

Audit Committee

Agenda



Date: Tuesday, 26 March 2019

Time: 2.00 pm

Venue: City Hall Meeting Spaces - First Floor - 1P 09 -
City Hall, College Green, Bristol, BS1 5TR

Distribution:

Councillors: Mark Brain, Olly Mead, Anthony Negus, Liz Radford, Afzal Shah, Clive Stevens, Adebola Adebayo and Simon Cookson

Copies to: Mike Jackson (Executive Director of Resources and Head of Paid Service), Denise Murray (Director - Finance & Section 151 Officer), Nancy Rollason (Service Manager Legal), Jonathan Idle, Melanie Henchy-McCarthy, Alison Mullis, Chris Holme (Interim Service Manager - Corporate Finance), Tony Whitlock and Lucy Fleming (Head of Democratic Engagement)

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Date: Monday, 18 March 2019



Agenda

1. Welcome, Introductions and Safety Information

(Pages 5 - 6)

2. Declarations of Interest

To note any declarations of interest from the 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 declarations of interest made at the meeting which is not on the register of interests should be notified to the Monitoring Officer for inclusion.

3. Minutes of Previous Meeting

To agree the minutes of the previous meeting as a correct record.

(Pages 7 - 20)

4. Action sheet

(Pages 21 - 22)

5. Public Forum

Up to 30 minutes is allowed for this item.

Any member of the public or Councillor may participate in Public Forum. The detailed arrangements for so doing are set out in the Public Information Sheet at the back of this agenda. Public Forum items should be emailed to democratic.services@bristol.gov.uk and please note that the following deadlines will apply in relation to this meeting:-

Questions - Written questions must be received 3 clear working days prior to the meeting. For this meeting, this means that your question(s) must be received in this office at the latest by 5 pm on **20 March 2019**.

Petitions and Statements - Petitions and statements must be received on the working day prior to the meeting. For this meeting this means that your submission must be received in this office at the latest by 12.00 noon on **25 March 2019**.

6. Work Programme

To note the work programme.

(Pages 23 - 24)



7. **External Auditor Grant Thornton - Audit Update**
(Pages 25 - 42)
8. **External Auditor - Annual Accounts 2017/18 - TO FOLLOW**
9. **Bristol City Council - Grant Report - 2017/18.**
(Pages 43 - 53)
10. **Corporate Risk 9 - Safeguarding Vulnerable Children**
(Pages 54 - 66)
11. **Report on External Inspections 2018/19**
(Pages 67 - 78)
12. **Internal Audit - Draft Plan 2019/20**
(Pages 79 - 99)
13. **Peer Review Implementation Update**
(Pages 100 - 115)
14. **Internal Audit Activity Report for the period of 1 April 2018 to 28 February 2019.**
(Pages 116 - 161)
15. **Annual Review of the Audit Committee terms of reference**
(Pages 162 - 206)
16. **Review of the Constitution**
(Pages 207 - 209)
17. **Senior Executive Remuneration Review – Audit for year ending 31 March 2018, Recommendations from Council - TO FOLLOW**

This report will be published after Full Council of 18 March 2019.

18. Exclusion of Press and Public

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

(respectively) of Part 1 of schedule 12A of the Act.





Public Information Sheet

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Public Forum

Members of the public may make a written statement ask a question or present a petition to most meetings. Your statement or question will be sent to the Committee and be available in the meeting room one hour before the meeting. Please submit it to democratic.services@bristol.gov.uk or Democratic Services Section, City Hall, College Green, Bristol BS1 5UY. The following requirements apply:

- The statement is received no later than **12.00 noon on the working day before the meeting** and is about a matter which is the responsibility of the committee concerned.
- The question is received no later than **5pm three clear working days before the meeting**.

Any statement submitted should be no longer than one side of A4 paper. If the statement is longer than this, then for reasons of cost, only the first sheet will be copied and made available at the meeting. For copyright reasons, we are unable to reproduce or publish newspaper or magazine articles that may be attached to statements.

By participating in public forum business, we will assume that you have consented to your name and the details of your submission being recorded and circulated to the committee. This information will also be made available at the meeting to which it relates and placed in the official minute book as a public record (available from Democratic Services).



We will try to remove personal information such as contact details. However, because of time constraints we cannot guarantee this, and you may therefore wish to consider if your statement contains information that you would prefer not to be in the public domain. Public Forum statements will not be posted on the council's website. Other committee papers may be placed on the council's website and information in them may be searchable on the internet.

Process during the meeting:

- Public Forum is normally one of the first items on the agenda, although statements and petitions that relate to specific items on the agenda may be taken just before the item concerned.
- There will be no debate on statements or petitions.
- The Chair will call each submission in turn. When you are invited to speak, please make sure that your presentation focuses on the key issues that you would like Members to consider. This will have the greatest impact.
- Your time allocation may have to be strictly limited if there are a lot of submissions. **This may be as short as one minute.**
- If there are a large number of submissions on one matter a representative may be requested to speak on the groups behalf.
- If you do not attend or speak at the meeting at which your public forum submission is being taken your statement will be noted by Members.

For further information about procedure rules please refer to our Constitution <https://www.bristol.gov.uk/how-council-decisions-are-made/constitution>

Webcasting/ Recording of meetings

Members of the public attending meetings or taking part in Public forum are advised that all Full Council and Cabinet meetings and some other committee meetings are now filmed for live or subsequent broadcast via the council's [webcasting pages](#). The whole of the meeting is filmed (except where there are confidential or exempt items) and the footage will be available for two years. If you ask a question or make a representation, then you are likely to be filmed and will be deemed to have given your consent to this. If you do not wish to be filmed you need to make yourself known to the webcasting staff. However, the Openness of Local Government Bodies Regulations 2014 now means that persons attending meetings may take photographs, film and audio record the proceedings and report on the meeting (Oral commentary is not permitted during the meeting as it would be disruptive). Members of the public should therefore be aware that they may be filmed by others attending and that is not within the council's control.

Bristol City Council Minutes of the Extraordinary Audit Committee

16 October 2018 at 1.30 pm



Present:

Councillors: Olly Mead (Chair), Mark Brain, Anthony Negus, Steve Pearce, Liz Radford, Afzal Shah, Clive Stevens.

Independent members: Simon Cookson

Officers in attendance:

Denise Murray, Service Director – Finance

Jonathan Idle, Interim Chief Internal Auditor

Alison Mullis & Melanie Henchy-McCarthy, Head of Internal Audit (job share)

Chris Holme, Interim Head of Corporate Finance

Tony Whitlock, Finance Manager

Allison Taylor, Democratic Services

Quentin Baker – Interim Service Director – Legal and Democratic Services

Nancy Rollason – Head of Legal Services

Also in attendance:

David Eagles – BDO.

Donald Plane - BDO

Chris Wlaznik - BDO

1. Apologies and safety information

Apologies were received from Adebola Adebayo.

The Chair welcomed everyone to the meeting and introductions took place. He also reminded those present of the safety information as detailed on the agenda.



2. Declarations of interest.

Councillors Radford and Stevens declared that they were Bristol Energy customers.
Councillor Pearce declared that he was a non-Executive Director of Bristol Energy.

3. Public Forum.

The Committee agreed to hear Public Forum before the item to which it related.

4. Final Annual Governance Statement 2017/18.

The Chief Internal Auditor introduced the report, highlighting that the Annual Governance Statement (AGS) was largely completed when the draft version was presented to the Committee in May 2018. The comments and observations made by members at the May Committee had been reviewed and amendments had been made to the AGS accordingly. The final version of the AGS had been signed by the Mayor, Head of Paid Service, Monitoring Officer and the Section 151 Officer.

It was also highlighting that the external auditors, BDO, had been consulted and they were satisfied that there were no outstanding matters of compliance in respect to the Final AGS.

Members were reminded that the first update in respect of management actions taken to address the "Significant Governance Issues" within the AGS had been reported to the Audit Committee at the September meeting.

The following points arose from debate:-

1. The Chair congratulated officers on improvements on the progress made on the implementation of recommendations from the Bundred report. There had been long-term issues to address and the improvements were being reflected in a more stable financial position;
2. The recent Judicial Review against the Council was not reflected in the Statement as it did not occur in the 2017/18 financial year;
3. The preliminary findings of BDO with respect to final payment to the ex-Chief Executive had not been fully reflected in the Statement as finalisation of the findings and recommendations were awaited;
4. The Chair expressed concern that that the Forward Plan was still not publishing future Cabinet decisions sufficiently far ahead although he acknowledged there had been improvements which allowed for better scrutiny;



5. The Chair allowed the Chair of OSMB, Councillor Gollop, who was in attendance as an observer to comment. He reported that he had held positive discussions with the Mayor regarding further improvements and requested that Audit Committee urge the Mayor to make the necessary improvements to ensure good governance and scrutiny;

6. Councillor Negus found the current situation unacceptable and a deficit in the democratic process. He urged all Committees to take the matter up with the Mayor.

7. Councillor Pearce suggested that a far longer term Forward Plan might be more useful. The Service Director – Finance reported that the Forward Plan was in line with the current Decision Pathway as agreed with the current administration and agreed to raise the Committee’s concerns with the Mayor’s Office;

8. Minor typographical errors were highlighted;

9. The Committee accepted the recommendation of the report and it was therefore:-

Resolved (Unanimously) – That the Final Annual Governance Statement and Action Plan be agreed as a fair reflection of the internal control and governance environment during 2017/18 and to date.

5. Finalised Statement of Accounts for the year ended 31 March 2018.

The Committee first heard Supplementary Questions from Alderman Price in relation to his Public Forum submission, the responses to which are set out below each question.

1. Assurance was sought that the new Education Management system would have the ability to track the performance of children in care.

Response: The Education Management system sits on the same shared database as social care and early help, so there is a single record for a young person which contains data we, as an LA, store on them including care status, end of key stage results, as well as a wealth of other information where services work with a child / young person. On that basis we are able to track the performance of all children and subsets of children including those in care.

2. In relation to the pupil premium assurances that a separately identifiable cost centre was available and utilised for accounting and reporting on the grant funding associated to LAC pupil premium.

Response: The LA can confirm that a separately identifiable cost centre is available and utilised for accounting and reporting on the grant funding associated with LAC Pupil Premium.

