



AUDIT COMMITTEE

DATE:	Thursday, 29 July 2021
TIME:	10.30 am
VENUE:	Princes Theatre - Town Hall, Station Road, Clacton-on-Sea, CO15 1SE

MEMBERSHIP:

Councillor Coley (Chairman)	Councillor Miles
Councillor Alexander (Vice Chairman)	Councillor Placey
Councillor Fairley	Councillor Steady
Councillor King	

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DATE OF PUBLICATION: Tuesday, 20 July 2021

AGENDA

1 Apologies for Absence and Substitutions

The Committee is asked to note any apologies for absence and substitutions received from Members.

2 Minutes of the Last Meeting (Pages 1 - 6)

To confirm and sign as a correct record, the minutes of the last meeting of the Committee, held on Thursday 27 May 2021.

3 Declarations of Interest

Councillors are invited to declare any Disclosable Pecuniary Interests or Personal Interest, and the nature of it, in relation to any item on the agenda.

4 Questions on Notice pursuant to Council Procedure Rule 38

Subject to providing two working days' notice, a Member of the Committee may ask the Chairman of the Committee a question on any matter in relation to which the Council has powers or duties which affect the Tendring District **and** which falls within the terms of reference of the Committee.

5 Report of the Internal Audit Manager - A.1 - Report on Internal Audit (Pages 7 - 24)

To provide the Committee with a periodic report on the Internal Audit function for the period April 2021 – June 2021 and the Annual Report, as required by the professional standards.

6 Report of the Assistant Director (Finance & IT) - A.2 - Table of Outstanding Issues (Pages 25 - 38)

To present to the Committee the progress on outstanding actions identified by the Committee along with general updates on other issues that fall within the responsibilities of the Committee.

Date of the Next Scheduled Meeting

The next scheduled meeting of the Audit Committee is to be held at 10.30 am on Thursday, 30 September 2021.

Information for Visitors

FIRE EVACUATION PROCEDURE

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**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE,
HELD ON THURSDAY, 27TH MAY, 2021 AT 10.30 AM
IN THE PRINCES THEATRE, TOWN HALL, STATION ROAD, CLACTON-ON-SEA,
CO15 1SE**

Present:	Councillors Coley (Chairman), Alexander (Vice-Chairman), Fairley, King and Placey
In Attendance:	Richard Barrett (Assistant Director (Finance and IT) & Section 151 Officer), Ian Taylor (Head of Public Realm)(except items 5 - 7), Craig Clawson (Internal Audit Manager), Ian Ford (Committee Services Manager), Karen Townshend (Executive Projects Manager (Governance)), Clare Lewis (Fraud and Risk Manager), Kai Aberdeen (Theatre General Manager (Technical)) and Matt Cattermole (Communications Assistant)

1. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Miles (with no substitute).

2. MINUTES OF THE LAST MEETING

It was moved by Councillor Alexander, seconded by Councillor Placey and:-

RESOLVED that the Minutes of the last meeting of the Committee held on Thursday 22 April 2021 be approved as a correct record.

Further to Minute 33 (22.4.21) the Council's Head of Public Realm (Ian Taylor) attended the meeting and updated the Committee on the progress made in relation to the audit actions that had been required following the 'Improvement Required' outcome of the Fleet Management Audit. He then responded to Members' questions thereon.

3. DECLARATIONS OF INTEREST

There were no declarations of interest made on this occasion.

4. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

There were no Questions on Notice on this occasion.

5. REPORT OF ASSISTANT DIRECTOR (FINANCE & IT) - A.1 - EXTERNAL AUDITOR'S AUDIT PLANNING REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Committee had before it a report submitted by the Council's Assistant Director (Finance & IT) (report A.1) which presented for consideration and agreement the External Auditor's Audit Planning Report for the year ended 31 March 2021.

It was reported that the plan was set against a risk based approach in order to provide a focus on areas of the financial statements where the risk of material misstatement was

higher or where there was a risk that the organisation had not made proper arrangements for securing value for money in its use of resources.

Members' attention was drawn to the new approach to the use of resources assessment following a change in the associated code and guidance. The outcome from the work of the External Auditor was now moving to a commentary on the Council's value for money arrangements rather than a conclusion or opinion.

The commentary would cover the following 3 headings:

A) Financial Sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services, including:

- 1) how the Council ensured that it identified all the significant financial pressures that were relevant to its short and medium-term plans and buildt these into them;
- 2) how the Council planned to bridge its funding gaps and identify achievable savings;
- 3) how the Council planned finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- 4) how the Council ensured that its financial plan was consistent with other plans such as workforce, capital, investment, and other operational planning which might include working with other local public bodies as part of a wider system; and
- 5) how the Council identified and managed risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including:

- 1) how the Council monitored and assessed risk and how it gained assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- 2) how the Council approached and carried out its annual budget setting process;
- 3) how the Council ensured effective processes and systems were in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supported its statutory financial reporting requirements; and ensured corrective action was taken where needed;
- 4) how the Council ensured it made properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This included arrangements for effective challenge from those charged with governance such as the audit committee; and
- 5) how the Council monitored and ensured appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests).

C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services, including:

- 1) how financial and performance information had been used to assess performance to identify areas for improvement;
- 2) how the Council evaluated the services it provided to assess performance and identify areas for improvement;

- 3) how the Council ensured it delivers its role within significant partnerships, engaged with stakeholders it had identified, monitored performance against expectations, and ensured action was taken where necessary to improve; and
- 4) where the body commissioned or procured services, how the body ensured that this was done in accordance with relevant legislation, professional standards and internal policies, and how the body assessed whether it was realising the expected benefits.

The Committee was informed that, given the broad areas of governance that the new use of resources assessment would cover, there was, unsurprisingly, a large overlap with the existing Annual Governance Statement activities, where many of the aforementioned issues were already being addressed or were planned to be addressed or strengthened. Although the Council was therefore in a strong position to respond to the new assessment, it was proposed that the outcomes from the work of the External Auditor would be brought together and monitored via the existing Annual Governance Statement processes going forward. The outcome of the External Auditor's work would be set out in the Auditor's Annual Report that would be presented to the Audit Committee later in the year.

Members were made aware that the External Auditor's planned 'base' fee totalled £45,205 (excluding certification of claims and returns), which could be met from within existing budgets. However, additional work would be required in order to respond to the new use of resources reporting requirements. That additional cost would be considered within the quarterly financial performance reports during the year as an on-going cost pressure.

