



Meeting	Audit and Governance Committee
Date and Time	Wednesday, 9th June, 2021 at 6.30 pm.
Venue	Walton Suite, Winchester Guildhall

Note: *This meeting is being held in person at the location specified above. In line with relevant legislation and public health guidance the following arrangements apply. Members of the public should note that a live audio feed of the meeting will be available from the councils website (www.winchester.gov.uk) and the video recording will be available shortly after the meeting.*

For members of the public who are unable to utilise this facility a limited number of seats will be made available at the above named location however attendance must be notified to the council at least 3 working days before the meeting. Please note that priority will be given to those wishing to attend and address the meeting over those wishing to attend and observe.

AGENDA

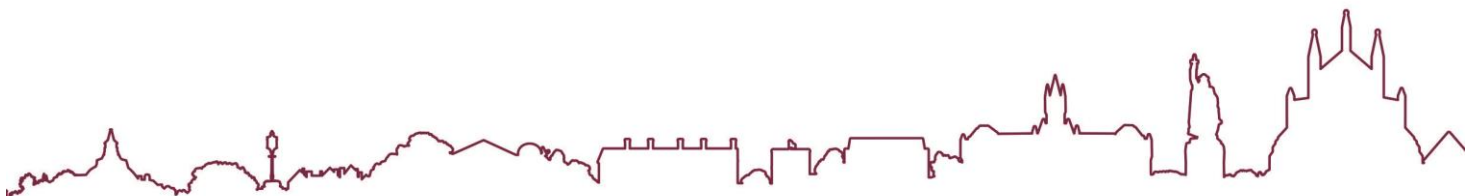
PROCEDURAL ITEMS

- 1. Apologies and Deputy Members**
To note the names of apologies given and Deputy Members who are attending the meeting in place of appointed Members.
- 2. Disclosure of Interests**
To receive any disclosure of interests from Members and Officers in matters to be discussed.

Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, and non disclosable pecuniary interests in accordance with legislation and the Council's Code of Conduct.

If you require advice, please contact the appropriate Democratic Services Officer, prior to the meeting.

- 3. Appointment of Vice Chairperson for the 2021/22 Municipal Year**
- 4. Chairperson's Announcements**



5. **To note the Audit and Governance Committee Work Programme 2021 2022 AG049 (Pages 5 - 10)**
6. **Minutes of the Previous Meeting of the Audit and Governance Committee held on 4 March 2021 (Pages 11 - 14)**

BUSINESS ITEMS

7. **Public Participation**

To receive and note questions asked and statements made from members of the public on matters which fall within the remit of the Committee..

NB members of the public are required to register with Democratic Services three clear working days before the meeting (see below for further details).

Members of the public and visiting councillors may speak at the Committee, provided they have registered to speak three working days in advance. Please contact Democratic Services **by 5pm on Thursday 3 June 2021** via democracy@winchester.gov.uk or (01962) 848 264 to register to speak and for further details.

8. **Governance Quarterly Update - Outturn 20/21 AG050 (Pages 15 - 30)**
9. **Monitoring Officer's Annual Report AG052 (Pages 31 - 58)**
10. **Appointment of Auditors through Public Sector Audit Appointments (PSAA) Ltd AG053 (Pages 59 - 64)**
11. **Annual Internal Audit Report and Opinion 2020/21 AG051 (Pages 65 - 80)**

**L Kirkman
Strategic Director and Monitoring Officer**

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1 June 2021

Agenda Contact: Dave Shaw, Senior Democratic Services Officer
Tel: 01962 848221 email: dshaw@winchester.gov.uk

**With the exception of exempt items, Agenda, reports and previous minutes are available on the Council's Website www.winchester.gov.uk*

MEMBERSHIP

Chairperson:

Power (Liberal Democrats)

Vice-Chairperson:

Conservatives

Gemmell

Godfrey

Miller

Liberal Democrats

Becker

Bentote

Craske

Laming

Deputy Members

Cunningham and Lumby

Bronk and Radcliffe

Quorum = 4 members

TERMS OF REFERENCE

Audit and Governance Committee – Included within the Council's Constitution (Part 2, Article 9)

PUBLIC PARTICIPATION

A public question and comment session is available at 6.30pm for a 15 minute period. There are few limitations on the questions you can ask. These relate to current applications, personal cases and confidential matters. Please contact Democratic Services on 01962 848 264 in advance of the meeting for further details. If there are no members of the public present at 6.30pm who wish to ask questions or make statements, then the meeting will commence.

NB members of the public are required to register with Democratic Services three clear working days before the meeting (see below for further details).

Members of the public and visiting councillors may speak at the Committee, provided they have registered to speak three working days in advance. Please contact Democratic Services **by 5pm on Thursday 3 June 2021** via democracy@winchester.gov.uk or (01962) 848 264 to register to speak and for further details.

FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Access to Information Procedure Rules within the Council's Constitution for further information, which is available to view on the [Council's website](#).

DISABLED ACCESS:

Disabled access is normally available, but please phone Democratic Services on 01962 848 264 or email democracy@winchester.gov.uk to ensure that the necessary arrangements are in place.

REPORT TITLE: AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME
2021/22

9 JUNE 2021

REPORT OF CABINET MEMBER: CLLR CUTLER – DEPUTY LEADER AND
MEMBER FOR FINANCE AND SERVICE QUALITY

Contact Officer: Lisa Kirkman/Richard Botham Tel No: 01962 848 501 Email
lirkman@winchester.gov.uk/rbotham@winchester.gov.uk

WARD(S): ALL

PURPOSE

This report sets out the work programme for the Committee for the 2021/22 municipal year.

RECOMMENDATION:

1. That the Audit and Governance Committee Work Programme for 2021/22 be approved.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

- 1.1 The setting of a work programme for the Committee for the coming municipal year supports the Council's approach to delivering efficient services.

2 FINANCIAL IMPLICATIONS

- 2.1 There are no financial implications arising from this report.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 None

4 WORKFORCE IMPLICATIONS

- 4.1 None

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

6 CONSULTATION AND COMMUNICATION

- 6.1 The Head of the Southern Internal Audit Partnership has been consulted on the proposed work programme as set out in Appendix 1.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Not applicable

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 Not applicable

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None

9.2 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>Property</i>	n/a	n/a
<i>Community Support</i>	n/a	n/a
<i>Timescales</i>	n/a	Having a clear work programme allows the Committee to ensure that it and the Council meets its responsibilities in a

Risk	Mitigation	Opportunities
		timely manner (e.g. approval and publication of the accounts within statutory deadlines)
<i>Project capacity</i>	n/a	n/a
<i>Financial Exposure</i>	n/a	n/a
<i>Exposure to challenge</i>	n/a	n/a
<i>Innovation</i>	n/a	n/a
<i>Reputation</i>	Ensure that the Committee is undertaking its role and fulfilling its responsibilities and function	Provides the evidence that demonstrates that the Committee is carrying out its duties and responsibilities in an open and transparent way.
<i>Achievement of outcome</i>		
<i>Other</i>	n/a	n/a

10 SUPPORTING INFORMATION:

- 10.1 The Appendix to this Report sets out the work programme for the coming municipal year for the Audit and Governance Committee.
- 10.2 The programme includes a forward look at the reports that will be presented to the Committee during the coming year supporting its purpose of providing independent assurance to members of the adequacy of the internal control environment and risk management framework.

11 OTHER OPTIONS CONSIDERED AND REJECTED

11.1 None

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None

Other Background Documents:-

None

APPENDICES:

Appendix 1 – Audit and Governance Committee Work Programme 2021/22

Audit and Governance Committee – Work Programme 2021/22**MEETING – 9 JUNE 2021****TITLE****LEAD****REGULATORY FRAMEWORK**

Governance Quarterly Update – Outturn 20/21 AG050	Lisa Kirkman – Strategic Director
Audit Committee Work Programme AG049	Lisa Kirkman/Richard Botham – Strategic Directors
Annual Internal Audit Report and Opinion 2020/21 AG051	Antony Harvey – Chief Internal Auditor Southern Internal Audit Partnership
Annual Report of the Monitoring Officer AG052	Lisa Kirkman – Strategic Director

ACCOUNTS

Planning for and Audit of Accounts 2020/2021 - findings from discussions with the PSAA and from councils that opted out of the PSAA scheme AG053	Liz Keys – Corporate Head of Finance
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MEETING – 22 JULY 2021**EXTERNAL AUDIT**

Annual Audit Fee 2020/21	Kevin Suter – Associate Partner, Ernst and Young
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REGULATORY FRAMEWORK

Annual Governance Statement	Lisa Kirkman – Strategic Director
Governance Quarterly Update – Q1 2021/22	Lisa Kirkman – Strategic Director
Treasury Management Outturn 2020/21	Richard Botham – Strategic Director
Local Code of Governance 2021	Lisa Kirkman – Strategic Director

ACCOUNTS

Draft Annual financial Report 2020/21	Richard Botham – Strategic Director
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MEETING – 28 SEPTEMBER 2021

REGULATORY FRAMEWORK

Public Sector Equality Duty Review Catherine Knight – Service Lead: Legal

ACCOUNTS

Audit Results Report for the year ended 31 March 2021 Kevin Suter – Associate Partner, Ernst and Young

Annual Financial Report 2020/21 (for approval) Richard Botham – Strategic Director

MEETING – 11 NOVEMBER 2021

EXTERNAL AUDIT

Annual Audit Letter 2021/22 Kevin Suter – Associate Partner, Ernst and Young

REGULATORY FRAMEWORK

Governance Quarterly Update Q2 21/22 Lisa Kirkman – Strategic Director

Treasury Management mid-year monitoring report 2021/22 Richard Botham – Strategic Director

Pay Policy Lisa Kirkman – Strategic Director

MEETING – 3 MARCH 2022

INTERNAL AUDIT

Internal Audit Plan 2022/23 (including the Internal Audit Work Programme) Antony Harvey – Chief Internal Auditor Southern Internal Audit Partnership

Internal Audit Charter 2022/23 Antony Harvey – Chief Internal Auditor Southern Internal Audit Partnership

EXTERNAL AUDIT

Certification of Claims and Returns Annual Report 2021/22 Richard Botham – Strategic Director

REGULATORY FRAMEWORK

Risk Policy 2022/23 Richard Botham – Strategic Director

Governance Quarterly Update Q3 2021/22 Lisa Kirkman – Strategic Director

Local Code of Governance 2022 Lisa Kirkman – Strategic Director

ACCOUNTS

Planning for and the audit of the 2021/22 Accounts Richard Botham – Strategic Director

AUDIT AND GOVERNANCE COMMITTEE

4 March 2021

Attendance:

Councillors
Power (Chairperson)

Bronk
Becker
Craske
Gemmell

Godfrey
Mather
Williams

Others in attendance who addressed the meeting:

Councillor Cutler (Deputy Leader and Cabinet Member for Finance and Risk)

[Full audio recording and video recording](#)

1. **APOLOGIES AND DEPUTY MEMBERS**

No apologies were received.