The Interim Head of Corporate Finance summarised the report highlighting a number of changes made since the Statement was considered in May as follows:



- An in depth review by the Council's insurance provider identified an under value of heritage assets by £98m which was incorporated in the draft statement. As this related to assets held by the Council prior to 1 April 2016 there were restatements of the balance sheet as at 31 March 2016 and 31 March 2017 requested, with the balance sheet for 31 March 2018 reflecting a £2m increase in revaluations in 2017/18;
- Six months of the remuneration from salary of the ex-Chief Executive had been reclassified as compensation for loss of office. BDO reported that it was inappropriate to conclude that the final payment was contractual. This did not change the actual accounts and was no additional cost to the Council;
- A detailed note setting out the position relating to Bristol Arena following Cabinet decision on 4 September 2018. This did not change the numbers in the accounts.

The Committee were asked to approve the Statement of Accounts for 2017/18, the signing off of the accounts being delegated to the Chair of Audit Committee.

The following points arose from debate:-

1. Councillor Negus wanted assurance that there were processes in place so that heritage assets were accurately valued so that such a situation did not reoccur and was assured that there was a process to revalue annually. The cost of the insurance was reflected in the valuation of assets;
2. It was confirmed that although the Cabinet decision on the Arena came after the end of this year's accounts it was accounting and financial reporting practice to report such matters as a "post balance sheet event". Temple Island was classified as assets under construction and an element of the expenditure had been capitalised in prior years and 2017/18. A note recognised that the decision could change the value of assets as shown in the 17/18 accounts but the potential impact would be adjusted in the 18/19 accounts. It was noted that additional revenue sources had been identified so that there would be no impact on front line services;
3. Attention was drawn to Page 114 – Officers Remuneration and Exit Packages – and it was noted that Notes 10, 11 and 12 were missing from the Table;
4. Clarity was sought regarding the Table on Page 184 headed Group Movement in Reserves Statement. It was confirmed that this included useable and unusable reserves. Councillor Radford felt that this was unclear to the public and in fact it appeared that useable reserves had increased by £58m whilst the Council was at the same time cutting services;
5. The Service Director – Finance replied that these were not unallocated reserves but were specific reserves available for use by the Council as designated. It was technical accounting practice to display in this format. The Movement in Reserves Statement is a primary accounting statement. Its format is prescribed by the CIFPA Accounting Code and cannot be altered. The Statement sets out movements



between usable and unusable reserves. The movement in useable reserves was set out in full in the 17/18 outturn report presented to Cabinet in June;

6 In summary £10.7m were planned increases from MRP savings and Collection Fund surpluses, £3.5m from additional S31 grant and £6.6m from Government grants with conditions carried forward to be spent in 18/19. Capital receipts increased by £18m. These were not required in 17/18 but will be needed over the life of the MTFP to fund transformational projects and short life assets. There was a further transfer of £17m from the HRA, mainly resulting from slippage in the capital programme.

7. Councillor Stevens referred to BDO's finding of a £12.9m impairment variance in Bristol Energy, clarity was provided on where this was reported in the Accounts and was also informed that this was set out in the draft BDO ISA 260 report;

8.. The Committee was reminded of the Recommendation and it was:-

Resolved (Unanimously) – That the Statement of Accounts for the year ended 31 March 2018 be approved for sign-off by the Chair subject to the additional information omitted being included in the final Statement.

6. BDO (External Auditor) drISA 260 report 2017/18.

The Committee noted the response to a question submitted by Councillor O'Rourke. There were no Supplementary Questions but Councillor O'Rourke urged the Committee to take forward an internal review of arrangements relation to the final salary remuneration of the ex-Chief Executive.

The Committee then heard statements from Councillor O'Rourke and Councillor Hopkins.

The representative from BDO summarised the report and invited questions. The following points arose from debate:-

1. The Chair referred to the Table at Page 209 and the column on Pension Fund Liability. It was noted that actuaries used the figure of 26 years for life expectancy after retirement but this Council used the figure of 26.2 years which was not significantly longer so questioned why this was an issue. BDO acknowledged that this figure was not far greater than 26 years but because of the sensitivity of the valuation to these assumptions gave rise to a £6.3m overstatement which was significant although not material to the Council's accounts and was therefore set out in Appendix 1 under Unadjusted Audit Differences. The different rates did not impact on what the Council contributed to the Avon Pension Fund;
2. BDO had contacted the National Audit Office (NAO) to ask that when actuaries provide details of "normal" assumption ranges for the purposes of the central assurance review, that they also provide



details of where local areas were applying a figure outside the normal range so that action could be taken earlier on and so reduce the risk of delays. The Committee noted that these findings related to the whole Avon Pension Fund not just the City Council.

3. Reference was made to Page 218 – Key Audit and Accounting Matters. It was noted that the valuation of subsidiaries of Bristol Waste and Bristol Energy had been calculated at £10.8m. This had resulted in a £12.8m impairment which had been corrected and put through in the accounting year. The preference shares were regarded as debt;

4. The representative from BDO acknowledged that the auditing of the accounts was still ongoing due to the complexity of issues arising. It was vital to fully investigate all issues in order to produce a quality report. All significant issues with the exception of the use of resources were in the report. It was not possible to give a date for the final report as BDO were still awaiting some pieces of information from the Council. Should any other matters arise before the report was finalised they too would need to be addressed. The Service Director – Finance advised the Committee that it was being asked to agree the accounts as true and fair subject to there being no further reportable issues;

5. The representative of BDO clarified that the issue regarding the ex -Chief Executive's final salary payment was true and fair for accounting purposes, so the accounts appropriately disclose the position. The outstanding issue was the use of resources arrangements and potential use of auditor powers but this did not impact on the opinion relating to the financial statements;

6. Councillor Negus wished to see BDO's final assessment regarding the ex-Chief Executive's final salary payment before he accepted the report as true and fair;

7. The Service Director – Finance confirmed with respect to the ex-Chief Executive's final salary payment that officers had considered the latest advice given by the external auditors and Avon Pension Fund and had adjusted the accounts accordingly;

8. The Interim Service Director – Legal and Democratic Services reported that advice on this matter had changed over a period of time. He was confident that the decision arrived at now was correct. He was unable to speculate on previous legal advice;

9. Councillor Brain stated there was a lot of public interest in the matter which needed to be fully investigated;

10. The Chair noted that the authority had paid a previous Chief Executive very generously also and he wished to be assured that this did not happen again;

11. Discussion took place on how to progress a review of the final payment arrangements. The Committee's Legal Advisor reminded the Committee it was not part of its Terms of Reference to commission enquiries into individual cases but it was within the Terms of Reference to consider the effectiveness of governance arrangements;



12. Simon Cookson agreed with this position but stated that one of the remits of Internal Audit was to review value for money and it may be appropriate to review the arrangements of the final payment upon receipt of the final report from BDO;

13. The Chief Internal Auditor highlighted that all Audit Committees should be apolitical;

14. Councillor Radford noted that Full Council had delegated terms and conditions for senior officers to HR Committee. If BDO determined that what was agreed was not the same as what was given then this was a governance issue which needed to be investigated;

15. Councillor Stevens reminded the Committee of the Bundred report and in particular the criticism of the Audit Committee. The default to openness and transparency was not evident in relation to the arrangements of this final payment and therefore must be reviewed. He formally proposed that members of the Audit Committee meet informally, upon receipt of the BDO report, to develop a scope based on the adequacy of governance involved in the final salary arrangements and this was seconded. On being put to the vote it was:-

Resolved (Unanimously) –

- 1. That BDO's 2017/18 Audit Report and action plan agreed by management be noted;**
- 2. That the report from BDO on the arrangements associated with the final salary payment to the Ex-Chief Executive be considered by the Audit Committee as soon as it is made available;**
- 3. Should the Audit Committee resolve, on considering the BDO report, that the arrangements merit a review, the Audit Committee shall meet informally to develop a scope for that review and report back to the next Audit Committee.**

Meeting ended at 4.15 pm

CHAIR _____



Bristol City Council

Minutes of the Audit Committee

21 January 2019 at 2.00 pm



Members Present:-

Councillors: Olly Mead, Anthony Negus, Steve Pearce, Liz Radford, Clive Stevens and Simon Cookson

Officers in Attendance:-

Denise Murray (Director - Finance & Section 151 Officer), Jonathan Idle, Chris Holme (Interim Service Manager - Corporate Finance) and Tony Whitlock

1. Welcome, Introductions and Safety Information

Apologies were received from Cllr Shah and Adebola Adebayo

The Chair welcomed everyone to the meeting and introductions took place. He also reminded those present of the safety information as detailed on the agenda.

The Chair confirmed the appointment of Jonathan Idle as Chief Internal Auditor and offered his congratulations.

2. Declarations of Interest

There were none.

3. Minutes of Previous Meeting

16th October 2018

- a. It was confirmed that the draft minutes had been circulated to BDO and the Chair for further consideration as per the action of the last meeting. A new draft had then been circulated to the Members of the Committee for comment and no comments were received. Following a request after publication of the agenda, a further email outlining the changes with more explanation was sent.
- b. Councillors remained unsure of the changes made to the draft minutes following the meeting of 26th November with respect of the item 6 'BDO (External Auditor) drISA 260 report 2017/18' and



asked for a pdf of the tracked change document. It was agreed that the minutes would return for agreement at the next meeting.

- c. With reference to item 6, the Chair confirmed that any informal meeting would only be to agree the scope of the review.

26th November 2018

- a. Members discussed the potential of recording future meetings and it was confirmed that any member of the public could record meetings if they wished to do so.
- b. The Democratic Services Officer advised that the intention to record meetings should be discussed with the Monitoring Officer.

4. Action sheet

The action sheet (tracking actions at the 26th Nov meeting of the committee) was noted.

With reference to action 3, the Chair outlined the email correspondence with BDO in relation to the accounts, on behalf of the Committee and the response received.

The Director of Finance updated the Committee on progress re the accounts and that BDO had confirmed that this was now in the latter stages of the process. With reference to the former Chief Executive, additional information had been requested and details were currently being considered by the BDO Risk Team following which they would come back to officers in due course regarding the next steps. It is expected that any final report would be considered at an extraordinary meeting.

