

**AUDIT COMMITTEE - Table of Outstanding Issues (September 2024) - GENERAL**

<b>Governance Principle and Issue</b>	<b>Recommendation / Issue</b>	<b>Lead / Service</b>	<b>Progress / Comments</b>	<b>Status – Target Date</b>
<p><b>Developing the entity’s capacity, including the capacity of its leadership and the individuals within it.</b></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 &amp; 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 development of a Formal Training Programme remains ongoing which will include as necessary:</p> <ol style="list-style-type: none"> <li>1. Joint general training with other Essex Authorities.</li> <li>2. Statement of Accounts training, timing of which remains subject to the reporting of the accounts to the Committee.</li> <li>3. The role of Internal Audit Anti-Fraud and Corruption Strategy</li> <li>4. Corporate Governance and Assurance in a Local Authority setting</li> <li>5. Role and appointment of External Audit</li> <li>6. Risk Management</li> </ol> <p>The above are subject to external training providers’ availability and associated procurement processes.</p>	<p><b>Training sessions delivered to date: ‘Your Role on The Audit Committee’ – June 2023 and Fraud training in June 2024.</b></p> <p><b>Further modules will be delivered on 22 Jan 2024 with an external specialist trainer, and will include other Members e.g. Resources and Services Overview and Scrutiny Committee</b></p>

<p><b>Determining the Interventions Necessary to Optimise the Achievement of the Intended Outcomes - The Redmond Review</b></p>	<p>The Audit Committee has received on a regular basis updates in respect of the outcomes of the Redmond Review. The Government and other associated bodies continue to undertake the various activities to implement the Redmond Review recommendations.</p>	<p>Assistant Director Finance and IT</p>	<p>The last update provided to the Audit Committee was included in the main body of the Table of Outstanding Issues report, presented at the 05 Oct 23 meeting.</p>	<p><b>Complete</b> <b>(Items emerging from the Redmond Review are being reviewed/ implemented as separate items e.g. the appointment of Independent Persons to the Audit Committee. Therefore any further actions will be presented to the Committee as necessary).</b></p>
<p><b>Determining the Interventions Necessary to Optimise the Achievement of the Intended Outcomes – Office for Local Government (OFLOG)</b></p>	<p>On the 05 Oct 23, the Audit Committee received an update on changes to upcoming regulatory requirements and establishment of OFLOG. The Committee requested additional information on this future regulatory reform.</p>	<p>Assistant Director Governance</p>	<p>Future opportunities to provide additional information to Members will be explored e.g. an All Member Briefing.</p>	<p><b>This item has been put forward as a proposed agenda item within the most appropriate forum and/or will be considered alongside the potential training modules highlighted earlier.</b></p>

				<b>This item will be discussed at the October iCab meeting for further consideration.</b>
<b>Defining Outcomes in Terms of Sustainable Economic, Social and Environmental Benefits – Climate Change</b>	<p>At its meeting on the 05 Oct 23, the Committee resolved that:</p> <p>The Portfolio Holder for the Environment be requested to oversee the development of a Climate Action Plan from 2024, with its ambitions and actions set in the context of current national policy.</p>	Corporate Director Place and Economy	The Council has contracted with APSE Energy to review our carbon emissions for 2022/23 as a baseline for the Action Plan 2024-27. Officers have completed a first draft of the action plan, which is currently being refined to be sent to APSE Energy for comment in Feb 24. The Consultants will review the carbon impact of the proposed actions and advise a trajectory for the Council to become net zero. The Council will need to review the cost implications of the off-setting required to reach net zero and the costs of investments to reduce our underlying carbon emissions.	<b>A report is due to go to Cabinet in October 2024 and will be available to the Committee at that point.</b>
<b>Determining the Interventions Necessary to Optimise the Achievement of the Intended Outcomes –</b>	At its meeting on 25 January 2024 the Committee requested that an annual review of the effectiveness of the Anti-Fraud and Corruption Strategy is undertaken with the outcome to be reported back as part of the usual annual review process.	Assistant Director Finance & IT	The first review will be undertaken in early 2025 for reporting to the Committee in March 2025.	<b>March 2025</b>