2. **DECLARATION OF INTERESTS**

Councillor Craske declared a personal and prejudicial interest in item 10 Certification of Claims and Returns Annual Report 2019/20 (AG048) in respect of his employment with KPMG, who provided audit services to the Council. He withdrew from the meeting for consideration of this item.

3. **CHAIRPERSON'S ANNOUNCEMENTS**

The Chairperson had no announcements to make.

4. **AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME**

RESOLVED:

That the Audit and Governance Work Programme for 2020/21 be noted.

5. **MINUTES**

RESOLVED:

That the minutes of the previous meetings held on 12 November 2020 and 11 February 2021 be approved and adopted.

6. **PUBLIC PARTICIPATION**

No members of the public had registered to speak at the meeting.

7. **INTERNAL AUDIT PLAN 2021 – 22 (AG044)**

Mr Harvey from the Southern Internal Audit Partnership presented this item.

Mr Harvey answered Members' questions relating to the medium term financial strategy; Business Continuity audit work; telecommunications/customer service centre and the operation of the central switch board; the content of the Audit Plan work programme and the number of audit days; and the certification of COVID - 19 Grants.

RESOLVED:

That the Internal Audit Plan for 2021/22 as set out in Appendix A to the Report be approved.

8. **INTERNAL AUDIT CHARTER 2021 – 22 (AG045)**

Mr Harvey from the Southern Internal Audit Partnership presented this item.

RESOLVED:

That the Internal Audit Charter for 2021/22 as set out in Appendix A to the Report be approved.

9. **ANNUAL INTERNAL AUDIT LETTER 2019/20 (AG047)**

Mr Suter from EY presented this item.

Mr Suter answered Members' question relating to the deferred implementation of IFRS 16 regarding council leases; the Property Plant and Equipment valuation work, specifically on investment properties; the additional audit fees being proposed and the rebasing arrangements for the audit contract with Public Sector Audit Appointments (PSAA).

Members discussed the increase in fees for the 2019/20 year from £43,379 to £69,573 and the proposal from the auditors to rebase the scale fee in the contract to circa £55,000 for future audits.

In conclusion, Members were supportive of accepting the Annual Audit Letter with the exception of appendix A which related to the fees. The resolution was amended accordingly.

RESOLVED:

1. That the contents of the Annual Audit Letter 2019/20 attached to the Report be accepted with the exception of Appendix A relating to the fees.

2. That representations be made to EY, with a copy to Public Sector Audit Appointments Ltd (PSAA) that the scale of the increase of fees, the variation in particular regarding the scale fee rebasing, was disproportionate to the original audit fee expectation; that the council was not adequately forewarned of the quantum of those fees; and that PSAA and EY take this into account in their discussion regarding scale fee variation in future, which was a material concern to this Committee.

10. **CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2019/20 (AG048)**

The Corporate Head of Resources presented this item.

RESOLVED:

That the Annual Report 2019/20 attached to the Report as Appendix 1 be noted.

11. **PLANNING FOR AND AUDIT OF ACCOUNTS 2020/21 (AG042)**

The Corporate Head of Resources introduced the Report.

A question was raised on the role of the Public Sector Audit Appointments (PSAA) in appointing auditors and audit fees, including the rebasing fee and the complexity in valuations due to COVID – 19 going forward.

In addition, at the request of the committee, the Corporate Head of Resources stated that the question would be asked of the PSAA regarding retendering for the external audit services of the council and the experiences of other councils that did not use the PSAA tendering process.

RESOLVED:

That the planning report regarding the Council's Statement of Accounts for 2020/21 be noted and a further report be submitted to the next meeting of the committee on the findings from discussions with the PSAA and from councils that opted out of the PSAA scheme.

12. **GOVERNANCE QUARTERLY UPDATE - QUARTER 3 2020/21 (AG040)**

The Strategic Director: Resources presented this item.

Questions were raised on the code of conduct complaints process and the volume of work that was generated from this area of work and the resources that were available to support this service.

Mr Harvey also answered a question on delays in overdue audit actions resulting from the pressures on staff that had arisen during the pandemic at other local authorities where they provided an internal audit service.

RESOLVED:

That the content of the Report and the progress against the Internal Audit management actions be noted.

13. **RISK MANAGEMENT POLICY (AG046 AND CAB3245 REFER)**

Councillor Cutler presented this report and answered questions on the substantive changes from previous versions of the policy, which principally related to issues arising out the pandemic and changes to risk appetite.

RESOLVED:

That no comments be brought to the attention of Cabinet at its meeting on 10 March 2021.

The meeting commenced at 6.00 pm and concluded at 8:05 pm

Chairperson

GOVERNANCE QUARTERLY UPDATE QUARTER FOUR 2020/21

9 JUNE 2021

REPORT OF CABINET MEMBER: CLLR CUTLER - DEPUTY LEADER AND
CABINET MEMBER FOR FINANCE AND SERVICE QUALITY

Contact Officer: LISA KIRKMAN Tel No: 01962 848 501

Email likirkman@winchester.gov.uk

WARD(S): ALL

PURPOSE

To provide members of the Audit and Governance Committee with a summary overview of the key issues in respect of governance arising during the fourth quarter of the 2020/21 financial year.

RECOMMENDATIONS:

1. That the Audit and Governance Committee notes the content of the report, the progress against the internal audit management actions and raises any issues with the cabinet member.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 This summary document supports the council to be open and transparent by reporting the effectiveness of its governance framework and highlighting areas of weakness or issues of concern.

2 FINANCIAL IMPLICATIONS

- 2.1 There are no financial implications.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 There are no legal or procurement implications arising from the content of this report.

4 WORKFORCE IMPLICATIONS

- 4.1 None

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

6 CONSULTATION AND COMMUNICATION

- 6.1 Consultation on the content of the report has been undertaken with the Deputy Leader and Cabinet Member for Finance and Service Quality and Executive Leadership Board (ELB).

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 None

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 None arising from the content of the report, although officers will have regard to the considerations as set out in the Equalities Act 2010 and whether an equality impact assessment will be required to be undertaken on any specific recommendations or future decisions made. This report is not making any decisions and is for noting and raising issues only.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None

10 RISK MANAGEMENT

- 10.1 This report presents a summary update on how the council is performing against the governance processes and procedures that are in place and set

out in the Risk Policy 2021 and Local Code of Corporate Governance. Independent assurance provided by the council's internal and external auditors evidence where there are weaknesses in the council's governance arrangements and are highlighted in this report.

11 **SUPPORTING INFORMATION:**

- 11.1 This report sets out the summary information in respect of the fourth and final quarter of the 2020/21 financial year concerning governance.

Annual Governance Statement

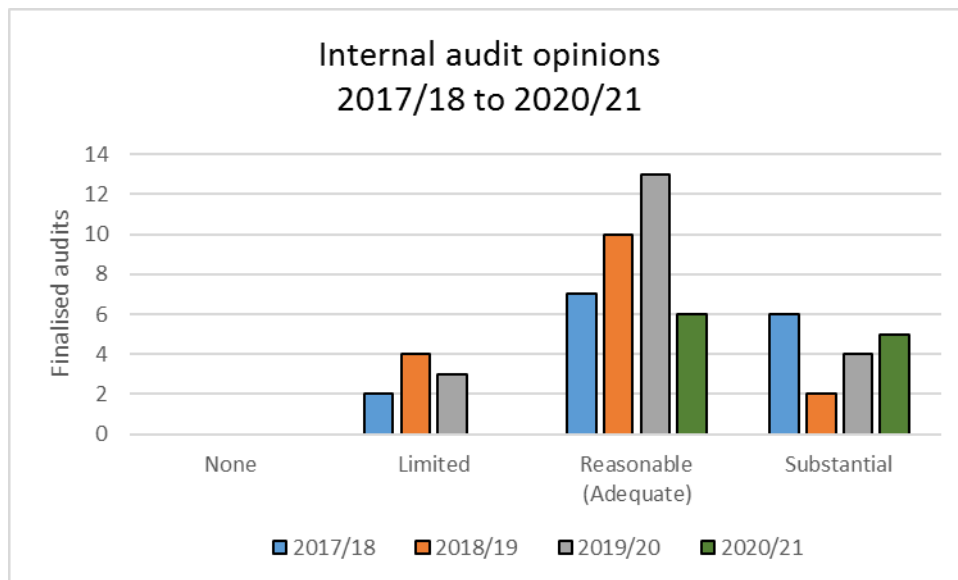
- 11.2 Progress against the actions included in the 2019/20 Annual Governance Statement is included in appendix 1 to this report.
- 11.3 The Annual Governance Statement for 2020/21 will be presented to this committee for consideration at its next meeting on 22 July 2021.

Declarations of gifts and hospitality

- 11.4 During the period of January to March 2021 (Q4), the following declarations by officers were recorded in accordance with the policy:
- One declaration of a bottle of champagne which was subsequently donated to the Mayors charities
 - Two declarations of bottles of wine
 - One bunch of flowers and a jar of marmalade
 - Small selection of confectionary
 - One Amaryllis bulb and a small box of chocolates
- 11.5 Members have accordingly each updated their register of interest forms and there was one declaration of gifts or hospitality during the Q4 period which was a bunch of flowers.

12 **Internal Audit Assurance Reports**

- 12.1 The graph below shows the assurance levels of the completed internal audits that were included in the 2017/18, 2018/19, 2019/20 and 2020/21 (to date) audit plans.



- 12.2 There have been no published audit reports that concluded with a 'no' assurance opinion.
- 12.3 Since the last Audit and Governance Committee meeting on 4 March 2021 there have been three internal audit reports published and these were:
- Environmental Services Contract 2020/21 – substantial assurance
 - Contract Management 2020/21 – reasonable assurance
 - Programme and Project Management 2020/21 – substantial assurance
- 12.4 Elsewhere on this committee's agenda is the Annual Internal Audit Report and Opinion 2020/21 (Report AG051 refers) which provides the Chief Internal Auditor's opinion on the adequacy and effectiveness of the council's framework of governance, risk management and control for 2020/21.

Internal Audit Management Tracking

- 12.5 Progress against the management actions included in the internal audit reports (since May 2016) are regularly reviewed by managers and Executive Leadership Board (ELB).
- 12.6 A summary table showing the status of these actions is reported on a quarterly basis. These recommendations are kept under regular review to assess where actions might become superseded or obsolete due to external or internal factors.
- 12.7 To support the committee to quickly identify where there are overdue actions the progress table on the following pages includes only those audits where there are overdue actions. It remains a priority for officers to focus on completing their actions within agreed timescales and progress continues to be made to reduce the total number of overdue actions.

- 12.8 However, the outbreak of the COVID-19 pandemic has continued to have an impact on staff capacity with a number of staff actively supporting the council's response during the last year, some almost exclusively. For these reasons there has been some slippage in the completion of a number of audit actions before their due date.
- 12.9 An additional narrative is included to the table to provide a brief explanation of the overdue audit actions and the reasons for the delay in completion including where the delay is caused by staff capacity owing to the response to the COVID-19 pandemic
- 12.10 There are currently 35 overdue audit actions with four being high priority. This is 13 more overdue audit actions than reported in March 2021.