The representative of Grant Thornton confirmed he had contacted his relevant partners within BDO and concurred with the above re the accounts. He expected the handover at the end of the month.

The Director of Finance confirmed that appropriate authority regarding delegated signoff would be considered once the report had been received.

5. Public Forum

No items of public forum had been received.

6. Work Programme

The work programme was noted.

It was noted that the Inspection Agency report had been deferred to March.



7. External Audit Update Report

The Committee welcomed Jackson Murray of Grant Thornton to the meeting. He highlighted the following points within his report:

1. The implementation of the new accounting system for the Housing Revenue Account 'in year' raised an element of risk regarding the transfer and integrity of data. Similarly, the Housing Company was expected to be consolidated within group accounts during March 2019.
2. With regards to Value For Money and the three sub-criteria as set by national audit (p.40) it was highlighted that it was not a question of correct or incorrect decisions but of fully informed decision making.

Following questions from Members of the Committee the following points were clarified:

1. Grant Thornton would audit the Council, liaising with PWC (who audit the BCC Companies) prior to sign off.
2. Fraud was considered in terms of materiality. It was not the responsibility of the auditor to identify fraud, however, if specific fraud was identified then it was their responsibility to bring that forward.
3. Members highlighted the importance of defining aspects that should be included within any value for money audit and an understanding of value outside of financial aspects. Elements such as social value and loss to the City also needed to be addressed.
4. Grant Thornton had provided some advice on the Housing Company. When the appointment as external auditor was announced, that advice ceased and the Council sought other advisers. It was confirmed that Grant Thornton would audit the consolidated accounts of the housing company but not the housing company itself.
5. An update report would be presented in March. Transition information had been requested from BDO and if there were any issues which affected that timeline, these would be raised with finance officers and the Audit Committee. The annual audit report would be presented to the meeting following.

RESOLVED:

That the External Audit Update Report be noted.

8. Annual Whistleblowing Review

The Chief Internal Auditor presented the report outlining the audit review of Whistleblowing arrangements in Bristol City Council. The findings, in part, were based upon a limited response to a survey and should be considered in that context.

During the discussion the following points were highlighted:



1. All recommendations of the 2017-18 review had been implemented following the report to Audit Committee in March 2018 including improved awareness of the Council's Whistleblowing procedure with it being well communicated.
2. Whistleblowing referrals were relatively low. During a 9 months range of the current financial year there had been 5 incidences of whistleblowing. Survey responses indicated concern in the confidence that some staff have to report concerns.
3. A test exercise highlighted the need to improve the ease of reporting concerns.
4. Members highlighted that this could be viewed positively as people felt comfortable raising concerns through line managers. A question could be added to the annual staff survey to ascertain perception.
5. Reports of whistleblowing would be referred to Audit if it raised financial matters however, for the most part they were considered by HR. Members questioned whether the HR Committee received relevant reports of whistleblowing and the Chair of Audit Committee agreed to write to the Chair of HR Committee to ask.
6. It was not known if those who reported concerns through the whistleblowing process remained employed in the Council and if so, if they remained on the same grade.
7. Recommendations to management had been agreed for implementation.

RESOLVED –

The audit opinion on the 'Whistleblowing' arrangements in Bristol City Council was noted and recommendations for improvements supported.

9. Annual Review of the effectiveness of the system of Internal Audit

The Director: Finance presented the report, highlighting the following key points:

1. An assessment of Internal Audit has been undertaken by the Section 151 Officer and the report itself concluded that the Council had an effective system of internal audit. The in-house service had a sound base for undertaking audit activities meeting its objectives to provide audit, assurance and advisory support to the Council.
2. Focus remained on keeping up the momentum across the year to ensure quality of reports and the implementation of the recommendations of internal audit.

The following points arose from debate:

1. It was proposed that future reporting of the implementation of Internal Audit recommendations would be triggered by specific concerns of the Audit Committee or alternatively if there were delays in reasonable implementation of recommendations or failure to act.
2. 82% of respondees to the post audit questionnaire had awarded scores of good or above for the first half of 2018/19 which was similar to the previous year. Members requested that future review reports also contain previous year comparisons.
3. Reference was made to 'Contributing towards improving Audit Committee effectiveness' being marked as complete referred to the training and revisions to the Terms of Reference delivered by Internal Audit in the improving effectiveness over the last 13 months.



RESOLVED –

The findings and conclusions of the review of the effectiveness of the system of Internal Audit were noted.

10 Corporate Risk Register and Policy

The Committee welcomed Jan Cadby, Risk Manager to the meeting and heard the following points by way of introduction:

1. The report presented the progress made in embedding and maintained risk management arrangements.
2. The risks that consistently scored the same each quarter were challenged in order to understand the element of risk, why it had not improved or if it was no longer relevant.

The following comments arose from discussion:

1. Officers would consider the benefit of grouping by type of risk.
2. With reference to CRR19 (Tree Risks) Members were pleased that the risk was being taken seriously however, were concerned about the Quantified Tree Risk Assessment (QTRA) method for the inspection and recording of data.
3. Risk was associated with the High Needs Budget and whether the Government would fund overspend next financial year. This was a risk to the DSG overall, not simply the High Needs Block.
4. With reference to BCCC2 (Brexit), officers confirmed consideration of risk associated with known plans but also of the added unknown. The project Brexit Board was being led by the Director- Policy and Strategy. External factors and City Centre preparedness were considered in terms of the Council but also of the City.
5. Members highlighted risks that were not included; the financial and reputational risk of losing the arena and the lack of a transport interchange which included access to Temple Meads.
6. In response to a question with reference to BCCC1 (Flooding), Officers confirmed that the elements of risk to the prosperity and character of the City if barriers were established around the Cut would be outlined within the project report. It was noted that this was an example of links between project management and risk management.
7. Members were disappointed that CRR24 (Procurement and Contract Management Compliance) remained high risk despite voicing concerns previously. Officers confirmed it was a new risk on the corporate risk register and was under development. The Director- Finance reported that a new Head of Procurement would start in post in March and would work to improve compliance through the life of a contract as well as training and skills. Elements of good practice and shared practice would be explored going forward and there were future plans to speak to neighbouring authorities and WECA to consider regional procurement or across core cities.
8. A framework was used to manage reputational risk which was considered in terms of both risk and impact.



The Committee were given the opportunity to delve further into one of the risks in more detail at the next Audit Committee and following a discussion it was agreed to select 'CR9 - Safeguarding Vulnerable Children'.

The topic would be scoped to prevent duplication with the relevant Scrutiny Commission or the Corporate Parenting Panel although they would be asked if they want to have any input. The item would be first on the agenda.

RESOLVED –

That the Audit Committee comments on progress made on the Councils Risk Management arrangements, the revised Risk Management Assurance Policy and the Corporate Risk Report (CRR) be noted.

Councillor Steve Pearce left the meeting during the item.

11 Companies Audit and Assurance Arrangements

The Committee welcomed David Lawrence, Interim Liaison Director to the meeting and the following comments arose from discussion:

1. **It was clarified that comprehensive audit and data flows had been reported to the Audit Committee of each Company, and an assurance report to this Audit Committee during the year.**
2. Bristol Energy had already set up their Audit process and had weekly tasks in place to ensure they were not subject to fraud. More information was available to the Committee on request.
3. Freedom of Information requests would go direct to the relevant company unless they were of corporate concern in which case it would be directed to Shareholders Group. The same openness and rigorous process for FOI applied to the Companies as it did the Council.
4. The development of the business plan would be reported to OSM Board on its way to Cabinet. This would bring particular elements into the public domain.
5. An interim Managing Director of Bristol Energy was in place and would develop plans for Energy Networks and other projects. Recruitment had commenced for a permanent MD and six months had been allocated for that process. Interviews would draw out whether candidates supported the direction of travel for the Company.

RESOLVED –

The Audit Committee noted the audit and assurance arrangements of the Council trading companies.

Councillor Liz Radford left the meeting during this item.

12 Governance Tracking Report

The Director: Finance introduced the report to the Committee and the following points were highlighted in the following debate:



1. It had been decided that to avoid duplication, AGS11.1 (Member Development Programme) and AGS12.1 (Performance Management) would be monitored by Cabinet as part of the LGA improvement action plan. It was highlighted that Member Development was of increased importance around the time of the 2020 local elections.
2. It was agreed that going forward the Bundred Report Action Plan review would move to six monthly reports.
3. The AGS review would continue and take up some of the areas of continued weakness. The Committee were invited to highlight any elements considered necessary to carry forward.
4. The Council assets base was highlighted as an area with unresolved questions that needed continued attention. The Director: Finance confirmed that there was a large project resource in place to do work around asset mapping.

RESOLVED:

The Audit Committee noted the progress made to date against the action plan for 2016/17 and 2017/18 and comments made.

Meeting ended at 5.20 pm

CHAIR _____



Audit Committee Action Sheet – actions from meeting held on 21st Jan 2019

Action number	Item/report	Action	Responsible officer(s)	Action taken / progress
1	3 – Mins of 16 Oct	Councillors remained unsure of the changes made to the draft minutes following the meeting of 26th November with respect of the item 6 ‘BDO (External Auditor) drISA 260 report 2017/18’ and asked for a pdf of the tracked change document. It was agreed that the minutes would return for agreement at the next meeting.	Allison Taylor	Email sent 1 Feb 2019.
2	8 – Annual Whistleblowing Review	It was suggested that relevant reports under the whistleblowing procedure should be reported to HR Committee if not already. The Chair of Audit Committee agreed to write to the Chair of HR Committee to ask.	Councillor Mead	
3	10 – Corporate Risk Register and Policy	The Committee were given the opportunity to delve further into one of the risks in more detail and following a discussion it was agreed to select ‘CR9 - Safeguarding Vulnerable Children’. The topic would be scoped to prevent duplication with the relevant Scrutiny Commission or the Corporate Parenting Panel although they would be asked if they want to have any input or observe. The item would be first on the agenda.	Jonathan Idle	Included on Agenda for March Committee and liaison with Service Director: Children and Families has occurred.
4	12 – Governance Tracking Report	Agreed that going forward the Bundred Report Action Plan review would move to six monthly. To be noted in terms of the work programme.	Jonathan Idle	To be addressed when 2019/20 Audit Committee Work Plan

Action number	Item/report	Action	Responsible officer(s)	Action taken / progress
				is prepared.