<b>Anti-Fraud and Corruption Strategy</b>				
<b>Determining the Interventions Necessary to Optimise the Achievement of the Intended Outcomes – Housing Review</b>	At its meeting in April 2024, the Audit Committee considered the outcome of a recent external review of the Council’s Housing function. Following discussion, Officers were requested to consider appropriate processes to provide timely updates to Members on the associated action plan.	Corporate Director – Operations and Delivery	Work remains ongoing with the aim of ensuring that timely and appropriate updates are presented to Members during the year.	<b>An update will be provided to the September 2024 Audit Committee meeting.</b>
<b>Managing risks and performance through robust internal control and strong public financial management – Spendells Project</b>	At its meeting in July 2024, the Audit Committee resolved; <ul style="list-style-type: none"> <li>1. That in respect of the Spendells House issue, the Committee looks forward to reviewing the outcome of the work undertaken by the Chief Executive</li> <li>2. Notes and endorses the proposed joint working with the Resources and Overview Scrutiny Committee, and will seek to identify the associated opportunities for a combined exercise with that Committee going forward.</li> </ul>	Chief Executive	In respect of 1. This forms part of the AGS action plan set out in Appendix B with an update to be provided to the Committee as soon as practicable, once the work referred to has been completed.  In respect of 2. This remains under consideration subject to the outcome above.	<b>Second half of 2024/25.</b>
<b>Ongoing External Audit delays</b>	At its meeting in July 2024 the Audit Committee requested the Assistant Director Finance & IT to make enquiries with the appropriate bodies to raise the ongoing frustration with the external audit delays and to ask that the necessary legislation/regulations required to establish the proposed backstop dates	Assistant Director Finance & IT	An update is set out in the main body of the report.	<b>Completed</b>

	are brought forward as a matter of urgency.			
<b>RIPA – Regulatory Investigatory Powers Act 2000</b>	To inform the Committee of any activity conducted under RIPA conducted by the Authority.	Assistant Director Governance	This Authority has not conducted any RIPA activity in the last quarter and it is rare that it will be required to do so.	<p><b>Ongoing –</b></p> <p><b>The Council was subject to its three-yearly inspection by IPCO (Investigatory Powers Commissioner’s Office), regarding its compliance with RIPA 2000 and the Investigatory Powers Act 2016.</b></p> <p><b>The Inspector stated that he was assured of this Council’s ongoing compliance with RIPA 2000 and the Investigatory Powers Act 2016 will be maintained, and that the next inspection would be due in 2027. Some minor action action points are required which can be conducted at</b></p>

				<b>Officer level, with work already underway on these.</b>
<b>Whistleblowing</b>	To inform the Committee of any activity under the Whistleblowing Policy as part of the monitoring arrangements.	Assistant Director Partnerships	This Authority has not received any Whistleblowing notifications since the adoption of its policy in July 2023.	<b>Ongoing</b>



**AUDIT COMMITTEE - Table of Outstanding Issues (September 2024) – ANNUAL GOVERNANCE STATEMENT ACTIONS 2023/24**  
**On-going / outstanding items at the end of 2023/24 carried forward into 2024/25**