The Committee noted that no allowance had been made within the overall fee for additional work that might be required such as that associated with additional requirements placed on the Council or unforeseen circumstances, which would be the subject of further reports when necessary.

Having fully considered and discussed the External Auditor's proposed Audit Planning Report for the year ended 31 March 2021:-

It was moved by Councillor Placey, seconded by Councillor Fairley and:-

RESOLVED that the External Auditor's Audit Planning Report for the year ended 31 March 2021 be approved.

6. **REPORT OF ASSISTANT DIRECTOR (FINANCE & IT) - A.2 - CORPORATE RISK UPDATE**

The Committee had before it a report submitted by the Assistant Director (Finance & IT) (report A.2) which presented it with the updated Corporate Risk Register.

Members were informed that the risk register had been updated within the context of the usual and underlying risks that were included in the register. However, it was recognised that the unprecedented events experienced in the last year in respect of the COVID 19 pandemic would have a major on-going impact on the Council and would likely cut across many of the risks currently included within the register.

The Committee was advised that given the on-going and 'live' nature of the current COVID pandemic, it continued to be difficult to fully revise the register at this point in time to reflect what was deemed to be the 'new normal'. However, the Council continued to review the underlying risks associated with COVID 19 across all of its services, ensuring that it could continue to effectively maintain, operate and deliver its operations and services. Timely and effective responses had been made in key risk areas, such as IT and network resilience, communication and management of information, cyber security, anti-fraud and corruption, health and safety along with business continuity / ability to effectively deliver services.

It was reported that Council Services would continue to reopen in the coming months and any associated risk relating to this would be carried out in a COVID secure way in order to ensure staff and customer safety. A review of lessons learnt relating to COVID 19 was currently being undertaken and would be brought before the Audit Committee at a later meeting.

The below table set out all amendments to the Risk Register since it had been last considered by the Committee in October 2020:-

Risk Register Item	Amendments / Comments
New Risks Identified	None
Risks Removed	None
Risk Scores Amended	None
Risk under review	None
Risks Amended	<p>The following items had subject to minor amendments within the 'current action status / control strategy' sections to reflect the most up-to-date position.</p> <p>Item 1b - Catastrophic IT network failure</p> <p>Item 1c - Ineffective communication / management of information</p> <p>Item 1d - Ineffective Cyber Security Physical and Application (software) Based Protection Management</p> <p>Item 2a - Coastal Defence</p> <p>Item 2c - Building Council Homes</p> <p>Item 2d - Ineffective delivery of Transforming Tending project</p>

	<p>Item 2f - Garden Communities</p> <p>Item 3d - Fraud and Corruption.</p> <p>Item 4a - Loss of Key Staff</p> <p>Item 6a – Loss of sensitive and/or personal data through malicious actions loss theft and/or hacking</p> <p>Item 7a - Local Plan</p> <p>Item 8a – Failure to collect levels of income required from Council Tax</p> <p>Item 8b - Failure to collect levels of income required from Non Domestic Rates</p> <p>Item 9a - Ineffective Emergency Planning</p> <p>Item 9b – Ineffective Business Continuity Planning</p>
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The Committee was informed that the Fraud and Risk Team continued to oversee the Council's Risk Management arrangements supported by the Council's Internal Audit Team. The table below set out the work that was currently being undertaken:-

Agreed Action	Current Position
<i>Management Team to promote the importance of operational risk management within the organisation and ensure that Senior Managers implement a process for identifying and mitigating risks in coordination with the corporate Fraud and Risk Manager.</i>	The corporate Fraud and Risk Manager continued to attend Management Team meetings on a quarterly basis and provided monthly updates for any urgent matters identified. The Fraud and Risk Manager continued to work with Management Team to effectively promote the importance of operational risk management within the Council.
<i>One to one meetings will continue to take place between Senior Managers and the Corporate Fraud and Risk Manager to identify and record key operational risks within their service areas. Support to be provided by Internal Audit if required.</i>	This unfortunately had been delayed due to the corporate Fraud and Risk Manager being redeployed to other tasks during the past 12 months. This review would continue into 2021.

Follow Up Action	Current Position
<i>Arrange Risk Management training for all departments across the Council</i>	The Council had identified a need for Managers to have some Risk Management training to ensure the Council could move forward with verifying risk register actions and

	review departmental risks across all departments. This would also allow the Fraud and Risk Manager to review the Council's Risk Management Framework.
<i>Review carried out relating to the effectiveness of the current control measures in place to identify inherent risk.</i>	Details of this review would be brought before the Audit Committee in due course.

Having considered and discussed the contents of the report and its appendices:-

It was moved by Councillor Fairley, seconded by Councillor Alexander and:-

RESOLVED that the updates provided to the current Corporate Risk Register be noted.

7. **ADDITIONAL MATTERS**

Redmond Review

Further to Minute 35 (22.4.21) and in response to a question asked by the Chairman (Councillor Coley), the Assistant Director (Finance & IT) (Richard Barrett) gave an update to Members on the Government's latest response to the recommendations contained within the Redmond Review. He also undertook to circulate the details of that response by email to the members of the Committee.

Members' Training Opportunity on Statement of Accounts

In response to a question asked by the Chairman (Councillor Coley), the Assistant Director (Finance & IT) (Richard Barrett) undertook to liaise with the Head of Democratic Services & Elections (Keith Simmons) in relation to the arrangements and practicalities around the provision of an in-house or online training opportunity for the members of the Committee on the Statement of Accounts.

The meeting was declared closed at 11.05 am

Chairman

AUDIT COMMITTEE

29 JULY 2021

REPORT OF INTERNAL AUDIT MANAGER

A.1 REPORT ON INTERNAL AUDIT – MARCH 2021 - JULY 2021 AND THE ANNUAL REPORT OF THE INTERNAL AUDIT MANAGER

(Report prepared by Craig Clawson)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide a periodic report on the Internal Audit function for the period April 2021 – June 2021 and the Internal Audit Managers Annual Report for 2020/21 as required by the professional standards.