**AUDIT COMMITTEE
WORK PROGRAMME 2018/19**

Meeting Date	Report Author	Report Details	Routine Work Programme/ Other?	ToR Ref	Officer Providing Report	Comments:
26th November 2018 2.30pm	Planned Training:	Performance Management - Assurance Arrangements	Training		Internal Audit	
	External Audit:	Update Report	Routine	1.8/1.10	External Audit Lead	
	Risk Management:	Review of a Specific Corporate Risk	Routine	4.1/4.3	Risk Manager / Risk Owner	
	Internal Audit:	Internal Audit Half-Year Activity Report	Routine	1.5/1.7/2.1	Chief Internal Auditor	
		Internal Audit - Half-Year Investigation Update Report and Anti-Fraud and Anti-Corruption Policy	Routine	2.4/2.10	Chief Internal Auditor	
		Internal Audit Quality Assurance and Improvement Plan	Routine	1.6	Chief Internal Auditor	
		Internal Audit Charter & Strategy Refresh	Routine	1.1	Chief Internal Auditor	
	Finance:	Treasury Management Report	Routine	3.3	Director - Finance	
		Information Items: None				
21st January 2019 2.00pm	Proposed Training:	Partnership Governance Arrangements	Training			
	External Audit:	External Audit Update Report	Routine	1.8/1.9	External Audit Lead	
	Internal Audit:	Annual Whistleblowing Review	Routine	2.4	Chief Internal Auditor	
		Annual Review of the effectiveness of the system of Internal Audit	Routine	1.13	Director - Finance	
	Risk Management:	Corporate Risk Register and Policy	Routine	4.1/4.3	Risk Manager	
	Corporate:	Companies Audit and Assurance Arrangements	Ad Hoc		Director - Finance/ Shareholder Liaison Director	
		Governance Tracking Report	Routine	2.5/4.4	Executive Director Resources / Director Finance	
	Legal:	Member Standards items: Value and Ethics Sub-Committee Report/Minutes including Budget Dispensations	Routine		Director: Legal& Democratic Services	
		Information Items: None				To cover those Inspection reports which provide assurance in relation to risks on the Corporate Risk Register
26th March 2019 2.00pm	Proposed Training:	Audit Committee Effectiveness Workshop	Training		Chief Internal Audit/Head of Internal Audit	To equip the Committee with an understanding of the Accounts and the areas where it requires assurance
	Risk Management:	Review of a Specific Corporate Risk	Routine	4.1/4.3	Service Director: Children and Family Services	
	External Audit:	Audit Update (Grant Thornton)	Routine	1.8/1.10	External Audit Lead	
		Annual Accounts 2017/18 (BDO)	Routine	1.8/1.10	External Audit Lead	
		Grants Audit Report (BDO)	Routine	1.8	External Audit Lead	
		BDO Statutory Recommendations	Other		External Audit Lead	
	Internal Audit:	Draft Annual Plan 2019/20	Routine	1.2	Chief Internal Auditor	
		Peer Review Implementation Update	Routine	1.6	Chief Internal Auditor	
		Internal Audit Activity Report	Routine	1.5/1.7/2.1	Chief Internal Auditor	
	Legal:	Review of Committee Terms of Reference	Routine		Director: Legal& Democratic Services	
		Constitution	Other		Director: Legal& Democratic Services	
	Corporate:	Inspection Agency reports	Routine	1.12	Service Manager: Corporate Finance	
		Member Standards items:				
		Information Items: None				
May 2019 (AGM) 2.00pm	Proposed Training:	Statement of Accounts and Annual Governance Statement	Training		Finance/Internal Audit to facilitate	
	External Audit:	Update Report	Routine	1.8/1.9	External Audit Lead	
	Internal Audit:	Draft Annual Governance Statement 2018/19	Routine	2.5/4.4	Chief Internal Auditor	
		Annual Fraud Report	Routine	2.4/2.10	Chief Internal Auditor	
		Audit Committee Annual Report to Full Council (Draft)	Routine	5.1	Chief Internal Auditor	

- Review of Committee Terms of Reference
- Constitution Report

Meeting Date	Report Author	Report Details	Routine Work Programme/ Other?	ToR Ref	Officer Providing Report	Comments:
	Finance: Legal:	Internal Audit Annual Report 2018/19 Draft Statement of Accounts 2018/19 Member Standards items: Information Items: None	Routine	3.1	Executive Director Resources / Director Finance	

Audit Progress Report and Sector Update

Bristol City Council
Year ending 31 March 2019
Page 25
March 2019



Contents

Section	Page
Introduction	3
Progress at March 2019	4
Audit Deliverables	5
Results of interim audit work	6
Update to previously reported Audit Plan	7
Sector Update	8

Introduction



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This paper provides the Audit Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you as a local authority; and
- includes a number of challenge questions in respect of these emerging issues which the Committee may wish to consider (these are a tool to use, if helpful, rather than formal questions requiring responses for audit purposes)

Page 27



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Members of the Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk.

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at March 2019

Financial Statements Audit

We have started planning for the 2018/19 financial statements audit and issued a detailed audit plan to the January 2019 Audit Committee, setting out our proposed approach to the audit of the Council's 2018/19 financial statements. Later in this report we have provided an update on the Audit Plan following the completion of more of our risk assessment.

We commenced our on-site interim audit on 11 March 2019. Our interim fieldwork visit will include:

- Review of the Council's control environment
- Understanding of financial systems
- Review of Internal Audit reports on core financial systems
- Early work on emerging accounting issues
- Early substantive testing

We will report any findings from the interim audit to you in our Progress Report at the May 2019 Audit Committee.

The statutory deadline for the issue of the 2018/19 opinion is 31 July 2019. We will discuss our plan and timetable with officers.

The final accounts audit is due to begin on 22 May 2019 with findings due to be reported to you in the Audit Findings Report by the deadline of July 2019.

Value for Money

The scope of our work is set out in the guidance issued by the National Audit Office. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".

The guidance confirmed the overall criterion as: "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".

The three sub criteria for assessment to be able to give a conclusion overall are:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties

Details of our initial risk assessment to determine our approach are included in our Audit Plan. Subsequent to issuing our audit plan, we have continued to update our risk assessment and have included an update on the risks identified later in this report.

We will report our work in the Audit Findings Report and give our Value For Money Conclusion by the deadline in July 2019.

Other areas

Meetings

We met with Finance Officers and the Head of Internal Audit in March as part of our bi-monthly liaison meetings, and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

Finance officers attended our annual accounts workshop in Bristol in February 2019 which provides them with an update on changes to accounting standards and the CIPFA Code.

Audit Deliverables

2018/19 Deliverables	Planned Date	Status
Fee Letter Confirming audit fee for 2018/19.	April 2018	Complete
Accounts Audit Plan We are required to issue a detailed accounts audit plan to the Audit Committee setting out our proposed approach in order to give an opinion on the Council's 2018-19 financial statements.	January 2019	Complete
Interim Audit Findings We will report to you the findings from our interim audit and our initial value for money risk assessment within our Progress Report.	March 2019	Included within this report
Audit Findings Report The Audit Findings Report will be reported to the July Audit Committee.	July 2019	Not yet due
Auditors Report This is the opinion on your financial statement, annual governance statement and value for money conclusion.	July 2019	Not yet due
Annual Audit Letter This letter communicates the key issues arising from our work.	August 2019	Not yet due

Results of interim audit work

	Work performed	Conclusions and recommendations
Internal audit	<p>We have completed a high level review of internal audit's overall arrangements. Our work has not identified any issues which we wish to bring to your attention</p>	<p>Overall, we have concluded that the internal audit service provides an independent service to the Council, and that internal audit work contributes to an effective internal control environment.</p>
Entity level controls	<p>We have obtained an understanding of the overall control environment relevant to the preparation of the financial statements including:</p> <ul style="list-style-type: none">• Communication and enforcement of integrity and ethical values;• Commitment to competence;• Participation by those charged with governance;• Management's philosophy and operating style;• Organisational structure;• Assignment of authority and responsibility; and• Human resource policies and practices.	<p>Our work has identified no material weaknesses which are likely to adversely impact on the Council's financial statements.</p>
Information technology controls	<p>Out IT audit experts are performing a high level review of the general IT control environment as part of the overall review of the internal controls system. They have undertaken on-site interviews with relevant officers and have requested key documentation to assist with their review.</p> <p>Our IT colleagues will report back to us with their findings from this work and we will use this report to assess whether this requires us to alter our planned audit approach in any way.</p>	<p>We will report any recommendations arising from this review in our Audit Findings report.</p>
Walkthrough testing	<p>We have completed walkthrough tests of the Council's controls operating in areas where we consider that there is a risk of material misstatement to the financial statements. Our work has not identified any issues which we wish to bring to your attention.</p> <p>Internal controls have been implemented by the Council in accordance with our documented understanding.</p>	<p>Our work has not identified any weaknesses which impact on our audit approach.</p>

Update to previously reported Audit Plan

Previously reported

Update

Group accounts

Pages 3, 4 and 5 of our Audit Plan included on the Audit Committee agenda on 21 January 2019 identified that Goram Homes Limited would be consolidated into the Council's financial statements as at 31 March 2019 for the first time, following its incorporation on 1 October 2018.

Following discussions with the Council, it has been confirmed that the first accounting period for Goram Homes Limited will be extended to 31 March 2020, and therefore Goram Homes Limited will not be consolidated into the Council's Group accounts as at 31 March 2019.

In February 2019 we met with representatives from the Group companies, the Council and the Group company auditors, PricewaterhouseCoopers LLP, to discuss the consolidation timetable and our approach to the Group audit. Subsequent to this we have issued our Group Audit Instructions to PricewaterhouseCoopers LLP as auditor of Bristol Holding Limited, Bristol Waste Company Limited and Bristol Energy Limited, which include pertinent information such as group materiality levels, risks and the audit and reporting timetable.

Sector Update

Councils are tackling a continuing drive to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider NHS and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below:

Public Sector

Local
government

Public Sector Audit Appointments – Report on the results of auditors’ work 2017/18

This is the fourth report published by Public Sector Audit Appointments (PSAA) and summarises the results of auditors’ work at 495 principal local government and police bodies for 2017/18. This will be the final report under the statutory functions from the Audit Commission Act 1998 that were delegated to PSAA on a transitional basis.

