

# Audit Committee Agenda



**Date:** Thursday, 25 January 2018

**Time:** 2.00 pm

**Venue:** Meeting room 1P 05, floor 1, City Hall

**Distribution:**

**Councillors:** Barry Clark, Jos Clark, Olly Mead, Steve Pearce, Liz Radford, Afzal Shah, Clive Stevens

**Independent members:** Adebola Adebayo and Simon Cookson

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Date: 17 January 2018



# Agenda

## 1. Welcome, apologies and safety information

2.00 pm

SAFETY INFORMATION – PLEASE NOTE:

1. There are no planned fire alarm tests or drills. If the alarm sounds, please exit the room via the main entrance lobby at the front of the building.
2. Please then exit the building via the front ramp and assemble at the fire assembly point, which is on the paved area between the side entrance of the cathedral and the roundabout at the Deanery Road end of the building.
3. Please follow the instructions of the fire wardens and security staff on hand. Please do not return to the building until instructed to do so by fire wardens.

## 2. Committee membership update

To formally note the appointment of Adebola Adebayo and Simon Cookson as independent members of the committee.

## 3. Declarations of interest

To note any declarations of interest from councillors. They are asked to indicate the relevant agenda item, the nature of the interest and in particular whether it is a **disclosable pecuniary interest**.

Any declaration of interest made at the meeting which is not on the register of interests should be notified to the Monitoring Officer for inclusion.

## 4. Minutes of previous meeting

(Pages 5 - 18)

## 5. Action sheet

2.05 pm

To note the actions taken on relevant matters from the last meeting of the committee.

(Pages 19 - 21)

## 6. Public forum

Up to 30 minutes is allowed for this item. Public forum items must be about matters that fall within the remit of the Audit Committee.

Any member of the public or councillor may participate in public forum. Public forum items should be emailed to [democratic.services@bristol.gov.uk](mailto:democratic.services@bristol.gov.uk)



Please note that the following deadlines will apply in relation to this meeting:

Questions - Written questions must be submitted by 5.00 pm on Friday 19 January 2018 at latest.

Petitions and statements - Petitions / written statements must be submitted by 12.00 noon on Wednesday 24 January 2018 at latest.

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|--|--|
| <b>7. Work programme - latest update - for information</b>                 | <b>(Pages 22 - 24)</b>                         |
| <b>8. BDO's 2016-17 grants report</b>                                      | <b>2.15 pm</b><br><b>(Pages 25 - 38)</b>       |
| <b>9. Revenue and capital grant register</b>                               | <b>2.45 pm</b><br><b>(Pages 39 - 42)</b>       |
| <b>10. Draft code of corporate governance</b>                              | <b>3.15 pm</b><br><b>(Pages 43 - 64)</b>       |
| <b>*** BREAK ***</b>   | <b>3.30 pm</b>                                 |
| <b>11. Bundred report and Annual Governance Statement tracker</b>          | <b>3.45 pm</b><br><b>(Pages 65 - 90)</b>       |
| <b>12. Draft terms of reference for the Audit Committee</b>                | <b>4.15 pm</b><br><b>(Pages 91 - 101)</b>      |
| <b>13. Applications for dispensations</b>                                  | <b>4.30 pm</b><br><b>(Pages 102 - 110)</b>     |
| <b>14. Information item - summary update: complaints about councillors</b> | <b>4.35 pm</b><br><br><b>(Pages 111 - 112)</b> |
| <b>15. Exclusion of press and public</b>                                   |  |

Recommended:

That under s.100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of schedule 12A of the Act.



**16. Minutes of previous meeting - exempt section**

**4.40 pm**

**(Pages 113 - 115)**



## Bristol City Council Minutes of the Audit Committee

23 November 2017 at 2.00 pm



### Present:-

**Councillors:** Barry Clark, Jos Clark, Olly Mead, Steve Pearce, Liz Radford, Afzal Shah and Clive Stevens

**Officers in attendance:** Denise Murray, Service Director – Finance; Tony Whitlock, Principal Accountant; Jonathan Idle, Interim Chief Internal Auditor; Alison Mullis & Melanie Henchy-McCarthy, Head of Internal Audit (job share); Nancy Rollason, Head of Legal Service & Deputy Monitoring Officer; Ian Hird, Democratic Services

**Also in attendance:** Matthew Hepenstal, BDO (external auditor)

### 1. Welcome, apologies, introductions and safety information

The Chair welcomed everyone to the meeting and attendees introduced themselves. The Chair drew attention to the safety information as detailed on the agenda.

### 2. Declarations of interest

Non-pecuniary interests were declared as follows:

Agenda item 8 – Internal Audit half-year activity report for the period 1 April – 31 October 2017: It was noted that the Chair and Councillors B Clark, Pearce and Radford were customers of Bristol Energy. It was noted that this would not preclude them from participating in discussion of the relevant matter at this meeting.

Agenda item 8 – Internal Audit half-year activity report for the period 1 April – 31 October 2017: the Chair advised the committee that she was a City Council appointed member of the University of Bristol Court. It was noted that this would not preclude the Chair from participating in discussion of the relevant matter at this meeting.



### 3. Minutes of previous meeting

**RESOLVED:**

**That the minutes of the meeting of the Audit Committee held on 21 September 2017 be confirmed as a correct record.**

**Matters arising (for information):**

**Bundred report and Annual Governance Statement tracker:** Councillor Stevens advised that he and the Chair had held an additional meeting with the Service Director - Finance, at which detailed information and additional assurance had been given around items within the action plan that were considered to be completed and evidenced.

**Action points arising from discussion of the Statement of Accounts for the year ended 31 March 2017:**

It was noted that the following outstanding action points would be picked up and addressed by officers following this meeting:

- A briefing note to be supplied to Councillor Stevens with further detail about how the valuation of the Council's housing stock is carried out.
- A briefing note to be sent to Councillor Pearce with further detail on how valuation decisions on investment properties are made and assessed/kept under review.

### 4. Action sheet

The action sheet (tracking actions agreed at the 21 September meeting of the committee) was noted.

In relation to action no. 7, Councillor Mead confirmed that he had received the requested information about the new business case template (as referred to in activity ref. B16 in the Bundred report and Annual Governance Statement tracker).

### 5. Public forum

**Questions**

The committee noted that a public forum question had been received, as follows:

**Question from Councillor Carla Denyer:**

"Dear Audit Committee

At Full Council last week (14<sup>th</sup> November) I was concerned by the contents of Full Council agenda item 18 – Decisions taken under special urgency provisions. Because of the overrunning of that meeting I reserved my remarks, considering them more fruitfully presented to you here instead.



I have no disagreement with the need for the 'special urgency provisions' in the constitution. I absolutely understand why *sometimes* the Cabinet's carefully planned agenda gets overtaken by events and they have to make a decision on something immediately because of a change in situation that's outside of their control.

*However*, it is not clear to me why none of these particular 5 agenda items could be foreseen. For example, the street lighting contract had a set expiry date – why did it catch anyone by surprise?

I am especially concerned that they were all added to the agenda using APR16 rather than APR15, meaning that the notice provided wasn't just cut from 28 days to 5, it was cut from 28 days to a few hours in some cases.

If our Cabinet and its supporting officers do not have the foresight to predict important decisions coming up even 5 days ahead, what chance do they have to deal with the enormous challenges coming their way over the next few years?

So my question for Audit Committee is: **Please will you look at these cases and if necessary make recommendations to Cabinet for how to prevent this issue continuing?**

I understand (from conversations with your Vice Chair) that you already plan to look at quality and transparency of decision making reports, and so I ask that late reports are considered as part of the same piece of work."

The committee noted the written reply, as follows:

"If any decision needs to be taken as a matter of special urgency, a proper process must be followed in that the Monitoring Officer must be satisfied that there is no option but to take the decision before it can be put on the next forward plan, and the Chair of Scrutiny must agree.

All of the decisions reported went through that process.

There are numerous reasons why a report may be late and these are usually beyond the control of officers or due to changes in process and governance arrangements.

With regard to these decisions:

**Local Growth Fund bid – 7 March 2017 Cabinet:** The LEP (the funding body for this grant) were unable to clarify the total amount of funding BCC could bid for until very late in the bidding process. This led to a delay in selecting schemes for inclusion in the bid (as we weren't sure what the total value of the project could be). The reason for urgency was that it was critical that the Council secured approval on the 7<sup>th</sup> March and not later as Bristol would miss the LEP Investment Board bid deadline of the 31<sup>st</sup> March 2017



(for consideration by the LEP Investment Board in May 2017). This would place significant time pressures on the individual projects we are seeking funding for.

**Dunmail housing scheme – 16 May 2017 Cabinet:** No information available by the date of this Audit Committee but can be provided.

**Parkview offices lease change – 26 June 2017 Cabinet:** A late opportunity arose to change the lease at Parkview which would enable the Council to end it in the coming months having relocated all the staff based there. This would deliver around £1m per annum recurring savings for the budget.

**Leasing out of offices at 100 Temple Street for Department of Work & Pensions (DWP) – 19 September 2017 Cabinet:** Office design work was completed in late August and at that point it became apparent that the budget was not enough to undertake the works, based on an original estimate for the January Cabinet. This then necessitated a requirement for an urgent report to approve the additional budget and spend quickly so that the works could proceed in time to meet the DWP occupation start date on the 1<sup>st</sup> November 2017.

**Street lighting contract extension – 19 September Cabinet:** The existing contract needed to be extended to allow for the procurement process for a new three year contract to be followed. The previous administration's Cabinet in November 2015 had approved the procurement and extending the contract to do so, but for various reasons (advice from Legal and Procurement requiring a change in approach, internal resources including departure of the Street Lighting Manager) the tender process was delayed and a further 10 months was needed before a new contract could be awarded. The annual value of this work exceeded £500k, hence the need for Cabinet to approve a waiver of procurement regulations to extend the current contract. Not doing so would mean that we would have been out of contract from the end of September for the street lighting maintenance function and would not have been able to issue orders to keep lights on to meet the statutory safety obligations under the Highways Act 1980."

### Statements

The committee noted that public forum statements had been received, as follows:

1. Councillor Eddy – subject: recruitment of the former Chief Executive.
2. Councillor Hopkins – subject: recruitment of the former Chief Executive.

The statements were noted. The Chair advised the committee that she had also received a joint letter from Councillors Eddy, Hopkins and O'Rourke advising that they had written to BDO (the Council's external auditor) requesting an investigation of issues referred to in the above statements. It was noted that the external auditor would separately consider their own response to that letter.

## 6. Work programme - latest update - for information

The latest update of the work programme was noted.





It was noted that the report on the annual “whistleblowing” review had been rescheduled (from the 25 January 2018 meeting) to the 22 March 2018 meeting, to enable time for the review to be completed.

## 7. BDO's Annual Audit Letter 2016-17

The committee considered BDO’s (the Council’s external auditor) Annual Audit Letter, noting also that an appendix to the report set out the management responses to BDO’s ISA 260 report.

Matthew Hepenstal, BDO presented the Annual Audit Letter, highlighting the following:

- a. The Annual Audit Letter covered the year ended 31 March 2017. The letter essentially summarised the key issues arising from the work BDO had carried out in undertaking the 2016-17 audit of the Council, as had been detailed in full in the ISA 260 external audit report submitted to the committee’s previous meeting.
- b. The letter would be published on the Public Sector Audit Appointments website and also on the Council’s website.

Main points raised /clarified/noted in discussion:

- a. In terms of BDO’s application of materiality, it was clarified that the materiality for the financial statements as a whole was set at £18.8m. This was determined with reference to a benchmark of gross expenditure (of which it represented less than 2 per cent) which BDO considered to be one of the principal considerations for the Council in assessing financial performance. Taking account of the above, BDO had agreed with the Audit Committee that all individual audit differences in excess of £376,000 would be reported. The committee would receive an opportunity to review this figure in relation to next year’s audit plan.
- b. A summary of the audit differences was included at page 5 of the Annual Audit Letter. BDO had concluded that the uncorrected misstatements as detailed did not have a material impact on their opinion on the financial statements.
- c. In relation to the reference to the moratorium/spending freeze on non-essential, statutory or grant-funded activity in January 2017, it was suggested that better information and communications could have been provided (i.e. internally, from within the Council) to councillors about impacts on local spend arising from the spending freeze.
- d. In response to a question, it was confirmed by the external auditor that any changes in the valuation of the Council’s subsidiaries would not affect the Council’s income and expenditure account.
- e. In relation to the governance arrangements for the Council’s subsidiaries, it was noted that these were categorised as a normal risk and not as a significant risk, despite the fact that Bristol Energy had not performed in line with its original 2015 business plan and had incurred losses during its first 2 years of operation. It was noted that appropriate mitigation was pursued against all risks (i.e. irrespective of whether they were classified as being of “normal” or “significant” risk ), and that these governance arrangements would be retained as a risk area in terms of next year’s audit plan.

Taking into account the above, the committee



**RESOLVED:**

**That BDO's Annual Audit Letter 2016-17 and the management responses to BDO's ISA 260 report be noted.**

**8. Internal Audit half-year activity report for the period 1 April - 31 October 2017**

The committee considered the Internal Audit half-year activity report for the period 1 April – 31 October 2017.

The Chair reminded the committee that in relation to the section of the report setting out summaries of completed audits, two exempt appendices had been prepared by officers, and had been available for members of the committee to read in advance of this meeting under managed access arrangements.

In light of this, in relation to the committee's consideration of these exempt appendices, it was

**RESOLVED:**

**That under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting in respect of the committee's consideration of these exempt appendices on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of part 1 of schedule 12A to the Act.**

The Interim Chief Internal Auditor then presented this half-year activity report, highlighting the following key messages:

- a. Audit Plan: Reductions in planned reviews needed to take place in order to compensate for both reduced resources and also the significant level of resources diverted to ad hoc requests. It was highlighted that the core purpose of Internal Audit was to provide the Audit Committee with an annual opinion on governance, risk management and internal control and this was at risk given the level of resources, and any significant diversion from the Audit Plan or sickness absence may limit the ability to provide this.
- b. At this half-year point, 50% of completed Internal Audit reviews showed limited or no level of assurance.
- c. The implementation rate in relation to Internal Audit recommendations was currently at 94% implemented or partially implemented.
- d. A significant degree of resource had been allocated to grant auditing and certification work (22 grants with a total value of £23.7m certified to date).
- e. The report also set out summaries of particular audits (including the summaries that were included as exempt appendices).

Main points then raised /clarified/noted in discussion:



**Grant certifications / contract management:**

- a. In discussion, concern was expressed about the degree to which Internal Audit resource had necessarily been directed (sometimes at very short notice) to grant certification work. It was noted that this had a significant resource impact on Internal Audit. It was suggested that further assurance may be needed around the capacity and ability of the authority to effectively manage grants. Following discussion, it was noted that work was being instigated to ensure a disciplined, corporate approach to the grant administration process. In terms of assurance, it was agreed that it would be useful for a more detailed report on the audited grant certifications to be brought back to the committee.
- b. In further discussion, concern was also expressed about the effectiveness of current contract management and renewal arrangements. It was concerning, for example, that the renewal of the street lighting contract had resulted in an urgent report to the Cabinet seeking approval, at short notice, of the contract renewal. On a corporate basis, there may also be a need for further assurance around the general effectiveness of contract management arrangements. The expectation was that contract review / renewal dates should be properly diarised, with an alert system / protocol also in place to ensure review deadlines were met. Following discussion, it was noted that the issue of assurance around contract management arrangements could be picked up as part of the scheduled Audit Committee training workshop on commissioning governance (scheduled for 25 January).
- c. It was suggested that some of the issues and gaps around contract /grant administration may have emerged as an unintended consequence of the very significant transformational change taking place across the Council; consideration could perhaps be given to dedicating an additional resource to Internal Audit as a means of helping the Mayor and the Strategic Leadership Team in identifying / plugging gaps in service that may emerge during this period of transformational change.

**Completed Audit - General Data Protection Regulations - readiness review:**

Although noting that the Internal Audit recommendations from this review had been agreed for implementation, including the appointment of a dedicated project manager, members were concerned that further assurance may be required about the readiness of the Council in relation to GDPR. It was agreed that a further progress report should be requested for the next Audit Committee, with relevant officers invited to attend the meeting to respond as necessary to any questions from the committee.

**Completed Audit - Data Loss Prevention System:**

The outcomes of this review, as highlighted in the report, were noted. Internal Audit recommendations from this review had been agreed for implementation.

**Completed Audit - Foster Care Payments and Budgetary Control:**

The outcomes of this review, as highlighted in the report, were noted. Internal Audit recommendations from this review had been agreed for implementation.



**Completed Audit - Early Years Funding:**

The outcomes of this review, as highlighted in the report, were noted. Internal Audit recommendations from this review had been agreed for implementation. It was noted that in relation to 2017-18, the DfE had made an adjustment to effectively compensate for the error made by the Council in submitting the Early Years census to the DfE in January 2016.

**Completed Audit - Green Deal Community Grant Review:**

The outcomes of and lessons learnt as a result of this review, as highlighted in the report, were noted.

(Councillor Shah left the meeting at this point (3.18 p.m.)

**Completed Audit - Resources - Accounts Receivable:**

- a. The outcomes of this review, as highlighted in the report, were noted, including the areas for improvement in respect of which 14 recommendations had been made.
- b. It was noted that a corporate debt policy was now being brought forward through the Strategic Leadership Team and, in terms of assurance, it was agreed that this policy should be brought to the Audit Committee.

**Discussion of Completed Audits as detailed in the exempt appendices to the report**

The committee discussed the completed audits as referred to in the exempt appendices to the report (a separate exempt minute has been prepared in relation to this part of the meeting).

**General discussion around the half-year activity on completed audits:**

Further to the earlier discussion around grants and contract monitoring, and other issues identified in the report, especially from completed audits, committee members expressed the importance of ensuring an organisational culture whereby appropriately robust service controls are in place, lessons are learnt when issues and problems occur, and agreed actions are then fully implemented. It was also important to appropriately hold relevant officers to account for the implementation of agreed actions. As part of this, moving forwards, the Audit Committee may on occasions need to require officers to attend their meetings to review progress / provide assurance as necessary.

The Interim Chief Internal Auditor highlighted that, in 2017-18, Internal Audit had completed various significant reviews of specific governance and control issues, many of which had been specifically commissioned by senior management.

Noting and taking into account the above, the committee

**RESOLVED:**

**That the Internal Audit half-year activity report be noted, including the deletions to the 2017-18 Internal Audit plan.**

Note: The meeting was adjourned at this point (4.10 p.m.) and reconvened at 4.20 p.m.



## 9. Internal Audit counter fraud update report for the period 1 April - 31 October 2017

The committee considered the Internal Audit counter fraud update report for the period 1 April – 31 October 2017.

The Interim Chief Internal Auditor presented this half-year report, highlighting the following:

- a. The counter fraud team continues to identify potential savings which cover its costs.
- b. The volume and range of work undertaken by the team is considerable. Competing priorities and existing resources remain a challenge, particularly in terms of achieving the best balance, given the level of resource, between reactive, investigative work and proactive initiatives to secure cashable savings.
- c. A current identified gap is that the team does not have a stable resource position. Greater stability for the team with temporary posts/secondments secured on a permanent basis is an issue to be addressed.
- d. There is an important challenge around turning potential, recoverable savings into actual recovered savings.
- e. Key results included: 16 Council properties regained; 8 right to buy applications cancelled due to identifying false information; 19 care home payments cancelled where the deaths of clients had not been notified to the Council; Blue Badge enforcement and education.

Main points raised /clarified/noted in discussion:

- a. The Chair suggested that, moving forwards, it would be preferable to retain a focus on maximising cashable savings from identified “big ticket” issues.
- b. The value of ensuring effective publicity around successful actions and initiatives was acknowledged, e.g. although the Blue Badge enforcement and education activity had not in itself generated significant direct financial savings, the positive publicity should act as a deterrent to Blue Badge fraud.
- c. It was noted that there may be a case for further investigation around the issue of failures in notifying deaths of clients in care homes to the Council, i.e. the issue of whether this was purely attributable to particular care homes failing to notify the Council in a timely manner, or whether there were any council “system” or data matching issues to address.
- d. In relation to the identified personal budget fraud (adult social care direct payments), the committee emphasised the importance of robust arrangements being in place to reduce the likelihood of fraud.
- e. The committee acknowledged the ongoing importance of the counter fraud team and welcomed the key results achieved by the team over this 6 month period.

Taking into account the above, the committee

### **RESOLVED:**

**That the Internal Audit Counter Fraud update report be noted.**



## 10. Corporate Risk Register update

The committee considered a report asking members to review and comment upon the draft Corporate Risk Register (CRR) as a source of assurance that risk management arrangements are in place and developing.

The Service Director - Finance presented the report, highlighting the following:

- a. The report set out the detail of the newly refreshed draft CRR. This had been developed following wide consultation involving managers across the Council.
- b. The risk management policy had also been reviewed and the draft CRR was now presented in the format required by the new policy.
- c. The Cabinet would be asked to approve the Risk Management Policy at their next meeting on 4 December and would review the CRR going forwards on a quarterly basis.

Main points raised /clarified/noted in discussion:

- a. A risk owner (at strategic or service director level) was identified for each risk.
- b. It was suggested that there could be a potential corporate risk around the resourcing / staffing of the Internal Audit function which may need to be explored.
- c. Further to points raised at the previous meeting, and whilst noting that the new “task and finish” scrutiny arrangements are member led, concern was expressed that the opportunity for wider member scrutiny of directorate risk registers was being lost. It was noted though that the issue of a mechanism that would still allow a form of member scrutiny around directorate risks and performance was to be discussed with the party group leaders. The OSM Board was also holding a workshop in February to review the scrutiny arrangements and, further to the action agreed at the previous meeting, officers would take forward the suggestion that Audit Committee members should be invited to attend that workshop.