EXECUTIVE SUMMARY

This report is split into three sections with a summary as follows:

1) *Internal Audit Plan Progress 2020/21*

- The 2020/21 Internal Audit Plan was completed with sufficient work undertaken in order for the Internal Audit Manager to provide an opinion in the Annual Head of Internal Audit Report.
- All audits within the Internal Audit Plan have been completed with only two receiving an overall audit opinion of 'Improvement Required'. All other audits within the plan received a satisfactory level of assurance.

2) *Annual Report of Internal Audit Manager*

- The Annual Report of the Internal Audit Manager concludes that an unqualified opinion of Adequate Assurance is provided.
- Work carried out throughout the year by the Audit Committee, Senior Management and the Internal Audit Team is in line with guidance provided by CIPFA on the 'Head of Internal Audit Opinion due to the impact of COVID-19' released in November 2020.

3) *Internal Audit Plan Progress 2021/22*

- Two audits have been complete receiving Substantial Assurance.
- A further four audits are in fieldwork with another two audits allocated.

RECOMMENDATION(S)

That the contents of the report be noted.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
Provision of adequate and effective internal audit helps demonstrate the Council's commitment to corporate governance matters.
FINANCE, OTHER RESOURCES AND RISK
Finance and other resources The Internal Audit function is operating within the budget set.
Risk Review of the functions of the Council by Internal Audit assists in identifying exposure to risk, and its mitigation.
LEGAL
The Council has a statutory responsibility to maintain adequate and effective internal audit. The Accounts and Audit Regulations 2015 make it a statutory requirement that the Council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal audit standards and guidance.
OTHER IMPLICATIONS
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below. Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement. Internal Audit activity assists the Council in maintaining a control environment that mitigates the opportunity for crime. During the course of internal audit work issues regarding equality and diversity, and health inequalities may be identified and included in internal audit reports. There is no specific effect on any particular ward.

PART 3 – SUPPORTING INFORMATION

BACKGROUND
The Public Sector Internal Audit Standards require the Acting Audit and Governance Manager to make arrangements for reporting to senior management (Management Board) and to the board (Audit Committee) during the course of the year, and for producing an annual Internal Audit opinion and report that can be used to inform the Annual Governance Statement.

INTERNAL AUDIT PLAN PROGRESS 2020/21

The 2020/21 Internal Audit Plan is complete with the exception of two audits being deferred to the 2021/22 Internal Audit Plan and replaced with three audits that had been identified due to the emerging risks from the COVID-19 pandemic. The Audit Committee agreed the changes to the audit plan in October 2020.

A total number of nine audits were completed during April 2021 to June 2021 receiving satisfactory assurance opinions with no significant issues being identified.

Internal Audit continues to provide advice on internal control, risk management and governance arrangements on a consultative basis. Further to completing audits within the agreed plan, the team attend meetings on Digital and Office Transformation, New system / process implementations in areas such as Leisure Services, Princes Theatre and the Accountancy.

We have also continued to provide advice and support in areas such as procurement, payroll and grant management to ensure constitutional and legal requirements are met in new or unique circumstances.

We remain focussed on delivering the message that we are here to support services and by letting us know about policy and procedural changes, difficult circumstances or just the unknown due to working on new projects / initiatives, we can advise and support at an early stage rather than create additional work at a later date if governance or internal control issues are identified during an audit at a later date.

Quality Assurance – The Internal Audit function issues satisfaction surveys for each audit completed. In the period under review 100% of the responses received indicated that the auditee was satisfied with the audit work undertaken.

Resourcing

Internal Audit is currently working with an establishment of 3 fte with access to a third party provider of Internal Audit Services for specialist audit days as and when required.

The Internal Audit Plan has been delivered with the current establishment. However, we are currently exploring the possibility of recruiting to our vacant part-time Audit Technician post to provide additional support both within the Internal Audit Function but also to other departments.

Our Apprentice is still on hold due to the COVID-19 pandemic and the remote working requirements in place. We are currently engaging with HR to understand what options are available going forwards.

Outcomes of Internal Audit Work

The standards require the Acting Audit and Governance Manager to report to the Audit Committee on significant risk exposures and control issues. Since the last report nine audits have been completed and the final report issued. The Public Sector Internal Audit Standards require the reporting of significant risk exposures and control issues.

Assurance	Colour	Number this Period	Total for 2020/21 Plan	
Substantial		0	5	
Adequate		9	18	
Improvement Required		0	2	
Significant Improvement Required		0	0	
No Opinion Required		0	4	Four consultative engagements in 2020/21

For the purpose of the colour coding approach, both the substantial and adequate opinions are shown in green as both are within acceptable tolerances.

Issues arising from audits completed in the period under review receiving an 'Improvement Required' opinion and requiring reporting to Committee are: -

There were no significant issues identified within audits completed during this period.

Management Response to Internal Audit Findings – There are processes in place to track the action taken regarding findings raised in Internal Audit reports and to seek assurance that appropriate corrective action has been taken. Where appropriate follow up audits have been arranged to revisit significant issues identified after an appropriate time.

The number of high severity issues outstanding was as follows: -

Status	Number	Comments
Overdue more than 3 months	0	
Overdue less than 3 months	0	
Not yet due	1	

Update on previous significant issues reported

The Head of Public Realm attended Audit Committee in April 2021 to provide an update on Fleet Management.

As part of the follow up process we understand that all outstanding actions bar one, relating to the fleet refuelling process; have been implemented. The service are currently identifying the best way to manage the refuelling process which we will continue to monitor and update the committee accordingly.

No significant issues have been identified since our last update in April 2021.

ANNUAL AUDIT REPORT OF INTERNAL AUDIT MANAGER

The Public Sector Internal Audit Standards (PSIAS) state that a professional, independent and objective internal audit service is one of the key elements of good governance, as

recognised throughout the UK public sector. The role of the Head of Internal Audit (Internal Audit Manager), in accordance with the PSIAS, is to provide an opinion based upon, and limited to, the work performed on the overall adequacy and effectiveness of the organisation's governance, risk management, and control processes.

As set out in the Public Sector Internal Audit Standards (PSIAS) there is a requirement under PSIAS 2450 that the Chief Audit Executive must provide an annual report to the Audit Committee, timed to support the Annual Governance Statement. This must include:

- An annual internal audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk and control framework (i.e. the control environment);
- A summary of the audit work from which the opinion is derived (including reliance placed on work by other assurance bodies); and
- A statement on conformance with the PSIAS and the results of the internal audit Quality Assurance and Improvement Programme.

