

Date of meeting:	27 March 2023
Title of Report:	Audit and Governance Chair's Annual Report
Lead Member:	Councillor Lugger
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Ross Jago, Head of Governance, Performance and Risk
Contact Email:	ross.jago@plymouth.gov.uk
Your Reference:	AG-Coun I
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

In line with best practice, the Terms of Reference for this Committee state that a report of the work of the Committee should be submitted to Council annually. The Audit and Governance Committee's remit, as defined in the council's constitution, has allowed its Members to develop an overview of the whole system of governance and risk within the council.

The Plymouth Audit and Governance Committee is long established and seeks to maintain and improve our governance and risk procedures. The Committee is a key component of the Council's corporate governance arrangements and a major source of assurance of the Council's arrangements for managing risk, maintaining an effective control environment and reporting on internal and external audit functions and financial and non-financial performance.

The benefits to the Council of operating an effective Audit Committee are:

- Maintaining public confidence in the objectivity and fairness of financial and other reporting.
- Reinforcing the importance and independence of internal and external audit and any other similar review processes; for example, reviewing and approving the Annual Statement of Accounts and the Annual Governance Statement.
- Providing a sharp focus on financial reporting both during the year and at year end, leading to increased confidence in the objectivity and fairness of the financial reporting process.
- Assisting the co-ordination of sources of assurance and, in so doing, making management more accountable.
- Providing additional assurance through a process of independent and objective review.
- Raising awareness within the Council of the need for governance, internal control and the implementation of audit recommendations.
- Providing assurance on the adequacy of the Council's risk management arrangements and reducing the risk of illegal or improper acts.

The Committee continues to have a professional and arm's length relationship with Grant Thornton, the Council's external auditors, who attend meetings of the Committee to offer their advice where needed.

The Committee undertakes a substantial range of activities and works closely with both internal and external auditors and the Section 151 Officer in achieving our aims and objectives. The work plan for the year was delivered and ensured key issues were considered.

This year the Committee has held six meetings on:

- 25 July 2022
- 5 September 2022
- 29 September 2022
- 28 November 2022
- 16 January 2023
- 20 March 2023

The committee has received and considered a substantial number of reports across key areas of the Council's activity.

The Committee has discussed and approved recommendations in relation to –

- Disclosure and Barring Checks for Councillors
- Councillor Training and Development
- Risk Registers
- External Audit - Auditor's 20/21 and 21/22 Annual Report
- Code of Conduct for Officers
- Health, Safety and Wellbeing Annual Report 2021/22
- Counter Fraud Services Annual Report 2021 - 2022
- Internal Audit Annual Report
- Internal Audit Charter and Strategy 2022/ 23
- Annual Report on Treasury Management Activities for 2021/22
- Statement of Accounts 2021/22

As a result of the work of the Committee –

- Risk reporting is now a regular feature on Scrutiny work programmes, this ensures risks identified and reviewed at the Audit and Governance Committee are subject to further scrutiny and assurance.
- The Consultation on the Council's Electoral Cycle has been agreed, with the question to be put to the public approved at the Committee's March 2023 meeting.
- A new policy for disclosure and barring checks for councillors has been approved
- In line with the Committee's statutory role, consideration has been given to the external auditor's 2021/22 annual report and the committee has received assurance that the improvement recommendations in the report have been addressed.
- New arrangements for dealing with standards complaints have been approved
- An updated Whistleblowing policy has been agreed
- The Council's treasury management strategy and capital finance strategy were approved for consideration at council
- Approved the Annual Governance Statement and Statement of accounts

As the Cabinet and wider council grapples with the further tough decisions that will be required over the coming weeks and months, the Audit and Governance Committee will continue to provide an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

Recommendations and Reasons

The City Council is recommended to note the report.

Alternative options considered and rejected

There are no alternative options as the Chair is required to make this report under the committee terms of reference.

Relevance to the Corporate Plan and/or the Plymouth Plan

This reports identifies how the committee's work programme supports the delivery of the Plymouth and Corporate Plans by enabling the Council to exercise the scrutiny and challenge of its governance, finance, risk and audit processes.

Implications for the Medium Term Financial Plan and Resource Implications:

None arising specifically from this report.

Financial Risks

None arising specifically from this report.

Carbon Footprint (Environmental) Implications:

None arising specifically from this report.

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

None arising specifically from this report.

Appendices

**Add rows as required to box below*

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

Background papers:

**Add rows as required to box below*

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

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

Sign off:

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Originating Senior Leadership Team member: Giles Perritt (Assistant Chief Executive)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 22/03/2023											
Chair approval: <i>Approved by email</i>											
Date approved: 23/03/2023											