Taking into account the above, the committee

### **RESOLVED:**

**That the draft Corporate Risk Register (CRR) be noted as a source of assurance that risk management arrangements are in place and developing.**

## 11. Internal Audit Quality Assurance Improvement Programme

The committee considered a report seeking approval of the Internal Audit Quality Assurance Improvement Programme.

The Interim Chief Internal Auditor presented the report, highlighting the following:

- a. In accordance with the Public Sector Internal Audit Standards, Internal Audit was required to maintain a Quality Assurance and Improvement Programme and report against this in its annual report to the committee. This report was therefore presented for the committee’s consideration and approval as per this requirement.



- b. An external peer review of Internal Audit had been held earlier this week; the results of this review would be reported to the next meeting of the committee.

Taking into account the above, the committee

**RESOLVED:**

**That the Internal Audit Quality Assurance Improvement Programme be approved.**

## **12. Internal Audit updated Charter, Terms of Reference and Strategic Statement**

The committee considered a report of the seeking approval of the Internal Audit updated Charter, Terms of Reference and Strategic Statement.

The Head of Internal Audit presented the report, highlighting the following:

- a. The updated Charter (setting out Internal Audit's purpose, authority and responsibilities) was presented for the committee's approval in accordance with the requirements of the Public Sector Internal Audit Standards.
- b. The main additions to the charter were:
  - \* the addition of an Internal Audit mission statement (para. 2.2 of the charter).
  - \* the insertion (paras. 7.3 - 7.4) of processes in the event of an impairment to the independence of Internal Audit.
  - \* the expansion of the responsibilities incumbent on the Council's senior managers (para. 5.2). This included clear expectations around senior managers taking responsibility for full engagement with the Internal Audit follow-up process and providing evidence of the implementation of Internal Audit recommendations.

On behalf of the committee, the Chair formally thanked Internal Audit staff in appreciation of their ongoing work and efforts in meeting the objectives of the Charter.

Taking account of the above, the committee

**RESOLVED:**

**That the Internal Audit updated Charter, Terms of Reference and Strategic Statement be approved.**

## **13. Bundred report and Annual Governance Statement tracker - November 2017**

The committee considered a report on the progress made to date against the action plan arising from the Bundred review and the 2016-17 Annual Governance Statement (AGS).

The Service Director - Finance presented the report, highlighting the following:

- a. The report set out the latest position in terms of progress against the action plan.





- b. A lot of detailed work was being taken forward. The implementation of some of the action plan recommendations was subject to certain constitutional changes being approved by the Full Council, and to the completion of the finance team restructure.

In discussion, at the suggestion of the Chair, it was agreed that in the future progress reports submitted to the committee, it would be useful to additionally include a table in the covering report highlighting the key changes that had taken place since the previous progress report.

Noting and taking into account the above, the committee

**RESOLVED:**

**That the progress made to date against the Bundred review and 2016-17 AGS action plans be noted and acknowledged.**

#### **14. Treasury Management mid-year report 2017-18**

The committee considered the Treasury Management mid-year report 2017-18.

The Principal Accountant (Finance) presented the report, highlighting the following:

- a. The report met the treasury management regulatory requirement that the Council receive a mid-year treasury management review report.
- b. There were no policy changes in relation to the strategy and the update report reflected the updated economic position.
- c. The Council had identified a medium term borrowing requirement of £360m and was planning to borrow £100m to support the delivery of the capital programme.

Main points raised /clarified/noted in discussion:

- a. The Chair and other members welcomed the clarity of the narrative of the update report.
- b. In response to a question, it was acknowledged by officers that it would be appropriate and timely to review the Council's ethical investment policy.

Noting and taking into account the above, the committee

**RESOLVED:**

**That the Treasury Management mid-year report 2017-18 be noted.**

#### **15. DBS checks for members of the Council**

The committee considered a report setting out proposed action in relation to DBS checks for members of the Council.

The Head of Legal Service presented the report, highlighting the following:

- a. It was proposed that Basic DBS checks would be carried out for all members of Council.





- b. In addition, Enhanced checks without Barred list checks would be carried out for certain councillors occupying specific roles (as specified in the report) relating to the discharge of education and social services functions.
- c. This approach was endorsed by the Council's service directors with responsibility for children's services and adult social care.
- d. A policy would be drafted to give effect to the above.

Main points raised/clarified/noted in discussion:

- a. The Chair and other councillors expressed the view that ideally they would like to see Enhanced checks being carried out for all councillors, since, as part of their role, councillors would almost inevitably, at some point, have contact with young people or other vulnerable people, e.g. through casework; e.g. through involvement in a councillor/young person shadowing scheme. It was recognised, however, that the situation was complicated by the fact that:
  - \* the law specified that the Council was entitled but not required to undertake checks for councillors who discharge education and social services functions;
  - \* there was no unified approach nationally and there were differing interpretations of education and social services functions.In addition, the LGA did not have a specific view/policy on this matter.
- b. Concern was expressed about the reputational damage that could be caused in the event of a councillor engaging in inappropriate behaviour or committing a criminal offence, which may potentially have been avoided by virtue of Enhanced checks being carried out for all members.
- c. Whilst noting that a policy would be developed as suggested in the report, with basic checks carried out for all councillors (and Enhanced checks without Barred list checks for councillors in specific roles), it was suggested that consideration be given also to establishing a list of councillors who have been Enhanced checked in other capacities to be able to undertake activities with children and vulnerable adults – for example, shadowing opportunities; also, given the nature of the role, consideration should be given to whether the position of Lord Mayor should be the subject of an Enhanced check. The Head of Legal Service undertook to give further consideration to these points.

Taking into account the above, it was

**RESOLVED:**

- 1. That it be noted that Basic checks will be undertaken in respect of all members and that Enhanced checks without Barred list checks will be undertaken in respect of members who occupy specific roles as specified in the report.**
- 2. That a policy will be drafted in light of the above, and submitted to this committee.**

Meeting ended at 5.18 pm

**CHAIR** \_\_\_\_\_





## Audit Committee Action Sheet – actions from meeting held on 23 November 2017

Action number	Item/report	Action and deadline	Responsible officer	Action taken / progress
1	Outstanding action from 21 Sept 17 meeting (Statement of Accounts) – Valuation of Council’s housing stock	A briefing note to be sent to Councillor Stevens with further detail about how the valuation of the Council’s housing stock is carried out.	Chris Holme	Completed
2	Outstanding action from 21 Sept 17 meeting (Statement of Accounts) – Investment properties	A briefing note to be sent to Councillor Pearce with further detail on how valuation decisions on investment properties are made and assessed/kept under review.	Chris Holme	Completed
3	Work programme	The report on the annual “whistleblowing” review to be rescheduled (from the 25 January 18) meeting to the 22 March 18 meeting, to enable time for the review to be completed.	Jonathan Idle	Done – as reported on 23 Nov 17
4	Internal Audit half-year activity report	Grant certifications: a more detailed report on the audited grant certifications to be brought back to the committee.	Chris Holme	Included on agenda for 25 January meeting
5	Internal Audit half-year activity report	Contract management: the issue of assurance around contract management arrangements to be picked up as part of the scheduled Audit Committee training workshop on commissioning governance (scheduled for 25 Jan 18).	Jonathan Idle	
6	Internal Audit half-year activity report	Completed audit – General Data Protection Regulations – readiness review: A further progress report requested for next meeting on 25 Jan 18; relevant officers to attend meeting to respond as necessary to member questions.	Alison Comley (SIRO)	Included on agenda for 25 January meeting
7	Internal Audit half-year activity report	Completed audit – Resources – accounts receivable: The new corporate debt policy to be brought to the	Denise Murray / Chris Holme	

Action number	Item/report	Action and deadline	Responsible officer	Action taken / progress
		Audit Committee.		
8	Corporate Risk Register update	Members expressed concerns at loss of opportunity (under new scrutiny arrangements) for member scrutiny of directorate risk registers. Officers to invite Audit Committee members to participate in OSM scrutiny review workshop in Feb 18.	Andrea Dell / Lucy Fleming	
9	Internal Audit quality assurance improvement programme	Peer review of Internal Audit: outcomes of peer review to be reported to the next meeting of the committee on 25 Jan 18.	Jonathan Idle	Already included in work programme. External report not received in time for January meeting and will be reported to the March committee
10	Bundred report and AGS tracker	In future progress reports, an additional table to be included in the covering report highlighting the key changes since the previous report.	Denise Murray / Chris Holme	
11	Treasury Management mid-year report 2017-18	Consideration to be given to a review of the ethical investment policy.	Denise Murray / Chris Holme / Tony Whitlock	Review to coincide with production of TM annual report and presented to Audit Committee later in the year
12	DBS checks for members of the Council.	A policy to be drafted based on the report, and brought back to the Audit Committee. Consideration to be given also to establishing a list of councillors who have been Enhanced checked in other capacities to be able to undertake activities with children and vulnerable adults – for example, shadowing opportunities; also, given the nature of the role, consideration should be given to whether	Nancy Rollason	Legal and HR are drafting a policy to bring back to the March committee meeting

Action number	Item/report	Action and deadline	Responsible officer	Action taken / progress
		the position of Lord Mayor should be the subject of an Enhanced check.		

**AUDIT COMMITTEE  
DRAFT WORK PROGRAMME 2017/18**

Meeting Date	Report Author	Report Details	Routine Work Programme/ Other?	Officer Providing Report	Comments:
23rd June 2017 (AGM)	External Audit:  Internal Audit:  Finance: Legal:	Confirm Dates and Times of Meeting  Update Report  Audit Committee Annual Report to Full Council Internal Audit Annual Report Draft Annual Governance Statement  Draft Statement of Accounts 2016/17  <b>Member Standards items:</b>  <b>Information Items:</b> None	Routine  Routine  Routine  Routine  Routine	Steve Gregory  External Audit Lead  Head of Internal Audit Head of Internal Audit Head of Internal Audit  Service Director - Finance	Note: suggested timing re June 2018
20th July 2017 9.30am	<b>Proposed Training:</b>  External Audit:  Internal Audit:  Legal	<b>Improving Audit Committee Effectiveness Workshop</b>  Update Report  Terms of Reference for Peer Review of Internal Audit Service Internal Audit Update (snapshot report and plan update) External Auditor Appointment Process Update  <b>Member Standards items:</b> DBS Check Requirements for Members. <b>Information Items:</b> None	<b>Training</b>  Routine  Routine Routine Ad hoc  Requested	<b>Head of Internal Audit</b>  External Audit Lead  Head of Internal Audit Head of Internal Audit Head of Internal Audit  Legal and Democratic Services	
21st September 2017  2.00pm	<b>Proposed Training:</b>  Internal Audit  Finance External Audit Corporate  Internal Audit Internal Audit Internal Audit Finance Finance  Legal Internal Audit	<b>Risk Workshop - The Committee's role and where it needs Assurance</b>  Final Annual Governance Statement 2016/17  Final Statement of Accounts 2016/17 ISO 260 Report Bundred Report and Annual Governance Statement Tracker  Risk Management Policy Update Corporate Risk Register Update Internal Audit Activity Report Treasury Management Annual Report 2016/17 External Auditor Appointment Process Update  DBS Policy Audit Committee Annual Report - Addendum	<b>Training</b>  Routine  Routine Routine  Routine Routine Routine Routine Ad hoc  Ad hoc Ad hoc	<b>Internal Audit</b>  Service Director: Finance/ Head of Internal Audit Service Director - Finance External Auditor Lead Strategic Director Resources / Service Director Finance Head of Internal Audit Head of Internal Audit Head of Internal Audit Service Director Finance Service Director Finance/ Head of Internal Audit  Head of Internal Audit	A Refresh on the Audit Committee's role with regards to Risk Management, and to explore whether greater assurance is required.

Meeting Date	Report Author	Report Details	Routine Work Programme/ Other?	Officer Providing Report	Comments:
	Legal	<b>Member Standards items:</b>  <b>Information Items:</b> <i>Ombudsman Letter</i>			
23rd November 2017	<b>Planned Training:</b>	<b>Governance Workshop, including the role of Audit (Both Internal &amp; External - What the Committee need in terms of Assurance)</b>	<b>Training</b>	<b>Internal Audit</b>	To explore the Role of the Internal and External Audit Function and the assurance they can give the Committee
2.00pm	External Audit	Annual Audit Letter	Routine	External Audit Lead	
	Internal Audit	Internal Audit Half-Year Activity Report Internal Audit - Half-Year Investigation Update Report including, CIPFA Code of Practice on Managing the Risk of Fraud and Corruption Internal Audit Quality Assurance and Improvement Plan Internal Audit Charter & Strategy Refresh	Routine Routine	Head of Internal Audit Head of Internal Audit	
	Corporate	Bundred Report and Annual Governance Statement Tracker  Corporate Risk Register - Update	Routine Routine	Head of Internal Audit Head of Internal Audit Strategic Director Resources / Service Director Finance	
	Finance:	Treasury Management Half Year Report	Routine	Strategic Director Resources / Service Director Finance	
	Legal	<b>Member Standards items:</b>  <b>Information Items:</b>	Routine	Service Director Finance	
25th January 2018	<b>Proposed Training:</b>	<b>Commissioning and Partnership Governance (What the Committee need in terms of Assurance)</b>	<b>Training</b>	<b>Internal Audit to facilitate, with input from Procurement &amp; Commissioning</b>	To provide the Committee with an understanding of the partnership and commissioning governance within the Council, and the role the Committee play in providing Assurance
2.00pm	External Audit:	Grants Audit Report	Routine	External Audit Lead	
	Internal Audit:	<b>Results of Peer Review of Internal Audit Service (Deferred to March 2018)</b>			Results from the Peer Review will not be received within required meeting timeframe.
	SIRO	Code of Governance Update and Re-design (Draft) Draft Revised Terms of Reference for the Audit Committee Progress report on Council's readiness for General Data Protection Regulations	Routine Ad-Hoc Senior Information Risk Owner	Head of Internal Audit Interim Chief Internal Auditor	
	Corporate	Bundred Report and Annual Governance Statement Tracker	Routine	Strategic Director Resources / Service Director Finance	
	Legal	<b>Member Standards items:</b> Budget Dispensations <b>Information Items:</b>	Routine	Service Director: Legal	
22nd March 2018	<b>Proposed Training:</b>	<b>Audit Committee Effectiveness Workshop</b>	<b>Training</b>	<b>Service Director Finance</b>	To equip the Committee with an understanding of the Accounts and the areas where it requires assurance

Meeting Date	Report Author	Report Details	Routine Work Programme/ Other?	Officer Providing Report	Comments:
2.00pm	Corporate External Audit Internal Audit Legal	Bundred Report and Annual Governance Statement Tracker  Audit Approach and Planning Letter  Draft Annual Plan 2018/19 Audit Committee Annual Report to Full Council (Draft) Corporate Risk Register Update Annual Whistleblowing Review Results of Peer Review of Internal Audit Service (Deferred from January 2018) Internal Audit Activity Report  <b>Member Standards items:</b>  <b>Information Items:</b>	 Routine  Routine Routine Routine Required Routine	Strategic Director Resources / Service Director Finance External Audit Lead  Head of Internal Audit Head of Internal Audit Head of Internal Audit Head of Internal Audit Head of Internal Audit Head of Internal Audit	
24th May 2018	<b>Proposed Training:</b>	<b>Statement of Accounts - including Financial Governance and what the Committee needs in terms of Assurance.Value for Money Assurance - What the Committee needs!</b>	<b>Training</b>	<b>Finance/Internal Audit to facilitate</b>	To explore the ways in which the Audit Committee can provide assurance in terms of Value for Money in the Council
2.00pm  <i>Possibly change to early June re draft account sign off</i>	External Audit Internal Audit Finance Legal	Update Report  Internal Audit Annual Report for 2017/18  Draft Annual Governance Statement 2017/18 Annual Fraud Update and Policy Review Draft Statement of Accounts 2017/18 Accounting Policies  <b>Member Standards items:</b>  <b>Information Items:</b>	 Routine  Routine Routine Routine Routine	External Audit Lead  Head of Internal Audit Head of Internal Audit Service Director - Finance Service Director - Finance	



# Audit Committee

25 January 2018



**Report of:** BDO LLP  
**Title:** BDO's 2016/17 Grants Report  
**Ward:** Citywide  
**Officer Presenting Report:** BDO LLP

## Recommendation

**The Audit Committee note, and comment as appropriate, on BDO's Grants Report for 2016/17.**

## Summary

The report summarises the main issues arising from the certification of grant claims and returns for the financial year ended 31 March 2017.



**Policy**

1. None affected by this report. Public Sector Audit Appointments (PSAA) has a statutory duty to make arrangements for inspection and assessment at the Council. BDO are the Council’s appointed external auditors. In carrying out their audit and inspection duties they have to comply with the relevant statutory requirements, namely the Local Audit and Accountability Act 2014.

**Consultation**

2. **Internal**  
The Quality and Subsidy Team Manager – Revenues and Benefits
3. **External**  
None

**Context**

4. The report sets out details of the grant claims that have been subject to certification by us for the financial year ended 31 March 2017 and where work has been completed and which include the following:
  - Housing Benefit Subsidy;
  - Teachers’ Pensions Contributions return;
  - Department For Transport – Capital Grant funding for Metrobus

**Other Options Considered**

5. None

**Risk Assessment**

6. None necessary for this report.

**Public Sector Equality Duties**

7. None necessary for this report

**Legal and Resource Implications**

**Legal**

None arising from this report

**Financial**

**(a) Revenue**

TBC

**(b) Capital**

None arising from this report

**Financial advice provided by BDO LLP**

**Land/Property**

Not Applicable

**Human Resources**

Not Applicable

**Appendices:**

BDO's Grant Report 2016/17

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Papers:**

None



**BRISTOL CITY COUNCIL**

**GRANT CLAIMS AND RETURNS CERTIFICATION**

Audit for the year ended 31 March 2017

January 2018

Page 28

## PURPOSE AND USE OF THIS REPORT

This report summarises the main issues arising from our certification of grant claims and returns for the financial year ended 31 March 2017.

### Public Sector Audit Appointments Ltd (PSAA) regime

PSAA has a statutory duty to make arrangements for certification by the appointed auditor of the annual housing benefit subsidy claim.

We undertake the grant claim certification as an agent of PSAA, in accordance with the Certification Instruction (CI) issued by them after consultation with the Department for Work and Pensions (DWP).

After completion of the tests contained within the CI the grant claim can be certified with or without amendment or, where the correct figure cannot be determined, may be qualified as a result of the testing completed.

### Other certification work

A number of other grant claims and returns are not within the scope of our appointment by PSAA, but Departments may still seek external assurance over the accuracy of the claim or return.

The Council has engaged us to carry out the following for the year ended 31 March 2017 for two other relevant pieces of work as follows:

1. Agreed-upon procedures work based on the instructions and guidance provided by the Department for Education, of the Teachers' pensions return.
2. Agreed upon procedures work in connection with the Department for Transport (DfT) Capital Grant funding in connection with the Ashton Vale to Temple Meads and Bristol City Centre Metrobus Project.

We recognise the value of your co-operation and support and would like to take this opportunity to express our appreciation for the assistance provided to us during our certification work.

## AUDIT QUALITY

BDO is totally committed to audit quality. It is a standing item on the agenda of BDO's Leadership Team who, in conjunction with the Audit Stream Executive (which works to implement strategy and deliver on the audit stream's objectives), monitor the actions required to maintain a high level of audit quality within the audit stream and address findings from external and internal inspections. BDO welcome feedback from external bodies and is committed to implementing necessary actions to address their findings.

We recognise the importance of continually seeking to improve audit quality and enhancing certain areas. Alongside reviews from a number of external reviewers, the AQR (the Financial Reporting Council's Audit Quality Review team), QAD (the ICAEW Quality Assurance Department) and the PCAOB (Public Company Accounting Oversight Board who oversee the audits of US firms), the firm undertake a thorough annual internal Audit Quality Assurance Review and as member firm of the BDO International network we are also subject to a quality review visit every three years. We have also implemented additional quality control review processes for all listed and public interest audits.

More details can be found in our latest Transparency Report at [www.bdo.co.uk](http://www.bdo.co.uk).

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## KEY FINDINGS

Below are details of each grant claim and return subject to certification by us for the financial year ended 31 March 2017. Where our work identified issues which resulted in either an amendment or a qualification (or both), further information is provided on the following pages. An action plan is included at Appendix II of this report.

CLAIM OR RETURN	VALUE (£)	QUALIFIED?	AMENDED?	IMPACT OF AMENDMENTS(£)
Housing benefit subsidy	£175.8 million	Yes	Yes	tbc
DFT - Metrobus Capital Grant	£9.5 million	No	No	n/a
Teachers' pensions contributions	£15.3 million	Yes	No	A £646 underpayment of contributions was reported to Teachers Pensions and management have confirmed that this will be corrected in 2017/18.

## HOUSING BENEFIT SUBSIDY

Local authorities responsible for managing housing benefit are able to claim subsidy towards the cost of these benefits from central government. The subsidy claim is substantial and the claim submitted by the Council for 2016/17 in aggregate amounted to £175 million.

The final value of subsidy for 2016/17 is claimed by submitting form MPF720A to the Department of Work and Pensions (DWP). The form is subject to auditor certification and the procedures that we need to complete (including the calculation of sample sizes for testing) are prescribed by PSAA and the DWP.

Our work on this claim includes confirming that the Council is using the correct version of its benefits software and that this software has been updated with the correct parameters. Other procedures include agreeing the entries in the claim to underlying records. We also test a sample of cases from each benefit type to provide assurance that individual benefit awards have been calculated correctly and the relevant cost correctly reported on form MPF720A.