The council is accountable collectively for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

Because of this, the Council continues to adopt a 'Three Lines of Defence' assurance model which is taken from the following sources;

1. Senior Management and Departmental Leadership

Under the first line of defence, operational management has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.

2. Internal Governance

The second line of defence consists of activities covered by several components of internal governance (Statutory Officers, Corporate Oversight Functions, Quality Control, IT Security, Data Protection and other control departments). This line of defence monitors and facilitates the implementation of effective risk management practices by operational management and assists the risk owners in reporting adequate risk related information up and down the organisation.

3. Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit 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.

Internal Audit Approach

The Internal Audit function undertakes a programme of audits each year to provide the Council and its Audit Committee with assurance on the adequacy of its system of internal control, governance and risk management arrangements. The audit programme has been

developed using a risk based approach and comprise of different audit techniques to make it leaner and more supportive of service delivery to meet the Council's needs.

CIPFA released guidance on Head of Internal Audit Annual Opinions in November 2020 due to the impact of COVID-19 for public services to address the risks of limitations of audit scope and notes 'CIPFA recognises that local government bodies are struggling with considerable challenges and are having to make difficult decisions on how best to use their available staff and financial resources to meet critical needs. However, the professional and regulatory expectations on local government bodies to ensure that their internal audit arrangements conform with PSIAS have not changed. In this difficult situation, heads of internal audit will need to consider whether they can still issue the annual opinion or whether there will need to be a limitation of scope.'

The key elements identified by CIPFA within the latest guidance were;

- Planning adequate assurance to support the annual opinion
- Engagement between the leadership team, audit committee and HIA
- Making effective use of internal audit resources
- Early identification of a limitation of scope
- Understanding the consequences of a limitation of scope

Discussions were already taking place at Tendring District Council (TDC) with the Audit Committee and Senior Management as early as March 2020 around the risks that the Internal Audit Team were facing as well as Council services in general and at this stage it had been identified that the Internal Audit Plan for 2020/21 had to be fluid as new risks emerged therefore additional Audit Committee meetings were held to ensure members were kept well informed and also allowed for changes to the internal audit plan to be adopted more effectively and efficiently as new information arose.

Communication between Internal Audit, Leadership and the Audit Committee has been effective and more frequent than any other year due to the additional challenges that the pandemic has brought. All of the key areas identified by CIPFA above had been addressed at the beginning of the financial year and continue to be assessed to date.

Internal Audit has continued to work with services on a consultancy basis to support the implementation of new processes, identify and analyse root cause if necessary and ensure that all relevant employees have the appropriate training to competently carry out their role. This includes advising service areas on their response to the COVID-19 pandemic and ensuring that the best possible service can be provided to the public when there has been a change to working practices or a shift in priorities due to the pandemic.

Independent investigatory work has also been undertaken throughout the year as and when required to support Senior Management when internal control issues arise within service areas.

In 2020/21, only two audits from a total of 29 reviews undertaken received an overall audit opinion of "Improvement Required" where high severity issues were identified. The audits were Princes Theatre and Fleet Management. Improvement actions are in place for those audit areas which are followed up by the Internal Audit function to assess the progress of implementation. All significant issues were reported to the Audit Committee with required improvement actions throughout the year to provide a continuous update on the councils control environment, governance arrangements, material issues identified and improvement actions.

Annual Opinion 2020/21

The Head of Internal Audit annual assurance opinion is based on the following:

- Internal Audit work completed during the course of the year;
- observations from consultancy/ advisory support;
- results of any follow up exercises undertaken in respect of previous years' internal audit work;
- a review of assurance from other providers including those from first and second lines of defence, independent regulators and peer reviews;
- the extent of resources available to deliver the internal audit work; and
- the quality and performance of the Internal Audit service and the extent of compliance with the Public Sector Internal Audit Standards

Limitations to the Annual Opinion

Although we were and still are in the middle of a pandemic there have not been any limitations to report on the ability to deliver the Internal Audit Plan and provide an annual opinion on the effectiveness of governance, risk management and internal control. There were changes to the audit plan throughout the year due to emerging risks leading to some audits relating to governance, data protection and business grants being included. The changes to the audit plan were in consultation with the Audit Committee and Management Team, furthermore the additional reviews only added to the overall assurance opinion provided by the Internal Audit Team.

It is also worth adding that the Internal Audit Plan could not be completed without the agreement and support of service managers and their staff as they were able to continue to provide a service to the public, address the changes and challenges from COVID-19 and allow time and resources for auditors to review the work they had been doing through 2020/21.

The Head of Internal Audit Annual Opinion

The overall direction of travel regarding the internal control environment since 2019/20 has improved as all but two audits received a satisfactory level of assurance throughout the 2020/21 financial year. A total of 38 moderate issues and 6 major issues were identified with actions agreed with operational management throughout the year. All major actions due have been reported to the Audit Committee and implemented by the relevant department. All moderate actions are managed through the follow-up process with the service area.

Governance arrangements and internal controls have been evaluated in all audits within the plan, albeit with varying levels of scope. Senior Management continue to review strategic risks on a regular basis within Management Team and the Corporate Risk Register is reviewed bi-annually with any feedback reported to Management Team for consideration.

COVID-19 has had a significant impact on the public and public services; however, departments within the Council have managed to continue to provide services to the public while managing the pressures and challenges from the pandemic. This has allowed for Internal Audit to complete the Internal Audit Plan and support services when required.

There has been procedural and policy changes throughout the year which Internal Audit have had view of and consulted on if needed.

Processing government business grants has taken up a lot of resource within the Corporate Services department throughout the year in order to undertake the necessary criteria checks prior to making payments. Internal Audit have taken assurance from the post assurance work carried out by the Fraud and Risk Team requested by the Department for Business, Energy and Industrial Strategy which evidenced only two minor errors in the sample of transactions tested. The Fraud Officer has also carried out many investigations pre and post payment of business grant funds to prevent the Council being exposed to repayment of funds to central government through unnecessary error and fraud.

Internal Audit have also undertaken their own review of business rates which included a review of business grants and the checks undertaken by Revenue Officers prior to payment with no significant issues being identified.

The opinion of the Internal Audit Manager is drawn from all of the information reported above, external reviews carried out throughout the year from other assurance providers and through the ongoing work in supporting Senior Management and services in delivering the Councils objectives and vision.

