

Date of meeting:	16 September 2024
Title of Report:	<b>Audit and Governance Chair's Update Report</b>
Lead Member:	Councillor Sarah Allen
Lead Strategic Director:	David Northey, S.151 and Head of Finance.
Author:	Ross Jago, Head of Governance, Performance and Risk
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Your Reference:	AG-Coun1
Key Decision:	No
Confidentiality:	Part 1 - Official

### **Purpose of Report**

In line with best practice, the Terms of Reference for the Audit and Governance Committee state that an update on the work of the Committee should be submitted to Cabinet and Council. 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 City Council 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 appropriate.

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.

In 2023/24 the Committee has held six meetings on:

- 25 July 2023
- 26 September 2023
- 28 November 2023
- 16 January 2024
- 12 March 2024

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 –

- External Audit Report
- Internal Audit Charter and Strategy
- Counter Fraud Services Annual Report
- Statement of Accounts
- Report in the Public Interest - Thurrock Report
- Covid Business Grants Assurance
- Health, Safety and Wellbeing Annual Report
- Annual Governance Statement
- Constitutional changes
- Assessment of the Impact of Voter ID on Plymouth residents and elections team
- Polling Districts, Place and Stations Review 2023
- Information Governance and Cyber Response Planning
- Capital Finance Strategy
- Whistleblowing Policy
- Risk and Opportunity Management Strategy

The committee also received regular updates with respect to a pensions transaction and the Capitalisation Direction.

As a result of the work of the Committee –

- The council has received reasonable assurance that system of internal control is operating effectively following consideration given to internal and external auditor's reports
- Changes to the constitution have been considered by the Audit and Governance Committee following a full review by a working group of Audit and Governance Committee members and other councillors. This has resulted in significant revisions to the constitution, including the establishment of a standards Committee, updated petition scheme and amendments to various procedures to bring the council into line with national best practice.
- The Council's treasury management strategy and capital finance strategy were approved for consideration at council.



**Background papers:**

\*Add rows as required to box below

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

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

**Sign off:**

Fin		Leg		Mon Off	LS/00 0036 09/12 /LB/1 2/07/ 24	HR		Asset s		Strat Proc	
Originating Senior Leadership Team member: David Northey, S.151 and Head of Finance.											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 24/07/2024											
Chair approval: <i>Approved by email</i>											
Date approved: 29/08/2024											