One of the factors that can affect subsidy is the value of errors caused by overpayments where the Council has a lower threshold of approximately £813,000 and an upper threshold of approximately £915,000. If the total of the errors that lead to an overpayment of benefit are below the lower threshold, the Council receives full subsidy for these costs. If, however, the value of the errors is in excess of the upper threshold, no subsidy is received in respect of errors and the Council bears the cost.

The draft claim submitted for audit had identified errors amounting to approximately £731,000 (i.e. below the lower threshold but only by approximately 10%). Accordingly, any errors identified as part of the audit process had the potential to impact the claim significantly.

## FINDINGS AND CONCLUSION

The PSAA/DWP auditor guidance requires the appointed auditor to test a sample of cases for the different types of housing related benefit. Following completion of the testing of this initial sample, the results are assessed and if any errors are identified, the guidance requires that a further additional sample is taken and subject to testing.

The size of the initial sample is typically 20 cases and where an additional sample is required, typically this additional sample is 40 cases. On occasions, however, where an error is found to affect a small sub-population of claimants, it may be necessary to test 100% of the population so that the error can be quantified without the need for estimation techniques.

The initial testing covered the three main areas within the claim as follows: Non HRA Rent Rebates; HRA Rent Rebates; and Rent Allowances. Errors were identified in both of the HRA and non-HRA rent rebates sub-populations and accordingly additional samples needed to be selected for these two areas.

We also noted errors within non-HRA Rent Rebates that were caused by an error in the Council's software. It was therefore necessary to identify all cases that could have potentially been affected by the software error and agree with management the approach to calculate the impact of the error. We concluded that potentially 178 cases could have been affected and in order to evaluate the impact of the error on the overall claim, it was agreed that all 178 potentially affected cases should be tested.

To calculate audit adjustments, it is necessary to combine the results of the initial testing with the additional testing and assess the impact of errors. Where it is evident that an error is not isolated, or where the whole population cannot be tested (unlike in the case note above with the 178 cases affected by the software error) the audit adjustment for the error is estimated by extrapolating the result of the testing across the whole of population within the cell on form MPF720A.

Form MPF720A was amended by management before final submission to include the adjustments identified during our audit where it was possible to calculate a precise value for the error and these adjustments amounted to approximately £1,500.

In order to calculate a precise value, however, it was necessary for both Council staff and BDO to perform significant additional work to check for the possibility of other similar errors within the claim. Without the additional testing, it would not have been possible to accurately quantify the error and in accordance with the PSAA rules, it would have been necessary to extrapolate the error in the original sample across the whole population which could have led to some very large adjustments.



## HOUSING BENEFIT SUBSIDY

## FINDINGS AND CONCLUSION (continued)

The potential impact of relatively small errors can be illustrated by reference to the Council's 2015/16 claim. In this case it was necessary to extrapolate a relatively small error but this led to the Council's grant for this service being reduced by approximately £450,000.

The value of the errors in Council's draft claim submitted to DWP in April 2017 amounted to approximately £731,000, and was below the 2016/17 lower threshold for errors of £813,000. However, while below the threshold, it did leave little headroom for further errors to be identified in the audit and any errors identified in the audit did have the potential to have significant impact upon the Council as even relatively small errors can lead to a significant reduction in grant income.

It is therefore important that control arrangements to minimise the level of error are maintained. In addition, in this year's audit we incurred significant additional time testing cases that were subject to a system error and therefore attention must also be paid towards ensuring that the Council's software operates effectively and where it is identified that issues are arising, these are addressed promptly.

The deadline for submission was 30 November 2017 but this was missed because of the need to undertake significant additional testing. Arising from this late submission, the Council has had some of its grant withheld pending receipt of the final claim.

However, at the same time, the additional work performed by ourselves and the Council's benefits team has meant that most of the errors identified in the initial testing have been isolated and calculated with precision avoiding the need for extensive use of estimation techniques. Accordingly, the result of the audit is expected to represent a significant improvement compared to 2015/16, with no deduction expected, in contrast to the deduction of £450,000. This is a good performance by the Benefits team.

We have noted our observations and recommendations below. In addition, to illustrate the importance of ensuring the errors are not allowed to exceed thresholds imposed by DWP, we have also set out below the basis for calculating the penalties that would be imposed upon the Council if the aggregate value of the errors exceeds DWP lower and upper thresholds.

We have identified two recommendations and also on page 7 we have set out details of the errors identified during the audit.

## BENEFITS - Recommendations

The management of the Council's Benefits service is a major task and involves subsidy of approximately £185 million per annum. Currently there are approximately 36,000 claims that are live and in 2016/17 there were approximately 10,000 new claims processed. In addition, each year there are many thousands of changes of detail for individual claimant circumstances that can affect benefit entitlement. Given the scale of the operation, it is inevitable that there will be errors and administrative delays that cause overpayments. The challenge therefore is to ensure that the level of error is maintained at a level that is below the threshold where expenditure that is incurred in error does not exceed targets.

To illustrate, in 2016/17, the Council had a lower threshold for error of approximately £813,000. Therefore if errors from claims are below this threshold, the Council will be fully compensated for this cost. If the error value exceeded this lower threshold, but is below an upper threshold of approximately £915,000, subsidy will be reduced by 60% of the total error. Accordingly an error rate that is between £813,000 and £915,000 would effectively lead to a subsidy penalty of between approximately £490,000 and £550,000.

If the total error exceeds the upper threshold of £915,000, the effective penalty would increase further and all of this cost would fall on the Council.

Given the importance of accurate processing and timely amendment to individual claims when changes occur, we have made the following recommendations:

### RECOMMENDATION 1 - SYSTEM PARAMETERS

The main concern identified in our work related to an error in the Council's benefits software that incorrectly attributed the wrong cost cap to certain types of accommodation. We identified this during our audit work and required the Benefits team to run a special report and check all potentially affected cases and for the audit team to re-test a sample of this population. This was an extensive task and could have led to a substantial error leading to loss of subsidy.

It is therefore very important that system parameters are maintained throughout the year and we therefore recommend that the Council's procedures for ensuring system parameters are correct are reviewed.

#### Management Comment

The issue highlighted related to 178 cases and although identified by auditors, the isolation and subsequent work and checking was predominately undertaken by BCC staff within 1 day of identification.

The issue has been reported to Northgate (Benefits software supplier) who enabled the local authority to run the relevant identification reports.

It is impossible to guarantee that any additional level of checking will always identify such a relatively small number of claims where the parameters are correct but application incorrect. However appropriate checking procedures will continue to be in place and reviewed on-going in this area, especially for any newly identified high risk areas.

## RECOMMENDATION 2 - TRAINING AND COACHING OF STAFF

The complex and detailed rules affecting a claimant's right to benefit means that it is very important that staff receive appropriate training and support. Accordingly, training needs must be kept under regular review to ensure that benefits staff receive timely notification of changes to benefit rules and all new staff into the team are effectively coached and supported.

### Management Comment

The Benefits Service recognises the complexity of benefit it administers and the need to review and refresh staff knowledge as well as the implementation of any legislation changes. The training team has recruited a further training officer to undertake this role, as well as assist new entrant training, and is working closely to identify error trends both by type of error and/or with individual assessment staff, so this can be delivered in an effective and targeted way.

## BENEFITS - Specific errors identified during the work

BENEFIT TYPE	ERROR TYPE	IMPACT ON CLAIM
Non-HRA Rent Rebates	Duplicate payment identified	Additional testing confirmed this was isolated and the claim has been amended. The error amounted to £265 and the claim form MPF720A has been amended.
HRA Rent Rebates	Duplicate payment identified	Additional testing confirmed this was isolated and the claim has been amended. The amount of the error was £1,011 and the amendment has been made to claim form MPF720A.
Non-HRA Rent Rebates	We noted two errors involving the incorrect assessment of properties as "self-contained" when in fact they were not self-contained and therefore the incorrect benefit had been calculated leading to an overpayment.	The volume of cases in these categories meant that it was not feasible to test 100% of the population and establish the exact error. Accordingly it was necessary to extrapolate this error across the population of the cell within MPF720A and the estimated error amounted to approximately £11,500.
Non-HRA Rent Rebates	The amounts that are allocated are subject to a cap with a maximum that may be claimed	The errors were caused by the Council's benefits application incorrectly applying the cap and therefore all cases that were potentially affected (178 in total) were examined. As a result of this additional testing we were able to confirm that there was no over claim of subsidy and accordingly there was no impact upon the claim because in all cases the amount claimed was lower than the actual cost to the Council.

## DEPARTMENT FOR TRANSPORT CLAIM

## Department for Transport (DfT)

The Council was able to claim £9.5 million of capital grant in connection with the Ashton Vale to Temple Meads and Bristol City Centre Metrobus scheme.

In accordance with instructions prepared by the Department for Transport (DfT) we completed an assignment where we tested a sample of transactions relating to the scheme for compliance with the terms of the grant.

## FINDINGS AND IMPACT ON RETURN

Our audit did not identify any issues and the return was certified without qualification or amendment]

## TEACHERS' PENSIONS RETURN

## TEACHERS' PENSIONS

Local authorities that employ teachers are required to deduct pension contributions and send them, along with employer's contributions, to the Teachers' Pensions office (the body which administers the Teachers' Pension Scheme on behalf of the Department for Education).

The contributions to Teachers Pensions are summarised on an End of Year Certificate (EOYC) and an independent auditor is required to certify the accuracy of the EOYC. This work is not within the PSAA certification regime and therefore we agree a separate 'agreed-upon procedures' letter of engagement with the Council to provide an assurance report that can be submitted to Teachers pensions with the EOYC.

In total, contributions paid to Teachers Pensions in 2016/17 amounted to approximately £15 million.

## FINDINGS AND IMPACT ON RETURN

We completed the majority of the agreed tests without identifying any issues. We did, however, note that for a small number of teachers within our sample, the contributions which are tiered (i.e. the percentage rate increases as salary increases) had not been calculated using the correct rate.

The issue was brought to the attention of management for further investigation. The underpayment of contributions amounting to £646 and identified in our sample was included in our auditor report that was submitted Teachers Pensions with the EOYC and management confirmed that the correcting adjustment would be made in the December 2017 payroll.

We completed our work within the prescribed timeframe and the Form EOYC was submitted to the Teachers Pensions Agency in advance of the deadline of 30 November 2017.

# FEES SCHEDULE

	2016/17 FINAL £	2016/17 PLANNED £	EXPLANATION FOR VARIANCES
<b>PSAA regime</b>			
Certification fee (Housing benefit subsidy claim)	£30,628	£20,427	The base fee was set by PSAA but this fee is set on the basis that additional work is not required. However, we incurred significant additional costs due to the need to perform additional work to confirm the impact of errors identified during the audit on the claim.  The revised fee includes the additional work that we have needed to do and will need to do before we can submit the claim.
<b>PSAA regime fees</b>	<b>£30,628</b>	<b>£20,427</b>	
<b>Other certification work</b>			
• DfT major capital schemes	£5,000	£5,000	Not applicable
• Teachers' pensions return	£7,650	£7,650	Not applicable
<b>Non PSAA certification fees</b>	<b>£12,650</b>	<b>£12,650</b>	
<b>Total fees from all certification work</b>	<b>£43,278</b>	<b>£33,077</b>	

FOR MORE INFORMATION:

**GREG RUBINS**  
Engagement lead

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greg.rubins@bdo.co.uk

The matters raised in our report prepared in connection with the audit are those we believe should be brought to the attention of the organisation. They do not purport to be a complete record of all matters arising. No responsibility to any third party is accepted.

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# Audit Committee

25 January 2018



**Report of:** Denise Murray – Director of Finance

**Title:** Revenue and Capital Grant Register

**Ward:** City Wide

**Officer Presenting Report:** Tony Whitlock

**Contact Telephone Number:** 0117 9222428

## Recommendation

The Audit Committee note and comment on the on-going work to produce and maintain a register of all the revenue and capital grants received by the City Council.

## Summary

In 2017/18 the City Council will receive in the order of £496m of external grant funding. These grants contribute to both revenue and capital funding. Some contain specific conditions, others are more general in nature. Some will require an audit prior to submission of a final claim. The grant register is an attempt to list and collate all revenue and capital grants highlighting when deadlines are due to ensure each grant is subject to appropriate monitoring and sign off, including internal/external audit where appropriate, in a timely manner.



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## **Policy**

1. None affected by this report.

## **Consultation**

### **Internal**

2. Various Budget and Finance Managers

### **External**

3. None

## **Context**

4. The City Council receives almost £500m of funding from external grants, both for revenue and capital expenditure. Many of these grants are service specific, and have, in the past, not been effectively recorded on a centrally held record. The grant register (excerpt attached at appendix 1) is an attempt to fully record all external grants coming into the council, ensuring they are correctly accounted for and where required certified in a timely manner
5. The grant register contains summary details of all grants received by the Council, whether as part of our core funding, for example, New Homes Bonus, or service specific such as the dedicated schools grant or transport grants.
6. The register contains full details of each grant, including value and awarding body. There are links to the appropriate project or revenue code in ABW. There is a search facility to bring up the relevant documents such as grant offer letters and agreements. Budget Manager and Finance lead details are recorded along with relevant Chief Officer sign-off and any audit requirements. A tracker records the deadlines for certification of returns. The register is reconciled to the Council's financial ledger.
7. The register is a working document and will be modified and improved over time. The main aim though is for early notification of when a grant requires certification and whether an audit, internal or external, is required prior to this. However it is envisaged the register will be used to fulfil multiple purposes, a tool to monitor the financing of budgets, ensure conditions are being met, enable correct accounting entries and classifications for the year end statutory accounts and maintain appropriate audit trails for statutory bodies & funders.

## **Other Options Considered**

8. None

## **Risk Assessment**

9. None necessary for this report

## **Public Sector Equality Duties**



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10. None necessary for this report

**Legal and Resource Implications**

**Legal**

11. None arising from this report

**Financial**

**(a) Revenue**

12. None arising from this report

**(b) Capital**

13. None arising from this report

**Land**

14. Not Applicable

**Personnel**

**15. Not Applicable**

**Appendices:**

Excerpt from the grant register

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Papers:**

None

# APPENDIX 1

Grant register 1718 - Microsoft Excel

Extract of Bristol City Council Grant Register 2017/18 onwards

Nb, capital grants prior to 1718 are included if still ongoing

[Grants register backing documents](#)

Search above folder (click link) for relevant cost centres

Capital or	Directorate	Cap. Prog Ref	Grant Name	Awarding body	Total Grant award £m	Documentation search ref.	Budget Manager	Finance Contact	Audit Requirements	Claims>Returns	Returns authorisation
Revenue	People	N/a	UASC (Unaccompanied Asylum seeking children) Grant	Home Office	1.200	12308	Angela Evans	Helen Alvis/Anne Sheridan	Not stated	monthly	S151 for final claim
Revenue	People	N/a	16-19 Funding 17/18	Education & Skills Funding A	4.824	13243	Paul Jacobs	Giles Smith	Internal	Apr/Aug	S151
Revenue	People	N/a	Youth Offending Team Grants	Youth Justice Board	0.656	11113, 11118	Gary Davies	Pauline Batchelor	Internal	June	S151
Revenue	People	N/a	Pupil Premium 2017/18	Education & Skills Funding A	9.376	13172, 13173	Paul Jacobs	Giles Smith	Internal	May	S151
Revenue	People	N/a	Dedicated Schools Grant 2017/18	Education & Skills Funding A	182.567	13169	Paul Jacobs	Giles Smith	Internal	August	S151
Revenue	Neighbourhoods	N/a	Public Health Grant	Department of Health	33.343	13942	Rachel Metcalf	Karen Gregory	Not stated	June/Sept/Dec/YE	S151
Revenue	Place	N/a	Museums Programme Management Grant 2015-2018	The Arts Council	4.728	search ACE	Laura Pye	Liz Britton	Not stated	July/Oct/Jan	Head of service
Capital	Neighbourhoods	NH07/CP01	Disabled Facilities Grant	Department for Communiti	2.652	14547-1004	Tom Gilchrist	Paul Milliner/ Gait	Internal	October	Head of paid service
Capital	Place	PL10	Pothole Action Fund	DFT via WECA	0.257	13507	Shaun Taylor	Debra Galloway	Internal	July	Head of paid service
Capital	Place	PL11A	Cattle Market Road Demolition Works (LGF AG)	DFT via WECA	0.875	15130	Jack Allan	Anita Randen-Green	No	July/Oct/Jan/March	S151
Capital	Place	CP01	Local Transport Plan: Highways Maintenance Grant	DFT via WECA	3.460	14547-1096	Peter Mann	Debra Galloway	Internal	July	Head of paid service
Capital	People	PE05	Short Breaks for Disabled Children	Education & Skills Funding A	0.258	12901 & EFACAP	Rebecca Cross	Laura Turner	Internal	September	S151
Capital	People	PE01	Early Years Capital Fund (EYCF)	Education & Skills Funding A	2.722	14771, 14801, 14805	James Anderson	David Tully	Internal	January	S151
Revenue	Neighbourhoods	N/a	Housing Benefit	Department for work & pen	163.479		Graham Clapp	Lorna Whitlock	External	November	S151



# Audit Committee

25<sup>th</sup> January 2018

**Report of:** Head of Paid Service

**Title:** Draft Code of Corporate Governance

**Ward:** Citywide

**Officer Presenting Report:** Chief Internal Auditor

## Recommendation

The Audit Committee review and recommend the revised Code of Corporate Governance for approval.

## Summary

The Council is required by the Accounts and Audit Regulations 2015 to prepare an Annual Governance Statement to accompany its published financial statements. This should incorporate a review of the effectiveness of the Council's own Code of Corporate Governance, which was last revised in 2014. This paper, therefore, refreshes the current Code of Corporate Governance.

## The significant issues in the report are:

- The requirement for a Code of Corporate Governance.
- How the Council complies with the framework applicable to local government.



## Policy

1. Publication of an Annual Governance Statement is a requirement of the Accounts and Audit Regulations 2015. Additionally, the Council's Risk Management Policy requires the Audit Committee to review the Annual Governance Statement to ensure it accurately reflects the internal control, risk management and governance arrangements in place.

## Consultation

2. **Internal**  
Deputy Mayor, Monitoring Officer and Deputy Monitoring Officer, Section 151 Officer, Strategic Leadership Team (SLT).
3. **External**  
Not applicable.

## Context

4. The Code of Corporate Governance is intended to support the leadership of the Council with developing and maintaining robust governance arrangements. The Code is based upon the CIPFA/ Solace "*Delivering Good Governance in Local Government Framework 2016*" which sets out the following seven core principles:
  - Behaving with Integrity;
  - Ensuring Openness;
  - Defining Outcomes;
  - Determining Effective Interventions;
  - Developing Capacity;
  - Managing Risks and Performance; and
  - Transparency and Effective Accountability.
5. The Code provides details of:
  - The purpose and basis;
  - How Bristol ensures good governance;
  - Governance oversight and accountability framework within the Council;
  - How Corporate Governance arrangements are monitored and reported;
  - Responsibilities for maintaining the Code; and
  - How Bristol complies with the seven core principles.

## Proposal

6. The Audit Committee review and refresh the revised Code of Corporate Governance for approval.

## Other Options Considered

7. None necessary

## Risk Assessment

8. The need to maintain a robust risk, governance and control framework environment is pivotal to the effective operations of the Council's functions, a statutory requirement of the Accounts and Audit Regulations 2015, and an implied requirement of the External Auditor.

Failure to maintain and, where required, improve this environment will not only impact on the proper practices of the Council, but will also be in breach of the Accounts and Audit Regulations 2015 and may attract an adverse opinion from the External Auditor.

## Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
  - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
    - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
    - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
    - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
  - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
    - tackle prejudice; and
    - promote understanding.
- 8b) No equality impact anticipated from this report.

## **Legal and Resource Implications**

### **Legal**

See Consultation section above.

### **Financial**

#### **(a) Revenue**

Not applicable.

#### **(b) Capital**

Not applicable.

### **Land/Property**

Not applicable

### **Human Resources**

Not applicable.

### **Appendices:**

Appendix A – Draft Local Code of Corporate Governance

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

### **Background Papers:**

“Delivering Good Governance in Local Government Framework” – CIPFA/Solace 2016

“The International Framework - Good Governance in the Public Sector” – CIPFA/IFAC 2014



**Bristol City Council**

**Local Code of**

**Corporate Governance**

**DRAFT**

**January 2018**

# Bristol City Council

## Corporate Governance

(Approved by the Audit Committee – TBC)

<u>Content</u>	<u>Page</u>
1. What is Corporate Governance?	3
2. What is the purpose of the Code of Corporate Governance?	3
3. What is the Code based upon?	3
4. How does Bristol ensure good governance?	4
5. How are Corporate Governance arrangements monitored and reported?	7
6. Who is responsible for maintaining the Code?	7

Appendix 1 – The principles on which the Code is based and how Bristol complies



## 1. What is Corporate Governance?

Governance comprises the arrangements put in place to ensure the intended outcomes for stakeholders are defined and achieved. It is about how the Council ensures it is doing the right things, in the right way, that is open, honest, accountable, and demonstrates integrity.