The Internal Audit function updated the annual Quality Assurance and Improvement Programme (QAIP) which is a self-assessment questionnaire against the Public Sector Internal Audit Standards. The (QAIP) was completed and presented to and agreed by the Audit Committee in January 2021.

The Internal Audit Manager is satisfied that sufficient work was completed in 2020/21 to draw a reasonable conclusion on the adequacy and effectiveness of the Council's activities. The internal control environment continues to remain stable with no significant changes from 2019/20 other than those reported to the Audit Committee throughout the year as part of the periodic reporting arrangements. An open dialogue with Senior Management on risk remains in place and a generally sound system of internal control has been assessed across the majority of the Councils operational areas. Therefore, an overall unqualified opinion of 'Adequate Assurance' can be provided.

The above report will be included within the Councils Annual Governance Statement (AGS) as part of its statutory responsibilities. Further work will be undertaken at a later date on lessons learnt from COVID-19 in line with AGS priorities.

INTERNAL AUDIT PLAN PROGRESS (2021/22)

Two audits from the 2020/21 Internal Audit Plan have been completed both receiving an overall opinion of Substantial Assurance with no significant issues identified. A further four audits are in fieldwork phase and a further two audits have been allocated.

The Internal Audit Team have been monitoring outstanding actions and working hard to ensure that services work with us to confirm that agreed actions are completed in a timely manner.

Work has begun in areas such as Bereavement Services, Performance Management, Building Control and Pre and Post Employment Checks.

Some resource is currently being used to undertake independent fact finding exercises part of potential / emerging governance issues. The consultative days allocated within the Internal Audit Plan is being used to support this work.

Appendix B – 2021/22 Internal Audit Plan progress report; provides an update on the status of each audit to date.

There are no significant issues or particular areas of concern to report at this time.

BACKGROUND PAPERS FOR THE DECISION

Audit Reports

APPENDICES

Appendix A – 2020/21 Internal Audit Plan Progress Report
Appendix B – 2021/22 Internal Audit Plan Progress Report

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Tendring District Council Internal Audit			
2020/21 Internal Audit Plan Progress Report			
Audit Title	Status June 2021	Audit Type	Audit Opinion
2019/20 Carry Forward			
Health and Safety	Complete	Annual review of individual / multiple elements of HR & M	Adequate Assurance
Financial Resilience	Complete	Full review of Housing Allocations Service	Adequate Assurance
North Essex Garden Communities	Deferred (Agreed October 2020)	Identify the risks associated to the project and determine how TDC can manage, monitor and mitigate those risks	N/A
Key Systems / Key Financial Risk Areas			
Procurement	Fieldwork	To review the electronic changes to the internal control environment since COVID-19	Adequate Assurance
Page 17	Housing Benefits	Different Techniques involved. Self-assessment, Root-cause analysis / Data Analytics and Assurance Mapping exercises until Universal Credit is adopted.	Adequate Assurance
	Business Rates	Different Techniques involved. To include self-assessment, Root cause analysis / Data Analytics and Assurance Mapping exercises. Analysis of Legislation changes and pooling arrangements may also be required	Adequate Assurance
	Investment Planning	Complete	To review the Councils investment planning processes, return on investments and assess how the benefits are realised and recorded
Corporate Governance	Complete	Assurance Mapping and Self-Assessments to be used within this audit. Interviews with Senior Management required to ascertain the culture of the organisation	Adequate Assurance

Council Tax	Fieldwork	Different Techniques involved. To include self-assessment, Root cause analysis / Data Analytics and Assurance Mapping exercises.	Adequate Assurance
Payroll	Complete	Data Analytics is the main audit technique used within this audit	Substantial Assurance
Treasury Management	Complete	Assurance Mapping, Self-Assessments and Data Analytics are the main techniques used	Substantial Assurance
Housing Rents	Complete	Root cause analysis / Data Analytics	Substantial Assurance
Cash Receipting	Complete	Root cause analysis / Data Analytics	Substantial Assurance

Other Services / Systems			
Parking Income	Complete	Review the income management processes and controls in place for Parking Income	Adequate Assurance
Risk Management	Complete	Required annually under PSIAS and Cipfa guidance	Substantial Assurance
Princes Theatre	Complete	To review the processes and controls in place for the management of the Princes Theatre. This will include income management, insurance arrangements and procurement	Improvement Required
Corporate Enforcement	Complete	Review of enforcement services across the Council to determine whether uniformity can be achieved within existing processes and controls and assess the efficiency of work programmes that may already be in place	Adequate Assurance
Asset Management	Complete	Audit scope to assess TDC assets and determine the effectiveness of income generation and maintenance schedules	Adequate Assurance
Transformation Programme	Allocated	Review of governance arrangements, decision making, cost / benefit analysis and benefit realisation	Consultancy
Fleet Management	Complete	To review the effectiveness of the Transport Management System and the processes and controls for managing and monitoring the Councils fleet of vehicles (owned and hired)	Improvement Required

Environmental Health	Fieldwork	Compliance with key legislation and effectiveness of processes and controls in place for managing environmental health issues	Adequate Assurance
Assurance Mapping	Complete	Identify all types of assurance required and achieved across the Council to develop an assurance map of public services provided by TDC.	Consultancy
Carbon Neutrality	Deferred (Agreed October 2020)	To assess the baseline data used by the Council for setting its Carbon Neutrality aims and objectives and review / assess the planning methodology and feasibility of achieving our aspirations	N/A
Computer Audit			
Digital Transformation Programme	Internal Audit Manager is part of the digital transformation delivery board	IT continues to be one of the biggest risk areas to all organisations. Governance arrangements and project delivery to be within scope	Consultancy
IT Governance	Draft Report	PSIAS expectation that this will be covered each year.	Adequate Assurance
IT Change / Patch Management	Fieldwork	To assess the IT functions processes and controls for change / patch management on IT infrastructure and software.	Adequate Assurance
Follow-Up Audits			
Planning Enforcement – Follow Up	Draft Report	Follow up of controls put in place from the 2019/20 Planning Enforcement Audit	Adequate Assurance
Northbourne Security Follow-Up	Support Service with implementation of internal controls required since previous audit	Follow up of controls put in place from the 2019/20 Northbourne Security Review	Consultancy
Housing Allocations Follow-Up	Complete	To follow up on the agreed actions from the 2019/20 Internal Audit and assess the progress of implementation	Adequate Assurance
Further Audits Agreed by Audit Committee (October 2020)			