The report covers the timeliness and quality of financial reporting, auditors’ local value for money work, and the extent to which auditors used their statutory reporting powers.

For 2017/18, the statutory accounts publication deadline came forward by two months to 31 July 2018. This was challenging for bodies and auditors and it is encouraging that 431 (87 per cent) audited bodies received an audit opinion by the new deadline.

The most common reasons for delays in issuing the opinion on the 2017/18 accounts were:

- technical accounting/audit issues;
- various errors identified during the audit;
- insufficient availability of staff at the audited body to support the audit;
- problems with the quality of supporting working papers; and
- draft accounts submitted late for audit.

All the opinions issued to date in relation to bodies’ financial statements are unqualified, as was the case for the 2016/17 accounts. Auditors have made statutory recommendations to three bodies, compared to two such cases in respect of 2016/17, and issued an advisory notice to one body.

The number of qualified conclusions on value for money arrangements looks set to remain relatively constant. It currently stands at 7 per cent (32 councils, 1 fire and rescue authority, 1 police body and 2 other local government bodies) compared to 8 per cent for 2016/17, with a further 30 conclusions for 2017/18 still to be issued.

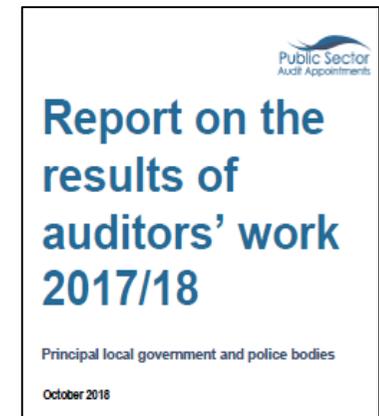
The most common reasons for auditors issuing qualified VFM conclusions for 2017/18 were:

- the impact of issues identified in the reports of statutory inspectorates, for example Ofsted;
- corporate governance issues;
- financial sustainability concerns; and
- procurement/contract management issues.

All the opinions issued to date in relation to bodies’ financial statements are unqualified, as was the case for the 2016/17 accounts.

The report is available on the PSAA website:

<https://www.psa.co.uk/audit-quality/reports-on-the-results-of-auditors-work/>



National Audit Office – Local auditor reporting in England 2018

The report describes the roles and responsibilities of local auditors and relevant national bodies in relation to the local audit framework and summarises the main findings reported by local auditors in 2017-18. It also considers how the quantity and nature of the issues reported have changed since the Comptroller & Auditor General (C&AG) took up his new responsibilities in 2015, and highlights differences between the local government and NHS sectors.

Given increasing financial and demand pressures on local bodies, they need strong arrangements to manage finances and secure value for money. External auditors have a key role in determining whether these arrangements are strong enough. The fact that only three of the bodies (5%) the NAO contacted in connection with this study were able to confirm that they had fully implemented their plans to address the weaknesses reported suggests that while auditors are increasingly raising red flags, some of these are met with inadequate or complacent responses.

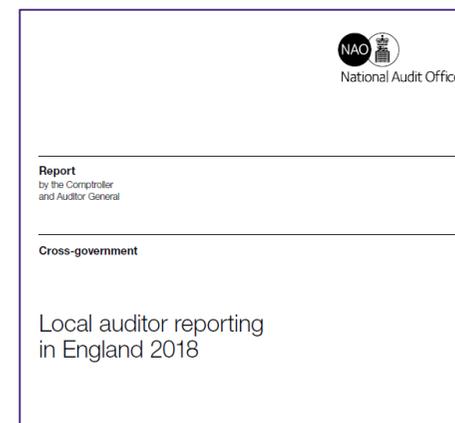
Qualified conclusions on arrangements to secure value for money locally are both unacceptably high and increasing. Auditors qualified their conclusions on arrangements to secure value for money at an increasing number of local public bodies: up from 170 (18%) in 2015-16 to 208 (22%) in 2017-18. As at 17 December 2018, auditors have yet to issue 20 conclusions on arrangements to secure value for money, so this number may increase further for 2017-18.

The proportion of local public bodies whose plans for keeping spending within budget are not fit-for-purpose, or who have significant weaknesses in their governance, is too high. This is a risk to public money and undermines confidence in how well local services are managed. Local bodies need to demonstrate to the wider public that they are managing their organisations effectively, and take local auditor reports seriously. Those charged with governance need to hold their executives to account for taking prompt and effective action. Local public bodies need to do more to strengthen their arrangements and improve their performance.

Local auditors need to exercise the full range of their additional reporting powers, where this is the most effective way of highlighting concerns, especially where they consider that local bodies are not taking sufficient action. Departments need to continue monitoring the level and nature of non-standard reporting, and formalise their processes where informal arrangements are in place. The current situation is serious, with trend lines pointing downwards.

The report is available on the NAO website:

<https://www.nao.org.uk/report/local-auditor-reporting-in-england-2018/>



National Audit Office – Local authority governance

The report examines whether local governance arrangements provide local taxpayers and Parliament with assurance that local authority spending achieves value for money and that authorities are financially sustainable.

Local government has faced considerable funding and demand challenges since 2010-11. This raises questions as to whether the local government governance system remains effective. As demonstrated by Northamptonshire County Council, poor governance can make the difference between coping and not coping with financial and service pressures. The Department (Ministry of Housing, Communities and Local Government) places great weight on local arrangements in relation to value for money and financial sustainability, with limited engagement expected from government. For this to be effective, the Department needs to know that the governance arrangements that support local decision-making function as intended. In order to mitigate the growing risks to value for money in the sector the Department needs to improve its system-wide oversight, be more transparent in its engagement with the sector, and adopt a stronger leadership role across the governance network

Not only are the risks from poor governance greater in the current context as the stakes are higher, but the process of governance itself is more challenging and complex. Governance arrangements have to be effective in a riskier, more time-pressured and less well-resourced context. For instance, authorities need to:

- maintain tight budgetary control and scrutiny to ensure overall financial sustainability at a time when potentially contentious savings decisions have to be taken and resources for corporate support are more limited; and
- ensure that they have robust risk management arrangements in place when making commercial investments to generate new income, and that oversight and accountability is clear when entering into shared service or outsourced arrangements in order to deliver savings.

Risk profiles have increased in many local authorities as they have reduced spending and sought to generate new income in response to funding and demand pressures. Local authorities have seen a real-terms reduction in spending power (government grant and council tax) of 28.6% between 2010-11 and 2017-18. Demand in key service areas has also increased, including a 15.1% increase in the number of looked after children from 2010-11 to 2017-18. These pressures create risks to authorities' core objectives of remaining financially sustainable and meeting statutory service obligations. Furthermore, to mitigate these fundamental risks, many authorities have pursued strategies such as large-scale transformations or commercial investments that in themselves carry a risk of failure or under-performance.

The report is available on the NAO website:

<https://www.nao.org.uk/report/local-authority-governance-2/>



National Audit Office – Planning for new homes

The National Audit Office (NAO) has recently published a report on *Planning for new homes*. This report is part of a series on housing in England, including *Housing in England: overview (2017)* and *Homelessness (2017)*. The latest report focuses on the Ministry of Housing, Communities and Local Government's (MHCLG's) objective for housing in England to deliver a million homes by the end of 2020; half a million by the end of 2022; and to deliver 300,000 net additional homes year on average.

The report recognises that increasing the supply of new homes is a complex task and one of the measures MHCLG has introduced to help achieve the objective is reforming the planning system. The report notes that the planning system is fundamental to providing new homes and it assesses how effectively MHCLG supports the planning regime to provide the right homes in the right places through:

- supporting local authorities to produce plans for how the supply of new homes will meet need in their area;
- supporting local authorities and the Planning Inspectorate in having effective and sufficiently resourced planning processes and teams to deal with planning applications and appeals; and
- working effectively with local authorities, other government departments and developers to ensure infrastructure to support new homes is planned and funded.

The report finds that at present, the system is not providing value for money and that the supply of new homes has failed to meet demand. It notes that a number of factors have contributed to the planning system not working and some of these include:

- the process of setting the need for new homes;
- the reductions in local authority capability;
- the under-performing Planning Inspectorate; and
- failures in the system to ensure adequate contributions for infrastructure.

The report recognises that MHCLG's new National Planning Policy Framework is an important step, but it is too early to tell whether the changes it introduces will be effective. The report also makes a number of recommendations for MHCLG to implement alongside the framework to help the planning systems work more effectively.

The report concludes that the Department and government more widely need to take this much more seriously and bring about improvement if they are to meet their ambition of 300,000 new homes per year by the mid-2020s.

The report is available on the NAO website:

<https://www.nao.org.uk/report/planning-for-new-homes/#>



National Audit Office – Pressures on children’s social care

The Local authorities in England have statutory responsibility for protecting the welfare of children and delivering children’s social care. In extreme cases they may use their statutory powers to place children in need on protection plans or even take them into care. Local authorities are also responsible for delivering non-statutory services for all children and young people, such as children’s centres. The Department for Education (the Department) provides statutory guidance on delivering these functions. It also has overall policy responsibility for children’s services, and has the strategic vision that all vulnerable children, no matter where they live, should have access to high-quality support by 2022.

The report sets out recent trends in pressures on children’s social care demand and activity and the response of both national and local government to these pressures. It also sets out analysis the NAO conducted about what is causing variations in children’s social care demand and activity between different local authorities. The report covers:

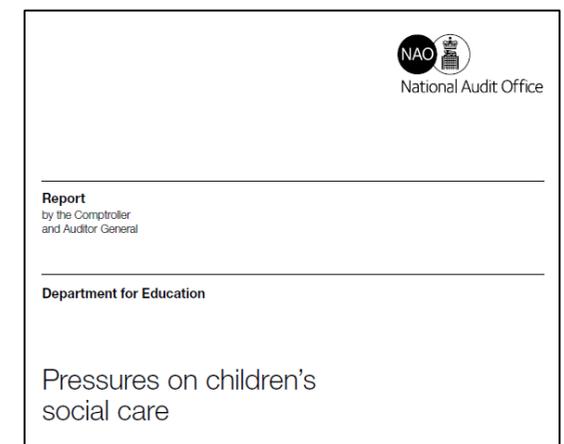
- the pressures on children’s social care;
- the response of national and local government to increasing demand for children’s social care; and
- NAO analysis of what is causing variations in demand for children’s social care between local authorities.