Corporate Governance is aimed at achieving the highest standards in a measured and proportionate way, to ensure:

- Resources are directed in accordance with agreed policy and according to priorities
- There is sound and inclusive decision making
- There is clear accountability or the use of those resources in order to achieve desired outcomes for service users and communities

## 2. What is the purpose of the Code of Corporate Governance?

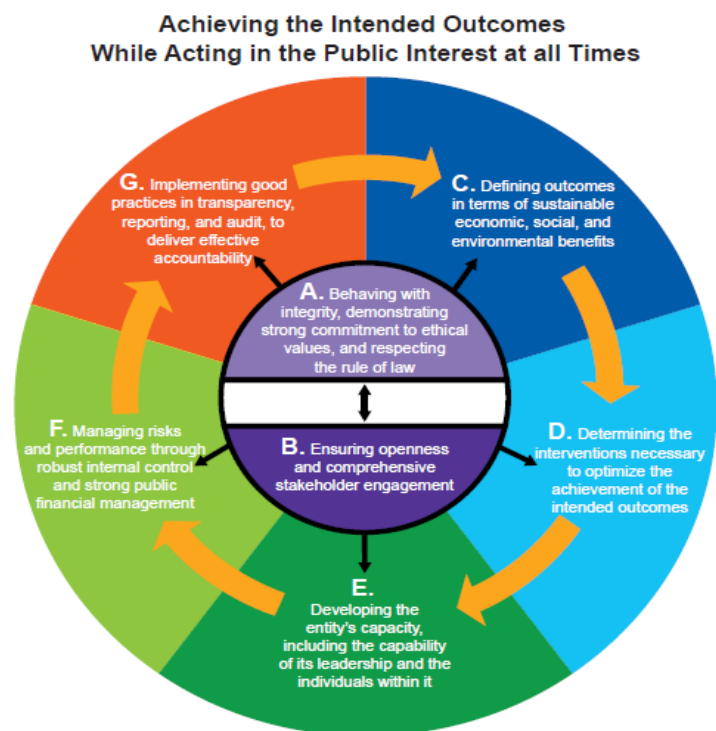
The Code of Corporate Governance (“the Code”) is intended to support political and officer leadership with developing and maintaining robust governance arrangements across the whole governance system including partnerships, shared services and alternative delivery vehicles.

## 3. What is the Code based upon?

The Code is based on [Delivering Good Governance in Local Government: Framework](#) (CIPFA/Solace, 2016), which is a best practice framework for developing and maintaining a locally adopted code of governance. The framework consists of seven core principles:

- Behaving with Integrity
- Ensuring Openness
- Defining Outcomes
- Determining effective interventions
- Developing Capacity
- Managing Risks and Performance
- Transparency and Effective Accountability

The diagram opposite, taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the ‘International Framework’), illustrates how the various principles of good governance in the public sector relate to each other.



Full details of the seven principles and the respective sub-principles, together with the actions and behaviours that can demonstrate compliance is provided at Appendix 1 with extensive details of how the Council complies provided.

## 4. How does Bristol ensure good governance?

The Council's approach to governance takes account of the environment in which it now operates. The Council's aim is to ensure resources are directed in accordance with agreed policy and priorities; there is sound and inclusive decision making; and there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

**All Members** have an important role to play in representing their constituents, as well as acting together as the Council. **Officers** serve the Council as a corporate body rather than any political group, combination of groups, or individual member.

Members and Officers should work in an atmosphere of mutual trust and respect. Members determine the Council's policies and Officers are responsible for implementing decisions taken by the Council, Mayor, Cabinet and / or the appropriate committee as well as taking decisions delegated to them under the Scheme of Delegation. Committees review and scrutinise the Council's performance. They cannot start or stop executive action, but can challenge reasonably, holding members and officers to account.

In discharging these duties all parties should act in an open, honest and transparent manner.

**The Council seeks to ensure the highest standards are met and governance arrangements are not only sound, but are seen to be sound.**

Legislation requires that certain functions be exercised by a 'proper officer'. The functions of the Mayor, Executive, Head of Paid Service, Chief Finance Officer (section 151) and Monitoring Officer are outlined in the Council's Constitution.

### Key Committees & Boards used for oversight of governance

#### Scrutiny Commissions:

- Overview & Scrutiny Management Board
- Scrutiny Task and Finish Groups

#### Other Committees:

- Audit
- HR

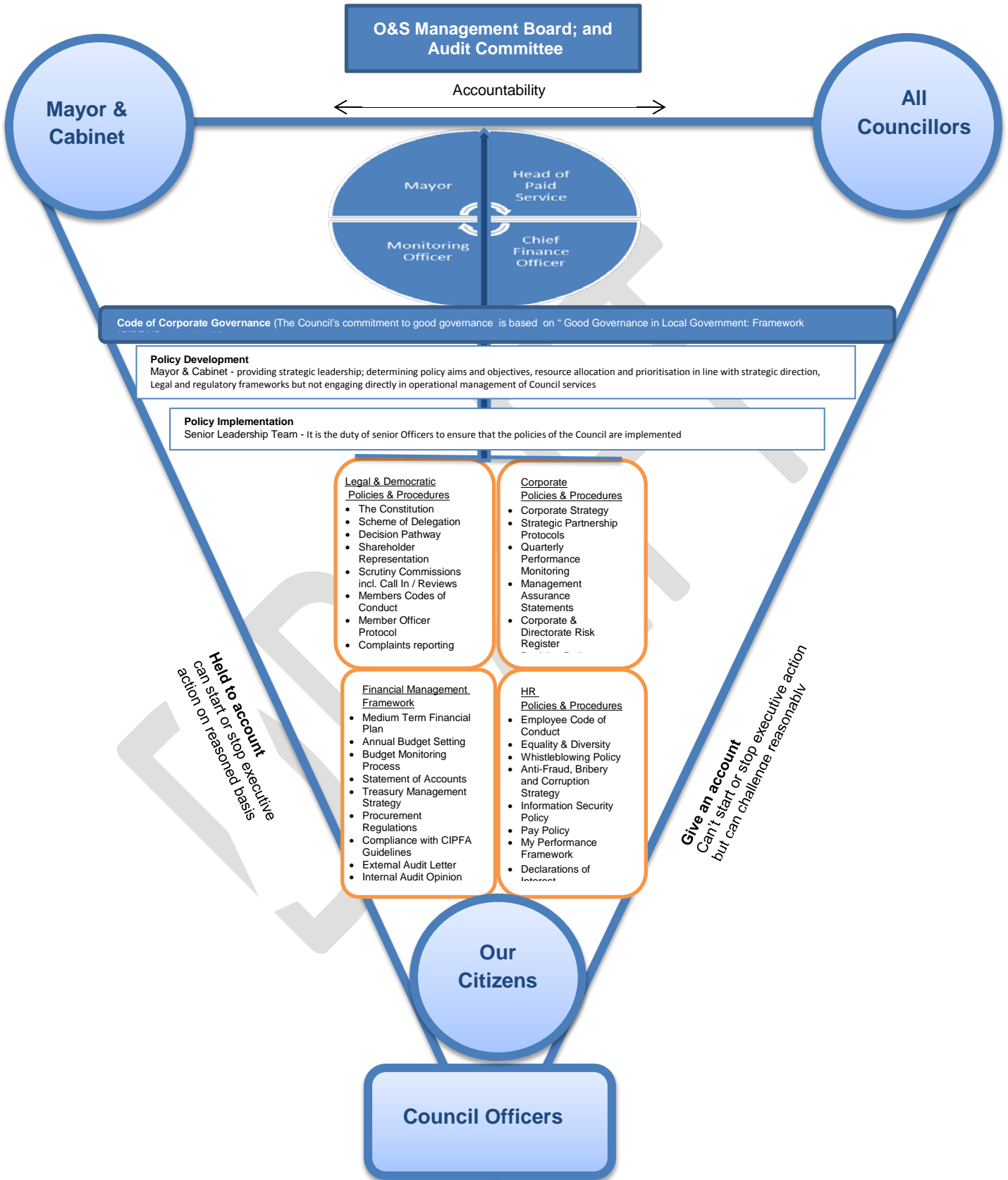
#### Regulatory Committees:

- Development Control
- Licensing
- Public Rights of Way & Green
- Public Safety & Protection

#### Partnership Boards:

- Bristol Homes
- Health & Wellbeing
- Learning City
- Children's and Adult's Safeguarding

# Accountability within the Governance Framework



**NB:** Please note that this is not an exhaustive list of policies or accountabilities for the Council e.g. Safeguarding and other statutory and regulatory responsibilities are not covered by this framework

## Governance of Council Owned Companies

For companies wholly owned; the Council will need to have regard to the accountability and governance framework in place for the company which reflect the commercial environment within which they operate and as a minimum should include and ensure compliance with the following:

- Local authority members and officers should be aware of potential conflicts of interest when carrying out their roles for their authorities, or when acting as directors of trading companies.
- The business plan should be delivered in full compliance with the governance requirements set out by the Council and progress against them should be monitored internally and reported to the Council through the client management team and the shareholder function.
- The authority will have to consider how to balance the need to assist the company to achieve its trading objectives with the principles of transparency, accountability and probity.
- The company should establish and maintain an effective service and financial performance management reporting system which will include effective reports to the Board and the Council's Shareholder Group.
- The companies should produce their own accounts which are subject to an independent external audit, and where the activity is deemed material support the consolidated into the Council's accounts.
- An assurance statement based on the model completed by Council officers should be completed on behalf of each company to provide assurance that governance arrangements are sound.
- The Companies should have an Audit Committee in place, with agreed mechanisms to provide assurance to the Council's Audit Committee (at least annually) that appropriate arrangements are in place to manage risks and ensure the effectiveness of the company's internal control environment.

### 6. How are Corporate Governance arrangements monitored and reported?

The extent to which the governance arrangements are in place and effective is considered as part of the authority's annual review.

The review of governance arrangements will be reported to the Audit Committee and externally with the published accounts of the authority, to provide assurance that:

- the governance arrangements are adequate and working effectively in practice
- where the reviews of the governance arrangements have revealed significant gaps which will impact on the authority achieving its objectives, action is to be taken to ensure effective governance in future.

### 5. Who is responsible for maintaining the Code?

Elected members are collectively responsible for the governance of the Council.

To ensure the Code is effectively maintained, Internal Audit will:

- Update the Code with developments in best practice and leading guidance
- Undertake an annual review of Corporate Governance that incorporates the Assurance Governance Statements

The Audit Committee will have responsibility for providing assurance to Council in respect of:

- The effectiveness of the Council's Corporate Governance arrangements
- The approval of the Annual Governance Statement
- The effectiveness of the Council's financial and non-financial performance

## Appendix 1 – THE SEVEN PRINCIPLES ON WHICH THE CODE IS BASED AND HOW BRISTOL COMPLIES

Principle A - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law			
Sub Principle	Actions and behaviours that demonstrate good governance	What we have in place	What we are developing
<b>Behaving with Integrity</b>	<ul style="list-style-type: none"> <li>Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation</li> <li>Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)</li> <li>Leading by example and using these standard operating principles or values as a framework for decision making and other actions</li> <li>Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively</li> </ul>	<ul style="list-style-type: none"> <li>Constitution</li> <li>Code of Conduct for Employees</li> <li>Code of Conduct for Councillors</li> <li>Scheme of Delegation / Decision Pathway</li> <li>Social Value Policy, toolkit and outcomes and measures for use in Commissioning</li> <li>Declaration of Interest</li> <li>Register of gifts and hospitality</li> <li>Equality and Diversity</li> <li>Whistleblowing</li> <li>Anti-Fraud, Bribery and Corruption Policy</li> <li>Member Officer Protocol</li> <li>Member induction</li> </ul>	<ul style="list-style-type: none"> <li>Review of the Decision Pathway to improve the simplification of reporting and decision making</li> <li>Review of the Constitution, Scheme of Delegation and Financial Regulations</li> <li>Developing and piloting a programme to improve management culture</li> <li>Review of Member Officer Protocol</li> <li>Review of Equality and Diversity Policies</li> </ul>
<b>Demonstrating strong commitment to ethical values</b>	<ul style="list-style-type: none"> <li>Seeking to establish, monitor and maintain the organisation's ethical standards and performance</li> <li>Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation</li> <li>Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values</li> <li>Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation</li> </ul>	<ul style="list-style-type: none"> <li>The Overview and Scrutiny Commissions / regulatory Commissions / Partnership Boards</li> <li>Financial / Procurement Regulations</li> <li>A Commissioning and Procurement Group to improve control over the Procurement process</li> </ul>	
<b>Respecting the rule of law</b>	<ul style="list-style-type: none"> <li>Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations</li> <li>Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements</li> <li>Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders</li> <li>Dealing with breaches of legal and regulatory provisions effectively</li> <li>Ensuring corruption and misuse of power are dealt with effectively</li> </ul>		

Principle B - Ensuring openness and comprehensive stakeholder engagement			
Sub Principle	Actions and behaviours that demonstrate good governance	What we have in place	What we are developing
<b>Openness</b>	<ul style="list-style-type: none"> <li>Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness</li> <li>Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided</li> <li>Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear</li> <li>Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action</li> </ul>	<ul style="list-style-type: none"> <li>Constitution</li> <li>Strategic Partnership Protocols</li> <li>Corporate Strategy</li> <li>Communications Strategy</li> <li>Media Relations Protocol</li> <li>FOI Information Requests process</li> <li>Complaints Reporting</li> <li>Public Consultations</li> <li>Council website includes published calendar of meetings, agendas. Minutes and key decisions</li> <li>Published Annual statement of Consolidated Accounts and Annual Governance Statement</li> </ul>	<ul style="list-style-type: none"> <li>Review of Partnership Agreements / governance to ensure best practice and value for money</li> </ul>
<b>Engaging comprehensively with institutional stakeholders</b>	<ul style="list-style-type: none"> <li>Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably</li> <li>Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively</li> <li>Ensuring that partnerships are based on: <ul style="list-style-type: none"> <li>- trust</li> <li>- a shared commitment to change</li> <li>- a culture that promotes and accepts challenge among partners</li> <li>- and that the added value of partnership working is explicit</li> </ul> </li> </ul>		
<b>Engaging stakeholders effectively, including individual citizens and service users</b>	<ul style="list-style-type: none"> <li>Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes</li> </ul>		

	<ul style="list-style-type: none"><li>• Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement</li><li>• Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs</li><li>• Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account</li><li>• Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity</li><li>• Taking account of the interests of future generations of tax payers and service users</li></ul>		
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Principle C - Defining outcomes in terms of sustainable economic, social and environmental benefits			
Sub Principle	Actions and behaviours that demonstrate good governance	What we have in place	What we are developing
Defining outcomes	<ul style="list-style-type: none"> <li>• Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions</li> <li>• Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer</li> <li>• Delivering defined outcomes on a sustainable basis within the resources that will be available</li> <li>• Identifying and managing risks to the achievement of outcomes</li> <li>• Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Strategy</li> <li>• Treasury Management Strategy</li> <li>• Public Consultations</li> <li>• Medium Term Financial Plan</li> <li>• Annual Budget Setting</li> <li>• Robust process for Business Cases</li> <li>• Joint Spatial Plan</li> <li>• Joint Local Transport Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Economic Growth Strategy</li> <li>• Thematic Business Planning linked to the Corporate Strategy.</li> <li>• Capital Investment Strategy</li> <li>• Capital Programme governance</li> </ul>
Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> <li>• Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision</li> <li>• Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints</li> <li>• Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</li> <li>• Ensuring fair access to services</li> </ul>		



Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes			
Sub Principle	Actions and behaviours that demonstrate good governance	What we have in place	What we are developing
Page 57	<ul style="list-style-type: none"> <li>Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided</li> <li>Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts</li> </ul>	<ul style="list-style-type: none"> <li>Decision Pathway</li> <li>Risk Management Policy</li> <li>Public Consultations</li> <li>Quarterly Performance Monitoring</li> <li>Management Assurance Statements</li> <li>Corporate and Directorate Risk Registers</li> <li>Monthly Budget Monitoring Process</li> <li>Alternative ways of working, for example the three tier model.</li> <li>Robust process for Business Cases</li> <li>Scrutiny over the management of risk of delivery of savings via the Delivery Working Group and Delivery Executive and more robust budget monitoring arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>Review of the Decision Pathway to improve the simplification of reporting and decision making</li> <li>Capital Governance to be reviewed and enhanced.</li> <li>Project Management Profiling and Monitoring to be strengthened</li> <li>Reviewing Risk Management arrangements</li> </ul>
<b>Planning interventions</b>	<ul style="list-style-type: none"> <li>Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets</li> <li>Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered</li> <li>Considering and monitoring risks facing each partner when working collaboratively including shared risks</li> <li>Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances</li> </ul>		

	<ul style="list-style-type: none"> <li>• Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured</li> <li>• Ensuring capacity exists to generate the information required to review service quality regularly</li> <li>• Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan</li> <li>• Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy</li> </ul>	
<p><b>Optimising achievement of intended outcomes</b></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 58</p>	<ul style="list-style-type: none"> <li>• Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints</li> <li>• Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term</li> <li>• Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage</li> <li>• Ensuring the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes"</li> </ul>	

Principle E – Developing the entity’s capacity, including the capability of its leadership and the individuals within it			
Sub Principle	Actions and behaviours that demonstrate good governance	What we have in place	What we are developing
Developing the entity’s capacity	<ul style="list-style-type: none"> <li>Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness</li> <li>Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority’s resources are allocated so that outcomes are achieved effectively and efficiently</li> <li>Recognising the benefits of partnerships and collaborative working where added value can be achieved</li> <li>Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources</li> </ul>	<ul style="list-style-type: none"> <li>Constitution</li> <li>Strategic Partnership Protocols</li> <li>Member induction</li> <li>Staff Performance Management and Development / My Performance Framework</li> <li>Continuing Professional Development and Learning and Development Programmes</li> <li>Peer reviews / Response to External Governance Review</li> <li>Organisational values, behaviours and leadership framework</li> <li>Refreshed corporate induction – including code of conduct, vision and values</li> </ul>	<ul style="list-style-type: none"> <li>Protocol for Members will be reviewed and updated as part of the Constitution review</li> <li>Member Development Programme, to include essential and desirable skills</li> <li>Workforce Plan which will: <ul style="list-style-type: none"> <li>Strategically plan workforce needs</li> <li>Define how colleagues are supported and equipped with required skills</li> </ul> </li> <li>Review of Staff Performance management and talent development process and policies</li> <li>Organisational cultural work programme which includes: <ul style="list-style-type: none"> <li>Roll-out values connected to Council vision and priorities</li> <li>Leadership Development Programme</li> </ul> </li> <li>A programme of support and targeted interventions to maintain a healthy workforce</li> </ul>
Developing the capability of the entity’s leadership and other individuals	<ul style="list-style-type: none"> <li>Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained</li> <li>Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body</li> <li>Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority</li> <li>Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</li> </ul>		

- ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged
- ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis
- ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external
- Ensuring that there are structures in place to encourage public participation
- Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections
- Holding staff to account through regular performance reviews which take account of training or development needs
- Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

Principle F – Managing risks and performance through robust internal control and strong public financial management			
Sub Principle	Actions and behaviours that demonstrate good governance	What we have in place	What we are developing
<b>Managing risk</b>  Page 61	<ul style="list-style-type: none"> <li>Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making</li> <li>Implementing robust and integrated risk management arrangements and ensuring that they are working effectively</li> <li>Ensuring that responsibilities for managing individual risks are clearly allocated</li> </ul>	<ul style="list-style-type: none"> <li>Constitution</li> <li>Risk Management Policy</li> <li>Information Security Policy</li> <li>Treasury Management Strategy</li> <li>Anti-Fraud, Bribery and Corruption Strategy</li> <li>Corporate and Directorate Risk Register</li> <li>Quarterly Performance Monitoring</li> <li>Management Assurance Statements</li> <li>Annual Budget Setting</li> <li>Monthly Budget Monitoring Process</li> <li>Medium Term Financial Plan</li> <li>Financial / Procurement Regulations</li> </ul>	<ul style="list-style-type: none"> <li>Improving Information Security, including the management of IS risks, and the award of the Public Sector Network certificate of compliance</li> <li>Improvements to the governance for asset disposal</li> <li>Finance functions are being restructured to implement a more robust business partnership delivery model</li> </ul>
<b>Managing performance</b>	<ul style="list-style-type: none"> <li>Monitoring service delivery effectively including planning, specification, execution and independent post implementation review</li> <li>Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook</li> <li>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system: Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making)</li> </ul>		

	<ul style="list-style-type: none"> <li>• Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</li> <li>• Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements )</li> </ul>
<b>Robust internal control</b>	<ul style="list-style-type: none"> <li>• Aligning the risk management strategy and policies on internal control with achieving the objectives</li> <li>• Evaluating and monitoring the authority's risk management and internal control on a regular basis</li> <li>• Ensuring effective counter fraud and anti-corruption arrangements are in place</li> <li>• Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor</li> <li>• Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>- <i>provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</i></li> <li>- <i>that its recommendations are listened to and acted upon</i></li> </ul> </li> </ul>
<b>Managing data</b>	<ul style="list-style-type: none"> <li>• Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data</li> <li>• Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies</li> <li>• Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring</li> </ul>
<b>Strong public financial management</b>	<ul style="list-style-type: none"> <li>• Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance</li> <li>• Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls</li> </ul>

<b>Principle G – Implementing good practices in transparency, reporting and audit to effective accountability</b>			
<b>Sub Principle</b>	<b>Actions and behaviours that demonstrate good governance</b>	<b>What we have in place</b>	<b>What we are developing</b>
<b>Implementing good practice in transparency</b>	<ul style="list-style-type: none"> <li>• Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate</li> <li>• Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand</li> </ul>	<ul style="list-style-type: none"> <li>• Website</li> <li>• Public Consultations</li> <li>• Audit Committee</li> <li>• HR Committee</li> <li>• Peer / External Reviews</li> <li>• Internal Audit Opinion</li> <li>• External Audit Letter</li> <li>• Medium Term Financial Plan</li> <li>• Statement of Accounts</li> </ul>	<ul style="list-style-type: none"> <li>• More rigorous approach to monitoring the implementation of audit recommendations</li> <li>• Peer Review of Internal Audit</li> <li>• Audit Committee effectiveness review</li> <li>• Improving the quality of reporting, through the development of training, and more thorough review</li> </ul>
<b>Implementing good practices in reporting</b>	<ul style="list-style-type: none"> <li>• Reporting at least annually on performance, value for money and the stewardship of its resources</li> <li>• Ensuring members and senior management own the results</li> <li>• Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)</li> <li>• Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate</li> <li>• Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations</li> </ul>		
<b>Assurance and effective accountability</b>	<ul style="list-style-type: none"> <li>• Ensuring that recommendations for corrective action made by external audit are acted upon</li> <li>• Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon</li> <li>• Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations</li> <li>• Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement</li> </ul>		

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|--|--|--|--|
|  | <ul style="list-style-type: none"><li>• Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met</li></ul> |  |  |
|--|--|--|--|

DRAFT



# Audit Committee

25th January 2018



**Report of:** Director of Finance

**Title:** Bundred Report and Annual Governance Statement Tracker – January 2018

**Ward:** N/A

**Officer Presenting Report:** Denise Murray

**Contact Telephone Number:** 0117 92 22452

## Recommendation

The Audit Committee acknowledge progress made to date against the Action Plan and consider any issues arising.

