove
20 January 2026	External Auditor Findings Report		Barrie Morris/Grace Hawkins
	Update on External Audit Actions		Ian Trisk-Grove
	Capital Finance Strategy	Annual Report	Wendy Eldridge
	Treasury Management Strategy	Annual Report	Wendy Eldridge
	Risk Management Monitoring Report	Standing Item	Paul Stephens
	Armada Way Action Plan Sub Group Update		Liz Bryant
10 March 2026	External Auditor Update		Barrie Morris/Grace Hawkins
	Update on External Audit Actions		Ian Trisk-Grove
	Internal Audit Strategy and Charter 2026/27	Annual Report	Louise Clapton
	Internal Audit Plan 2026/27	Annual Report	Louise Clapton
	Treasury Management Practices Principles and Schedules 2026/27	Annual Item	Wendy Eldridge
	Anti-Bribery and Corruption Policy	Annual Report	Tony Rose
	Whistleblowing Policy	Annual Review	Liz Bryant
	Procurement Strategy	Update every 6 months	Holly Golden
	Audit and Governance Annual Report (to include Committee Self-Assessment)	Annual Report	Jamie Sheldon/Glenda Favor-Ankersen
	Update on Adult Social Care Debt Management	Identified for consideration at the February 2025 meeting.	Louise Clapton
	Armada Way Action Plan Sub Group Update		Liz Bryant
	Risk Management Monitoring Report	Standing Item	Paul Stephens
Items to be scheduled for 2025/26			
2025/26	Regulatory Regimes	Identified for consideration at the March 2024 meeting.	Ross Jago
2025/26	Financial Regulations within the Constitution Update		Ian Trisk-Grove
Items to be scheduled for 2026/27			
2026/27			