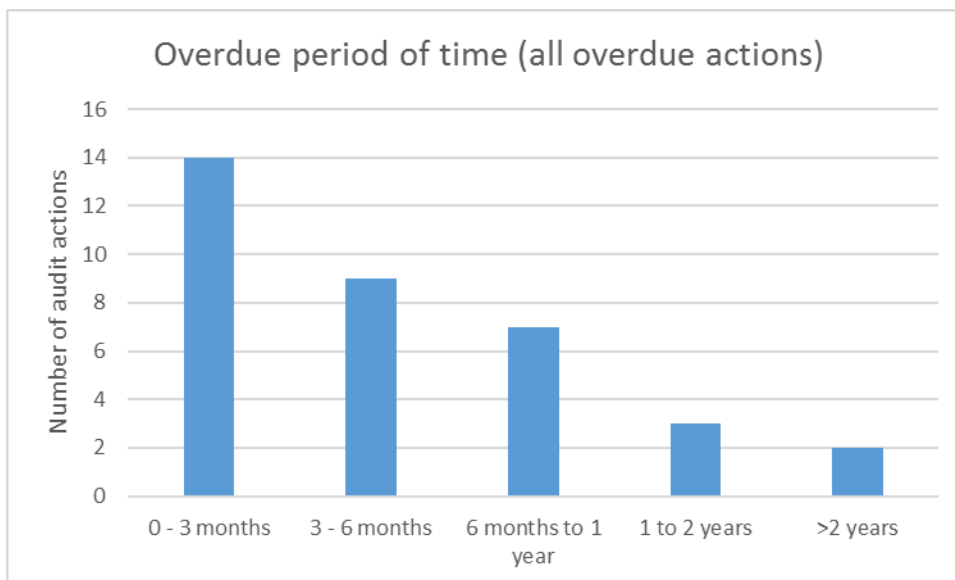
Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions ('High Priority')						
				Reported	Not Accepted	Pending	Cleared	Overdue	LOW	MEDIUM
Hampshire Cultural Trust										
	24/05/16	SDP	Limited	3 (0)	0 (0)	0 (0)	2 (0)	1 (0)		1
<p>Update: Progress has been made since the last meeting of this committee with a draft lease for the City Museum being forwarded to the Trust for approval. Once approved it should be possible to agree a very similar form of lease for the Westgate Museum. The proposed under lease for F2 storage area is more complex, but the agreement and completion of the museum leases should help establish the main principles involved so that this audit action can be completed.</p>										
IT Software Licensing and IT Asset Management										
	12/03/18	SDR	Adequate	3 (0)	0 (0)	0 (0)	2 (0)	1 (0)	1	
<p>Update: The council has prioritised the Windows 10 project which will provide improved security and performance, with the deployment of laptops and other mobile devices ahead of the IT Asset Management project.</p> <p>The project will be reviewed alongside resource availability and council priorities closer to completion of the Windows 10 project by Q3 21/22.</p>										
Digital Agenda										
	05/02/19	SDR	Adequate	3 (0)	0 (0)	0 (0)	2 (0)	1 (0)	1	
<p>Update: One outstanding action relating to the review of data on all council websites to ensure it is fully accessible.</p>										

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions ('High Priority')							
				Reported	Not Accepted	Pending	Cleared	Overdue	LOW	MEDIUM	HIGH
IT – Mobile Devices											
	18/07/19	SDR	Limited	5 (3)	0 (0)	0 (0)	3 (1)	2 (2)			2
<p>Update: Two overdue actions that relate to deployment of Sophos Android security technology for mobile working devices. IT have begun the phased deployment of a number of laptops to officers, following successful build and testing phase of the project and are working with a trusted Microsoft certified third party supplier, to undertake training in the new technology, Microsoft Endpoint (Intune) ahead of the deployment to all mobile devices from July 2021.</p>											
Partnerships 2019/20											
	09/09/20	SDR	Limited	12 (2)	0 (0)	1 (0)	2 (2)	10 (0)		10	
<p>Update: Progress is now being made to complete these overdue actions which are all medium priority. The overdue actions include completion of a partnership working guide for managers including best practice, development of a standard operating procedure for future partnership management followed by dissemination to the council's management forum</p> <p>Further actions include updating the council's partnership register to include more management information and that each partnership objectives are aligned to the Council Plan priorities to give greater transparency on areas of engagement and that a risk register is created for each partnership.</p> <p>The updating of the partnership register has been substantially completed with only a few responses outstanding and these are being followed up. It is expected that the register of all partnerships will be completed by the agreed revised date of July 2021. Partnership guidance documentation has drafted and will be presented to ELB later in June for approval before rolling out to officers who are involved with partnerships through the summer.</p> <p>An overall report on the work of the council's partnerships is planned for September 2021.</p>											

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions ('High Priority')							
				Reported	Not Accepted	Pending	Cleared	Overdue	LOW	MEDIUM	HIGH
Building Control											
	24/09/20	SDR	Reasonable	10 (0)	0 (0)	2 (0)	6 (0)	2 (0)		4	
<p>Update: Four outstanding actions. First action relates to LABC KPI data. Action not closed as team are still awaiting this data from LABC. Second action relates to a customer survey which has not taken place yet and is expected to be completed by 30 June 2021.</p> <p>A further action relates to the biennial reconciliation taking payments made within a two-week period of the Civica Financials system and checking against the Uniform database charges record</p> <p>The fourth action relates to implementation of building inspection app which will provide accurate figures for performance monitoring g purposes. Due to changes required to Uniform/ldox to enable electronic documents to be fully available on the app this has not yet been implemented. Revised due date proposed 30 June 2021</p>											
Health & Safety 2020/21											
	22/10/20	SDR	Reasonable	17 (4)	0 (0)	3 (2)	0 (0)	14 (2)		12	2
<p>Update: 14 overdue actions: 1.1 Collate current and pending risk assessments from all services. 1.2 Review all risk assessments and identify issues. 1.3 Action o/s issues identified. 2.1 Review last update 2.2 Compile accurate data and agree basis of reporting with SLT. 2.3 Agree Member reporting protocol with SLT 3.1 Review last H & S meeting notes and action. 3.2 Identify cross over with COVID H&S group. 3.3 Arrange meeting dates for H&S Group .5.1 Review existing documents and compile library reference 5.2 Identify documents for updating. 5.3 agree Action plan of when these need to be completed and who has control. 6.1 Identify inconsistencies in H & S policy 6.2 Update and amend documents.</p>											

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions ('High Priority')							
				Reported	Not Accepted	Pending	Cleared	Overdue	LOW	MEDIUM	HIGH
WCC Gas Safety 20/21											
	8/10/20	SDR	Substantial	2 (0)	0 (0)	0 (0)	0 (0)	2 (0)	2		
<p>Update: Two outstanding actions with the first to review Grenfell recommendations. Team still awaiting the formal recommendation/s from the Grenfell inquiry and nothing is likely to change on this recommendation until that happens (i.e. no change anticipated for at least 6/12 months).</p> <p>The second is to review roles and responsibilities that are included in Gas Safety Policy. This remains a low priority and does not impact on operational effectiveness.</p>											

- 12.11 Committee members previously requested a chart be included in the quarterly governance monitoring reports that shows the period of time that outstanding audit management actions have been overdue.
- 12.12 There are currently 35 overdue actions and the chart below provides details of amount of time that has lapsed since the target date for each of these actions.
- 12.13 There are six actions with due dates of 31 March 2021 and at the time of this report only just overdue. A total of 14 actions are overdue by three months or less and the majority of these actions relate to the Health and Safety audit



- 12.14 The chart above shows there are two management actions overdue by more than two years. The oldest action relates to the audit that reviewed the transfer between the council and the Hampshire Cultural Trust and was issued in May 2016. Progress has been made since the last meeting of this committee with a draft lease forwarded to the Cultural Trust for the City Museum for consideration and approval. Once agreed this will set the way forward for a similar lease to be drafted for the Westgate Museum.
- 12.15 The second action overdue by more than two years relates to the IT Software Licensing and Asset Management audit and migration to new asset management software. The continuing impact of COVID-19 on IT staff capacity who are supporting both remote working and the council's critical services, has delayed any further progress on this project. The IT shared service plan is to review all projects in Q3 21/22 or earlier, dependent on the continuing impact of the virus on the team's capacity.

Risk Management

- 12.16 Following approval of the council Risk Management Policy 2021/22 by Cabinet on 10 March (Report CAB3245 refers) workshops took place in May

with Executive Leadership Board, corporate heads of service, senior managers and report authors.

12.17 The learning outcomes of the workshops were to help attendees to:

- Better understand their responsibilities under the council's risk policy
- Better appreciate how to risk-assess an activity / decision
- Feel more confident in how to quantify risk
- Be aware of how to capture risk assessment outcomes and explain how you will minimise and mitigate risks in a risk assessment
- Be more confident to complete the risk section of the corporate report template
- Know where to go for more help if needed

12.18 A poll taken at the beginning and end of each workshop has evidenced that attendee's confidence to identify, assess and manage risk has increased as had their understanding of the council's risks management framework.

12.19 Internal Audit has recently begun a review of the council's risk management arrangements and is included in the 2021/22 Audit Programme. The objective of the audit is to ensure that:

- Management and operational responsibilities are clearly defined and supported by documented policies and procedures
- Corporate and operational risks have been identified, assessed and documented, with risk registers being regularly reviewed, monitored and updated
- Controls to manage the risks identified are in place and documented, and are monitored regularly to ensure that continued reliance can be placed on them
- Risk management activities are regularly reported to senior management and members.

12.20 An update for members on the outcome of the internal audit will be provided to this committee once the internal audit has been completed and the final report issued.

Code of Conduct Complaints

12.21 The Audit and Governance Committee has two sub-committees including the Standards Sub-Committee, whose purpose is to consider investigation reports, in respect of Code of Conduct Complaints, that have been referred to it by the Monitoring Officer.