The report notes that, while the Department has put in place a programme of reform, it still does not fully understand what is driving demand for children’s social care or why there is such wide variation between local authorities in their children’s social care activity and costs. It has not yet done the work to tie together available sources of information and therefore lacks a well-informed pathway to achieve its goal. While the Department has recognised the need for this analysis, it will not complete the work until summer 2019. Even if its analysis is completed successfully it will be a tall order for the Department to achieve its goal within three years.

The report is available on the NAO website:

<https://www.nao.org.uk/report/pressures-on-childrens-social-care/>

Page 37



CIPFA – Financial Resilience Index plans revised

The Chartered Institute of Public Finance and Accountancy (CIPFA) has refined its plans for a financial resilience index for councils and is poised to rate bodies on a “suite of indicators” following a consultation with the sector.

CIPFA has designed the index to provide reassurance to councils who are financially stable and prompt challenge where it may be needed. To understand the sector’s views, CIPFA invited all interested parties to respond to questions it put forward in the consultation by the 24 August.

CIPFA has also responded to concerns about the initial choice of indicators, updating the selection and will offer authorities an advanced viewing of results.

Plans for a financial resilience index were put forward by CIPFA in the summer. It is being designed to offer the sector some external guidance on their financial position.

CIPFA hailed the “unprecedented level of interest” in the consultation.

Responses were received from 189 parties, including individual local authorities, umbrella groups and auditors. Some respondents called for a more “forward-looking” assessment and raised fears over the possibility of “naming and shaming” councils.

CIPFA chief executive Rob Whiteman said with local government facing “unprecedented financial challenges” and weaknesses in public audit systems, the institute was stepping in to provide a leadership role in the public interest.

“Following the feedback we have received, we have modified and strengthened the tool so it will be even more helpful for local authorities with deteriorating financial positions,” he said.

“The tool will sit alongside CIPFA’s planned Financial Management Code, which aims to support good practice in the planning and execution of sustainable finances.”

CIPFA is now planning to introduce a “reserves depletion time” category as one of the indicators. This shows the length of time a council’s reserves will last if they deplete their reserves at the same rate as over the past three years.

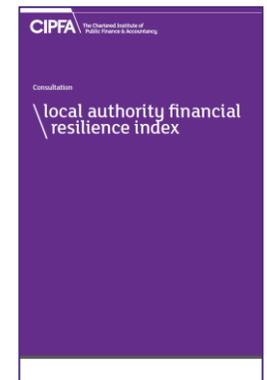
The consultation response document said this new category showed that “generally most councils have either not depleted their reserves or their depletion has been low”.

“The tool will not now provide, as originally envisaged, a composite weighted index but within the suite of indicators it will include a red, amber, green (RAG) alert of specific proximity to insufficient reserve given recent trajectories,” it said.

It also highlighted the broad support from the sector for the creation of the index. “There was little dissent over the fact that CIPFA is doing the right thing in drawing attention to a matter of high national concern,” it said.

“Most respondents agreed to the need for transparency – but a sizable number had concerns over the possibly negative impacts of adverse indicators and many councils wanted to see their results prior to publication.”

As such, CIPFA plans to provide resilience measurements first to the local authorities and their auditors via the section 151 officer rather than publishing openly.



CIPFA – Social Care risk tool

The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Association of Directors of Adult Social Services' (ADASS) have updated the Social Care Risk Tool; an advisory risk assessment tool for discretionary use by councils with adult social care responsibility.

The tool's objective is to help authorities assess whether unsustainable financial pressures might be faced by the adult social services department. It seeks to do this by assessing the extent to which various risk factors apply. This is the third version of the risk tool and it has been expanded to include new risks that have emerged since the previous version. In addition, a number of risks have been revised to make them clearer.

The risk assessment adopts a survey format and covers the following areas:

- savings;
- local pressures; and
- culture and relationships.

Each of the areas above includes a series of questions (or indicators), and authorities are required to assess whether the indicators are strongly present (score of 5); only present to some extent (scores 2 to 4); or not at all (score of 1). The total score helps to give an indication of where the authority lies. The maximum score is 195 (there are 39 questions altogether) which represents the highest risk possible. Some of the metrics (particularly those relating to unit costs) are more illustrative than prescriptive and local authorities may wish to adjust these to reflect their local circumstances.

To download the tool:

<https://www.cipfa.org/cipfa-thinks/health/articles/social-care-risk-tool>



ICAEW Report: expectations gap

The Institute of Chartered Accountants in England and Wales (ICAEW) has published a paper on the 'expectation gap' in the external audit of public bodies.

Context:

The expectation gap is the difference between what an auditor actually does, and what stakeholders and commentators think the auditors obligations might be and what they might do. Greater debate being whether greater education and communication between auditors and stakeholders should occur rather than substantial changes in role and remit of audit.

What's the problem?

- **Short-term solvency vs. Longer-term value:**
 - LG & NHS: Facing financial pressures, oversight & governance pressures
- **Limited usefulness of auditors reports:** 'The VFM conclusion is helpful, but it is more about the system/arrangements in place rather than the actual effectiveness of value for money'
- **Other powers and duties:** implementing public interest reports in addition to VFM
- **Restricted role of questions and objections:** Misunderstanding over any objections/and or question should be resolved by the local public auditor. Lack of understanding that auditors have discretion in the use of their powers.
- **Audit qualification not always acted on by those charged with governance:** 'if independent public audit is to have the impact that it needs, it has to be taken seriously by those charged with governance'
- **Audit committees not consistently effective:** Local government struggles to recruit external members for their audit committees, they do not always have the required competencies and independence.
- **Decreased audit fees:** firms choose not to participate because considered that the margins were too tight to enable them to carry out a sufficient amount of work within the fee scales.
- **Impact of audit independence rules:** new independence rules don't allow for external auditors to take on additional work that could compromise their external audit role
- **Other stakeholders expectations not aligned with audit standards**

- **Increased auditor liability:** an auditor considering reporting outside of the main audit engagement would need to bill their client separately and expect the client to pay.

Future financial viability of local public bodies

Local public bodies are being asked to deliver more with less and be more innovative and commercial. CFOs are, of course, nervous at taking risks in the current environment and therefore would like more involvement by their auditors. They want auditors to challenge their forward-looking plans and assumptions and comment on the financial resilience of the organisation..

The ICAEW puts forward two solutions:

Solution a) If CFO's want additional advisory work, rather than just the audit, they can separately hire consultants (either accountancy firms not providing the statutory audit or other business advisory organisations with the required competencies) to work alongside them in their financial resilience work and challenging budget assumptions.

Solution b) Wider profession (IFAC, IAASB, accountancy bodies) should consider whether audit, in its current form, is sustainable and fit for purpose. Stakeholders want greater assurance, through greater depth of testing, analysis and more detailed reporting of financial matters. It is perhaps, time to look at the wider scope of audit. For example, could there be more value in auditors providing assurance reports on key risk indicators which have a greater future-looking focus, albeit focused on historic data?

More information can be found in the link below (click on the cover page)



PSAA contract compliance

Bristol City Council opted into the Public Sector Audit Appointments (PSAA) Appointing Person scheme, with the first year of appointment starting in 2018/19.

PSAA appointed Grant Thornton as auditors. PSAA is responsible under the Local Audit (Appointing Person) Regulations 2015 for monitoring compliance with the contract and is committed to ensuring good quality audit services are provided by its suppliers. Details of PSAA's audit quality monitoring arrangements are available from its website, www.psaa.co.uk.

Our contract with PSAA contains a method statement which sets out the firm's commitment to deliver quality audit services, our audit approach and what clients can expect from us. We have set out our commitment to deliver a high quality audit service below, and this will be a benchmark for you to provide feedback on our performance to PSAA via its survey in Autumn 2019.

Our relationship with our clients— why are we best placed?

- We work closely with our clients to ensure that we understand their financial challenges, performance and future strategy
- We deliver robust, pragmatic and timely financial statements and Value for Money audits
- We have an open, two way dialogue with clients that support improvements in arrangements and the audit process
- Feedback meetings tell us that our clients are pleased with the service we deliver. We are not complacent and will continue to improve further
- Our locally based, experienced teams have a commitment to both our clients and the wider public sector
- We are a Firm that specialises in Local Government, Health and Social Care, with over 25 Key Audit Partners - the most public sector specialist Engagement Leads of any firm
- We have strong relationships with CIPFA, SOLCAE, the Society of Treasurers, the Association of Directors of Adult Social Care and others
- We propose a realistic fee, based on known local circumstances and requirements

Delivering real value through:

- Early advice on technical accounting issues, providing certainty of accounting treatment and, their future financial planning implications which result in draft statements that are 'right first time'
- Knowledge and expertise in all matters local government, including local objections and challenge, where we have an unrivalled depth of expertise
- Early engagement on wider issues, especially on Alternative Delivery Models, housing delivery changes, Children services and Adult Social Care restructuring, partnership working with the NHS, inter authority agreements, governance and financial reporting
- Audit recommendations that result in demonstrable improvements in your underlying arrangements, for example in accounting for unique assets, financial management and reporting and governance
- Robust but pragmatic challenge, seeking early liaison on issues and having the difficult conversations early to ensure a 'no surprises' approach whilst always doing the right thing
- Providing regional training and networking opportunities for your teams on technical accounting issues and developments and changes to Annual Reporting requirements
- An efficient audit approach, providing tangible benefits, such as releasing finance staff earlier and prompt resolution of issues

Our commitment to our local government clients

- Senior level investment
- Local presence enhancing our responsiveness, agility and flexibility.
- High quality audit delivery
- Collaborative working across the public sector
- Facilitation of wider connections across the public sector economy, including with health and other local government bodies
- Investment in Health and Wellbeing, Social Value and the Vibrant Economy
- Sharing of best practice and our thought leadership pieces
- Invitations to training events locally and regionally, with bespoke training for emerging issues
- Further investment in data analytics and informatics to keep our knowledge and insight up to date and to assist in designing a fully tailored audit approach



Bristol City Council

GRANT CLAIMS AND RETURNS CERTIFICATION

Audit for the year ended 31 March 2018
15 March 2019

Page 43

INTRODUCTION

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 2018.