GDPR – Data Sharing Agreements	Complete	Due to the many different organisations now working together due to COVID-19 the audit is expected ensure that all new data shared has an adequate agreement in place	Adequate Assurance
Impact on Governance (COVID-19)	Complete	To review the impact that COVID-19 has had on the governance arrangements within the Council	Adequate Assurance

Status Key

Unallocated	Audit in Audit Plan, but no work undertaken yet
Allocated	Audit is being scoped / has been scoped and awaiting commencement
Fieldwork	Audit in progress
Draft Report	Audit fieldwork complete, but Final Report not yet issued
Complete	Final Report issued and audit results reported to Audit Committee
Deferred	Audit was in Audit Plan, but will now be undertaken in a later year. Deferred audits agreed by Audit Committee
Delayed	Valid request from function being audited for audit to be undertaken later than proposed

Tendring District Council Internal Audit			
2021/22 Internal Audit Plan Progress Report			
Audit Title	Status July 2021	Audit Type	Audit Opinion
Key Systems / Key Financial Risk Areas			
Procurement	Unallocated	To review the Councils compliance with procurement rules for works or services of value which require a tender exercise	To Be Confirmed
Housing Benefits	Unallocated	Different Techniques involved. Likely to include self-assessment, Root cause analysis / Data Analytics and Assurance Mapping exercises until Universal Credit is adopted.	To Be Confirmed
National Non Domestic Rates	Unallocated	Different Techniques involved. To include self-assessment, Root cause analysis / Data Analytics and Assurance Mapping exercises. Analysis of Legislation changes and pooling arrangements may also be required	To Be Confirmed
Main Accounting System	Unallocated	To review the Councils Main Accounting System which includes management accounting processes and budget monitoring and reporting	To Be Confirmed
Corporate Governance	Unallocated	Assurance Mapping and Self-Assessments to be used within this audit. Interviews with Senior Management required to ascertain the culture of the organisation	To Be Confirmed
Council Tax	Unallocated	Different Techniques involved. To include self-assessment, Root cause analysis / Data Analytics and Assurance Mapping exercises.	To Be Confirmed
Payroll	Unallocated	Data Analytics is the main audit technique used within this audit	To Be Confirmed

Treasury Management	Complete	Assurance Mapping, Self-Assessments and Data Analytics are the main techniques used	Substantial Assurance
Housing Rents	Unallocated	Root cause analysis / Data Analytics	To Be Confirmed
Accounts Receivable	Unallocated	To review the income management processes involved for collecting income within the Accountancy department and service departments	To Be Confirmed
Banking	Complete	To review the internal control environment for the management of the Councils bank accounts. This audit will include an assessment of the management of the Corporate Credit Cards	Substantial Assurance
Health and Safety	Unallocated	Spot checks on service area's to ascertain compliance with H & S recommendations	To Be Confirmed
Other Services / Systems			
Pre and Post Employment Checks	Fieldwork	To review pre and post-employment checks of staff and the different legislative and regulatory requirement for the many different roles within the organisation	To Be Confirmed
Risk Management	Unallocated	Required annually under PSIAS and Cipfa guidance	To Be Confirmed
Bereavement Services	Fieldwork	To review the processes and controls in place for the management of the crematorium and cemetery. To advise and consult on the strategic direction of the service	To Be Confirmed
Housing Repairs and Maintenance	Unallocated	To assess the internal control environment for the reactive maintenance for the in house team and the external contractors undertaking works	To Be Confirmed

Careline	Allocated	Undertake Internal Audit of Careline Services and assess the internal control environment and capacity to deliver services	To Be Confirmed
Transformation Programme	Allocated	Review of governance arrangements, decision making, cost / benefit analysis and benefit realisation	Consultancy
Waste Management – Northbourne Depot	Unallocated	Review Waste Management procedures within the Councils Depot	To Be Confirmed
Building Control	Fieldwork	T To review the effectiveness of the Building Control service and the management of operational services, strategic priorities and income management	To Be Confirmed
Depot Operations	Unallocated	To review day to day operations of the depot, overall culture in line with corporate responsibilities and follow up on any outstanding security issues for the depot and its associated satellite compounds	To Be Confirmed
Carbon Neutrality	Unallocated	To assess the baseline data used by the Council for setting its Carbon Neutrality aims and objectives and review / assess the planning methodology and feasibility of achieving our aspirations	To Be Confirmed
Strategic Housing	Unallocated	To review and assess the services progress in delivering key strategic objectives and obligations	To Be Confirmed
Performance Management	Fieldwork	To review the Councils performance management processes and procedures at a strategic and operational level	To Be Confirmed

Computer Audit			
Digital Transformation Programme	Internal Audit Manager is part of the digital transformation delivery board	IT continues to be one of the biggest risk areas to all organisations. Governance arrangements and project delivery to be within scope	Consultative Review
IT Governance	Unallocated	PSIAS expectation that this will be covered each year.	To Be Confirmed
Information / IT Security	Unallocated	To review the Councils policies and procedures for ensuring that information and IT security assets remain secure and protected	To Be Confirmed

Status Key

Unallocated	Audit in Audit Plan, but no work undertaken yet
Allocated	Audit is being scoped / has been scoped and awaiting commencement
Fieldwork	Audit in progress
Draft Report	Audit fieldwork complete, but Final Report not yet issued
Complete	Final Report issued and audit results reported to Audit Committee
Deferred	Audit was in Audit Plan, but will now be undertaken in a later year. Deferred audits agreed by Audit Committee
Delayed	Valid request from function being audited for audit to be undertaken later than proposed

AUDIT COMMITTEE

29 JULY 2021

REPORT OF ASSISTANT DIRECTOR (FINANCE & IT)

A.2 AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

(Report prepared by Richard Barrett and Karen Townshend)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee the progress on outstanding actions identified by the Committee along with general updates on other issues that fall within the responsibilities of the Committee.

EXECUTIVE SUMMARY

- A Table of Outstanding Issues is maintained and reported to each meeting of the Committee. This approach enables the Committee to effectively monitor progress on issues and items that form part of its governance responsibilities.
- Updates are set out against general items, external audit recommendations and the Annual Governance statement within **Appendix A, B, and C** respectively.
- To date there are no significant issues arising from the above, with work remaining in progress or updates provided elsewhere on the agenda where appropriate.