## Summary

The 2016/17 Annual Governance Statement and Bundred review identified a number of issues that needed to be addressed to ensure continuous improvement in the governance framework, financial and budget management, and the process for managing the achievement of savings .

The improvements identified have been incorporated into a separate Annual Governance Statement Action Plan to be regularly monitored in 2017/18 and progress reported to the Audit Committee.



## 1. Purpose

- 1.1. To report on progress made to date against the Annual Governance Action Plan arising from the Bundred Review and the 2016/17 Annual Governance Statement.

## 2. Background

- 2.1 The members of the Audit Committee previously endorsed, in their meeting on 23rd June 2017, that the Committee should receive monitoring reports at each of its meetings advising of progress against the Annual Governance Statement Action Plan.
- 2.2 The progress made to date against the implementation of the agreed actions arising from the Councils response to the Bundred review is summarised below and details are attached in Appendix A.

Table 1 - Changes in the Implementation of Actions from the Bundred Review

Status	January 2018	November 2017
Green – Completed and Evidenced	55 (65%)	52 (61%)
Amber – In Progress with Evidence	29 (34%)	33 (39%)
Red – Not Started / Started but not Evidenced, date at risk	1 (1%)	0 (0%)
<b>Total</b>	<b>85</b>	<b>85</b>

- 2.3 Since the previous report to the Audit Committee in November 2017, the principal changes in the implementation of the Bundred review have been:

- B18 – Decision Pathway -- Amber to Red
- B35 – Learning and Development Programme – Amber to Green
- B45 – Development of Target Operating Model – Amber to Green
- B49 – Challenge and Monitor number of officers at meetings – Amber to Green

- 2.4 The progress made to date against implementation of the actions required from the Annual Governance Statement for 2016/17 is summarised below and the details attached in Appendix B:

Table 2 - Changes in the Implementation of Actions from the Annual Governance Statement

Status	January 2018	November 2017
Green – Completed and Evidenced	4 (18%)	4 (18%)
Amber – In Progress with Evidence	18 (82%)	18 (82%)
Red – Not Started / Started but not Evidenced, date at risk	0 (0%)	0 (0%)
<b>Total</b>	<b>22</b>	<b>22</b>

### **3. Proposal**

- 3.1. The Audit Committee considers the progress made to date against the Action Plan and consider any issues arising and raising challenge where appropriate.

### **4. Other Options Considered – N/A**

### **5. Risk Assessment**

- 5.1. The publication of an Annual Governance Statement is a legal requirement and the processes of implementation, monitoring and reporting of improvement actions arising therefore constitute an important element of the Council's governance arrangements. The actions identified within the response to the Bundred report and the Annual Governance Statement constitutes important measures whereby the Council's overall management of organisational risk can be enhanced.

### **6. Public Sector Equality Duties**

- 6.1. Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
  - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
  - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
  - tackle prejudice; and
  - promote understanding.

6.2 No Equality Impact anticipated from this report.

**7. Legal and Resource Implications**

Legal – N/A

Financial – N/A

Land – N/A

Personnel – N/A

**8. Appendices:**

- Appendix A – Bundred Review Actions
- Appendix B – Annual Governance Actions

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**9. Background Papers:**

None.

## Appendix A – Bundred Review Actions

<b>Total Actions</b>	<b>85</b>	<a href="#">Click here to read intrustions for using this document</a>				
<b>Green</b> complete and evidenced	<b>55</b>					
<b>Amber</b> in progress with evidence	<b>29</b>					
<b>Red</b> not started, started but not evidenced, date at risk	<b>1</b>					
<b>Bundred Review Document Reference</b>						
<b>Recommendation</b>	<b>Activity</b>	<b>Noted Activity</b>	<b>Responsible Owner</b> <small>(SLT member)</small>	<b>Revised Date</b> <small>(if applicable)</small>	<b>Risk</b>	<b>Comments on RAG - January 2018 DO NOT COMPLETE THIS COLUMN USE THE COLUMN TO THE RIGHT</b>
<p>1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)</p> <p>For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)</p> <p>1. For future significant savings programmes,</p>	B1	A new process has been designed and implemented that issues all budget Managers with 'Directorate Cash Limits'	Denise Murray	Ongoing	G	Measures have been put in place, need to assess over time to decide if this has been effective. A sign-off process has been implemented to ensure budget holders are aware of their budget position and directorate cash limits
	B2	Each savings proposal has been allocated a named Strategic and Service Director lead as accountable officers	Denise Murray	Mar-17	G	The relevant proportion of the cross directorate saving has been allocated to the relevant divisions so that there are no longer any centrally held savings.
	B3	A new governance and delivery assurance framework provides a robust framework for tracking and monitoring delivery, and provides early sight of any issues that may arise allowing for early intervention and mitigations - this new governance will be kept under review and adapted to ensure maximum effectiveness	Nicki Beardmore	n/a	G	DwG and DE have been operating since March (meeting facilitation and support provided by PMO). Monthly Progress Reports are produced for DwG/DE  Prototyping and learning as we go. DwG retrospective held (17/05) and Trello board created, associated actions being progressed  DwG ToR refreshed August 2017 to ensure continued effectiveness and fitness for purpose
	B4	All savings proposals now undergo a formal sign off procedure to ensure that appropriate accountability is clearly and transparently defined and responsibilities are clearly delegated to the appropriate Strategic or Service Director for delivery and tracking	Nicki Beardmore		G	Budget Planning templates and new Business Case templates created to provide greater depth in reporting.  All savings lines in Budget have a named responsible officer (Director Lead) required to report monthly on progress which directly informs the Budget Monitor  Any changes to Director Lead is subject to formal change control (process can be provided). Any Director Leads leaving the authority are required to attend DwG with new savings owner prior to departure and confirm current saving status and handover arrangements

Budget Review Document Reference		Activity Reference	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)	B5	Alignment and combination of the monthly mechanisms for managers and Service/Strategic directors to submit a holistic view of savings delivery from a financial and action focussed perspective	Denise Murray	Mar-17	G	Delivery Executive in place and established (please see below)	
	B6	Member oversight as an element to the governance process that now includes a Delivery Executive	Nicki Beardmore		G	Delivery Executive in place from March 17 and meeting weekly initially. DE Chaired by Deputy Mayor - Finance, Governance and Performance. Relevant Portfolio holders should also attend these sessions, providing joint ownership and accountability for savings by both members and officers.	
	B7	An OSMB led review of the Council's arrangements for Scrutiny	Shahzia Dajis	May-18	G	This is a member led process and the initial planned review has been completed. Members are now trialling the new methods of scrutiny throughout 17/18 with a view to finalize constitutional changes for the 2018 AGM.	
	B8	Updated position in respect of the delivery of savings will be routinely reported as part of the budget monitoring report	Denise Murray	Jun-17	G	The two monitoring processes are integral; progress on delivery of savings is now reported periodically through monthly savings report and also integrated within the finance monitoring reports to SLT / Scrutiny and Cabinet	
	B9	A one-off investment fund has been allocated to support savings related change activity across the council	Denise Murray	Feb-17	G	The Capacity Investment fund is created from a one off (reserve) intended to go across financial years to support project and transformation delivery. As at the end of Dec it is anticipated that some £2m will be required in 17/18 to fund PMO resource additional project / transformation work and mitigate any residual in-year budget pressures, with a further £3m anticipated in 2018/19. Full detailed analysis of usage is reported through internal governance arrangements and incorporated within the budget monitoring report. The extension of the flexible use of capital receipts scheme will facilitate a review as part of the budget process for supplementing the fund to enable further transformational change	

Bundred Review Document Reference	Recommendation	Activity Reference	Noted Activity	Responsible Officer (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)	B10	Further consultation is expected to be required in respect of some areas of savings proposals and will commence when the General Elections have concluded	Shahzia Daya	Underway & reviewed by PGL 6 monthly	G	Further consultation activity was rescheduled to commence post the General Election; these are being progressed by Members, Service Leads and supported by consultation Teams; any impact on delivery of 17/18 savings has been factored into the profile and budget monitoring reports.	
1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)	B11	Where there is a risk to the delivery of savings, mitigation plans will be developed immediately in conjunction with the relevant Portfolio Holder	Denise Murray	Oct'17 - in terms of next steps identified. Other 'evidence based' items already in place	G	In 2017/18 we have reinforced the requirement to operate within approved cash limits, seek directorate mitigations for emergent pressures and in consultation with the relevant Cabinet member formally request a supplementary estimate and / or hold expenditure in abeyance to ensure delivery of a balanced budget. A three tier escalating budget scrutiny / improvement protocol has been developed aimed at addressing service areas where financial performance is a concern and at a directorate level, the net position could destabilise the council's financial position.	
1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)	B12	Directorates will be challenged to explore alternative options for meeting the cost pressures faced within their existing resources or seek supplementary estimate to increase the directorate spending limit	Denise Murray	Ongoing	G	Please see comments above	

Bandred Review Document Reference	Activity Ref	Noted Activity	Responsible Officer (SLT member)	Revised Date	R/A	Comments on RAG - January 2018
1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)	B13	The first budget monitoring report will be reported to Cabinet in June 2017	Denise Murray	Ongoing	G	Integrated budget monitoring report being presented to cabinet on a monthly basis which incorporates delivery on savings initiative in line with forecasted out turns within budgets and agreed reporting cycle. The report also incorporates key financial risks and opportunities, an analysis of the agreed savings programme and what is deemed to be at risk, and review of aged debt with improvement measures and progress.
1. For future significant savings programmes, especially any involving projects which embrace more than one Directorate, the Council should ensure stronger governance arrangements and clearer Member oversight (paragraph 45)	B14	Between March 2017 and June 2017, when there is no Cabinet a draft budget monitoring report will be made available to Members as per normal procedure	Denise Murray		G	Complete - The first cycle budget monitoring report commenced at period two as per the financial reporting cycle and have continued there on, there has been a Cabinet for each one, where there is no Cabinet meeting scheduled, it is our intent they will be submitted virtually to ensure there is no gap in the information submitted to Members .
2. Wherever possible, the Council should ensure that responsibility for the delivery of specific savings initiatives is allocated to Directorates so that ownership of savings programmes and accountability for them is clear (paragraph 66).	B15	Cross cutting projects allocated to specific Strategic and Service directors, who will design and ensure delivery of the saving	Denise Murray		G	Complete - see the comments in B2
3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B16	A new business case template has been implemented which covers all development gateway stages and adopts the principles of the HM Treasury Green Book best practice methodology	Nicki Beardmore		G	New Business Case template in place from March alignment with HM Treasury Green Book methodology - further iterations and improvements have been made through a continuous improvement approach. The business case template and guidance includes information which facilitates the development of a robust and transparent document and includes some pre-defined questions to prompt the author / quality assessor.



Bandred Review Document Reference		Activity Ref.	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
3	3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B17	Ensure that the protocols regarding the independent assurance of reports is refreshed and strengthened to make sure that all of the relevant professionals e.g. legal, HR, finance, ICT, Property services are given ample time to comment on reports	Nicki Beardmore	May-17	G	In relation to savings business cases going to D/WG and SLT, PMO BC Assurance introduced May '17 - Corporate Services Professional Views sought as part of monthly reporting, exception reporting and business case production. Reports follow an alternative process in seeking sign-off from service professional and whilst the process is clear this still requires improvement in the forward planning of items to ensure sufficient time is available for due diligence.
3	3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B18	Review of the decision pathway, associated protocols and process map to ensure consistent implementation	Shahzia Daya	Feb-18	R	New Decision Pathway consulted on and implemented, feedback received as identified the need for simplification, with internal group sign-off process and a further review is now underway - please see AGS 7 for further clarity re the issue / action.  A HotHouse has taken place (13 Nov) and templates improved. Issues remain with the Forward Plan and Professional Advice, both of which are currently being reviewed  New meeting pulse to be drafted to align with new Management Structure
3	3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B19	Business Case training for managers when required along with support from a Change Business Partner	Nicki Beardmore	Nov'18	G	This action is for BC training to be provided as required. 'On the job' training through PM's working alongside Service Leads in producing this - and to some degree the learning imparted through the PMO Assurance Process, there is no specific training that Change Services have been part of. Further assessment of need to be undertaken and incorporation into the L&D plan if this approach is not sufficient.

Bundled Review Document Reference		Activity Ref.	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
3	3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B20	All officers have access to the new business case template through the source which provides a step by step guide to developing a robust business case at all stages in the project lifecycle	John Walsh		G	Template in place as of Mar'17 please see B16 above
3	3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B21	The Change Business Partners will work alongside service leads and signpost them to the guidance available on The Source as required	John Walsh		G	x2 CBP's in place pre March '17 - additional capacity added Jun'17. Further refinement of role / offer in place as of Jun'17. Corporate Services Professional Views sought as part of monthly reporting, exception reporting and business case production. Detail of this process and supporting ToR for professional views group can be provided.
3	3. The Council should adopt a more disciplined, centrally driven approach to business cases supporting investment decisions or savings projects. There should be a standard template of what constitutes an acceptable business case and a standard procedure through which the template must be completed and approved (paragraph 65).	B22	The officer responsible for delivering the agreed business case, will be responsible for tracking the assumptions underpinning the business case and, where there is a material change are expected to report this to SLT and their portfolio holder(s) in a timely manner, particularly with respect to benefits realisation	SLT - for each of its Directors		G	Reporting in place as of Mar'17 - alignment to finance reporting cycle as of Jun'17. Change Control process and version control reinforced through DE/D/WG Support available through Change Services
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B23	All reports must include all of the feasible options available to be implemented and be supported by a robust evidence base or business case	SLT - for each of its Directors		G	As per the decision pathway a range of template are in place which captures the appropriate information for the audience and options being considered as the proposition progresses along the pathway. Where the depth and stage requires a business case, a template and support is available.

Hundred Review Document Reference		Activity Ref.	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B24	SLT have reinforced the need for reports rather than presentations to be used as the basis of discussions and decisions at all meetings.	SLT		G	Complete Mar'17 with presentation being used as supplementary item to the main report upon which the decisions will be made and consistency is ensured in the presentation and the main data set.  Democratic Services ensure that this is done at all meetings they service
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B25	In future each report should have sufficient detail to 'stand-alone', key messages and recommendations must be clear and succinct, supported by appropriate evidence and relevant professional advice; and where necessary, reports must enable councillors to refer easily to relevant policies and previous decisions and discussions	SLT		G	Complete Mar'17. This is further reinforced through the PMO Assurance process as it is solely based on what can be evidenced in the BC document
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B26	Each report / business case requires Director & Portfolio holder sign off	SLT		G	Audit trail in place through D/W/G and decision pathway
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B27	Officers are currently developing a new development programme for the Bristol Manager framework that will assist managers with the key competency requirements	John Walsh	ongoing	G	The emerging leadership development programme is designed as a set of facilitated learning sessions on a number of core business processes, to include support to prepare business cases and reports. Research on good practice has been undertaken during August, including conversations with Change Services colleagues. This analysis concluded that there are two areas of learning required - firstly defining the problem that needs to be solved and thinking about options and solutions that are whole system changes, rather than just solving the immediate issue. Research is underway on the best method to deliver this support - either online learning or face to face sessions. The second part is preparing the business case and making a well-evidenced case. This will be addressed via updated online guidance materials from Change Service colleagues. (SG 4/01/18)
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B28	In addition to formal arrangements for reporting and challenging budget performance, such as Cabinet and Scrutiny, the Council will also develop more informal, but nevertheless robust arrangements for Member briefings on key issues or ward matters	Shahzai Days, and SLT		G	Regular briefings are taking place with portfolio holders, Mayor and the Executive.  All member briefings are held as and when required - a list is kept by Democratic Services
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B29	Strategic and Service Directors ensure that sufficient time is provided to enable reports to be fully considered and signed off by all the relevant professionals (Legal, Finance, HR etc.) and in accordance with the protocol prior to submission for inclusion on agendas	SLT	Ongoing	A	There is a week between submission of a document and the date of review; however forward planning needs to improve to ensure that the appropriate level of due diligence can be undertaken; this can be challenging with urgent items and can on occasion be more complex than anticipated and require more than the initial assessment of time. There is a high demand for professional input required due to the quantity of reports which can cause delays in

Quadred Review Document Reference		Activity Reference	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B30	SLT and Service Directors will ensure that the minute taking of meetings and working groups is improved ensuring that a summary of the report and discussion is included along with clear agreements/recommendations and timescales	Shahzaib Daya		G	Steps have been put in place to improve minutes, with particular focus on where endorsement / approval is being sought. The onus is on all in attendance to review and agree the minutes / actions as an integral part of the agenda.  This is less of an issue where meetings are serviced by Democratic Services Officers
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B31	New protocols will be issued to emphasize the need to comply with internal storage of documents to facilitate audit trails and transparency	Shahzaib Daya		A	The document retention schedule to be reviewed and refreshed as appropriate. This was covered in part by the information security training that has taken place across the organization. Modern.Gov records are stored in accordance with the current Documentation Policy
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B32	As part of the development of the revised working arrangements for the Council, the necessity for all of the current officer working groups will be reviewed, terms of reference will be refreshed / or developed	SLT		A	New decision Pathway and Internal Groups; subject to review - please see B18 above for response
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B33	Review of levels of delegation of working groups and Boards, linking back to the constitution, decision pathway and budget and policy framework	Shahzaib Daya		G	Briefing sessions (management brief and DLT's) have been provided on the Constitution and the Scheme of Delegation for all managers. The core documents have been reviewed and refreshed. Updated scheme of delegation and Mayor's scheme of delegation now uploaded onto the council's website. Scheme will need overhauling post senior management restructure. The aim is to do this with the review of the Constitution
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B34	The schemes of internal officer delegations will also be reviewed at least annually	Shahzaib Daya		G	Officer executive decision process was covered in the briefing, template produced to provide consistency, CPG expectation is that the template is provided for request in excess of £100k and an officer draft rolling 12 month forward view of possible Key decisions and Officer executive decisions has been developed for planning purposes.

Band	Review Document Reference	Activity Ref.	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
4	4. The Council should take steps to build on recent improvements in the quality of reporting and document management. Where necessary guidance should be issued, or training provided, to report authors emphasizing the importance of clarity, transparency, analysis and advice (paragraph 121).	B35	A learning and development programme will be created that will help support colleagues across the council to have the right skills and tools to enable them to do their job to a high standard	John Walsh	Nov-17	G	Extension of B27 above with further areas and training tools being explored, designed and rolled out.
5,6	5. Members should be less tolerant of poor quality reports than they appear to have been in the past (paragraph 120).  6. Where they do not already exist, arrangements should be made for report authors to receive feedback from Member or senior officer discussion of their reports as a matter of routine (paragraph 113).	B36	Members will be supported through the Member Development programme to recognise & challenge when a report is of poor quality	Shahzia Daya or some progr		A	Officers, supported by the LGA, have drafted a programme for Members to develop a programme of essential and desirable skills. This has been shared in draft with party group leaders whilst officers are in the process of re-establishing a Member working group to consider the draft and reshape as appropriate. The member development programme will continue to be supported by the LGA and once endorsed will be rolled out in accordance with an agreed implementation plan.
5,6	5. Members should be less tolerant of poor quality reports than they appear to have been in the past (paragraph 120).  6. Where they do not already exist, arrangements should be made for report authors to receive feedback from Member or senior officer discussion of their reports as a	B37	All Strategic and Service Directors will provide the appropriate support and guidance to ensure that the quality of reports improve	SLT		A	Quality of report writing continues to be improved with a gateway of assurance being provided with SLT. Training to be developed as part of the new management training programme and drop-in sessions made available to all report authors fortnightly.
7	7. Relevant officers should be reminded of their responsibilities to keep backbench and Opposition Members properly informed (paragraph 125).	B38	Strategic and Service Directors will make arrangements to brief Members on major issues e.g. MTFP, corporate strategy, savings proposals and policy changes concerning the Council and, more specifically, about issues and events affecting the Ward areas as appropriate	Shahzia Daya		G	See B40 below
7	7. Relevant officers should be reminded of their responsibilities to keep backbench and Opposition Members properly informed (paragraph 125).	B39	Portfolio holders will also facilitate briefings with backbenchers and opposition members to ensure Councillors are fully briefed on key policy decisions as they evolve	Shahzia Daya		G	Where the opportunity exist for an observer or additional member(s) to join the meeting this has been taken; for example Shareholder Group meeting, Audit Committee and Party Group Leaders.
7	7. Relevant officers should be reminded of their responsibilities to keep backbench and Opposition Members properly informed (paragraph 125).	B40	The development of a Protocol On Councillor/Officer Engagement	Shahzia Daya		G	A session for the Leadership team was held on 1 June 2017. The Protocol developed in July will be specifically updated as part of the Constitution review. After Full Council a training programme for officers and members will be rolled out.