Governance Principle & Issue	Required Action(s)	Update / Additional Comments
<p><b>Implementing good practices in transparency, reporting and audit to deliver effective accountability.</b></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"> <li>• Review of project outcome being undertaken by the Project Board to support future decision making and delivery.</li> <li>• Continuation of the roll out of the functionality of Modern.Gov over a phased approach in 2022/23 – completed areas – training record for Councillors, TDC representatives on outside bodies, E petitions function, automated e mails, submission of final reports for Planning Committee, Cabinet, Council, Committee and Management Team dates published, Environmental Health licensing decisions published, report writing functionality.</li> </ul> <p><b><u>ADDITIONAL FOCUS FOR 2024/25</u></b>            Performance monitoring within services and decision implementation and project management.</p>	<p>The outcome from key projects will be reported to Members following completion of the associated project. Upcoming reports will include Jaywick Flexible Workspaces, Starlings and the Office Transformation Project.</p> <p>Modern.Gov – while use of several additional functions of the Modern.Gov system have progressed and have assisted the Council to demonstrate good decision making, report management was not implemented as intended.</p> <p>A revised programme into early 2025 has been prepared. To some extent this roll out has been frustrated by a server upgrade requirement from the Modern.Gov supplier (Civica) and from the report management functionality using a file type (*.bat) that would conflict with the Council’s IT security requirements.</p> <p>The server upgrade has been commissioned and is being programmed following approval for the additional budget to meet the related cost. Liaison between Democratic Services, IT and Civica is ongoing at the time of this update to find a solution to the file type issue that does not compromise IT security for the Council corporately. The programme for implementation</p>



		<p>of report management functionality will be kept under review given these constraints on implementation.</p> <p>In terms of the additional focus for 2024/25 this will remain ongoing over the second half of the year with updates provided accordingly.</p>
<p><b>Developing the Council's entity, including the capacity of its leadership and the individuals within it.</b></p> <p>Effectively manage the transition to a new Administration following the local elections in May 2023.</p> <p><b>REVISED FOCUS FOR 2024/25:</b></p> <p><b>Capacity to deliver the Council's Corporate Plan and its Priorities, together with new emerging initiatives.</b></p>	<ul style="list-style-type: none"> <li>• Continuation of the delivery of the Member Development Programme</li> <li>• Cabinet focus on new Corporate Plan, project prioritisation, financial sustainability and robust decision-making.</li> </ul> <p><b><u>REVISED FOCUS FOR 2024/25:</u></b></p> <p>Work is now underway to develop a number of milestones against the highlight priorities as part of delivering against the Corporate Plan themes.</p> <p>Departmental Plans within services will continue to be reviewed against the themes and highlight priorities during the year, with particular focus on governance issues, such as monitoring and implementing decisions, managing risks and budgets.</p> <p>Capacity requirements to be reviewed in light of the new range of competing capital project timescales, resources for projects and existing service provision.</p>	<p><b>WORK COMPLETED:</b></p> <p>An extensive Development Programme was implemented as part of the Induction arrangements for the newly elected/returning Councillors.</p> <p>This made use of written material, in-person and online events and the opportunity to interact directly with officers from a wide range of services across the Council.</p> <p>The Development Programme has continued and has included arrangements with mock hearings and similar, delivered in-house for both Planning and Licensing Committee Members and hearings based training for Members of the Standards Committee delivered by specialist external trainers. Use has been made of LGA in-person and online training and events to further enhance the development offer and this has included specific training for several Cabinet Members through a residential course provided by the LGA.</p> <p>A refresh of the skills of audit undertaken at the start of the Municipal year in 2023 is now planned to inform Member Development for the coming year and beyond.</p>

		<p>Cabinet report in Jul 24 recommends allocation of £1m to develop a Project Delivery Unit, headed by an experienced Project Manager to support the delivery of capital schemes and provide advice and guidance across the Council.</p> <p>A revised Corporate Plan and Vision was approved by Full Council at its meeting on 28 Nov 23, which included six themes, one of which was Financial Sustainability and Openness. Milestones have now been developed against Cabinet's Highlight Priorities, which will be monitored in line with existing arrangements.</p> <p>A new online training provider which offers a wider range of courses to develop individuals, including both mandatory and optional courses, has been introduced.</p> <p>In terms of the additional focus for 2024/25 this will remain ongoing over the second half of the year with updates provided accordingly.</p>
<p><b>Determining the interventions necessary to optimise the achievement of the intended outcomes.</b></p> <p>Managing risks and performance through robust internal control and strong public financial management.</p>	<ul style="list-style-type: none"> <li>• Review of existing Risk Management / Business Continuity arrangements.</li> <li>• Conduct and audit review in relation to the effectiveness of the Council's response to COVID-19, including a review of the lessons learnt from the Council's response and longer-term consequences.</li> <li>• Review of the effectiveness of the Audit Committee.</li> </ul>	<p>It is now planned to undertake a review in 2024/25 which is later than originally planned, but it remains a key issue for consideration alongside the wider annual review of the Council's governance arrangements.</p> <p>This continues to form part of the ongoing work of Internal Audit, which will also reflect any learning points that may emerge from the national public inquiry currently underway.</p> <p>It is planned to undertake a review in consultation with the Audit Committee and other key partners as soon as possible. Although this is later than</p>