RECOMMENDATION(S)

That the Committee notes and considers the progress against the actions set out in Appendices A to C.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

There are no significant financial implications associated with monitoring of the agreed actions or responses. If additional resources are required then appropriate steps will be taken including any necessary reporting requirements.

Risk

The Table of Outstanding Issues is in itself a response to potential risk exposure with further activity highlighted to address matters raised by the Audit Committee.

LEGAL

There are no direct legal implications associated with this report.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

This report does not have a direct impact although such issues could feature in future recommendations and actions. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.

PART 3 – SUPPORTING INFORMATION

TABLE OF OUTSTANDING ISSUES

The Table of Outstanding Issues has been reviewed and updated since it was last considered by the Committee in April 2021.

There are currently 3 main elements to this report as follows:

- 1) **Appendix A** – Provides updates against general items raised by the Committee.
- 2) **Appendix B**- Provides updates against recommendations made by the Council's External Auditor.
- 3) **Appendix C** – Provides updates against the 2020/21 Annual Governance Statement Action Plan.

In terms of items 1) and 2) above, there are no significant issues to raise, with actions remaining in progress. In respect of item 3), as reported to the Committee in April, there has been a significant impact from COVID 19 in terms of progressing the actions as quickly as originally anticipated. However, activity remains in progress against all actions and work will continue over the coming months as part of the 2021/22 action plan, which will form part of the Statement of Accounts that will be presented to the Committee later in the year for approval.

Other issues

Redmond Review

At its meeting in February 2021, the Committee considered the Government's initial responses to the Redmond review into the effectiveness of external audit. These were again considered at the meeting in April 2021.

As mentioned in April, many of the Government's responses indicated that they will either be liaising with the relevant stakeholders or will be considering some recommendations further, with their full response expected in the spring. However, to date any update or recommendations are yet to be announced.

Once an announcement been received, this will be appropriately actioned and reported to the Committee as soon as practicable.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Appendix A – Table of Outstanding Issues (July 2021) – General.

Appendix B – Table of Outstanding Issues (July 2021) – External Audit
Recommendations.

Appendix C - Table of Outstanding Issues – (July 2021) - Update against 2020/21 Annual
Governance Statement Actions

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AUDIT COMMITTEE - Table of Outstanding Issues (July 2021) - GENERAL

Governance Principle and Issue	Recommendation / Issue	Lead / Service	Progress /Comments	Status – Target Date
<p>Developing the Council’s capacity, including the capacity of its leadership and the individuals within it.</p> <p>Page 29</p>	<p>Following the consideration of the Anti-Fraud and Corruption Strategy last year, it was resolved that:</p> <p>The Head of Democratic Services & Elections be requested to consider including training for Members on anti-fraud and corruption measures as part of the Councillor Development Scheme.</p>	<p>Assistant Director Governance</p>	<p>The issue of the integration of training for Councillors on bribery and corruption into the offer for training for Councillors is being taken forward within the wider piece of work endorsed by Cabinet (on 19 February 2021 – Minute 138 refers) and Council (on 16 March 2021 – Minute 103 refers). This wider piece of work arose from the work of the Constitution Review Working Party at which the suggestion for “a suitable mechanism for regular Member input going forward such as a cross-party Member Working Group” was made. The Working Party also identified the potential use of e-Learning Platforms and in pursuance of that access to the LGA’s e-Learning Package for Members has been arranged for all Councillors and is being rolled out to them. However, the LGA e-Learning Platform does not include a module on bribery and corruption, and measures to deter and detect such behaviour. Discussions will take place with the</p>	<p>Review in September 2021</p>

			<p>Section 151 Officer to look at how best to provide this training as they are on the wider point of Local Government Finance as requested by the Resources and Services Overview and Scrutiny Committee (to supplement the e-Learning module and a workbook on the subject already circulated to Members of that Committee).</p>	
<p>Managing risks and performance through robust internal control and strong public financial management</p> <p>30</p>	<p>Following an update from the Assistant Director Housing and Environment on a number of Housing related matters at the Committee's meeting in March, it was agreed to keep under review the on-going issue relating to Council House void periods. This is especially timely given the review / changes to the governance arrangements proposed by the relevant Service in response to this issue.</p>	<p>Assistant Director Housing and Environment</p>	<p>The current position on reducing void turnaround time is still progressing. A new contractor has been appointed and has commenced, introducing some operational changes in order to provide a more efficient process once properties are ready to let.</p> <p>New software (MRI) is currently being introduced to support the management of the lettings process with some key milestones set out below:</p> <p>10 Aug 21 – system to be made available to new applicants</p> <p>Early September 21 – allocation process will be moved from Northgate system to MRI system</p>	<p>Est Dec 2021</p>

			<p>December 2021 – complete move from Northgate to MRI system</p> <p>The system faced an initial delay due to technical issues with configuring the system to the allocations policy. This has now been overcome.</p>	
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AUDIT COMMITTEE - Table of Outstanding Issues (July 2021) – EXTERNAL AUDIT RECOMMENDATIONS

Area	Recommendation and Agreed Action	Lead / Service	Progress / Comments	Status – Target Date
Logical access controls – number of super users Page 32	<p>The Council's IT systems identified that there are a large number of super users (users with privileged access rights) on a number of IT systems.</p> <p>There were 28 super users for the Capita system, 10 super users for the Northgate system and 6 super users for the Agresso system.</p> <p>It was considered that 2-3 super users per system would provide a robust level of IT security, and having a large number of super users could jeopardise system security.</p> <p>AGREED ACTION - Assess the number of super user access rights granted in each of the IT systems and take necessary actions to reduce the number of super users to an acceptable low level.</p>	IT	<p>Consultation has taken place with service areas in order to identify the number of super users (system administrators) to ensure that a balance is reached in reducing numbers compared to the organisation's operational requirements.</p> <p>The number of super users has decreased marginally as a result of this consultation, however due to the balance highlighted above it has not been possible to reduce this number further. There are a number of super users that are required due to the expertise that they provide in certain systems, along with providing sufficient cover for leave periods and absences.</p> <p>There will be an aim to conduct a review of the amount of super users annually, which will be done in consultation with Internal Audit.</p>	Completed Review Spring 2022
Use of Resources	As set out in April 2021, we identified some significant amount of carry forward each year from the planned		1. A review of a range of funded projects has been undertaken in consultation with the	Resource Capacity