Bundred Review Document Reference	Recommendation	Activity Reference	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
7	7. Relevant officers should be reminded of their responsibilities to keep backbench and Opposition Members properly informed (paragraph 125).	B41	Strategic Directors will provide the appropriate support and guidance to ensure these protocols are embedded throughout their Directorates	Shahzid Daya, and SLT	Ongoing	A	Following adoption by full Council of the revised codes and protocols training will be provided through management brief for cascading and placed on the source.
7	7. Relevant officers should be reminded of their responsibilities to keep backbench and Opposition Members properly informed (paragraph 125).	B42	Officers will continue to reflect upon the feedback from OSMB and other Members to further enhance the approach adopted to engaging with all Members on the 2017/18 budget issues in the development of key strategic documents	Denise Murray	Ongoing	G	In developing the MTFP, officers worked with OSMB Scoping Group to develop the principles and engaged with all political groups following endorsement from exec board of the approach to be adopted. We are now at the second stage of the process and developing propositions that align to the principles and will continue to engage widely with the OSMT&F groups as part of the next stage in this process.
7	7. Relevant officers should be reminded of their responsibilities to keep backbench and Opposition Members properly informed (paragraph 125).	B43	In developing the Medium Term Financial Plan we will provide comprehensive information on the challenges and options we face and stage a series of early engagement meetings with political groups and scrutiny to listen to the views and seek input into the process	Denise Murray		G	Complete - as per the above
8	8. The incoming chief executive should be invited to consider and report on the steps needed to improve the management culture within the Council, recognising that any necessary changes will take three to five years to embed. There should be an emphasis on greater openness, professionalism, delegation, mutual respect and better internal communication, but with fewer large and lengthy meetings (paragraph 129).	B44	Development of a programme to address the weaknesses identified in this report and issues raised in the staff survey	John Walsh	Oct-17	G	A plan of leadership development and improving organisational culture was signed off by SLT on 28 November and the Mayor on 13 December and is due to commence in January 2018 with the roll-out of the organisational values, launch of new corporate induction followed by the launch of a leadership development programme for 4/5 tier managers. This incorporates the feedback of the staff survey, Bundred recommendations and uses the funding allocated by the Mayor for the 17/18 and 18/19 budget. Leadership Development programme sits within the emerging workforce plan. A series of learning and development programmes are being designed, this includes management development support at all levels; creative problem solving; tools and techniques for having better conversations; core business skills inc report writing. In addition career coaching is being offered to those managers who are at risk in the senior management restructure, and for those who are appointed to new roles in the structure will be required to undertake a development centre against the new leadership framework - following which an individual and group development plan will be prepared. (SG 4/01/18)
8		B45	Development of a new target operating model that will provide the necessary clarity to ensure the organisation is clear about its priorities, values and behaviours	Nicki Beardmore	Senior management restructure Dec 2018 Values & Behaviours/ Corporate Plan/Business Plans final approval at Full Council Feb 2018	G	New senior management structure was shared with the organisation at end of December. An approach to linking the strategic direction of the organisation with job design and performance management is being designed and this will be consistent with Corporate Plan priorities and resulting service performance measures. New Corporate Plan in development that will bring together and approve the overarching strategic direction of the organisation (Feb 2018) giving collective overview. Service delivery/business plans will then be developed that align delivery with organisational strategic direction. New set of Values and behaviours is complete and included within the Corporate Plan and leadership framework. (SG 4/01/18)

Bandred Review Document Reference		Activity Re.	Noted Activity	Responsible Officer (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
	B46	Clarify and focus on strategic priorities with measurable success factors		Tim Borrett	Apr-18	A	In flight - draft Corporate Strategy published and away day held in December with ELT. Corporate Strategy is being updated following consultation and is set for Cabinet on 23 January and Full Council on 20 February. In the meantime ongoing Business Planning work with 1st - 3rd tier managers will ensure that we complete thematic Business Plans (inc. success measures) so that links through to individual objectives can be made in April - June by line managers undertaking My Performance reviews. RAG reflects that whilst this is all underway and on-track, the work is not finalised and fully approved.
	B47	Develop and pilot a programme to ensure a single culture in BCC		Steph Griffin	Ongoing	G	Draft Organisational values have been through the decision pathway and are now out to public consultation as part of the Corporate Strategy. An organisation wide roll-out will commence in January, which will be for all colleagues in the organization to take part. This will be an opportunity for everyone to connect with the organization vision and priorities in the Corporate Strategy and the values and behaviours which underpin it. The emerging performance framework will be based on these organisational values and behaviours as part of a wider leadership framework. These will underpin the wider organisational culture work programme (B34) and the emerging corporate narrative (based on the Corporate Plan). (SG 4/01/18)
	B48	Ensuring that performance objectives for all managers flow from our strategic objectives but equally are a demonstration of commitment to values and behaviours		John Walsh		A	A dedicated workstream under the Workforce plan is looking at our performance management framework which will link to the business planning process. It aims to review the council's approach to performance management to drive a high performance culture where people feel valued. The key activities include survey BCC employees and holding focus groups, research private/ public sector approach to PM, Systems and Culture, explore statutory obligation for PM. The work will be linked with the emerging organisational values and leadership framework which sets out our expectations of our colleagues and will introduce a 360 feedback framework. Resources DLT considered an options report in December which approved the extension of the current My Performance system for one year whilst the new framework is developed and the new HR and Payroll system is procured. (SG 4/01/18)
	B49	Strategic Directors will monitor and challenge the number of Officers at meetings		SLT		G	There has been challenge on the number of officers at exec meetings and steps has been taken to reduce officer attendee where appropriate.
	B50	The Chief Executive to visit a range of workplaces to listen and talk with colleagues, providing an opportunity for them to share work priorities and challenges		SLT		G	Drop-in Sessions taking place with Mayor and CX throughout the year. These have been across all council sites, particularly targeting offline staff. A programme of regular sessions and engagement opportunities are being prepared as part of the roll-out of the organisational culture workstream and has been requested by the Mayor in organisational culture briefing on 13 December (see B35) (SG 04/01/18)
	B51	Creation of space for working collaboratively and transparently on cross-cutting issues		Bill Edrich		G	This is being embedded in change work via the Hot House process. The culture and L&D programme includes the role out of hot house and agile principles for problem solving for teams to use in their everyday business. The comms and engagement approach will involve plenty of opportunities for co-design and collaboration on issues. E.g.: Management Briefing collaboration on cross cutting issues, focus groups for specific issues, Mayor and CX discussion sessions with colleagues on specific cross-cutting themes



Bandred Review Document Reference	Recommendation	Activity Ref.	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	RIA	Comments on RAG - January 2018
		B52	Develop a single shared view amongst colleagues of our strategic priorities and our progress against them	Tim Borrett		A	See B45 above. Strategic priorities set out in draft Corporate Strategy following extensive colleague engagement. Away days planned for Business Planning which will include success measures.
		B53	A culture that ensures it is "safe for truth to be spoken to power", encourages two way feedback and values honesty integrity and transparency	John Walsh	01-Sep-17	G	A group of volunteer managers running from Jun - Sep to test tools and techniques. Outputs shared from sprint group at management brief in October. Sprint has informed the larger organizational culture work stream and tools and techniques are included in the leadership development programme and are reflected in the new leadership framework which will in turn inform the performance management framework. (SG 4/01/18)
		B54	A learning and development programme will be created for The Bristol Manager	John Walsh	Oct-17	G	As B27 and B34 above
		B55	Actively seek opportunities to recognise and celebrate success	SLT/John Walsh/Steph Griffin		A	Recognition of success and our learning is an integral part of the communication strategy that supports the organisational culture work programme. Its important that colleagues can see the values reflected in their own and peers' work. Good news and shared learning is shared with colleagues on Source. A proposal on a more formal recognition of success can be expected as part of the pay and reward work stream of the workforce plan. (SG 04/01/18)
		B56	A fund to be allocated to support the work on culture development and invest in colleagues learning and development	Steph Griffin		G	Budget of £450k forecast outturn. Programme is outlined in B27 and B34 above.
		B57	Participation in the LGA Corporate Peer Challenge	Nicki Beardmore	June 2018 however	A	A new date has been agreed with the LGA and the Corporate Peer Review will take place in June 2018, following completion of the Senior Management review and approval of the 2018-2023 Corporate Plan. In addition to the Corporate Plan, we have invited the LGA to work with us to provide overview and challenge to our current budget setting process. This is taking place currently and is anticipated to be completed in Dec 2017.
		B58	Participation in the Housing Delivery and HRA Peer Challenge	Alison Comley	TBC	A	See comments above
		B59	Participation in the Children's Social Care Peer Challenge	John Readman	TBC	A	There has been a Joint Targeted Area Inspection for Childrens and we are participating in a LGA SEND peer review.



Bandred Review Document Reference		Activity Reference	Noted Activity	Responsible Officer (SLT member)	Revised Date	R/A	Comments on RAG - January 2018
		B60	Participation in the Adult Social Care Peer Challenge	John Readman	TBC	A	BCC may have impending inspections by CQC into our Better Care Fund (Adults) arrangements and are working closely with the LGA to manage these.
9	9. The Council should take further steps to improve the quality of its Finance function, modernize its role and enhance its status. Response: Finance functions are being restructured to implement a more robust business partnering delivery model. This will enable finance to be at the heart of the organization and influence business decision. The finance function will improve the efficiency of transactional processes Relevant outstanding recommendations of the review commissioned in December 2015 should be actioned as a matter of urgency (paragraph 130).	B61	Finance functions are being restructured to implement a more robust business partnering delivery model	Denise Murray		G	Significant improvement have been made to the quality of high level financial support provided, reflected in feedback from Strategic, Service Directors and members. A consultation on the restructure of finance will commence before the end of the financial year that will ensure appropriate capacity and skillsets at the right level, whilst rationalizing activities.
		B62	The finance function will improve the efficiency of transactional processes which will bring insight, intelligence and support complex propositions	Denise Murray		G	Included within the Finance Transformation
		B63	Improve how reports produced by the internal / external auditor, other regulators and inspectors are dealt with and shared and continue to strengthen our approach for responding to recommendations	Denise Murray		G	A range of reports have been produced - example: Annual governance statement, Quarterly Statements, Final Audit Reports - which have produced a more user friendly report and greater depth of information. Work continues to further improve the actual internal audit reports
		B64	Monitoring and proactively managing non-compliance	Denise Murray	Ongoing	A	We have reports to show where Budget managers are and are not completing spend forecasts and initial (rather than retrospective) purchase order compliance. A review of debt management is underway that will require an element of cultural change within the organisation  Substantial progress has been made in ensuring compliance with budgetary control and other key financial processes, but there is still much to be done in terms of self serves. We have reports to show where Budget managers are and are not completing spend forecasts and purchase order compliance, but a formal process still needs to be implemented via DLTs and SLT to ensure measurable improvements in compliance rates.  A Procurement Card review is ongoing with a view to minimising the volume of cards and spend and ensuring greater transparency and control (Chris Holme 6/9)
		B65	Transformation of the Finance function. It will be necessary to take an end-to-end approach and combine top down and bottom up initiatives	Denise Murray		A	Finance Transformation Programme is inflight and progressing. There are a number of project and ongoing workstreams that will deliver continuous improvement and efficiencies

Bundred Review Document Reference	Recommendation	Activity Reference	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
		B66	A more robust approach to providing assurance through the Annual Governance Statement has been developed, ensuring that all budget managers and responsible officers are an integral part of the overall governance assessment. All responsible officers now complete and sign off an AGS statement that feeds into the wider overall assurance across the authority	Denise Murray		G	<p>A new approach is now in place which will be updated and monitored more regularly - ideally on a quarterly basis. Co-ordinated by Internal Audit</p> <p>For the 2016/2017 statement, the final signed submission has been completed. A process for evidence to be captured on a more regular basis e.g. ideally quarterly is now in place to further embed the principles of good governance.</p> <p>Adoption by Audit Committee of the action plan provided the indication for the effectiveness of the 16/17 approach and indication that this task is complete.</p>
		B67	Continued implementation of the Improvement Plan which will be updated to take into account the recommendations of the Bundred Report	Denise Murray	Ongoing	A	Improvement is continuous and should be monitored on an ongoing basis. A number of the key documents that form the financial framework have or are in the process of being refreshed for submission for approval December 2017 in line with the constitution. Underpinning protocols have been implemented and draft terms of reference being prepared to further improve areas such as capital governance.
		B68	DUPLICATION of above B66 - A more robust approach to providing assurance through the Annual Governance Statement	Denise Murray		G	Item duplicated with B66 above
		B69	The Resources Directorate are piloting a new delivery model in accordance with the approved policy framework to test internal shared service arrangements in the first instance, which also responds to the advice from the external review of finance	Denise Murray		A	Finance Transformation Programme is inflight and progressing. The final model will reflect the agreed operating model for the Council and wider business needs of services
		B70	Work continues on the Finance systems to progress the identified requirement to conclude the IT system developments and avoid the need for significant use of spreadsheets etc. which jeopardises the "single version of the truth"	Denise Murray		A	In progress - systems developments have been focused on the revised reporting formats for the in-year monitoring reports, dashboards and aged debt. This was the first stage and work will now continue on the wider system transformation work required and agree revised dates and milestones.

Bundred Review Document Reference		Activity Reference	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
		B71	Peer review of the Internal Audit function has been commissioned which will also embed Key Audit deliverables in Service BAU	Denize Murray		A	The date of the review was deliberately back-ended to ensure it didn't create capacity issues in managing the AGS and volume of internal audit review that was in the pipeline. The review has now been undertaken and report will follow in due course. Update 01/12/17 : Fieldwork for review completed by External Reviewer and report awaited. Update 03/01/18 - Report now expected from External Reviewer in January 2018.
10	10. The previous recommendation that the Council should "Develop a Competency Framework and agree the way forward re Assessment and Development centres" in relation to its Finance staff is overdue and should be given priority (paragraph 134).	B72	Appointment of a permanent structure based on CIPFA principles	Denize Murray		A	There is a draft structure which includes required financial qualifications for senior officer posts, details are being finalised with a plan to commence consultation in the coming weeks.
		B73	Utilise an assessment centre based on those which have been developed and used in other authorities	Denize Murray	TBC	A	Comments as above (B72), as part of this process, skills assessments will be undertaken
		B74	The finance function needs to create the conditions that enable it to be agile, adaptable, and accountable and to learn from success as well as failure so that responding quickly to change is second nature, constantly striving for the best possible services and outcomes	Denize Murray		A	A formal structure needs to be implemented and embedded, however, with the change in Business Partners, and a number of vacancies, it has provided an opportunity to operate an agile structure with points of contact for service areas and projects, operating in a matrix style as opposed to fixed business partners working solely within a directorate
		B75	A transitional structure will be implemented	Denize Murray		A	Duplicated with restructure below - suggest we remove
11	11. This should be actioned alongside a review of the role and requirements of Business Partners as part of the current review of the Finance Directorate structure (paragraph 134).	B76	Business Partners and the new internal shared service will lead the Business Support function, ensuring the smooth, seamless coordination and execution of the finance service provider function, including project delivery	Denize Murray		A	The function is moving towards this model and project work with a more agile, skills based matrix approach adopted. Fully embedding the line management principles identified will however require the implementation of the new permanent structure.
		B77	Interim and final Finance structures will incorporate a mentoring and larger trainee scheme to enable BCC to "grow its own"	Denize Murray	Ongoing	A	This will be one aspect of B80 L&D on which activity has commenced.
		B78	Appointment of Business Partner roles on a skills based assessment	Denize Murray	TBC	A	Restructure of finance due to go out to consultation in the coming weeks and skills based assessments will form part of the recruitment process for senior roles.
		B79	A competency framework will be implemented which outline the set of competencies needed to perform each of the roles effectively and career progression pathway	Denize Murray	Nov-17	A	A restructure is planned for the function with tiers which are conducive to career progression. Support will be commissioned from internal L&D and CIPFA to develop a competency framework that aligns to the revised role profiles.

Bandred Review Document Reference		Activity Reference	Noted Activity	Responsible Owner (SLT member)	Revised Date (if applicable)	R/A	Comments on RAG - January 2018
		B80	The organisation is in the process of building the learning & development programme	Denise Murray	Oct-17	A	Work has commenced with the initial focus on workforce resourcing: ensuring that we have the right level of resource with the right skills, and a planned pipeline for the future. Additional interim resource has been recruited to provide capacity and complement / enhance existing skills and work has commenced on introduction of a revised L&D programme which will provide supported Professional training and provide clarity on the expectation from our employees in return. A pipeline of trainee's / apprentices is also being considered.
12	12. The more timely reporting of budget monitoring information that has now been introduced should continue into the future. If the Council opts to return to quarterly budget monitoring and the first quarter report cannot be considered in July, there should be routine reporting in June or July of the position as at the end of May (paragraph 118).	B81	Members and scrutiny receive regular, detailed budget reports that provide information on progress, variance against plans and corrective action already underway or planned	Denise Murray		G	SLT, Members and Scrutiny received Period 2 and other subsequent periodic reports on schedule, with the first report for the period presented for the 27 July Cabinet
		B82	Clear links between the Council's capital programme and its service and revenue budget planning processes, both of which take account of the MTFP	Denise Murray		G	2017/18 budget and the Medium Term Financial Plan have set out clearly the impact that capital programme and its financing has on the revenue position, revenue and capital budgeting are set simultaneously and reported on within the monitoring report.
		B83	Finalise the guidance for the new monthly monitoring process and embed these processes for 2017/2018	Denise Murray		G	Outline guidance incorporated into monthly into budget managers forecasting returns. Additional training and support has been provided during the early part of the financial year
		B84	Publish the 2017/2018 budget monitoring timetable that reflects the 6 weekly cabinet cycle	Denise Murray		G	Timetable for internal budget monitoring was published in April, and revised in July with the change in frequency of Cabinet meetings - and published internally and externally. All monitoring reports are published in the Council's forward plan of Cabinet reports.

Baudred Review Document Reference	Activity	Responsible Owner	Revised Date	R/A	Comments on RAG - January 2018
Recommendation	Noted Activity	(SLT member)	(if applicable)		
	B85 Capital reporting to be automated and reflect multiple year programme direct from the Finance System	Denise Murray		G	Completed as part of the improvements to budget monitoring reports. Further work will be done as part of the 18/19 monitoring processes to ensure more robust challenge of scheme slippage

## Appendix B – Annual Governance Statement Actions

Total Actions		22						
Green - complete and evidenced		4						
Amber - in progress with evidence		18						
Red - not started, started but not evidenced, date at risk		0						
Ref	Recommendation	Activity Ref	Noted Activity	Responsible Owner (SLT member, Service)	Point of contact	Revised Date	R/A/G	Comments on RAG - January 2018
1	The responses to the Bundred report agreed at Cabinet will be regularly monitored in 2017/18 in line with the AGS action plan.	AGS 1.1	See Actions 1-12 above	SLT	see above			See supplementary schedule
2	Internal Audit introduce more rigorous tracking of Internal Audit recommendations, incorporating more regular provision of Monitoring Information to Strategic and Service Directors.	AGS 2.1	More rigorous monitoring of the implementation of Internal Audit recommendations is scheduled for 2017/18 accompanied by the enhancing of communication and escalation to Strategic Directors and Service Directors, who will then be held to account for their performance by the Chief Executive and Members.	Denise Murray	Jonathan Idle		G	The provision of monitoring information to Strategic and Service Directors is now in place. This will form the basis of reporting to SLT and the Audit Committee. Audit Champions have also been established and having a point of contact has proved useful
3	Develop a wider strategic approach to delivering the Mayor's vision and strategic priorities.	AGS 3.1	Developing a wider strategic approach to delivering the Mayor's vision and strategic priorities including : 20-50yr City wide plan, the Economic Growth Strategy, Refreshed Corporate Strategy, Target Operating Model (TOM), Medium Term Financial Plan (MTFP), Business plans, Performance management framework, Workforce plan, the employee offer, experience and development, Transformation plans, Communication and employee engagement plan and Values and behaviours framework	SLT	Ben Mosely		A	The Economic Strategy is one of the key documents in the strategic framework that provides the golden thread from the Mayor's vision to baseline individual delivery. Resources have been commissioned to support its development and early scoping work has ensued. This is a significant piece of work and remains on track for delivery within this financial year.
3	Develop a wider strategic approach to delivering the Mayor's vision and strategic priorities.	AGS 3.2	Target Operating Model to be finalised and approved.	Nicki Beardmore	Tim Borrett	Apr-18	A	Development work complete and shared with the Mayor. However, decision taken by Strategic Director Resources alongside Mayor not to pursue a single organisational TOM as most of The MTFP has been completed - submitted to Cabinet 27th July and approved. Work is now underway to develop the annual budgets that flow from the MTFP
3	Develop a wider strategic approach to delivering the Mayor's vision and strategic priorities.	AGS 3.3	Medium Term Financial Plan to be finalised and approved.	Denise Murray	Michael Pilcher		G	

Re f	Recommendation	Activit y Re <sup>e</sup>	Noted Activity	Responsible Owner (SLT member, Service)	Point of contact	Revis ed Da	R/A/G	Comments on RAG - January 2018
4	Performance objectives to be linked to the Council's overarching principles and priorities outlined in the TOM.	AGS 4.1	Our employees are supported by a comprehensive individual performance management process, with objectives that link to the Council's overarching principles and priorities outlined in the TOM. (see 3 above)	SLT	Steph Griffin & Tim Borrett	Dec-17	A	<p>A change of strategic direction means a single organisational TOM is not being produced but our principles and priorities are outlined in our draft Corporate Strategy, published in November 2017. This is being updated as of January with an explicit section on principles following extensive work with ELT on this and performance measures.</p> <p>Between January and April 2018 these high level priorities and measures will inform Business Planning with managers against the Corporate Strategy themes, which will include more detailed performance measures. These will go on to inform team-level plans and individual objectives, which managers should be in a position to set between April - June 2018.</p>
5	Performance objectives to be linked to the Council's overarching principles and priorities outlined in the TOM.	AGS 4.2	Where the management of employee performance management is not as per the Council's target completion rates, remedial action plans be implemented.	Nicki Beardmore	John Walsh		A	<p>A dedicated work stream under emerging workforce plan is looking at our performance management framework which will link to the business planning process. The work will be linked with the emerging organisational values and leadership</p>
5	Capital governance to be reviewed and project management / profiling and monitoring strengthened to ensure the Council achieves its investment aspiration and does not unnecessarily lock revenue	AGS 5.1	Capital governance to be reviewed and project management / profiling and monitoring strengthened to ensure the Council achieves its investment aspiration and does not unnecessarily lock revenue	Denise Murray	Denise Murray		A	<p>Terms of reference are being prepared for a new approach which merges the Property and Capital Boards into a single Investment Working Group with a governance approach which will reflect that adopted for revenue.</p>