	<ul style="list-style-type: none"> <li>Develop and implement a Corporate Policy and Strategy 'register' to ensure that these are reviewed and updated in a timely manner and to support decision making.</li> </ul>	<p>originally planned this remains a key activity along with developing an associated action plan as necessary.</p> <p>The development of the register has commenced and is held on the Council's website as part of its commitment to transparency. It will be added to as strategies and policies are adopted and reviewed. Services have also been requested to reference the relevant strategy or policy within reports supporting decision making and has been evident in recent reports to Cabinet.</p>
<p><b>Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.</b></p> <p>Maintaining an up to date Local Code of Corporate Governance along with key policies and procedures.</p>	<ul style="list-style-type: none"> <li>Review and update the Local Code of Corporate Governance and key policies and procedure.</li> </ul>	<p>The commitment remains in place to undertake this review and will be considered as part of the wider governance statement activities that will be reported to the Audit Committee later in the year.</p>
<p><b>Implementing good practices in transparency, reporting and audit to deliver effective accountability.</b></p> <p>Delegated decision making.</p>	<ul style="list-style-type: none"> <li>Awareness and further strengthening of good decision making incorporating the Council's policies and framework.</li> </ul>	<p>Work remains in progress to increase the understanding of key principles including consultation, business planning, budget, procurement and legal, with individual and bespoke guidance being provided, where requested, by the Monitoring Officer through report development. Concept papers and PIDs are encouraged to be completed comprehensively to ensure successful delivery within the governance framework.</p> <p>It is planned to undertake/continue a number of activities to increase the understanding of key</p>

		<p>principles including consultation, business planning, budget, procurement and legal requirements, this will be delivered through the Senior Management Forum.</p> <p>Focus will be on embedding robust project management within the culture of the organisation, to provide oversight on financial and non-financial issues especially in key areas such as – Levelling Up Fund / Regeneration Project, waste contract renewal, new major contractual requirements and housing review recommendations.</p> <p>External funding guidance to be produced, incorporating existing requirements, due to the level of external funding being applied for and managed by the Council. Please see main body of the report for additional information relating to Cabinet’s request seeking support from the Committee in the associated governance arrangements and processes.</p>
<p><b>Managing risks and performance through robust internal control and strong public financial management.</b></p> <p>In terms of business continuity this is especially important given the current global/economic climate.</p>	<ul style="list-style-type: none"> <li>• Departmental Plans to be subject to review to reflect any updated Council objectives and priorities including the associated management of risk.</li> <li>• Develop the financial planning process with the aim of strengthening the Council’s long term financial sustainability.</li> </ul>	<p>As highlighted above, reviews of the Departmental Plans will be concluded alongside the Corporate Plan and highlight priorities during the remainder of the year (this will include alignment with any new/revised risk management approach and peer reviews as relevant).</p> <p>Review to incorporate resources/capacity to deliver priorities, projects and service provision.</p>