	<p>projects of revenue and capital items, which indicates an issue of deliverability of planned projects.</p> <p>There is a risk that reserves are not being held at the optimum level, given that a number of them have not moved notably in recent years.</p> <p>AGREED ACTIONS:</p> <p>1. Assess the ongoing viability of planned projects and take actions such that they can be delivered within a reasonable time and minimise the carry forward.</p> <p>2. Assess, at least once every two years, the appropriateness of the levels of individual reserves and their continued validity based on factors such as historic utilisation rates, associated risk / sensitivity analysis and their underlying purpose and release any excess reserves.</p>		<p>relevant service area Assistant Directors. The sourcing of providing support across a number of areas is currently being researched and an update should be available for the next Committee meeting in an aim to accelerate delivery of projects during 2021/22.</p> <p>2. This action will be incorporated into the budget setting cycle from 2022/23 onwards.</p>	<p>by end of April 2021</p> <p>Delivery Capacity - Update by end of July 2021</p> <p>By November 2021</p>
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AUDIT COMMITTEE - Table of Outstanding Issues (July 2021) – ANNUAL GOVERNANCE STATEMENT ACTIONS 2020/21

Governance Principle & Issue	Required Action(s)	Update / Additional Comments
Carried Forward and Updated from 19/20		
<p>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p> <p>Ensuring compliance of the Council's governance arrangements through Project board reviews.</p> <p>Utilising the Council's systems to implement best practice for drafting, reporting and decision making.</p>	<ul style="list-style-type: none"> • Review of project outcomes being undertaken by the Project Board to support future decision making and delivery. • Commence the roll out of the functionality of Modern.gov over a phased approach in 2020/21. 	<p>The outcome from two key projects are due to be reported to the Project Board in the first six months of 2021/22.</p> <p>Modern.gov remains an ongoing and live project with additional functionality planned to be rolled out during 2021/22. The delivery team have received updated training to support the future roll out of this system.</p>
<p>Developing the entity's capacity, including the capacity of its leadership and the individuals within it.</p> <p>Ensuring the Council has the appropriate structures in place to support delivery of the Corporate Plan following the Senior Management restructure.</p>	<ul style="list-style-type: none"> • Finalise the operational capacity review and implement any recommended and approved staffing restructures. 	<p>This action is included as a standing agenda item on the regular Assistant Director meeting with actions underway in collaboration with HR, to deliver a prioritised / phased approach to this key activity during 2021/22. A significant element of pre-consultation work, including the identification of potential funding options, has been undertaken, which will be taken forward in the second and third quarters of the year.</p>

New and Updated for 20/21		
<p data-bbox="91 240 687 391">Determining the interventions necessary to optimise the achievement of the intended outcomes</p> <p data-bbox="91 470 687 582">Managing risks and performance through robust internal control and strong public financial management</p> <p data-bbox="91 654 687 837">By strengthening the linkages between the Corporate Plan priorities and the Council's investment plans along with review of the longer term impact of COVID-19</p> <p data-bbox="91 845 145 901">35</p>	<p data-bbox="687 240 1420 319">As part of the Back to Business and Recovery Plan:</p> <ul data-bbox="739 359 1420 1029" style="list-style-type: none"> <li data-bbox="739 359 1420 502">• Undertake a corporate review of the Council's operational assets to prioritise spending from an associated reserve over the next few years; <li data-bbox="739 542 1420 805">• to develop an investment plan during 2020/21 which will be directly linked to the Council's budget and evolving financial position and supported by the reprioritisation of budgets / existing funding and/or as part of the long term forecast; and <li data-bbox="739 845 1420 1029">• conduct an audit review in relation to the effectiveness of the Council's response to the COVID-19 including <i>a review of the lessons learnt from the Council's response and</i> longer term consequences. 	<p data-bbox="1420 240 2143 502">The Back to Business action plan was agreed by Cabinet at its 19 February 2021 meeting and included within its priority actions for 2021/22 which forms the background against which performances is being formally reported via the revised monitoring arrangements.</p> <p data-bbox="1420 526 2143 694">A review into existing projects and initiatives remains in progress, which is linked to the implementation of additional capacity to support delivery, which is now underway.</p> <p data-bbox="1420 718 2143 1141">Some additional capacity is already in place such as the Executive Projects Manager – Governance, which also supports the various next steps of the accelerated delivery approach e.g. project review with Assistant Directors and securing the necessary additional resource. In respect of the latter point, work is underway in securing additional procurement capacity, which has been identified as an essential element of various projects over the coming months.</p> <p data-bbox="1420 1173 2143 1430">An update on the Council's general response to the COVID-19 pandemic will be set out in the Annual Governance Statement that will be presented to the Committee later in the year. However, this remains subject to formal review by Internal Audit where further opportunities to</p>

		strengthen the Council's arrangements will be considered, e.g. business continuity.
<p>Defining outcomes in terms of sustainable economic, social and environmental benefits</p> <p>Determining the interventions necessary to optimise the achievement of the intended outcomes</p> <p>To set out the Council's vision following the Council's Climate Emergency declaration of the Council's activities being 'carbon neutral' by 2030.</p>	<ul style="list-style-type: none"> • Prepare an Action Plan for approval by both the Cabinet and Council to form part of the Council's Policy Framework 	<p>A Climate Change Action Plan was agreed by Full Council on 24 November 2020 and included within its priority actions for 2021/22 which forms the background against which performance is being formally reported via the revised monitoring arrangements.</p>
<p>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p> <p>Ensure the Local Code of Corporate Governance and key policies and procedures are up to date.</p>	<ul style="list-style-type: none"> • Review of the Council's Equality and Diversity strategy, policies and procedures 	<p>Both of these actions will be considered as part of the respective Service's key priorities and actions during 2021/22 and are included within the revised performance monitoring arrangements, with updates being reported to Management Team during the year.</p>

<p>Ensuring openness and comprehensive stakeholder engagement</p> <p>Establishing a corporate framework to support community engagement</p>	<ul style="list-style-type: none">• Developing the Council's approach and adopting principles for community engagement.	
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