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. These assurance reviews are covered by tripartite agreements between the Council, sponsoring Department and the auditor.

The Council engaged us to carry out 'Agreed-upon procedures' based on the instructions and guidance provided by the Department for Education, of the Teachers' pensions return for the year ended 31 March 2018.

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

AUDIT QUALITY

BDO is committed to audit quality. It is a standing item on the agenda of the Leadership Team, who in conjunction with the Audit Stream Executive, monitors the actions required to maintain a high level of audit quality within the audit stream and address findings from external and internal inspections. We welcome feedback from external bodies and are 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 regulators, the firm undertakes a thorough annual internal Audit Quality Assurance Review and as a member firm of 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 entities.

More details can be found in our Transparency Report at www.bdo.co.uk

CONTENTS

INTRODUCTION 1

CONTENTS 2

KEY FINDINGS 3

DETAILED FINDINGS..... 4

APPENDICES 8

APPENDIX I: FEES SCHEDULE 9

KEY FINDINGS

Below are details of each grant claim and return subject to certification by us for the financial year ended 31 March 2018. Where our work identified issues which resulted in either an amendment or a qualification (or both), further information is provided on the following pages.

CLAIM OR RETURN	VALUE (£)	QUALIFIED?	AMENDED?	IMPACT OF AMENDMENTS(£)
Housing benefit subsidy	£166,994,091	YES	YES	£(403)
Teachers' pensions	£14,511,471.34	NO	YES	£257

DETAILED FINDINGS

HOUSING BENEFIT SUBSIDY

Local authorities responsible for managing housing benefit are able to claim subsidies towards the cost of these benefits from central government. The final value of subsidy to be claimed by the Council for the financial year is submitted to central government on form MPF720A, which is subject to certification.

Our work on this claim includes verifying that the Council is using the correct version of its benefits software and that this software has been updated with the correct parameters. We also agree the entries in the claim to underlying records and test a sample of cases from each benefit type to confirm that benefit has been awarded in accordance with the relevant legislation and is shown in the correct cell on form MPF720A.

The methodology and sample sizes are prescribed by PSAA and DWP. We have no discretion over how this methodology is applied.

The draft subsidy return provided for audit recorded amounts claimed as subsidy of £166,994,091. The final submission was decreased by £403 to £166,993,688.

FINDINGS AND CONCLUSION

Our audit of 60 individual claimant files highlighted a number of errors the Council made in administering benefit and calculating subsidy entitlement.

Guidance requires auditors to undertake extended 40+ testing if initial testing identified errors in the benefit entitlement calculation or in the classification of expenditure. Such testing is also undertaken as part of our follow-up of prior year issues reported. This additional testing, combined with the original testing where there has been an overpayment of benefit, is extrapolated (or extended) across the population. Where the error can be isolated to a small population, the whole population can be tested and the claim form amended if appropriate. Where there is no impact on the subsidy claim, for example where the error always results in an underpayment of benefit, we are required to report this within our qualification letter.

The results of the testing of the initial 60 cases gave rise to 5 areas of 40+ testing and 1 amendment to the claim form.

PSAA's methodology requires auditors to re-perform a sample of the additional work undertaken by the Council to ensure conclusions have been satisfactorily recorded. We were able to rely on the conclusions drawn by the Council.

Our work was completed and the claim was certified on 28 January 2019, which was after the Government's deadline of 30 November 2018. Our audit certification was qualified and we quantified the effect of the errors identified on the Council's entitlement to subsidy (based on our extrapolations) in a letter to the Department of Work and Pensions. The Council is awaiting the outcome of the DWP review of our qualification letter on its final subsidy amount for the year.

A summary of our audit findings can be found on the next page.

BENEFIT TYPE	ERROR TYPE	IMPACT ON CLAIM
Non-HRA rent rebates - short term leased and self-contained licensed accommodation for the Local Authority is the landlord	<p>Testing of our initial sample of 20 Non-HRA rent rebate cases identified 1 case where expenditure had been incorrectly calculated following a change of address, resulting in benefit being overpaid. '40+ testing' was carried out to quantify the results.</p> <p>Our testing identified that a change of address had been incorrectly applied in benefit calculations in 1 case resulting in benefit being overpaid.</p> <p>An extrapolation was included within the Qualification Letter.</p>	<p>Based on our extrapolation of the errors identified, we estimated the Council overstated benefit expenditure by £1,576. The corresponding adjustment is to Local Authority Error overpayments.</p> <p>If DWP decide to adjust for the extrapolated error reported, this would decrease the subsidy receivable by £1,576.</p>
Rent rebates - backdated expenditure	<p>Testing of our initial sample of 20 rent rebate cases identified 1 case where expenditure had been incorrectly included in the backdated expenditure cell. '40+ testing' was carried out to quantify the results.</p> <p>Our testing identified that expenditure had been included incorrectly in the backdated expenditure cell in 11 cases resulting in subsidy being understated in 2 cases, overstated in 1 case, and 8 cases where there was no impact on the subsidy calculation.</p> <p>An extrapolation was included within the Qualification Letter.</p>	<p>Based on our extrapolation of the errors identified, we estimated the Council overstated benefit expenditure by £189. The corresponding adjustment is to Local Authority Error overpayments.</p> <p>If DWP decide to adjust for the extrapolated error reported, this would decrease the subsidy receivable by £189.</p>

BENEFIT TYPE	ERROR TYPE	IMPACT ON CLAIM
Rent allowance - backdated expenditure	<p>Testing of our initial sample of 20 rent allowance cases identified 1 case where expenditure had been incorrectly included in the backdated expenditure cell. '40+ testing' was carried out to quantify the results.</p> <p>Our testing identified that expenditure had been included incorrectly in the backdated expenditure cell in 16 cases resulting in subsidy being overstated in 1 case, and 15 cases where there was no impact on the subsidy calculation.</p> <p>An extrapolation was included within the Qualification Letter.</p>	<p>Based on our extrapolation of the errors identified, we estimated the Council overstated benefit expenditure by £271. The corresponding adjustment is to Local Authority Error overpayments.</p> <p>If DWP decide to adjust for the extrapolated error reported, this would decrease the subsidy receivable by £271.</p>
Rent allowance - expenditure under the Rent Officer Arrangements: Cases Excluded from the Requirements to Refer to the Rent Officer	<p>Testing of our initial sample of 20 rent allowance cases identified 1 case where the rent had been input incorrectly in the benefit calculation, resulting in benefit being underpaid. '40+ testing' was carried out to quantify the results.</p> <p>No errors were identified.</p>	<p>As there is no eligibility for subsidy which has not been paid, the underpayment identified does not affect subsidy.</p>
Two home manual adjustments	<p>Testing of our initial sample of manual adjustments identified 1 case where a manual adjustment which was not required had been recorded. '40+ testing' was carried out to quantify the results.</p> <p>Our testing identified that manual adjustments had been incorrectly raised/calculated in 5 cases resulting in subsidy being understated in 2 cases and overstated in 3 cases.</p> <p>An extrapolation was included within the Qualification Letter.</p>	<p>Based on our extrapolation of the errors identified, we estimated the Council overstated benefit expenditure by £8,876. The corresponding adjustment is to Local Authority Error overpayments.</p> <p>If DWP decide to adjust for the extrapolated error reported, this would decrease the subsidy receivable by £8,876.</p>

TEACHERS' PENSIONS

Local authorities which 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). These contributions are summarised on form EOYCa, which the Council is required to submit to Teachers' Pensions.

The Department for Education requires that Form EOYC is certified but the work is not part of PSAA's certification regime. We therefore agreed a separate letter of engagement to provide an 'agreed-upon procedures' assurance report before the Government's deadline for submitting the audited return.

FINDINGS AND IMPACT ON RETURN

We found one reportable issue to include within the report.

We checked that the breakdown of contributions in each tier casts to the percentage rate of the contributory salary. There were variances noted on all tiers. This caused the total teachers' contribution to increase to £5,014,054.08 and employer's to decrease to £9,058,717.07. The net effect of this is an overall unpaid balance of £256.70.

The Authority noted that these issues arose due to errors made by the salary provider for the outsourced schools.

APPENDICES

APPENDIX I: FEES SCHEDULE

	2017/18 FINAL £	2017/18 PLANNED £	2016/17 FINAL £	EXPLANATION FOR VARIANCES
PSAA regime				
Certification fee (Housing benefit subsidy claim)	TBC	Scale	25,528	The budget was set on the expectation of only undertaking one set of 40+ testing, but six sets of 40+ testing were required.
TOTAL PSAA REGIME FEES	TBC	Scale	25,528	
Other certification work				
• Teachers' pensions return	£7,950	£7,950	7,650	N/A
TOTAL CERTIFICATION FEES	TBC	TBC	7,650	

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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

26th March 2019



Report of: Director – Children and Families

Title: Corporate Risk 9 – Safeguarding Vulnerable Children

Ward: Citywide

Officer Presenting Report: Ann James, Director for Children and Families Services

Recommendation

The Audit Committee notes the assurances offered in terms of the effectiveness of approaches being undertaken to safeguarding vulnerable children and the progress made since the Ofsted Single Inspection of 2014 as reflected in the September 2018 Inspection of Local Authority Children’s Services.

Summary

The significant issues in the report are:

- An update on Children’s Safeguarding Arrangements (paragraph 7)
- Details of external Inspection reviews (paragraphs 9 and 10)
- Latest update to the Corporate Risk Register (Appendix 1)
- A draft Assurance Map to summarise the assurances in place concerning safeguarding arrangements (Appendix 2)



Policy

The Audit Committee's Terms of Reference includes responsibilities to oversee assurance that the Council's risk management processes are effective. This report provides the Committee with information and assurances that a key risk in the Council's Corporate risk register is being managed proportionately, that the service is well managed and that mitigations operate as effectively as possible to safeguard children.

Consultation

1. Internal

N/A

2. External

N/A

Context

3. The Audit Committee receive the Council's Corporate Risk Register on a quarterly basis. The Committee last received the register following the quarter 3 update in January 2019. At each of its meetings, the Committee select a risk from the Corporate Risk Register to focus on in detail. For this meeting, Corporate Risk 9 – Safeguarding Vulnerable Children, was selected.
4. This report is to provide the Audit Committee with full details on how this risk is being managed currently and maps the assurances in place concerning the effectiveness of those arrangements.