12.22 Appendix 2 provides brief details of the Code of Conduct complaints that have been received and where the assessment (or investigation) into the complaint has concluded, a brief update on the outcome.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

AG040 Governance Quarterly update Q3 2020/21, 4 March 2021

Other Background Documents:-

None

APPENDICES

Appendix 1 – Annual Governance Statement 2020/21 – progress update

Appendix 2 – Code of Conduct complaints

Annual Governance Statement 2019/20 – Action Plan update – May 2021

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
1.	Partnership working – the need to ensure that the council maintains effective partnership working	Review partnerships to ensure all required documents are in place and up to date	The partnership register has been substantially completed with some outstanding responses being followed up. The register will be complete by the agreed revised target date of July 2021.	Corporate Head of Engagement	September 2020	RED
		Annual report covering the performance of key partnerships scheduled to be considered at The Scrutiny Committee.	An overall report on partnerships is being prepared for September 2021.	Corporate Head of Engagement	September 2020	RED
		Complete Partnership Working Guide for Managers	Draft guidance has been produced and will be presented to ELB for consideration mid-June for approval and sign off	Corporate Head of Engagement	September 2020	RED
2.	Business Continuity - ensuring that the council has robust and adequate plans in place to maintain business critical services following the event of a crisis or disruption affecting its operations	Review of business continuity framework and response to COVID-19 pandemic by internal audit	Audit completed late summer 2020 and concluded with Substantial Assurance and no weaknesses identified.	Senior Policy & Programme Manager	31 August 2020	Complete
		Business Continuity training plans developed and testing scheduled	Training programme for staff working in business critical services completed.	Senior Policy & Programme Manager	31 December 2020	Complete

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
3.	Equality Impact Assessments (EqIA) reviewing the current arrangements in place ensuring the council meets the requirements of the Equalities Act 2010	Review and update current EqIA guidance and templates and brief out to staff ensuring that the council meets the requirements of the Equalities Act 2010	A revised corporate approach to implementation of the public sector equality duty will be presented to this committee at its next meeting on 22 July 2021.	Service Lead – Legal	30 September 2020	Complete
4.	Restoration & Recovery Plan – COVID-19 to develop and implement a full Restoration and Recovery Plan for the ongoing provision of council services	Detailed report to Cabinet that sets out the council's high level restoration and recovery approach/ high level plans.	COVID-19 Restoration and Recovery Plan included with Responding to the Coronavirus outbreak report presented to cabinet on 21 May 2020 (report CAB3244 refers)	COVID-19 GOLD Group	May 2020	Complete
		Develop and implement a full restoration and recovery plan that takes into consideration the impacts on council services from the COVID-19 pandemic.	Corporate heads of service have completed updating their service plans for 2021/22 and include relevant restoration and recovery actions.	Executive Leadership Board	30 October 2020 (plans approved)	Complete
5.	Finance Recovery Plan – COVID-19 review the council's Medium Term Financial Strategy and the financial impact of COVID-19 ensuring that the a balanced budget is maintained	Full review of the impact of the COVID-19 pandemic on the council's finances and an updated budget for 2020/21 taking in revised projections approved.	Revised budget for 2019/20 considered by Scrutiny Committee on 7 September and approved by Council on 23 September 2020 (report CAB3246 refers). Budget for 2021/22 approved by council on 24 February 2021	Strategic Director: Services (S151 Officer)	September 2020	Complete

Code of conduct complaints

- A. Code of Conduct Complaints received by office of the Monitoring Officer since previous meeting of Audit & Governance Committee and update of those previously reported - as at **28 May 2021**

Date contact first made with Monitoring Officer	Complaint against district or parish/town councillor	Details
26 June 2020	District Councillor	On hold by the Monitoring Officer.
30 September 2020	District Councillor	Complaint received 30 September 2020 which is under assessment by the Monitoring Officer.
5 October 2020	Parish/Town Councillor	Previous complaint submitted 8 September 2020 and then withdrawn and resubmitted 5 October 2020. Currently under investigation. *
5 November 2020	District Councillors	Under assessment by Monitoring Officer and Independent Person.
11 February 2021	District Councillors	Under assessment by Monitoring Officer and Independent Person
25 March 2021	Parish Councillor	Under assessment by Monitoring Officer and Independent Person

* A further 12 related complaints received since October 2020, over the course of the investigation.

- B. Issues raised and discussed with the office of the Monitoring Officer since the previous meeting of Audit & Governance Committee - as at **28 May 2021**

	Number of issues raised	Comments
District Councillors	6 issues raised by email or phone	None have led to receipt of complaint to date.
Parish/Town Councillors	3 issues raised by email or phone	None have led to receipt of complaint to date.

REPORT TITLE: MONITORING OFFICER'S ANNUAL REPORT

9 JUNE 2021

Contact Officer: Lisa Kirkman Tel No: 01962 848 501

Email:LKirkman@winchester.gov.uk

WARD(S): ALL

PURPOSE

This is the first annual report of the Monitoring Officer and its purpose is to update members of the Audit and Governance Committee and provide an overview of the work of the office of the monitoring officer. Reporting provides an opportunity to review and learn from experience.

The report also gives Members of the Audit and Governance Committee background information to facilitate the carrying out of their functions. The Monitoring Officer's report sets out her statutory responsibilities and summarises how those duties have been discharged in accordance with legislation and the council's constitution. Where necessary the report can draw attention to those issues requiring attention in the coming year.

RECOMMENDATIONS:

1. That the Audit and Governance Committee notes the Monitoring Officer's Annual Report.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 This report demonstrates a commitment to being an open and transparent council.

2 FINANCIAL IMPLICATIONS

- 2.1 None relating to this report.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 There are no procurement implications and relevant legislation is covered in the body of the report, by its nature.

4 WORKFORCE IMPLICATIONS

- 4.1 The office of the Monitoring Officer is made up the monitoring officer, two deputy monitoring officers and support from democratic services.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 There are no property or asset implications.

6 CONSULTATION AND COMMUNICATION

- 6.1 A successful Monitoring Officer is one who has good working relationships with relevant senior politicians and senior officers. The current Monitoring Officer has forged those relationships in particular with group leaders, group managers, the chair of this committee, the head of paid service and section 151 officer.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 There are none relating to this report.

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 None arising from the content of the report, although officers will have regard to the considerations as set out in the Equalities Act 2010 and whether an equality impact assessment will be required to be undertaken on any specific recommendations or future decisions made. This report is not making any decisions and is for noting and raising issues only.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None required for this report which does not name individuals or process personal data.

10 RISK MANAGEMENT

10.1 Risks in respect of the office of the Monitoring Officer relate to legal challenge and reputation. Each individual complaint is not risk assessed in the traditional sense but the office are usually dealing with individuals who, at the point in time they have made contact with us, are emotional whether that be deeply upset or incredibly angry and all the emotions in between. Care has to be taken to deal with these matters sensitively without showing bias or pre-determination in any matter.

11 SUPPORTING INFORMATION:

The Role of the Monitoring Officer

11.1 The role of the Monitoring Officer derives from the Local Government and Housing Act 1989. The Act requires local authorities to appoint a Monitoring Officer. The Monitoring Officer has a broad role in ensuring the lawfulness and fairness of Council decision making, ensuring compliance with Codes and Protocols and promoting good governance and high ethical standards. This report covers the period since the current Monitoring Officer was appointed in May 2019 (when she was the Corporate Head of Resources) to now (when she is one of the Strategic Directors). The Monitoring Officer does not have to have formal legal training but have access to legal advice if not so qualified. The current Monitoring Officer is a solicitor.

A Summary of the Monitoring Officer's Functions is as follows:

Description	Source
Report on contraventions or likely contraventions of any enactment or rule of law	Local Government and Housing Act 1989
Report on any maladministration or injustice where the Ombudsman has carried out an investigation	Local Government and Housing Act 1989
Appoint a Deputy	Local Government and Housing Act 1989
Establish and maintain the Register of Members' interests	The Localism Act 2011 (Commencement No. 6 and Transitional, Savings and Transitory Provisions) Order 2012 The Localism Act 2011 The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012
Report on sufficiency of resources	Local Government and Housing Act 1989

Description	Source
Maintain the Constitution	The Constitution
Promote and maintain high standards of conduct	The Localism Act 2011
Grant Dispensations	The Localism Act 2011 and delegation from Council
Consulting with, supporting and advising the Head of Paid Service and s.151 Officer on issues of lawfulness and probity	The Constitution
Appointing an Investigating Officer in relation to Member Complaints	The Localism Act 2011 and the Constitution
Advising the Audit and Governance Standards Sub Committee in relation to allegations of breaches of the Code of Conduct and advising when matters are determined following an investigation	The Localism Act 2011
Advise on whether executive decisions are within the Budget & Policy Framework	The Constitution
Provide advice on vices issues, maladministration, financial impropriety, probity, Budget and Policy Framework issues to all members	The Constitution and s.5 of Local Government and Housing Act 1989
Legal Advice and Support to the authority alongside legal services	The Constitution
Considering whether certain Information is exempt from disclosure under the Freedom of Information Act	Freedom of Information Act 2000

The Constitution

- 11.2 The Constitution sets out how the council operates and how decisions are made. It sets out the procedures which are followed to ensure that decisions are efficient, transparent and that those who make the decisions are accountable for them. The Monitoring Officer is responsible for ensuring that the Constitution operates efficiently, is properly maintained and followed.
- 11.3 Prior to the current Monitoring Officers appointment, the Council had made a commitment to undertake a review of the Constitution. A cross party Member Working Group undertook this work supported by the officer team. This work began in early 2017 and was completed, with the adoption of a new Constitution, at an extraordinary meeting of Full Council in March 2019.
- 11.4 The new constitution has worked well in practice but there was always the intention to undertake a light touch review of its effectiveness. This work started in the autumn of 2019 but due to the COVID-19 pandemic has unfortunately not yet been completed. This has though allowed the Monitoring Officer to consider more recent publications which are of interest,

for example the Model Code of Conduct, updated most recently in May 2021 and subsequent guidance issued at the end of 2020 with the first final code.

- 11.5 It is noteworthy to recognise that the COVID-19 pandemic did not require any urgent revisions of the constitution to allow either officers or named members to take additional or further delegated decisions. In addition no urgent decisions were taken due to the COVID-19 pandemic and all decisions were taken and made through the usual Cabinet and Committee routes, albeit virtually.

Statutory Monitoring Officer Reports

- 11.6 There were no occasions where the Monitoring Officer had reason to believe that there was a likelihood that the Council was about to take a decision that would be unlawful or give rise to maladministration. Consequently, no reports have been issued to the council under Section 5(2) of the Local Government and Housing Act (1989).

Complaints

- 11.7 Since the Audit and Governance committee meeting on 25 July 2019 the quantum of complaints made to the Monitoring Officer have been reported to this committee as part of their quarterly governance report. In the last quarterly report (February 2021) the office of the Monitoring Officer has also reported the number of enquiries they have received, as this has, certainly in 2020/21, taken up the majority of time and resource.

- 11.8 A summary of complaints in the year 20/21 is reported below;

11.9 District Councillors

- 3 complaints closed – no further action. All were planning related.
- 2 complaints heard by the Standards Sub-Committee – 1 found a breach and the other found no breach.
- No complaints are currently under investigation
- 4 complaints currently being assessed by the Monitoring Officer and Independent Person. Of those 3 are planning related.
- 1 complaint on hold – as the matter is being investigated by the Police.

Parish Councillors

- No complaints closed – no further action.
- No complaints have been heard by the Standards Sub-Committee.
- There are 12 complaints against the same Parish, different councillors, currently under investigation.

- 1 complaint currently being assessed by the Monitoring Officer and Independent Person and is planning related.
- No complaints are on hold.

The table below provides the total numbers for the Issues raised and discussed with the office of the Monitoring Officer since first reported to the Audit & Governance Committee on 4 March 2021.