	<p><b><u>ADDITIONAL FOCUS FOR 2024/25</u></b></p> <ul style="list-style-type: none"> <li>To implement/embed the necessary processes to support the identification of the required level of savings set out in the long term forecast.</li> </ul>	<p>A balanced budget was presented to Full Council in Feb 24 with work ongoing as part of the financial sustainability and openness priority highlighted above which will aim to identify the necessary savings to support the Council's long term financial position. It is currently planned to present the latest forecasts including the first iteration of the Savings Plan to Cabinet in October 2024.</p> <p>The dedicated/regular Officer Management Team meetings will remain ongoing with a focus on financial and non-financial issues along with performance and delivery.</p>
<p><b>Defining outcomes in terms of sustainable economic, social and environmental benefits.</b></p> <p><b>Determining the interventions necessary to optimise the achievement of the intended outcomes.</b></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"> <li>Preparation/reporting updates against the Climate Change Action Plan for approval by both the Cabinet and Council to form part of the Council's Policy Framework.</li> </ul>	<p>The Corporate Director, Place and Economy, attended the October 2023 meeting of the Audit Committee and provided a comprehensive update.</p> <p>A further update is due to be presented to Cabinet in October 2024 as highlighted in Appendix A.</p>
<p><b>New Items for 2024/25</b></p>		
<p><b>Ensuring openness and comprehensive stakeholder engagement</b></p>	<ul style="list-style-type: none"> <li>Officers be requested to review the Council's Community Engagement Strategy and its operation, taking into account the feedback received through the</li> </ul>	<p>Officers have been requested to review the various forums set out in Article 10 within their</p>

<p>Approach to Community Engagement, consultation and participation to be reviewed following adoption of the Corporate Plan and Communications Strategy.</p>	<p>Corporate Plan consultation with the public, partners and businesses, with a view to the outcomes being presented to a future meeting of the Cabinet.</p> <ul style="list-style-type: none"> <li>Review Article 10 of the Council's Constitution which sets out how the Council will promote Community Consultation and Participation through a range of opportunities.</li> </ul>	<p>areas and responses will be collated to produce a revised version for approval.</p>
<p><b>Managing risks and performance through robust internal control and strong public financial management.</b></p> <p>In response to the Section 5 of Local Government &amp; Social Housing Act 1989 report from the Council's Monitoring Officer on Spendells House</p>	<p>The Chief Executive:</p> <ol style="list-style-type: none"> <li>Has instructed that a formal review be undertaken to provide further clarity on how the issue arose and developed (including the governance arrangements associated with issuing verbal orders), which in turn can inform any further actions along with informing decision making and project delivery in the future;</li> <li>has issued a directive to all Senior Managers relating to financial and budget management, which explains the consequences and expectations of them in their roles and will be supported by further collective meetings with Senior Officers over the coming weeks/months and;</li> <li>has commenced arrangements for the implementation of a Senior Officer Project 'Board' that in turn will report directly to the Council's Senior Management Team on a regular basis.</li> </ol> <p>Statutory Officers to re-deliver governance awareness at the upcoming Senior Managers' Forum, where attendance is mandatory.</p>	<p>In respect of Item a) – this remains ongoing and further updates will be provided to the Committee later in the year.</p> <p>In respect of Item b) – the directive referred to has been issued and will form part of collective meetings with senior officers over the course of the year.</p> <p>In respect of Item c) – arrangements remain ongoing and a further update will be provided to the Committee later in the year.</p> <p>In respect of the re-delivery of governance awareness, this is planned to be covered at the first Senior Managers' Forum of 2024/25.</p>

<p><b>Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.</b></p> <p><i>(Although this action is expected to cut across all seven of the key governance principles (A to G) set out above)</i></p>	<ul style="list-style-type: none"> <li>• Review OFLOG requirements and revised Best Value Guidance, CIPFA Codes/guidance to identify areas of weakness and improvement and develop an action plan (including learning from external reviews, inspections and self-assessments).</li> </ul>	<p>Revised Best Value Statutory Guidance is specifically being referred to by the Monitoring Officer and Section 151 Officer, highlighting the relevant Best Value Themes, as detailed in the Guidance and the relevant indicators to the subject matter of the reports.</p> <p>Further opportunities to address this important area of the Council's overall governance arrangements will be considered during the year, which will include a self-assessment style approach and associated action plan as necessary.</p>
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