Re c o m m e n d a t i o n	Recommendation	Activit y Re f e r e n c e	Noted Activity	Responsible Owner (SLT member, Service)	Point of contact	Revis ed Da te	R/A/G	Comments on RAG - January 2018
6	Improve the timing and advanced planning for procurement and subsequent post award Contract Management	AGS 6.1	A Commissioning and Procurement Group has been established to consider all procurement requests including requests for waivers. The Council must Instigate robust Council-wide contract monitoring governance and guidelines in order to ensure best practice for all procurement activities, value for money is achieved and poor contract management arrangements are quickly identified. Internal Audit to continue to undertake assurance reviews of the effectiveness of Procurement and Contract Management arrangements which support the Council in achieving value for money and delivering on corporate objectives	Denise Murray	Denise Murray		A	The Commissioning and Procurement Group(CPG) was established and operates a gateway approach in considering all procurement requests including requests for waivers, officers are clear on the approach and gateways. A discussion document was prepared for SLT to discuss future approach to procurement and CPG to which further consideration is required. A Category Management strategic approach is being adopted within the procurement function which aims to organise procurement resources to focus on specific areas of spends. This enables category managers to focus their time and conduct in depth market analysis to fully leverage their procurement decisions on behalf of the whole organisation. Category manager recruitment is underway.
6	Improve the timing and advanced planning for procurement and subsequent post award Contract Management	AGS 6.2	Contract Monitoring governance and guidelines to be reviewed and disseminated throughout the Council.	Denise Murray	Denise Murray		A	Please see the response above
6	Improve the timing and advanced planning for procurement and subsequent post award Contract Management	AGS 6.3	Internal Audit to complete assurance reviews of the effectiveness of procurement and contract management arrangements.	Denise Murray	Jonathan Idle		A	Several investigations/ special request audits have been undertaken or are in progress in relation to procurement and the planned work within the Audit Plan on contract management has now commenced. Update 01/12/17: Audit work ongoing. Update 03/01/18 Audit work both at draft audit stage
7	The number of decision documents and processes need to be simplified bringing together the Mayor and Cabinet's decision making and internal working groups	AGS 7.1	The review of both the Decision Pathways and internal working groups to be completed with specific reference to the complexity of existing decision making.	Shahzia Daya	Andrea Dell and Ben Mosley		A	Reviews of both the Decision Pathway and the current internal working groups are being undertaken with meetings in the pipeline. An officer draft rolling 12 month forward view of possible Key decisions and Officer executive decisions has been developed for planning purposes.
7	The number of decision documents and processes need to be simplified bringing together the Mayor and Cabinet's decision making and internal working groups	AGS 7.2	Briefing sessions provided on the Constitution and the Scheme of Delegation for all managers.	Nicki Beardmore	Shazia Daya		G	Briefing sessions have been provided for all managers on the Constitution, the Scheme of Delegation, the financial framework, Key decisions and Officer executive decisions.
7	The number of decision documents and processes need to be simplified bringing together the Mayor and Cabinet's decision making and internal working groups	AGS 7.3	The Constitution, Scheme of Delegation and Financial Regulations be submitted to full Council for full approval.	Shahzia Daya	Shahzia Daya	Nov-17	A	The Constitution, Scheme of Delegation and Financial Regulations have been reviewed with a number of changes proposed, not all of which were supported. In light of this the documents are being further refined for endorsement by the Mayor and Cabinet and submission to full Council for approval December 2017



Re f	Recommendation	Activit g Ref	Noted Activity	Responsible Owner (SLT member, Service)	Point of contact	Revis ed Da	R/AIG	Comments on RAG - January 2018
8	Partnership Agreements be reviewed and to provide guidelines on best practice, value for money and minimising the risk to which the Council is exposed.	AGS 8.1	Partnership agreements to be reviewed to improve governance and provide guidelines in order to ensure best practice, value for money and minimise the risk to which the Council is exposed. The Work Plan of BDD (External Audit) includes review of both the Council's partnership arrangements and its interest in companies. The findings will be reported to the Audit Committee.	Denise Murray	Shahzia Daya		A	Partnership / Contract life cycle management requires efficient management from contract creation, execution, governance and analysis for maximising operational and financial performance and minimising risk arrangements for service delivery. We need to ensure that the arrangements continue to be satisfactory to all parties to the agreement, and the expected business benefits and value for money are being realised. Work is underway within the Council to improve process (see point 8 below) and major partnerships agreements e.g. PFI under review. A fundamental requirement is that the Council fully understands the obligations of all parties under the contract; following which an assessment can be made as to whether value for money is being achieved and a professional and objective discussion over changes and issues arising can be had. This will remain an ongoing work stream.
8	Partnership Agreements be reviewed and to provide guidelines on best practice, value for money and minimising the risk to which the Council is exposed.	AGS 8.2	External Audit reporting of both the Council's partnership arrangements and its interest in companies be reported to the Audit Committee	Denise Murray	Shahzia Daya		A	A review of the governance in operation for Companies is underway across the group, looking at best practice from other authorities, including the role of Council Officers, Members, the skills required for Board members and shareholder assurance; it will report back in September with recommendations considered on how best to achieve the improved outcomes we seek.
9	An information security risk assessment has been completed to identify risks, lessons learnt and Action Plan developed. This will inform the Internal Audit plan for 2017/18	AGS 9.1	An information security risk assessment has been completed to identify risks, lessons learnt and Action Plan developed. This will inform the Internal Audit plan for 2017/18	Alison Comley	Alison Comley		A	The PSN certificate has now been awarded and having resolved the outstanding issues, we are accredited as an authority  Compliance is an ongoing activity whereby we address items arising from regular health checks and our annual compliance check. Action plans are available and under continuous review.

Re f	Recommendation	Activit y Ref	Noted Activity	Responsible Owner (SLT member, Service)	Point of contact	Revis ed Da	R/A/G	Comments on RAG - January 2018
10	Risk Management processes need further embedding to provide forward looking views of risk which anticipate risk rather than retrospective reporting of how already known risks are managed	AGS 10.1	The Risk Management Policy be reviewed and approved . Internal Audit will review Risk Management arrangements and recommend improvements to arrangements.	Denise Murray	Jonathan Idle		A	A revised Risk Management Policy has been prepared, presented to SLT and Exec Board in August / September 2017 and due for further acceleration along the decision pathway for endorsement. Update 01/12/17: Risk Management Policy due to be agreed by Cabinet December 2017 Update 03/01/18 - Risk Management Policy agreed. Compliance with it to be part of Internal Audit opinion for 2017/18.
10	Risk Management processes need further embedding to provide forward looking views of risk which anticipate risk rather than retrospective reporting of how already known risks are managed	AGS 10.2	The Corporate Risk Register be reviewed, refreshed and approved.	Denise Murray	Jonathan Idle		A	An extensive consultation has occurred in respect of reviewing which risks should feature on the CRR. This has been reviewed by SLT, alongside the risk captured in the previous register to ensure completeness and strategic context is reflected. This will be presented to Audit Committee in November 2017. Update 01/12/17: Revised CRR presented to Audit Committee 23/11/17 - ongoing review and
11	The Member Development Programme be reviewed and approved.	AGS 11.1	The Members Development Programme is currently being reviewed and formulated. Training sessions and financial briefings to be provided to members	Shahzia Daya	Andrea Dell		A	The officers supported by the LGA have drafted a programme for Members to develop a programme of essential and desirable skills. this has been shared in draft with party group leaders whilst officers are in the process of re-establishing a Member working group to consider the draft and reshape as appropriate. The member development programme will continue to be supported by the LGA and once endorsed will be rolled out in accordance with an agreed implementation plan.
12	The Protocol for Member /Officer Relations be updated and approved.	AGS 12.1	The Protocol will be reviewed and updated as part of the Constitution review and will be presented to Full Council November 2017	Shahzia Daya	Shahzia Daya		A	The member Protocol will be specifically reviewed and updated as part of the Constitution review, which will be presented to Full for approval Council December 2017
13	The Audit Committee should formally review its effectiveness annually in year and prioritise any improvements for the subsequent reporting period.	AGS 13.1	The Audit Committee should formally review its effectiveness annually in year and prioritise any improvements for the subsequent reporting period.	Denise Murray	Chair of Audit Committee		A	2016/17 Self assessment carried out and reported to full council, the improvements noted will be implemented in year and this process will continue for 2017/18 and feedback will be sought from the Chair of the Committee re; its effectiveness.
14	Audit report relating to the control and treatment of Council assets identifying lessons learnt from assets disposal be concluded.	AGS 14.1	Audit report to be concluded to identify lessons learnt from asset disposal.	Denise Murray	Jonathan Idle		G	The relevant report has been reviewed, re-drafted and discussed with the relevant management. A review has been undertaken to ensure that policy/procedures are being followed, an outline of best practice and areas of weakness as been identified and these will now be acted upon.



# Audit Committee

25<sup>th</sup> January 2018

**Report of:** Chief Internal Auditor

**Title:** Draft Terms of Reference for the Audit Committee

**Ward:** Citywide

**Officer Presenting Report:** Chief Internal Auditor

## Recommendation

The Audit Committee consider the draft revised Terms of Reference for the Audit Committee.

## Summary

An Audit Committee Training Workshop, in July 2017, highlighted that the effectiveness of the Audit Committee could be enhanced by a fundamental review of its Terms of Reference.

This draft revision of the Terms of Reference is based upon best practice and the CIPFA Guidance on Audit Committees.

## The significant issues in the report are:

- To propose, for consideration, a more effective Terms of Reference for the Audit Committee.
- The Audit Committee to discuss a more explicit and wider remit than contained within its current Terms of Reference, which include matters relating to member Standards.



## **Policy**

1. The Audit Committee is a key component of the Council's governance framework. Its function is to provide an independent and high level resource to support good governance and effective public financial management.
2. The purpose of an Audit Committee is to provide those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes.

## **Consultation**

3. **Internal**  
Deputy Mayor, Deputy Monitoring Officer, Section 151 Officer, Strategic Leadership Team (SLT).
4. **External**  
Not applicable.

## **Context**

5. The Council is in a process of reviewing its Committees within the review of the Constitution.
6. The draft proposed Terms of Reference are based upon best practice and the CIPFA Guidance on Audit Committees.
7. The proposal seeks to place the Audit Committee on a firmer footing and ensure its Terms of Reference are fit for purpose.
8. The proposed Terms of Reference groups responsibilities into distinct headings for greater clarity, namely Audit Activity, Regulatory Framework, Accounts, Risk Management and Accountability Arrangements.

## **Proposal**

9. The Audit Committee consider the draft revised review and refresh Terms of Reference for the Audit Committee in the wider context of the review of Committees within the Constitution review.

## Other Options Considered

10. None necessary

## Risk Assessment

11. The need to independently review the risk, governance and control framework environment is pivotal to the effective operations of the Council's functions.

Failure to maintain and, where required, improve this environment will not only impact on the proper practices of the Council, but will also be in breach of the Accounts and Audit Regulations 2015 and may attract an adverse opinion from the External Auditor.

## Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
  - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
    - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
    - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
    - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
  - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
    - tackle prejudice; and
    - promote understanding.
- 8b) No equality impact anticipated from this report.

## **Legal and Resource Implications**

### **Legal**

See Consultation section above.

### **Financial**

#### **(a) Revenue**

Not applicable.

#### **(b) Capital**

Not applicable.

### **Land/Property**

Not applicable

### **Human Resources**

Not applicable.

### **Appendices:**

Appendix A – Draft Terms of Reference for the Audit Committee

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

### **Background Papers:**

“Audit Committees – Practical Guidance for Local Authorities and Police” – CIPFA 2013

## **Proposed Terms of Reference for the Audit Committee**

### **Composition of the Committee**

The Audit Committee comprises seven members of the Council and two independent members. The Chair and Vice Chair of the Committee shall be confirmed by the Audit Committee as per Committee Procedure rules. A minimum of three Councillor members of the Audit Committee will be present for the meeting to be deemed quorate.

The Audit Committee shall be entitled to appoint up to two people as independent members of the Committee.

The Committee may not appoint any person as an independent member who is an active member of any political party, defined as any person who engages in political activities which would not be permissible if that person was an officer holding a politically-restricted post within the Council. Independent membership may only be made if the person has particular knowledge or expertise in the functions for which the Committee is responsible.

The Committee will meet at least five times a year and will maintain the technical capability to discharge the Audit Committee responsibilities of the Council. The Chair of the Committee may convene additional meetings, as deemed necessary.

The Audit Committee may hold separate meetings with External / Internal Auditors without officer or executive representation. The Committee should hold at least one such meeting annually with External and Internal Auditors.

### **Objectives or Purpose**

- To provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects governance, the authority's exposure to risk and weakness of the control environment, and to oversee the financial reporting process.
- To review matters relating to Internal Audit, external audit, risk management, governance, assurance statements, anti-fraud and anti-corruption arrangements.
- To enhance and promote the profile, status and authority of the Internal Audit function and to demonstrate its independence.
- To contribute towards making the authority, its committees and departments more responsive to the audit function.
- To review compliance with the relevant standards, codes of practice and corporate governance policies of the Council.

## **1. Audit Activity**

- 1.1 To approve the Internal Audit Charter and Strategy and monitor its progress.
- 1.2 To approve the Internal Audit annual plan of work and monitor unscheduled work that could potentially divert audit resources away from a plan, and monitor performance against those plans, ensuring that there are no inappropriate scope or resource limitations.
- 1.3 To suggest work for Internal and External Audit.
- 1.4 To consider the Annual Report and opinion of the Head of Internal Audit and a summary of Internal Audit activity and the level of assurance it can give over the Council's corporate governance arrangements prior to approving the Annual Accounts.
- 1.5 To oversee and provide assurance to the Council on the provision of an effective internal audit service and consider the main issues arising from summary Internal Audit reports, and seek assurance that action has been taken where necessary, particularly in areas of high risk.
- 1.6 To consider reports dealing with the management and performance of the Internal Audit function, including the external peer review and reports on the results of the Quality Assurance and Improvement Programme in order to gain assurance on the effectiveness of the Internal Audit function.
- 1.7 To monitor the implementation of agreed actions within reasonable timescales.
- 1.8 To consider the External Auditor's Annual Inspection Letter, relevant reports and the reports to those charged with governance in the process for the approval of the Annual Accounts.
- 1.9 To consider specific reports as agreed with the External Auditor to ensure agreed action is taken within reasonable timescales.
- 1.10 To comment on the scope and depth of the external audit work and to ensure it gives value for money.
- 1.11 To liaise with Public Sector Audit Appointments Limited over the appointment of the Council's External Auditor.
- 1.12 To consider the reports of inspection agencies relevant to the Council.
- 1.13 To undertake an annual review of the effectiveness of the system of Internal Audit.
- 1.14 To oversee the appointment / dismissal of the Chief Internal Auditor.



## **2. Regulatory Framework**

- 2.1 To receive assurance reports on the effectiveness of the Council's Constitution in respect of contract procedure rules, financial regulations, codes of conduct and behaviour.
- 2.2 To review any issue referred to it by the Head of Paid Service or Executive Director or any Committee of the Council.
- 2.3 To monitor the effective development and operation of risk management and corporate governance throughout the Council.
- 2.4 To monitor Council policies on whistleblowing and anti-fraud and anti-corruption policies, including the Council's complaints process.
- 2.5 To review the Council's Annual Governance Statement prior to approval, considering whether it properly reflects the risk environment and supporting assurances, and recommend its adoption for publication with the annual accounts, together with associated plans for addressing areas of improvement and advising the Council as appropriate.
- 2.6 To review the arrangements for corporate governance, including the Code of Corporate Governance, to agree necessary actions to ensure compliance with best practice and to recommend to Full Council as appropriate.
- 2.7 To review the Council's framework of assurance, for example Assurance maps, and ensure that it adequately addresses the risks and priorities of the Council.
- 2.8 To review the Council's compliance with its own and published national standards and controls.
- 2.9 To review assurances and assessments on the effectiveness of the Council's arrangements to secure value for money.
- 2.10 To review the assessment of fraud risk and potential harm to the Council from fraud and corruption and to monitor the use of resources to address fraud risk.
- 2.11 To report as appropriate to Full Council on issues which require their attention or further action.

### **3 Accounts**

- 3.1 To approve the annual Statement of Accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- 3.2 To consider, in the context of approving the Accounts, the External Auditor's report to those charged with the governance issues arising from the audit of the accounts.
- 3.3 To review the Council's Treasury Management Strategy and policies, and make recommendations to Full Council for approval.

### **4. Risk Management**

- 4.1 To consider the effectiveness of the Council's risk management arrangements including reviewing the Risk Management Policy and the Corporate Risk Register.
- 4.2 To provide assurance to the Council, in the Committee's Annual Report, on the effectiveness of risk management arrangements in place.
- 4.3 To seek assurances that action is being taken on risk-related issues.
- 4.4 To be satisfied that the Council's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it.

### **5. Accountability Arrangements**

- 5.1 To report to Full Council on an annual basis on assurances received, significant control issues, the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

NOTE: This proposed Terms of Reference does not incorporate the following Standards related functions referred to in the existing Terms for the Audit Committee, i.e.:

- *“Assist the council in its statutory duty to promote and maintain high standards of conduct by members and co-opted members.*
- *Advise the council on the adoption or revision of the Code of Conduct for Members and any associated codes or protocols and monitoring their operation.*
- *Advise and training members on the Code of Conduct.*
- *Consider and determine any allegations of misconduct by a member of council (which could be a breach of the code of conduct) if the Monitoring Officer requests assistance.*
- *Consider recommendations made by Group Whips for the conferring of the title “Honorary Alderman” and “Honorary Alderwoman” and making recommendations to Full Council thereon.*
- *To monitor the register of member interests.*
- *To grant dispensations pursuant to section 33(2) of the Localism Act 2011 where:*
  - (i) Without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter.*
  - (ii) That the authority considers that the dispensation is in the interests of persons living in its area; or*
  - (iii) Where the Committee considers that it is appropriate to grant a dispensation.”*

Standards related functions are being considered within the review of the Constitution, which should determine whether such functions are addressed separately from the business of an Audit Committee.

# Current Terms of Reference for the Audit Committee

## AUDIT COMMITTEE

### Terms of Reference

#### Overview

The Audit Committee is a non-statutory committee independent of the council's executive and scrutiny and it reports to full council. Its purpose is to provide independent assurance to the council in relation to:-

1. The effectiveness of the council's governance arrangements, risk management framework and internal control environment including overseeing:
  - risk management strategies
  - anti-fraud arrangements
  - whistle-blowing strategies
  - internal and external audit activity;
2. The effectiveness of the council's financial and non-financial performance to the extent it affects exposure to risk and poor internal control;
3. The annual governance statement;
4. The review and approval of the annual statement of accounts, confirming the appropriate accounting policies have been followed, including the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

#### Functions

Full Council has delegated the following functions to the Audit Committee:

- Duty to review and consider the effectiveness of the council's system of internal control and approve the annual governance statement; review and consider the effectiveness of the council's internal audit; consider and approve the statement of accounts (Accounts and Audit (England) Regulations 2011 S.I. 2011/817).
- Assist the council in its statutory duty to promote and maintain high standards of conduct by members and co-opted members.
- Advise the council on the adoption or revision of the Code of Conduct for Members and any associated codes or protocols and monitoring their operation.
- Advise and training members on the Code of Conduct.

- Consider and determine any allegations of misconduct by a member of council (which could be a breach of the code of conduct) if the Monitoring Officer requests assistance.
- Consider nominations made by Group Whips for the conferring of the title “Honorary Alderman” and “Honorary Alderwoman” and making recommendations to Full Council thereon.
- To monitor the register of members interests.
- To advise and assist as required in the selection of the Lord Mayor.
- To grant dispensations pursuant to section 33(2) of the Localism Act 2011 where:
  - (i) without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter.
  - (ii) that the authority considers that the dispensation is in the interests of persons living in its area; or
  - (iii) where the Committee considers that it is otherwise appropriate to grant a dispensation.
- Responsibility for ensuring effective scrutiny of the Council’s Treasury Management Strategy and policies.
- Involvement in the appointment/dismissal of the Chief Internal Auditor.
- Involvement in monitoring the performance of the Chief Internal Auditor

# Audit Committee

25 January 2018



**Report of:** Service Director – Legal and Democratic Services

**Title:** Applications for Dispensations

**Ward:** Citywide

**Officer presenting report:** Nancy Rollason, Head of Legal Service and Deputy Monitoring Officer

## Recommendation

**The Audit Committee is recommended to grant dispensations to the elected Mayor and councillors listed in Appendix A to this report to enable them to participate in discussion, vote on matters in relation to the civic budget and the setting of the council tax at the Full Council budget meeting on 20 February 2018 (such dispensations to be granted for this meeting only).**

## Summary

This report describes the rules in relation to disclosable pecuniary interests (DPIs) and details those members who will have such interests in relation to the Full Council civic budget debate who would otherwise (i.e. if dispensation is not granted) be unable to participate in that discussion and vote thereon. The report recommends that they be granted dispensations to enable them to take a full part at the Full Council budget meeting on the basis that it would be appropriate to grant such a dispensation.