	Number of issues raised	Comments
District Councillors	16 issues raised by email or phone	None have led to receipt of complaint to date.
Parish/Town Councillors	18 issues raised by email or phone	None have led to receipt of complaint to date.

Gifts and hospitality declarations

- 11.10 There has been one declaration made this year by a councillor. This is lower than usual in respect of councillors but to be expected due to the impact of the COVID-19 pandemic restriction.
- 11.11 The complete list of declarations by members and officers of receiving gifts and hospitality is given in the table below and is also regularly reported in the quarterly governance monitoring report

Declarations of Gifts and Hospitality 2020/21	
Date registered	
officer	04/08/21
officer	17/09/21
officer	20/10/21
officer	15/12/20
officer	20/01/21
officer	20/01/21
officer	21/01/21
officer	21/01/21
officer	02/02/21
officer	11/02/21
member	25/02/21
Total 11	

Monitoring Officer Observations

- 11.12 There has certainly been an increase in issues around the comments from councillors that have been picked up on the audio of virtual meetings that perhaps were not previously picked up where perhaps members of the public were sat some distance away from the councillors.
- 11.13 The Monitoring Officer would also observe that Clerks in the Parishes have had a difficult year dealing with some difficult behaviours and this is likely to represent our biggest workload that does not lead to a complaint being made formally.
- 11.14 Clearly the table above indicates a particular problem in one area of the district relating to a Parish Council but as this matter is currently still under investigation it would not be appropriate to comment any further.
- 11.15 Whilst planning decisions make up a large percentage of the corporate complaint process, these have this year spilled into Code of Conduct complaints with a number closed and a number in the very early stages of the process. The 2 deputy Monitoring Officers sit frequently as legal advisors to the planning committee and will report to the Monitoring Officer for further action if needed. Further action may involve speaking to the Group Leaders and/or Managers.
- 11.16 The caseload this year has been high. Unprompted, one of our Independent Persons has recently confirmed that he also considered the caseload to be unusually high. In addition he praised the office of the Monitoring Officer for the efficient and methodical way we deal with complaints.
- 11.17 In respect of the Independent Persons, one has recently resigned due to their relocation to the Midlands. If any members, with experience of hearing complaints, are interested in assisting the Monitoring Officer with the likely interviews please let her know. An adjoining authority recently had over 100 applications for three available positions.
- 11.18 Previous training for members of the Code of Conduct has mixed all councillors together whether experienced or brand new. The Monitoring Officer this year has split those sessions – one for new members and another for everyone else. Training for experienced members will cover more case studies as well as both sessions covering the complaints process, which has not previously been part of this training.
- 11.19 The Monitoring Officer has also discussed member induction with the Deputy Leader throughout the year and is proposing a new follow-up session in September with the Monitoring Officer and all corporate heads of service once new members have done a full cycle of meetings.

Code of Conduct

- 11.20 The Code of Conduct was updated as part of the review of the Constitution, adopted in March 2019 by Full Council. The code was streamlined and language simplified, as well as flowcharts and processes added to that part of the Constitution.

Code of Conduct Review

- 11.21 In respect of Declarations of Interest the March 2019 covering report to Full Council said this;

“Members are referred to the Code of Conduct in Part 5 of the Constitution at pages 229-234. Appendix A to the Code of Conduct at pages 235-236 sets out the arrangements for the Declarations of Disclosable Pecuniary Interests and Non-Pecuniary Interests.

The definition of non-pecuniary interests at page 230 is in the form agreed by the joint meeting of the Overview and Scrutiny Committee and Standards Committees Members on 19 February. It is therefore presented in full form to the Members, also with agreement of the Working Group.

There is one matter that remains to be settled, that is not the subject of cross-party agreement. This related to whether or not the definitions of those bodies which a Member may be in which are directed to charitable purposes or which include bodies whose principal purpose is to influence public opinion or policy should be expanded and if so in what form. It is open to Members to agree a list of organisations that Members are required to disclose on their form.

Furthermore, Members will wish to note the following matters that were outlined to the informal standards committee - The committee on Standards in Public Life published a report on Local Government Ethical Standards in January 2019 with detailed recommendations to alter the statutory arrangements that government declarations of interests by members/investigation procedures/ sanctions for breaches of the Code of Conduct, etc. The Report is subject to a government decision to legislate”

- 11.22 Essentially the changes in respect of interests not legislated on moved away from the historical references of personal and prejudicial interests and sought to simplify to non-pecuniary interests.
- 11.23 A decision in August 2020 of the Standards Sub-Committee (a sub-committee of Audit and Governance) stated “The point relating to DPis has taken on more significance now because the provisions on personal and prejudicial interest no longer appear in the current version of the Code of Conduct. In our view this must be reviewed urgently in order to ascertain whether there is a gap in the Code in which a person with a significant personal interest can

nonetheless participate in a meeting which decides matters which are likely to affect that interest.”

11.24 The current adopted code in relation to these interests states;

Non-Pecuniary Interests

Within 28 days of becoming a member of the Council, each member must register any Non-Pecuniary Interests (NPIs) (and notify the Council’s Monitoring Officer of any changes thereafter within 28 days). These are such Non-Pecuniary Interests as from time to time are referred to on the Register of Members’ Interest form. (These requirements are determined by the Council in its discretion or by legislation and statutory guidance. Members may participate in any discussions or debates relating to or concerning any NPIs after the date of registration. (See Appendix A to this Code)

Part 2 - Description of categories of Non Pecuniary Interests

- 1) Membership of any body of which they are a member or in a position of general control or management and to which they were appointed or nominated by the Council;
- 2) Membership of any body
 - a) Exercising functions of a public nature (such as another Local Authority);
 - b) Directed to charitable purposes; or
 - c) One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union); of which they are a member or in a position of general control or management
 - d) Any close friend or relative entering or seeking to enter into a contractual arrangement in any capacity with the Council
- 3) Any person from whom the Member has received a gift or hospitality with an estimated value of at least £50.

LGA Model Code of Conduct

11.25 The decision of the Standards sub-committee referred to above in August 2020 also coincided with the Local Government Association (LGA) consulting on their model code of conduct that same month. The LGA approved their final model code of conduct on 3 December 2020 and have since updated this on 19 January 2021 and most recently 17 May 2021. This code has been designed to protect the democratic role, encourage good conduct and safeguard the public’s trust in local government. A copy of the full model code, including introductory text and further commentary, is attached as appendix 1.

- 11.26 In respect of personal/prejudicial or non-pecuniary interests the model code refers to these as **Disclosure of Other Registerable Interests** (page 10 of appendix 1) and **Disclosure of Non-registrable interests** (page 11 of appendix 1) and states;

Disclosure of Other Registerable Interests

Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in Table 2), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

Where a matter arises at a meeting which directly relates to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where a matter arises at a meeting which affects

- a. your own financial interest or well-being;
- b. a financial interest or well-being of a relative or close associate; or
- c. a financial interest or wellbeing of a body included under Other Registrable Interests as set out in Table 2 you must disclose the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied.

Where a matter (referred to above) affects the financial interest or well-being:

- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Monitoring Officer Opinion

- 11.27 The Monitoring Officer considers that the addition of Disclosure of Non-Registerable Interests above to our current code would address the points raised by the Standards Sub-Committee in their decision in respect of the currently drafted non-pecuniary interests.
- 11.28 In any event the Monitoring Officer proposes to consult with **all members** at their code of conduct training, which is happening later this month, before presenting an updated code of conduct to this committee and the constitution working group as there are many other aspects to the model code that could, and in the opinion of the Monitoring Officer should, be included – a good example being specific reference to social media.
- 11.29 A separate additional meeting will also be arranged with the members who sat on the August 2020 Standards Sub-Committee to ensure all matters they raised are addressed.
12. OTHER OPTIONS CONSIDERED AND REJECTED

Not updating this committee or reporting on these matters was not an option for the Monitoring Officer.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None.

Other Background Documents:-

None.

APPENDICES:

LGA Model Code of Conduct

<https://www.local.gov.uk/sites/default/files/documents/Local%20Government%20Association%20Model%20Councillor%20Code%20of%20Conduct%202020%20WEB.pdf>



Local Government Association

Model Councillor Code of Conduct 2020

Joint statement

The role of councillor across all tiers of local government is a vital part of our country's system of democracy. It is important that as councillors we can be held accountable and all adopt the behaviors and responsibilities associated with the role. Our conduct as an individual councillor affects the reputation of all councillors. We want the role of councillor to be one that people aspire to. We also want individuals from a range of backgrounds and circumstances to be putting themselves forward to become councillors.

As councillors, we represent local residents, work to develop better services and deliver local change. The public have high expectations of us and entrust us to represent our local area, taking decisions fairly, openly, and transparently. We have both an individual and collective responsibility to meet these expectations by maintaining high standards and demonstrating good conduct, and by challenging behaviour which falls below expectations.

Importantly, we should be able to undertake our role as a councillor without being intimidated, abused, bullied, or threatened by anyone, including the general public.

This Code has been designed to protect our democratic role, encourage good conduct and safeguard the public's trust in local government.

Introduction

The Local Government Association (LGA) has developed this Model Councillor Code of Conduct, in association with key partners and after extensive consultation with the sector, as part of its work on supporting all tiers of local government to continue to aspire to high standards of leadership and performance. It is a template for councils to adopt in whole and/or with local amendments.

All councils are required to have a local Councillor Code of Conduct.

The LGA will undertake an annual review of this Code to ensure it continues to be fit-for-purpose, incorporating advances in technology, social media and changes in legislation. The LGA can also offer support, training and mediation to councils and councillors on the application of the Code and the National Association of Local Councils (NALC) and the county associations of local councils can offer advice and support to town and parish councils.

Definitions

For the purposes of this Code of Conduct, a “councillor” means a member or co-opted member of a local authority or a directly elected mayor. A “co-opted member” is defined in the Localism Act 2011 Section 27(4) as “a person who is not a member of the authority but who

- a) is a member of any committee or sub-committee of the authority, or;
- b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority;

and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee”.

For the purposes of this Code of Conduct, “local authority” includes county councils, district councils, London borough councils, parish councils, town councils, fire and rescue authorities, police authorities, joint authorities, economic prosperity boards, combined authorities and National Park authorities.

Purpose of the Code of Conduct

The purpose of this Code of Conduct is to assist you, as a councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow councillors, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and your specific obligations in relation to standards of conduct. The LGA encourages the use of support, training and mediation prior to action being taken using the Code. The fundamental aim of the Code is to create and maintain public confidence in the role of councillor and local government.

General principles of councillor conduct

Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, councillors and local authority officers; should uphold the [Seven Principles of Public Life](#), also known as the Nolan Principles.

Building on these principles, the following general principles have been developed specifically for the role of councillor.

In accordance with the public trust placed in me, on all occasions:

- I act with integrity and honesty
- I act lawfully
- I treat all persons fairly and with respect; and
- I lead by example and act in a way that secures public confidence in the role of councillor.

In undertaking my role:

- I impartially exercise my responsibilities in the interests of the local community
- I do not improperly seek to confer an advantage, or disadvantage, on any person
- I avoid conflicts of interest
- I exercise reasonable care and diligence; and
- I ensure that public resources are used prudently in accordance with my local authority's requirements and in the public interest.

Application of the Code of Conduct

This Code of Conduct applies to you as soon as you sign your declaration of acceptance of the office of councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a councillor.

This Code of Conduct applies to you when you are acting in your capacity as a councillor which may include when:

- you misuse your position as a councillor
- Your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor;

The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

You are also expected to uphold high standards of conduct and show leadership at all times when acting as a councillor.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from your Monitoring Officer on any matters that may relate to the Code of Conduct. Town and parish councillors are encouraged to seek advice from their Clerk, who may refer matters to the Monitoring

Officer.

Standards of councillor conduct

This section sets out your obligations, which are the minimum standards of conduct required of you as a councillor. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken.

Guidance is included to help explain the reasons for the obligations and how they should be followed.

General Conduct

1. Respect

As a councillor:

1.1 I treat other councillors and members of the public with respect.

1.2 I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.

Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in councillors.

In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow councillors, where action could then be taken under the Councillor Code of Conduct, and local authority employees, where concerns should be raised in line with the local authority's councillor-officer protocol.

2. Bullying, harassment and discrimination

As a councillor:

2.1 I do not bully any person.

2.2 I do not harass any person.

2.3 I promote equalities and do not discriminate unlawfully against any person.

The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and

contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

3. Impartiality of officers of the council

As a councillor:

3.1 I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.

Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

4. Confidentiality and access to information

As a councillor:

4.1 I do not disclose information:

- a. given to me in confidence by anyone**
- b. acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless**
 - i. I have received the consent of a person authorised to give it;**
 - ii. I am required by law to do so;**
 - iii. the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or**
 - iv. the disclosure is:**
 - 1. reasonable and in the public interest; and**
 - 2. made in good faith and in compliance with the reasonable requirements of the local authority; and**
 - 3. I have consulted the Monitoring Officer prior to its release.**

4.2 I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer or my business interests.

4.3 I do not prevent anyone from getting information that they are entitled to by law.

Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

5. Disrepute

As a councillor:

5.1 I do not bring my role or local authority into disrepute.

As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other councillors and/or your local authority and may lower the public's confidence in you or your local authority's ability to discharge your/its functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

You are able to hold the local authority and fellow councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the council whilst continuing to adhere to other aspects of this Code of Conduct.

6. Use of position

As a councillor:

6.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

Your position as a member of the local authority provides you with certain opportunities, responsibilities, and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

7. Use of local authority resources and facilities

As a councillor:

7.1 I do not misuse council resources.

7.2 I will, when using the resources of the local authority or authorising their use by others:

- a. act in accordance with the local authority's requirements; and**
- b. ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.**

You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a councillor.

Examples include:

- office support
- stationery
- equipment such as phones, and computers
- transport

- access and use of local authority buildings and rooms.

These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

8. Complying with the Code of Conduct

As a Councillor:

8.1 I undertake Code of Conduct training provided by my local authority.

8.2 I cooperate with any Code of Conduct investigation and/or determination.

8.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.

8.4 I comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.

It is extremely important for you as a councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint you should raise this with your Monitoring Officer.

Protecting your reputation and the reputation of the local authority

9. Interests

As a councillor:

9.1 I register and disclose my interests.

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of members of the authority .

You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

You should note that failure to register or disclose a disclosable pecuniary interest as set out in **Table 1**, is a criminal offence under the Localism Act 2011.

Appendix B sets out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer.

10. Gifts and hospitality

As a councillor:

- 10.1 I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.**
- 10.2 I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.**
- 10.3 I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.**

In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your Monitoring Officer for guidance.

Appendices

Appendix A – The Seven Principles of Public Life

The principles are:

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must disclose and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Appendix B Registering interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

"Disclosable Pecuniary Interest" means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. [Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it]

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
 - a. your own financial interest or well-being;
 - b. a financial interest or well-being of a relative or close associate; or
 - c. a financial interest or wellbeing of a body included under Other Registerable Interests as set out in **Table 2**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well-being:
 - a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

10. [Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it]

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the

	<p>councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council —</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land and Property	<p>Any beneficial interest in land which is within the area of the council.</p> <p>‘Land’ excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.</p>
Licenses	<p>Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer</p>
Corporate tenancies	<p>Any tenancy where (to the councillor’s knowledge)—</p> <p>(a) the landlord is the council; and</p> <p>(b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.</p>
Securities	<p>Any beneficial interest in securities* of a body where—</p> <p>(a) that body (to the councillor’s knowledge) has a place of business or land in the area of the council; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were</p>

	spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registrable Interests

You must register as an Other Registrable Interest :

- a) any unpaid directorships
- b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority
- c) any body
 - (i) exercising functions of a public nature
 - (ii) directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

of which you are a member or in a position of general control or management

Appendix C – the Committee on Standards in Public Life

The LGA has undertaken this review whilst the Government continues to consider the recommendations made by the Committee on Standards in Public Life in their report on [Local Government Ethical Standards](#). If the Government chooses to implement any of the recommendations, this could require a change to this Code.

The recommendations cover:

- Recommendations for changes to the Localism Act 2011 to clarify in law when the Code of Conduct applies
- The introduction of sanctions
- An appeals process through the Local Government Ombudsman
- Changes to the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012
- Updates to the Local Government Transparency Code
- Changes to the role and responsibilities of the Independent Person
- That the criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished

The Local Government Ethical Standards report also includes Best Practice recommendations. These are:

Best practice 1: Local authorities should include prohibitions on bullying and harassment in codes of conduct. These should include a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by such a definition.

Best practice 2: Councils should include provisions in their code of conduct requiring councillors to comply with any formal standards investigation and prohibiting trivial or malicious allegations by councillors.

Best practice 3: Principal authorities should review their code of conduct each year and regularly seek, where possible, the views of the public, community organisations and neighbouring authorities.

Best practice 4: An authority's code should be readily accessible to both councillors and the public, in a prominent position on a council's website and available in council premises.

Best practice 5: Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.

Best practice 6: Councils should publish a clear and straightforward public interest test against which allegations are filtered.

Best practice 7: Local authorities should have access to at least two Independent Persons.

Best practice 8: An Independent Person should be consulted as to whether to undertake a formal investigation on an allegation, and should be given the option to

review and comment on allegations which the responsible officer is minded to dismiss as being without merit, vexatious, or trivial.

Best practice 9: Where a local authority makes a decision on an allegation of misconduct following a formal investigation, a decision notice should be published as soon as possible on its website, including a brief statement of facts, the provisions of the code engaged by the allegations, the view of the Independent Person, the reasoning of the decision-maker, and any sanction applied.

Best practice 10: A local authority should have straightforward and accessible guidance on its website on how to make a complaint under the code of conduct, the process for handling complaints, and estimated timescales for investigations and outcomes.

Best practice 11: Formal standards complaints about the conduct of a parish councillor towards a clerk should be made by the chair or by the parish council, rather than the clerk in all but exceptional circumstances.

Best practice 12: Monitoring Officers' roles should include providing advice, support and management of investigations and adjudications on alleged breaches to parish councils within the remit of the principal authority. They should be provided with adequate training, corporate support and resources to undertake this work.

Best practice 13: A local authority should have procedures in place to address any conflicts of interest when undertaking a standards investigation. Possible steps should include asking the Monitoring Officer from a different authority to undertake the investigation.

Best practice 14: Councils should report on separate bodies they have set up or which they own as part of their annual governance statement and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness and publish their board agendas and minutes and annual reports in an accessible place.

Best practice 15: Senior officers should meet regularly with political group leaders or group whips to discuss standards issues.

The LGA has committed to reviewing the Code on an annual basis to ensure it is still fit for purpose.

REPORT TITLE: Appointment of Auditors through Public Sector Audit Appointments (PSAA) Ltd

9TH JUNE 2021

REPORT OF CABINET MEMBER: Cllr Neil Cutler, Deputy Leader and Cabinet Member for Finance and Service Quality

Contact Officer: Liz Keys Tel No: 01962 848226 Email LKeys@winchester.gov.uk

WARD(S): ALL

PURPOSE

At its meeting on 4th March 2021 the Audit & Governance Committee requested further background information on the role of Public Sector Audit Appointments Ltd (PSAA) in the awarding, monitoring and review of fee variations of the Council's external audit contract with EY. Members also requested information on the fees of audits for comparable bodies who had opted-out of the PSAA arrangements. Following discussions with external consultants and PSAA this report provides the requested information.

RECOMMENDATIONS:

1. That the committee notes this report in respect of the arrangements for auditor appointment.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 *Your Services, Your Voice* - The preparation of the annual accounts is fundamental to open and transparent accountability for public finances. Ensuring strong financial reporting and transparent stewardship of public funds underpins the council's ability to deliver all its outcomes but in particular the priority to ensure stable council finances

2 FINANCIAL IMPLICATIONS

- 2.1 None.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Local authorities in the UK are required to prepare their accounts in accordance with 'proper (accounting) practices' as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 (the Code). The Code specifies the principles and practices of accounting, required to prepare financial statements that give a true and fair view of the financial position and transactions of a local authority.
- 3.2 The Audit and Accounts Regulations 2015 require an authority to conduct a review, at least once a year, of the effectiveness of its system of internal control and include a statement reporting on the review alongside the Statement of Accounts.
- 3.3 The necessity to conform to these Regulations and the Code is recognised accurately in this report.

- 3.4 There are no direct legal implications.

4 WORKFORCE IMPLICATIONS

- 4.1 None

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

6 CONSULTATION AND COMMUNICATION

- 6.1 None

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 None.

8 EQUALITY IMPACT ASSESSEMENT

8.1 None arising from the content of the report. However, officers have regard to the considerations as set out in the Equalities Act 2010 when deciding whether an Equality Impact Assessment will be required following any specific recommendations or future decisions.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 Not required.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<p>Financial / VfM Fees charged by the Auditor will be considerably higher than currently.</p> <p>Management of the contract with the audit firm is done by PSAA and the Council has little say in the effectiveness or price of the contract.</p> <p>Not enough public sector organisations join the PSAA so that it is unable to deliver the efficiencies envisaged.</p>	<p>Opting-in to the sector-led approach is likely to lead to economies of scale and continue to driving down the price as a member of a larger grouping of public sector organisations.</p> <p>Continued communication with and pressure on PSAA for thorough review of fee variations.</p> <p>Continued review of the fees ahead of the opting-in decision for the next appointing period.</p>	
<p>Legal The Council fails to appoint an auditor in accordance with the new frameworks or does not achieve value for money in the appointment process.</p>	<p>Opting into the sector led approach through the PSAA provides resilience in the appointment in accordance with legislation.</p>	

11 SUPPORTING INFORMATION:

Background

11.1 In 2014 the Local Audit and Accountability Act paved the way for a new framework for the audit of local public bodies. The Audit Commission which had previously overseen local audits was abolished; going forward local bodies were to be empowered to appoint their own auditors, subject to a

range of safeguards outlined in the Act. Additionally, the Secretary of State for Communities and Local Government was given powers to specify one or more organisations to act as Appointing Persons. This followed successful lobbying by the Local Government Association (LGA), who believed it was in the sector's interests to have in place a sector-led body to procure large contracts and realise the benefits of wide-scale collaboration.