## The significant issues in the report are:

The statutory provisions in relation to DPIs, the grounds where dispensations may be granted, and the details of those members who are seeking dispensations.



**Policy**

Not applicable

**Consultation**

The Mayor and all councillors

**Context**

1. The Localism Act 2011 introduced provisions for the registration of disclosable pecuniary interest (DPIs).
2. What constitutes a DPI is described in the appendix to the DCLG document “Openness and transparency on personal interests”

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/240134/Openness\\_and\\_transparency\\_on\\_personal\\_interests.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/240134/Openness_and_transparency_on_personal_interests.pdf)

In essence, **DPIs are business interests** e.g. employment, trade, profession, contracts or company in which a member and/or their spouse/partner etc. are associated and any wider financial interests which they may have. These interests are those shown in section 1 of the register of members’ interests.

3. When attending meetings of Full Council, its executive, any committee or sub-committee etc, members who have a DPI **relating to any business that is or will be considered at the meeting** must not:
  - \* participate in any discussion of the business of the meeting or, if they become aware of a DPI during the meeting, participate further in any discussion of the business, or
  - \* participate in any vote or further vote taken on the matter at the meeting.

Such prohibitions apply to any form of participation, which includes speaking as a member of the public. Failure to observe this requirement could result in a criminal offence being committed.

**Dispensations sought**

4. The rules allow the Council (delegated to the Audit Committee) to grant dispensations to permit members, in certain circumstances, to take part in the business of the authority even if a member has a DPI relating to that business. These circumstances are described in detail in the guidance but the main reasons for granting a dispensation are as follows:
  - a. Without the dispensation, the number of members prohibited from participating / voting in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business.
  - b. Without the dispensation, the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business.
  - c. The grant of the dispensation would be in the interests of the inhabitants of Bristol.

- d. Without the dispensation, every member of the executive would have a DPI prohibiting them from participating/voting in any particular business to be transacted by the executive.
  - e. It is otherwise appropriate to grant the dispensation.
5. It is considered that one or more of the circumstances will apply to some members at the Full Council budget meeting. Members have been asked to consider whether they will have a DPI in relation to the business for the budget meeting and, if so, to apply for a dispensation to enable them to speak and vote at that meeting.
  6. **Appendix A** details the applications lodged where the Monitoring Officer considers that members have a DPI which warrants an exemption to enable them to vote at the meeting.
  7. The committee is also asked to note the following:
    - Member interests in the budget by virtue of being council tax payers / recipients of a council tax discount under the local arrangements for council tax support do not prevent participation in and voting at the budget meeting, so seeking a dispensation in respect of this is not necessary.
    - The dispensation which the Council may grant does not extend to the consideration of, or allocation of funds in respect of an individual interest. In such circumstances, the interest would no longer be incidental to the budget as a whole and it would be inappropriate for the member to participate in the budget discussion or vote thereon.

**Other Options Considered**

Not applicable

**Legal and Resource Implications**

As described above

**Appendices:**

Appendix A – Schedule of dispensations

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Papers:**

None



Mayor / Councillor	Section 1 – Disclosable Pecuniary Interests including those of spouse/partner
Marvin Rees	<p><b>Sponsorship:</b> He was supported in his 2016 campaign by the following: Unite; Unison; CWU; GMB; USDAW; TSSA; FBU; The Labour Party; Bristol Labour Party (LCF); Bristol Labour Group of Councillors; Bristol Labour Party Women Section; Bristol West Constituency Labour Party; Kingswood Constituency Labour Party; North Wiltshire Constituency Labour Party; Somerset and Frome Constituency Labour Party; Hanham &amp; Woodstock Branch Labour Party; Siston Branch Labour Party; Rodway Chase Branch Labour Party; Bitton Branch Labour Party; Bishopston Branch Labour Party; Redland Branch Labour Party; Westbury-On-Trym Branch Labour Party; JC4PM; ECOTRICITY; Thompson Solicitors; Mad Mobiles; Carpet Direct; Individual Donations from Labour Party members and members of the public.</p> <p><b>Contracts:</b> UWE - Consultant of the Diversity Advantage Project</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Peter Abraham	<p><b>Land in the area of the authority:</b> 27 Hutton Close BS9 3PT</p>
Donald Alexander	<p><b>Employment :</b> Wife is a teaching assistant at Bedminster Down School</p> <p><b>Land in the area of the authority:</b> Owner of 63 Trymside, Sea Mills</p> <p><b>Licences to occupy land:</b> Allotment patch in Sea Mills</p>
Lesley Alexander	<p><b>Land in the area of the authority:</b> Sensitive interest</p>
Nicola Beech	<p><b>Employment:</b> Public Relations</p> <p><b>Contracts:</b> JBP Associates Limited; Harleys Limited</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Charlie Bolton	<p><b>Sponsorship:</b> Bristol Green Party - paid for election expenses</p> <p><b>Contracts:</b> Jane Stevenson, his partner, is part of the Bristol Food Network (a director) and this organisation has a contract with Bristol City Council to deliver a number of food related activities</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Securities:</b> Bristol Energy Coop; SCDA/BS3 Community</p>
Nicola Bowden-Jones	<p><b>Employment:</b> Child and Family Psychotherapist</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Harriet Bradley	<p><b>Employment:</b> Part-time employment as Professor at UWE Bristol (2 days a week plus Union facility time 1 day a week); Spouse's employment – Accounts Assistant at Create Solutions, Temple Quay</p> <p><b>Land in the area of the authority:</b> Own home: 25 Lansdown Road, Redland, Bristol BS6 6NR; Spouse's property (rented out): 17 Somerset Terrace, Windmill Hill, Bristol BS4 ELL – garage, at same property (rented out).</p>
Mark Bradshaw	<p><b>Employment:</b> Employed by the Hire Association Europe Limited</p> <p><b>Sponsorship:</b> Bedminster and Southville Labour Party; The Labour Party; The Co-operative Party; Bristol South Labour Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Mark Brain	<p><b>Employment:</b> Civil Servant; wife is a clerical worker at Computershare</p> <p><b>Sponsorship:</b> The Labour Party</p> <p><b>Contracts:</b> Director - Bristol Port Company until 31 May 2016</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>

Fabian Breckels	<p><b>Employment:</b> Private landlord, one property in Bristol, one in Essex</p> <p><b>Sponsorship:</b> The Labour Party; The Co-operative Party</p> <p><b>Contracts:</b> Partner is an employee of Bristol City Council</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Licences to occupy land:</b> Sensitive interest</p>
Tom Brook	<p><b>Employment:</b> Employed as a Mechanical Engineer by Atkins Ltd, subsidiary of WS Atkins Ltd</p> <p><b>Sponsorship:</b> Sponsorship towards campaign from the Co-operative Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Clare Campion-Smith	<p><b>Sponsorship:</b> Election expenses were paid by the Liberal Democrat Local Party</p> <p><b>Land in the area of the authority:</b> Joint owner of 188 Redland Road</p>
Tony Carey	<p><b>Land in the area of the authority:</b> 58 Jersey Avenue, Bristol BS4 4QZ</p> <p><b>Licences to occupy land:</b> Plot 9, The Rock Allotments, Allison Road, Bristol</p>
Craig Cheney	<p><b>Employment:</b> Business analyst – Capita Insurance and Benefit Services</p> <p><b>Land in the area of the authority:</b> Tenancy – 21 Railway Terrace, Bristol BS16 4LP</p>
Barry Clark	<p><b>Employment:</b> Database Administrator, Capgemini; Wife works for Bristol City Council within adult care</p> <p><b>Sponsorship:</b> The Labour Party</p>
Jos Clark	<p><b>Employment:</b> We Care and Repair, 5 Hide Market, Waterloo Street, St Philips, Bristol BS2 0BH</p> <p><b>Land in the area of the authority:</b> 2 Callington Road, Brislington Bristol BS4 5BW; 146a Bishopsworth Road, Bishopsworth Bristol BS13 7LJ</p>
Stephen Clarke	<p><b>Employment:</b> Director - Bristol Pound CIC; Director – Bristol Port Company</p> <p><b>Sponsorship:</b> Contribution towards election expenses by Bristol Green Party</p> <p><b>Contracts:</b> Bristol Pound CIC has a contract with the Council</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Corporate Tenancies:</b> Bristol Pound CIC have a tenancy with the Council for Room 111, Corn Exchange, Corn Street, Bristol BS1 1JQ</p>
Harriet Clough	<p><b>Land in the area of the authority:</b> Flat 7, Manor House Court, Bristol BS14 9HP – shared ownership w/Knightstone Housing</p>
Eleanor Combley	<p><b>Employment:</b> Software Developer, employed by Leap Legal Software, Level 1 Regal House, 70 London Road, Twickenham TW1 3QS; Spouse: Incorporated Electrical Engineer, employed by Mott MacDonald, 10 Temple Back, Bristol BS1 6FL</p> <p><b>Sponsorship:</b> Funding from Bristol Green Party for election expenses.</p> <p><b>Land in the area of the authority:</b> Own home: 97 Downend Road, Horfield BS7 9PT</p>
Asher Craig	<p><b>Employment:</b> Mosaic Advocacy Centre CIC - Director</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Chris Davies	<p><b>Land:</b> Sensitive interest</p>
Mike Davies	<p><b>Employment:</b> Sensitive interest</p> <p><b>Sponsorship:</b> The Labour Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>

Carla Denyer	<p><b>Sponsorship:</b> Bristol Green Party (payment for leaflets etc during election campaign)</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Securities:</b> Bristol Energy Co-operative Sims Hill Shared Harvest</p>
Kye Dudd	<p><b>Employment:</b> Royal Mail Group Limited</p> <p><b>Sponsorship:</b> Communication Workers Union</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Securities:</b> Royal Mail PLC</p>
Richard Eddy	<p><b>Employment:</b> Introducer to Independent Financial Advisory</p> <p><b>Land in the area of the authority:</b> 5 Little Headley Close, Headley Park, Bristol BS13 7PJ</p>
Jude English	<p><b>Employment:</b> Open University (Teacher)</p> <p><b>Land in the area of the authority:</b> Tenancy on New Roots community allotment – until 2019; land at Briavers Grove, Bristol BS16 5JJ</p>
Martin Fodor	<p><b>Employment:</b> Minor personal freelance work via MakeYourHomeEco Partner: Senior Crown Prosecutor</p> <p><b>Sponsorship:</b> Bristol Green Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Helen Godwin	<p><b>Employment:</b> Company Director of Redland Search Limited; Spouse: Company Director of Redland Search Limited</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Securities:</b> Spouse and herself are co-owners of Redland Search Limited, 77 Stokes Croft, Bristol BS1 3RD</p>
Paul Goggin	<p><b>Sponsorship:</b> The Labour Party</p> <p><b>Land in the area of the authority:</b> 11 Camberley Road, Bristol BS4 1SY - Council tenant</p>
Geoff Gollop	<p><b>Employment:</b> Self-employed Chartered Accountant</p> <p><b>Sponsorship:</b> Bristol and South Glos Conservative Association; Bristol North West Conservative Association</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Securities:</b> Sensitive interest</p>
John Goulandris	<p><b>Employment :</b> Employee of Coutts &amp; Co, 33-35 Queen Square, Bristol BS99 7EP</p> <p><b>Sponsorship:</b> Bristol and South Glos Conservative Association</p> <p><b>Contracts:</b> None but for transparency, wife is a local government pensioner</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Securities:</b> Royal Bank of Scotland PLC</p>
Fi Hance	<p><b>Sponsorship:</b> The Green Party</p> <p><b>Contracts:</b></p> <p><b>Land:</b> 19 Jubilee Road BS2 9RS; 16 Devon Grove BS5 9AU; 14 Hurlingham Road BS7 9BA</p>
Margaret Hickman	<p><b>Employment:</b> Non-executive director for Brisdoc GP</p> <p><b>Land in the area of the authority:</b> 28 Burghley Road BS6 5BN</p>
Claire Hiscott	<p><b>Sponsorship:</b> Member of the Conservative Party - contributes to election expenses</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Helen Holland	<p><b>Employment:</b> LGA Regional Peer (SW and W Midlands); Member Development Charter Assessor and Trainer, South West Councils; Spouse - Assistant at Riverside Garden Centre</p> <p><b>Sponsorship:</b> Bristol South Labour Party</p> <p><b>Contracts:</b> Member of the following organisations, some of which may</p>

	<p>sometimes have contracts with the City Council: Destination Bristol; South West Council's LGA General Assembly; LGA City Regions Board; Core Cities; Bristol Credit Union; Hartcliffe and Withywood Ventures (Board Member); Friends of Arnos Vale Cemetery; The Labour Party; Fawcett Society; UNITE the Union; Hartcliffe Children's Centre and Nursery School</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p>Rents: Allotment at White City Allotments (Hotwells and District Allotments Association)</p>
Gary Hopkins	<p><b>Employment:</b> Independent Financial Officer</p> <p><b>Sponsorship:</b> Pays into and receives benefits from Liberal Democrat Party leaflets and expenses</p> <p><b>Land in the area of the authority:</b> 4 Preston Walk, Bristol BS4 2TP</p>
Chris Jackson	None declared
Hibaq Jama	<p><b>Employment:</b> Partner's employment - sensitive interest</p> <p><b>Sponsorship:</b> Member of the Avon Fire Authority and as part of this role is given a small allowance</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Carole Johnson	None declared
Steve Jones	<p><b>Employment:</b> Director - Siplicity Group Limited - Supply of telecoms products and services to SMEs</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Anna Keen	<p><b>Employment:</b> Teacher at St Michael's Primary School, Stoke Gifford; Partner: Programme Director for BT; Non-exec director for BrisDoc</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Tim Kent	<p><b>Employment:</b> Self-employed via campaign solutions (communications consultancy), 106 Hengrove Lane, Bristol, BS14 9DQ; Spouse works for Excel Living, Kingswood House, South Road, Kingswood, BS15 8JF as a support worker; Contract with Hosts International, London, W1W 7SA (student hosting)</p> <p><b>Sponsorship:</b> Bristol Liberal Democrats</p> <p><b>Contracts:</b> Director of Hartcliffe Community Park Farm Limited that has a lease with the council for the running of a charitable city farm</p> <p><b>Land in the area of the authority:</b> 106 Hengrove Lane, Bristol BS14 9DQ</p>
Sultan Khan	<p><b>Employment:</b> Business and restaurant</p> <p><b>Contracts:</b> Owns an on and off alcohol premises licence, restaurant and takeaway licence</p>
Gill Kirk	<b>Employment:</b> Freelance Music Therapy work for Alzheimers Society
Cleo Lake	<b>Land in the area of the authority:</b> Sensitive interest
Mike Langley	<p><b>Sponsorship:</b> Brislington East Labour Party; Unite the Union</p> <p><b>Land in the area of the authority:</b> Tenant at 636 Fishponds Road, BS16 3HY</p> <p><b>Securities:</b> 50 shares in Bristol Rovers Football Club</p>
Jeff Lovell	<p><b>Sponsorship:</b> Fire Brigades Union</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p> <p><b>Licences to occupy land:</b> Home address</p>
Brenda Massey	<p><b>Sponsorship:</b> Bristol North West Labour Party; Bristol Co-operative Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Olly Mead	<b>Sponsorship:</b> The Labour Party
Matt Melias	<p><b>Employment:</b> Wife works for Kingsweston School, Bristol City Council</p> <p><b>Land in the area of the authority:</b> Tenancy of 10 Curston Walk, Shirehampton, BS40 108</p>

Graham Morris	<p><b>Employment:</b> Employee of Coutts and Co</p> <p><b>Sponsorship:</b> The Conservative Party</p> <p><b>Contracts:</b> Wife is a teaching assistant at St Bernadette RC Secondary School</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Anthony Negus	<p><b>Employment:</b> Architect</p> <p><b>Sponsorship:</b> Pays into and receives benefits from Liberal Democrat Party leaflets and expenses</p> <p><b>Land in the area of the authority:</b> 50 Lake Road, Henleaze, Bristol BS10 5JB</p>
Paula O'Rourke	<p><b>Employment:</b> Recruitment Consultant</p> <p><b>Contracts:</b> Sensitive interest</p> <p><b>Land in the area of the authority:</b> Flat at 19 Royal York Crescent, Bristol BS8 4JY</p>
Steve Pearce	<p><b>Employment:</b> Rhodia UK Limited Rhodia Pensions Trust (Director - unpaid) St George Neighbourhood Partnership</p> <p><b>Sponsorship:</b> Labour Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Celia Phipps	<p><b>Employment:</b> Works part time for Southmead Development Trust in a new community project called Community Webs – job title is Wellbeing Co-ordinator.</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Ruth Pickersgill	<p><b>Employment:</b> Member of BCC Fostering Panel and holds a number of voluntary positions as school governor and charity trustee.</p> <p><b>Sponsorship:</b> £82.50 payment for stamps from constituency Labour Party in 2016/17</p> <p><b>Land in the area of the authority:</b> 11 Grove Park Terrace BS16 2BL</p>
Kevin Quartley	<p><b>Employment:</b> Cornwall Glass, Imperial Park, Bristol BS13 7TJ</p> <p><b>Sponsorship:</b> Kris Murphy, Agent, 5 Westfield Park, Bristol BS6 6LT Election expenses - Bristol and South Gloucestershire Conservatives</p> <p><b>Contracts:</b> Cornwall Glass - Supply of glass to Bristol City Council</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Liz Radford	<p><b>Employment:</b> Employed by Cancer Intelligence Limited as Finance Manager; husband employed by The Bristol Port Company as Quality and Projects Manager</p> <p><b>Sponsorship:</b> Bristol and South Glos Conservative Association - election expenses</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Jo Sergeant	<p><b>Employment:</b> Husband is Investment Director of Brunel Pension Partnership, pooling vehicle for local government pension funds including Avon Pension Fund.</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Afzal Shah	<p><b>Employment:</b> Hackney Carriage Licensed Driver (Bristol City Council)</p> <p><b>Sponsorship:</b> Labour Party</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Paul Smith	<p><b>Employment:</b> Director, Direzione Limited</p> <p><b>Contracts:</b> Direzione Limited has a contract with the HR Department to provide market intelligence services. On being elected, he terminated a contract to provide governance and business advice to Ashley Community Housing.</p> <p><b>Land in the area of the authority:</b> Sensitive interest</p>
Clive Stevens	<p><b>Employment:</b> Euronova Limited, Reg Off: The Clock Tower, 5 Farleigh Court, Old Weston Road, Flax Bourton, Bristol BS48 1UR England: 036 26691; Spouse: Euronova Limited, Registered Office: The Clock Tower, 5 Farleigh Court, Old Weston Road, Flax Bourton, Bristol BS48 1UR England: 036 26691</p> <p><b>Sponsorship:</b> The Conservative Party (campaign expenses only)</p>

	<b>Land in the area of the authority:</b> Sensitive interest
Jerome Thomas	<b>Employment:</b> Director of Metro Safety Group <b>Sponsorship:</b> Payment by Green Party of £800 of election expenses (split with Councillor Paula O'Rourke) <b>Land in the area of the authority:</b> 6 Cornwallis Crescent BS8 4PL
Mhairi Threlfall	<b>Employment:</b> University of the West of England, Enterprise Development Manager <b>Sponsorship:</b> Labour Party <b>Land in the area of the authority:</b> Sensitive interest
Estella Tincknell	<b>Employment:</b> University Lecturer at the University of the West of England <b>Land in the area of the authority:</b> HFF, 23 St John's Road, Bristol BS8 2EY
Jon Wellington	<b>Employment:</b> PhD Student, University of Bristol. Receives a stipend from the Economic and Social Research Council to cover living costs and fees <b>Land in the area of the authority:</b> Sensitive interest
Mark Weston	<b>Employment:</b> Ashley Fox MEP - Agent <b>Sponsorship:</b> The Conservative Party and election expenses <b>Land in the area of the authority:</b> 21 Brentry Lane, Bristol BS10 6QA
Lucy Whittle	<b>Employment:</b> Partner is a director of AA Visuals Limited, trading as Carbon Visuals <b>Contracts:</b> Partner is a director of Carbon Visuals who are currently negotiating a consultancy contract with Bristol Waste Company. Carbon Visuals is also in discussions with Bristol City Council about air quality visualisation services <b>Land in the area of the authority:</b> Sensitive interest <b>Securities:</b> Partner owns a 30% share of the equity of Carbon Visuals and is a director of the company.
Chris Windows	<b>Land in the area of the authority:</b> Sensitive interest
Mark Wright	<b>Employment:</b> Software Engineer at Riskaware Inc, Colston Tower, Colston Street, Bristol <b>Land in the area of the authority:</b> Property owner at 24 Fraser Street, Windmill Hill, Bristol

## Summary update: Councillor Complaints

### Audit Committee

25 January 2018

Case Reference	Date Received	Complaint Summary	Paragraphs allegedly breached	Independent Person consulted?	Conclusion	Date Closed
JD5.649	30/12/2016	Neutrality of Chair cttee		Yes	No action to be taken	27/3/17
JD5.650	22/2/17	Actions at Full Council	Articles 3,9,10,14 & 17 of ECHR (1998) and Code of Conduct	Yes	No action to be taken	27/3/17
JD5.651	24/2/17	Actions at Full Council		Yes	No action to be taken	27/3/17
JD5.652	24/2/17	Actions at Full Council		Yes	No action to be taken	27/3/17
JD5.653	2/3/17	Manner and content of objection submitted to Planning application		Yes	Other action - apology	7/4/17
JD5.679	3/7/17	Not responding to correspondence		No	No action to be taken	9/10/17
JD5.698	3/7/17	Remarks on Social Media		No	Complaint resolved through	4/12/17

					<i>mediation</i>	
<i>JD5.680</i>	<i>18/7/17</i>	<i>Comments at Planning committee</i>		<i>No</i>	<i>No action to be taken</i>	<i>9/10/17</i>



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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