- 11.2 Public Sector Audit Appointments Limited (PSAA) was incorporated by the Local Government Association (LGA) in August 2014. In July 2016 the secretary of State for Communities and Local Government specified PSAA to take on the role of Appointing Person for principal local government and police bodies. Councils can either organise their own processes to make their own auditor appointment or they can join the collective scheme developed by PSAA.
- 11.3 In November 2016 the then Audit Committee at Winchester recommended to Full Council ([AUD178](#)) that PSAA's invitation to opt-in to the sector-led scheme was accepted and this was approved by Council in January 2017.

Local auditors eligible to carry out the audit of local government

- 11.4 The Institute of Chartered Accountants in England and Wales (ICAEW) is a supervisory body appointed by the Financial Reporting Council (FRC) and as such has a statutory duty to license and register auditors to carry out the audit of local government and health bodies. The register of persons eligible for appointment as local auditors includes partners in the following firms:-
- BDO LLP
 - Cardens Accountants LLP
 - Deloitte LLP
 - Ernst & Young LLP
 - Grant Thornton UK LLP
 - KPMG LLP
 - Mazars LLP
 - PricewaterhouseCoopers LLP

PSAA's role

- 11.5 Acting in accordance with their Appointing Person role, PSAA is responsible for appointing an eligible auditor and setting scales of fees for relevant principal authorities that have chosen to opt into its national scheme. Specifically, PSAA has a responsibility for ensuring that the audit firm delivers the following objectives:
- appointing auditors to all relevant authorities;
 - setting scales of fees, and charging rates, for the audit of accounts of relevant authorities and consulting with relevant parties in relation to those scales of fees;

- ensuring effective management of contracts with audit firms for the delivery of consistent, quality and effective audit services to relevant authorities;
 - ensuring that public money continues to be properly accounted for and protected; and
 - being financially responsible having regard to the efficiency of operating costs and transparently safeguarding fees charged to audited bodies.
- 11.6 The scale fees for individual opted-in authorities are normally based on the scale fee for the previous year, reflecting the auditor's assessment of audit risk and complexity. PSAA only expect variations from the scale fee to occur where these factors are significantly different from those identified and reflected in the fee for the previous year.
- 11.7 PSAA can approve proposed variations to the scale fee for an individual opted-in authority, to reflect changes in circumstances. This is set out in the legal framework for audit fees and variations, in the Local Audit (Appointing Person) Regulations 2015. Regulation 17(2) provides for the auditor to propose to PSAA (as the Appointing Person) that fees should be varied where the work involved in a particular audit was substantially more or less than envisaged by the appropriate scale.
- 11.8 PSAA obtain explanations for any proposed variations from the scale fee and consider the reasonableness of the explanations provided by auditors before agreeing to any variation to the scale fee.

Opted-in bodies and those with local arrangements

- 11.9 For the current appointing period, covering audits of the accounts for 2018/19 to 2022/23, there are 510 bodies opted-in and 10 organisations (of which 6 are councils) who have made their own local arrangements. Of these 6 councils, 5 are unitary / London borough / metropolitan district councils; East Hampshire District Council is the only district council in a 2-tier area.
- 11.10 East Hampshire's ISA260 Report (Annual Audit Letter) from KPMG states their fee for the audit was £61,450. By comparison, EY are proposing Winchester's 2019/20 fee be £58,049 (from the original £43,379).

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 Not applicable

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

[AG047](#) Annual Audit Letter 2019/20

Other Background Documents:-

None.

APPENDICES:

None.

REPORT TITLE: ANNUAL INTERNAL AUDIT REPORT AND OPINION 2020-21

09 JUNE 2021

Contact Officer: Antony Harvey Tel No: 07784 265289

Email antony.harvey@hants.gov.uk

WARD(S): ALL

PURPOSE

The purpose of this paper is to provide the Audit and Governance Committee with the Chief Internal Auditor's opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2020-21.

RECOMMENDATIONS:

1. The Audit and Governance Committee note the Chief Internal Auditor's Annual Report and Opinion for 2020-21 attached as Appendix 1.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 Internal audit plays a vital role in supporting the Council accomplish plan outcomes by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
- 1.2 The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.
- 1.3 The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the Council Plan Outcomes.

2 FINANCIAL IMPLICATIONS

- 2.1 The Internal Audit Plan is comprised of 310 resource days and was delivered within the agreed budget.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 None directly from this report.

4 WORKFORCE IMPLICATIONS

- 4.1 None directly from this report.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None directly from this report.

6 CONSULTATION AND COMMUNICATION

- 6.1 The Executive Leadership Board and Corporate Head of Resources have been consulted on the contents of the Annual Internal Audit Report and Opinion 2020-21.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 None directly from this report.

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 Not required.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 Not required.

10 RISK MANAGEMENT

10.1 The Southern Internal Audit Partnership follow a risk based audit approach in which risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of managements' objectives. Any audit work intended to provide an audit opinion is undertaken using this approach.

Risk	Mitigation	Opportunities
<i>Financial / VfM</i>	Internal Audit supports the Council to ensure proper financial management through its audit activities and assurance service	Enhancement of the Council's reputation through the strengthening of the effectiveness of risk management, control and governance processes.

11 SUPPORTING INFORMATION:

11.1 In accordance with the Public Sector Internal Audit Standards, the Chief Internal Auditor is required to provide a written report reviewing the effectiveness of the system of internal control to inform the production of the Annual Governance Statement.

11.2 The Annual Report for 2020-21 (attached at Appendix 1) provides the Chief Internal Auditor's opinion on the system of internal control and summarises the audit work from which that opinion is derived for the year ending 31 March 2021.

11.3 The Audit and Governance Committee's attention is drawn to the following points:

- Internal audit was compliant with the Public Sector Internal Audit Standards during 2020-21;
- The Council's framework of governance, risk management and control is considered to be 'Reasonable' and audit testing has demonstrated controls to be working in practice; and
- Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 None.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

AG020 – Internal Audit Plan 2020-21

AG031 – Annual Audit Report and Opinion 2019-21

Other Background Documents:-

None

APPENDICES:

Appendix 1 – Annual Internal Audit Report and Opinion 2020-21

Annual Internal Audit Report & Opinion

2020-21

Winchester City Council



Southern Internal Audit Partnership

Assurance through excellence
and innovation

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1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].



The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

2. Internal Audit Approach

To enable effective outcomes, internal audit provides a combination of assurance and consulting activities. Assurance work involves assessing how well the systems and processes are designed and working, with consulting activities available to help to improve those systems and processes where necessary. A full range of internal audit services is provided in forming the annual opinion.

The approach to each review is determined by the Deputy Head of the Southern Internal Audit Partnership and will depend on the:

- Level of assurance required;
- Significance of the objectives under review to the organisation's success;
- Risks inherent in the achievement of objectives; and
- Level of confidence required that controls are well designed and operating as intended.

All formal internal audit assignments will result in a published report. The primary purpose of the audit report is to provide an independent and objective opinion to the Council on the framework of internal control, risk management and governance in operation and to stimulate improvement.

The impact of COVID-19 during the year has had a significant impact on the way we have worked and interacted. The enforced central government directive 'if you can work from home, you must do so' has required the Southern Internal Audit Partnership to adopt a revised operating model and innovative approach to virtual auditing.

Work contributing to my 2020-21 annual opinion has all been undertaken virtually, optimising technology and virtual platforms to share, monitor and observe operations to substantiate our findings.

I am confident that the revised operating model has not compromised quality or SIAPs ability to complete assurance work throughout the year or the conclusion drawn. I would wish to extend my appreciation to Council officers with whom we have worked during the year for their support, cooperation, and seamless transition to the virtual audit approach without which the delivery of an annual opinion would not have been possible.



3. Internal Audit Opinion

The Deputy Head of the Southern Internal Audit Partnership is responsible for the delivery of an annual audit opinion and report that can be used by the Council to inform its governance statement. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance can be provided that there are no major weaknesses in the processes reviewed. In assessing the level of assurance to be given, I have based my opinion on:

- written reports on all internal audit work completed during the course of the year (assurance & consultancy);
- results of any follow up exercises undertaken in respect of previous years' internal audit work;
- the results of work of other review bodies where appropriate;
- the extent of resources available to deliver the internal audit work;
- the quality and performance of the internal audit service and the extent of compliance with the Standards; and
- the proportion of the Council's audit need that has been covered within the period.

Annual Internal Audit Opinion 2020-21

"I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of Winchester City Council's internal control environment.

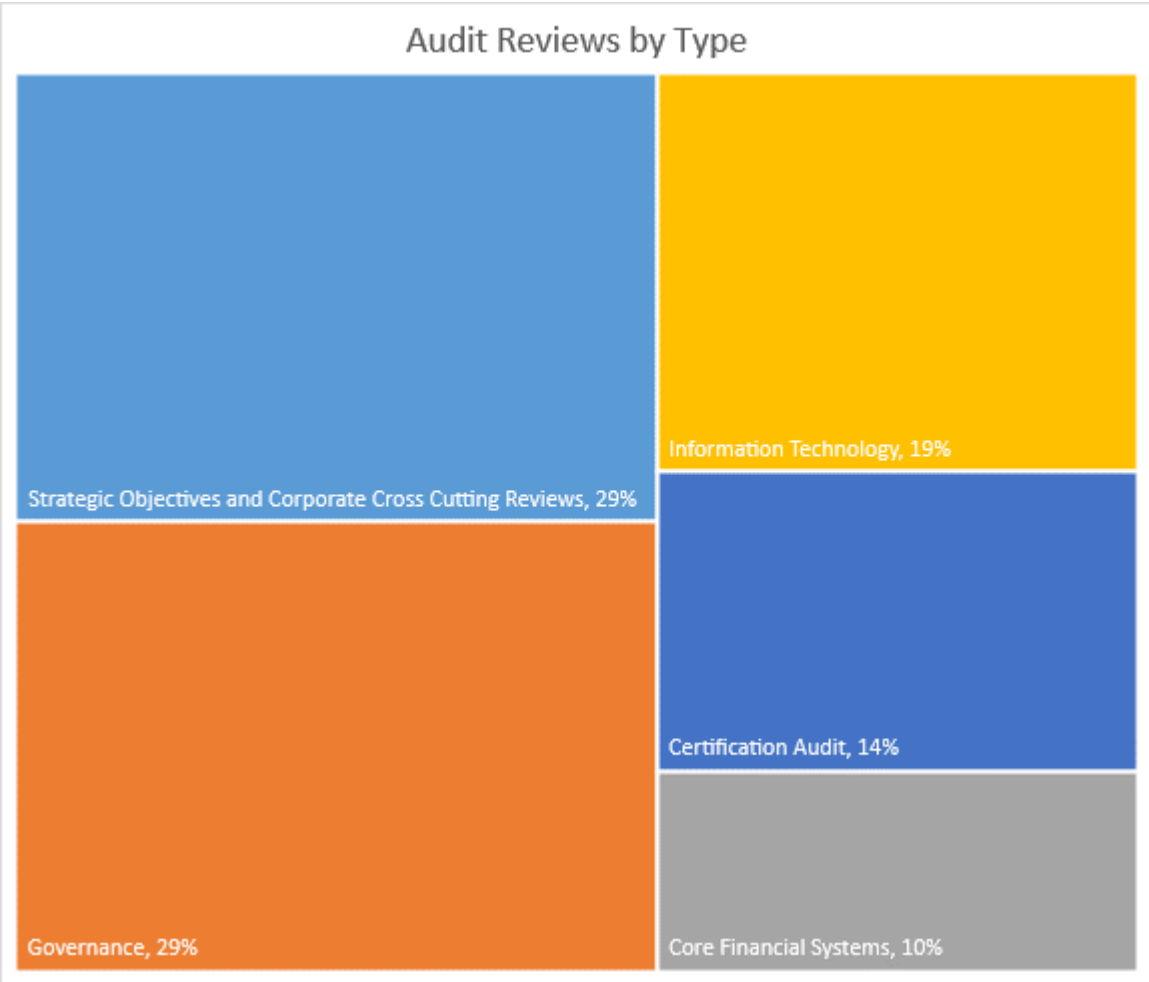
In my opinion, Winchester City Council's framework of governance, risk management and control is 'Reasonable' and audit testing has demonstrated controls to be working in practice.

Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement."

4. Internal Audit Coverage and Output

The annual internal audit plan was prepared to take account of the characteristics and relative risks of the Council’s activities and to support the preparation of the Annual Governance Statement.

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Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the internal control system is operating effectively.

The 2020-21 Internal audit plan, approved by the Audit & Governance Committee in March 2020, was informed by internal audits own assessment of risk and materiality in addition to consultation with management to ensure it aligned to key risks facing the organisation.

The scale of COVID-19 coupled with the speed of its impact and the wide-ranging challenges presented has necessitated new and different ways of working across the Council. Such challenges and subsequent resolutions bring with them new and emerging risks that management need to consider, manage, and mitigate. The plan has remained fluid throughout the year to maintain an effective focus.

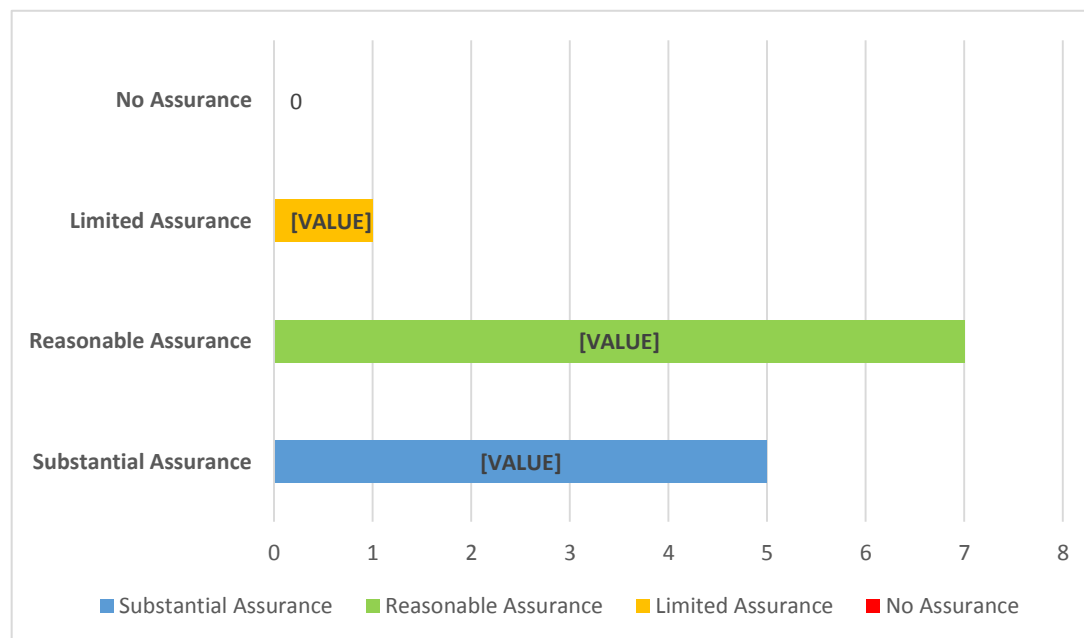
In delivering the internal audit opinion internal audit have undertaken 21* reviews during the year ending 31 March 2021.

Due to the significant impact and subsequent challenges posed by the coronavirus pandemic (Covid-19), there has been an inevitable impact on the delivery of the revised 2020-21 internal audit plan. At the time of reporting, two reviews have significantly progressed however remain work in progress therefore an opinion has not been formed in respect of Cyber Security and ICT Business Continuity.

Work is substantially complete, and an opinion has been formed for a further two reviews (Information Governance – Records Retention; and ICT - Patch Management) although final reports have not yet been agreed. I do not expect the outcomes of these reviews to change or adversely impact my annual opinion.

A list of the 2020-21 assurance reviews undertaken and their respective opinions is provided in Annex 1. The opinion assigned to each internal audit review, including draft reports, is summarised below:

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Substantial –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 - 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 - 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 - 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.

* 6 reviews did not culminate in an audit opinion. HR Performance Management concluded with a position statement, we facilitated the National Fraud Initiative activities and completion of the CIPFA fraud Survey; and we completed certification audits in the following areas:- COVID Compliance and Enforcement Grant; Bus Service Operators Grant and the Mayor’s Charity Account.

5. Key Observations

We are pleased to report that there were no 'No Assurance' opinions issued during the year. In general, internal audit work found there to be a sound control environment in place across the majority of review areas that were working effectively to support the delivery of corporate objectives, however one review has concluded with a 'Limited Assurance' opinion as summarised below:

Information Governance – Record Retention (draft report) - Limited Assurance Opinion

A Privacy Policy is published on the City Council's website stating why personal data is collected and how personal information is used and follows the requirements of the UK's General Data Protection Regulations (GDPR) guidance. Possible data breaches are recorded and investigated to identify what action is to be taken to improve learning to mitigate against possible future data breaches. The Council has an Information Management and Technology (IMT) Security and Conduct Policy, last updated January 2021, which is required to be understood and signed up to by all staff. Staff have access to training and receive updates to promote their understanding of their responsibilities in relation to data protection, GDPR and records retention, and training is monitored to ensure staff complete the required data protection training. Archived paper records are secured in a safe location with only appropriate personnel able to access them.

The audit identified the following areas for improvement. Whilst a retention and disposal policy has been published for staff to ensure their understanding of the requirements when handling personal data, the policy has not been recently reviewed and refreshed. Some departments have their own retention schedules and there is no mechanism in place to ensure corporate consistency. An Information Asset Register was developed in May 2018 for the implementation and compliance with GDPR however the register has not been reviewed or refreshed since it was developed. Some physical records are being retained beyond the assigned retention dates. At the time of reporting, and in respect to a sample of documents selected for the audit, no confirmation/certification had been received to confirm the secure destruction of documents undertaken by a by a third-party contractor. Current system reporting does not support the ability to identify unnecessary or inappropriate storage of records within staff personal folders which could breach the IMT Security and Conduct Policy. Some individual IT systems, such as IDOX and SharePoint do not have default retention parameters set, although it would be possible to activate the functionality within the systems. Currently, there is no formal plan to confirm retention parameters, which, until agreed, does not enable the functionality within the systems to be implemented and support stronger compliance with data protection retention and disposal requirements.

6. Quality Assurance and Improvement

The Quality Assurance and Improvement Programme (QAIP) is a requirement within ‘the Standards’.

The Standards require the Head of the Southern Internal Audit Partnership to develop and maintain a QAIP to enable the internal audit service to be assessed against the Standards and the Local Government Application Note (LGAN) for conformance.

The QAIP must include both internal and external assessments: internal assessments are both on-going and periodical and external assessment must be undertaken at least once every five years. In addition to evaluating compliance with the Standards, the QAIP also assesses the efficiency and effectiveness of the internal audit activity, identifying areas for improvement.

An ‘External Quality Assessment’ of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020.

In considering all sources of evidence the external assessment team concluded:

‘The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles. We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.’

7. Disclosure of Non-Conformance

In accordance with Public Sector Internal Audit Standard 1312 [External Assessments], I can confirm through endorsement from the Institute of Internal Auditors that:

‘the Southern Internal Audit Partnership conforms to the ‘Definition of Internal Auditing; the Code of Ethics; and the Standards’

There are no disclosures of Non-Conformance to report.

8. Quality control

Our aim is to provide a service that remains responsive to the needs of the Council and maintains consistently high standards. In complementing the QAIP this was achieved in 2020-21 through the following internal processes:

- On-going liaison with management to ascertain the risk management, control and governance arrangements, key to corporate success;
- On-going development of a constructive working relationship with the External Auditors to maintain a cooperative assurance approach;
- A tailored audit approach using a defined methodology and assignment control documentation;
- Review and quality control of all internal audit work by professional qualified senior staff members; and
- An independent external quality assessment against the IPPF, PSIAS & LGAN.

9. Internal Audit Performance

The following performance indicators are maintained to monitor effective service delivery:

Performance Indicator	Target	2020-21 Actual
Percentage of internal audit plan delivered (to draft report stage)	95%	90%
Positive customer survey response		
<ul style="list-style-type: none"> • Winchester City Council 	90%	100%
<ul style="list-style-type: none"> • SIAP – all Partners 	90%	98%
Public Sector Internal Audit Standards	Compliant	Compliant

Customer satisfaction was collated for SIAPs EQA and is an assessment of responses to questionnaires issued to a wide range of stakeholders including members, senior officers and key contacts involved in the audit process (survey date May 2020).

10. Acknowledgement

I would like to take this opportunity to thank all those staff throughout the Council with whom we have made contact in the year. Our relationship has been positive, and management were responsive to the comments we made both informally and through our formal reporting.

Antony Harvey
Deputy Head of Southern Internal Audit Partnership
May 2021

2020-21 Audit Reviews and Opinions

Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance
1. Programme and Project Management 2. Housing Asset Management – Gas Safety 3. Environmental Services Contract 4. Business Continuity 5. Treasury Management	1. Building Control 2. Capital Programme and Monitoring 3. Contract Management 4. Health and Safety 5. Accounts Receivable 6. Secure e-mail 7. (ICT) Patch Management (draft)	1. Information Governance – Records Retention (draft)	None

* 6 reviews did not culminate in an audit opinion. HR Performance Management concluded with a position statement, we facilitated the National Fraud Initiative activities and completion of the CIPFA fraud Survey; and we completed certification audits in the following areas:- COVID Compliance and Enforcement Grant; Bus Service Operators Grant and the Mayor's Charity Account.