Corporate Risk 9 – Safeguarding Vulnerable Children.

5. Appendix 1 provides the recently updated Corporate Risk Register entry for this risk following the latest quarterly update. The risk register sets out the risk as 'The council fails to ensure that adequate safeguarding measures are in place, resulting in harm or death to a vulnerable child.' Potential causes are identified in the risk register together with actions that have already been taken to address this risk and further actions required to reduce the level of risk to the risk tolerance level.
6. Appendix 2 enhances the risk register information to provide a complete summary of mitigation and controls and maps the assurances that can be drawn from different sources to confirm, or otherwise, that risk management arrangements are effective. This analysis is completed using the 'three lines of defence' model developed by the Institute of Internal Auditors as set out in the diagram below:



7. Children's Safeguarding Assurance Update

- 7.1 A key element of the assurance framework is a quarterly assurance update report concerning the work of the Children and Families team. It ensures that Corporate Leadership Team is well informed and holds the Director of Children's Services to account for the quality and delivery of children's services and the challenges in the local area.
- 7.2 Alongside this report, corporate governance arrangements provide assurance for statutory children's services, including:
- Quarterly meetings between Executive Director for Resources and the Independent Chair of the Bristol Children's Safeguarding Board.
 - Bi-monthly Children's Services Improvement and Transformation Board, independently chaired by an LGA Children's Improvement Adviser and including in its membership the Cabinet Member for Children. The Board oversees improvement and transformation activity for children's services, and ensures that leaders understand the quality of practice in Bristol and the impact on children and families' outcomes.
- 7.3 Within the service Performance Management and Quality Assurance Frameworks are instrumental to developing and embedding a strong performance culture that is focused on continuous learning and quality improvement.
- Safeguarding assurance visits are undertaken by the service on a six-weekly basis and focus on a specific service area. A themed deep dive has been implemented since the last inspection. The deep dive will be undertaken on a tri-annual basis and triggers a revision of our self-assessment which is provided to Ofsted for our Annual Conversation.

Overall assessment of safeguarding

- 7.4 Children and Families service delivery safeguards children in the city with risks managed through purposeful work aimed at helping families achieve change quickly and sustainably. The re-configuration of services and approach is largely in line with the vision and work streams set out in the Strengthening Families Programme and is evidencing the intended impact. Whilst re-referral rates remain above those seen nationally and amongst statistical neighbours they are falling which indicates more families achieve the sustainable outcomes that we aim for.
- 7.5 Social work practice is improving as reducing caseloads give social workers more time to work with children and families. Our participation in the Signs of Safety programme is helping to embed strengths-based, solution focussed, and trauma informed practice. Consistent, high quality, purposeful approaches will be developed further in the forthcoming year as we progress our ambition to be an ACE informed city and join the Centre for Systemic Social Work, training our workforce in systemic practice. We have also been successful in becoming one of only five local authorities that will work with the University of Bedfordshire in the Contextual Safeguarding Scale Up Project focussing on safeguarding in situations of extra-familial abuse and exploitation such as criminal or sexual exploitation, serious youth violence and gangs.
- 7.6 A frontline manager development programme starts this year to ensure frontline managers have the leadership skills that will enable them to drive performance, support their team and assure safe, purposeful practice.
- 7.7 Bristol retains a relatively stable children's workforce, however turnover is at 19% and, whilst agency use remains comparatively low, a growth in the use of agency workers is anticipated this quarter as vacancies prove difficult to recruit to. Temporary members of staff and elevated turnover add to both the safeguarding and financial risks faced by the council.

- 7.8 Reduced caseloads and improved performance management is driving improved performance across key performance measures. Improvements to the quality of performance information, together with an embedded quality assurance framework are enabling earlier identification and analysis of difficulties and to take remedial action where necessary.

Key areas of challenge/risk

- 7.9 **Response to contextual safeguarding challenges**, specifically criminal exploitation, serious youth violence and gang affiliation. Resources have been allocated to develop a multiagency response to the significant and escalating risks being experienced across the city and in the East Central area in particular. The approach follows a public health approach and will benefit from our partnership with Bedfordshire University in the scale Up Project referenced above. A police led executive officer 'gold group' has been established. Operationally, a newly formed multiagency intelligence and response team will focus on enhanced safeguarding by supporting our localities model of service delivery and disruption of perpetrators.
- 7.10 **Missing Children** is the subject of improvement work in police and children's services to ensure better reporting and response to missing children. Enhanced reporting functions are being developed to enable better scrutiny of eligibility, uptake and timeliness of return home interviews (RHIs). New commissioning arrangements for RHIs will be in place within the year.
- 7.11 **Timeliness of health assessments for children in care.** Performance has improved significantly for children in long-term care however, timeliness of initial health assessments is not as good. A recovery plan is in place with partners in health piloting a new approach to paediatric appointments aimed at meeting the required timescale.
- 7.12 **Timeliness of reviews for children in care.** A number of steps have been taken to improve reported performance to just below Bristol's target level.
- 7.13 **Placement Sufficiency.** Whilst Bristol continues to have a comparatively high percentage of children placed in a foster family, we are not yet meeting our ambition to recruit more carers. Further, the profile of our carer population is changing as experienced carers retire and are replaced by new carers whose skills are less well developed and who often make a more limited offer. Measures being taken to improve local sufficiency include a revised allowance, training and support structure for carers and the development of our children's homes.
- 7.14 **Attendance and attainment for children in care and vulnerable children is improving but remains comparatively poor.** A detailed analysis has been undertaken and a plan is in place led by The HOPE Virtual School for children in care and care leavers. The attendance strategy has been launched and schools are supported by an improved team around the school offer.

Areas where improvements provide assurance that risk mitigation is effective

- 7.15 **Quality Assurance measures**, including collaborative case file audits and consistently seeking feedback from parents/carers and children, is becoming embedded in business as usual and evidences improving consistency in the quality of direct work with families, assessment and care planning in area teams.
- 7.16 **Caseloads are reducing** as a result of an increased number of case-holding social work posts and work focused on increasing the effectiveness of interventions. However, we are not yet at the case load levels we aim for across all areas of the city.
- 7.17 **Re-referrals to social care.** Re-referrals are reducing and work continues with partners to ensure thresholds are understood and support is provided to families in need at the earliest point.

- 7.18 Quality of written assessments and plans.** The timeliness of assessments is above average when compared with other local authorities. Central to our improvement work this year is workforce development aimed at improving the quality of analysis and specificity of assessments and plans for children and their families.
- 7.19 Good decision making and strong management oversight at the front door.** Identified as part of the Joint Targeted Area Inspection in October 2017 and commended in the full inspection in September 2018. We now identify neglect and name it more clearly from the front door through to area services.
- 7.20 Reduction in the rate of children on a Child Protection Plan and the length of time plans are in place.** Improved assessment, social work practice and management oversight including the implementation of a nine month check together with improved oversight and challenge from Child Protection Chairs has driven improved outcomes for children. Timely decision making means that the majority of children with a Child Protection Plan is under one year in duration and no child has a plan extending beyond two years.
- 7.21 Reduction in the rate of Children in Need, Children on a Child Protection Plan and Children in Care** results from our focus on purposeful work, the effectiveness of our Early Help Offer and the impact of work with partners. A focus on reducing teenage entrants to care, supporting more children to remain within their family and the launch of our edge of care service underpins the reducing rate per 10,000 in each group.
- 7.22 Support and outcomes for care leavers.** As reflected by inspectors, this is an area of sustained improvement over the past four years with top quartile performance for care leavers in touch with services, in education, employment and training and in suitable accommodation. A high percentage of young people stay put with foster carers beyond the age of 18 years and Bristol's Staying Close innovations pilot ensure that this option is also in place for those growing up in a children's home. These safeguarding measures, together with feedback from young people¹ help us support young people into adulthood.
- 7.23 Placements for children in care.** As recognised by Ofsted, a high percentage of children live in a stable foster placement and for those who require a children's home placement, all are rated "good" by Ofsted. Bristol's placement sufficiency plan is being refreshed and will underpin our approach to the placements market.
- 7.24 PAUSE²** works with women who have had two or more children removed from their care and aims to support women to avoid the repeat cycle of pregnancy and removal. It is a successful programme that has been commissioned for a second time to work with 20 women. For those parents who require a residential or fostering based parenting assessment, these too have been recommissioned to provide greater access to local placements and reduce the high cost of such placements.
- 7.25 Permanency.** For those who need our care, a permanency panel now ensures that permanency is considered at the earliest point and tracked to achieve best outcomes in a timely way. For those who can return to parents from our long term care, the Exit from Care Team was established in July 2018 to support more children to return home successfully. For those where adoption is the plan, adoption timeliness is above national average.

¹ Bristol has recently commissioned the [Bright Spots](#) survey to further improve the way in which young people's views are captured and support service improvement.

² <https://one25.org.uk/how-one25-help-women/pause-bristol/>

Third Line of Defence:**8. Independent Assurance from Internal Audit**

- 8.1 An Internal Audit review in 2017/18 of 'Safer Recruitment Processes' concluded improvements were required in pre-employment checking processes. A follow up to re-assess the effectiveness of these arrangements indicated that whilst some improvements were seen at recruitment stage, recording and re-checking of DBS status for social work employees required attention. The new HR/Payroll system includes enhanced functionality which should improve this.

External Assurance:**9. ILACS Inspection**

- 9.1 Bristol Children's Social Care Services were subject to a full Inspection under the Inspection of Local Authority Children's Services framework in September 2018. The Committee is to receive a separate briefing in respect of regulatory inspection activity at this meeting, however a summary is provided below.

The overall judgement is that Bristol **Requires Improvement to be Good** with sub-judgements:

- The impact of leaders on social work practice: **Good**
- The experiences and progress of children who need help and protection: **Requires Improvement to be Good**
- The experiences and progress of children in care and care leavers: **Requires Improvement to be Good**

- 9.2 Inspectors recognised substantial improvements made to services for care leavers, children in care and children in need of help and protection since the previous Full Inspection of October 2014 and Joint Targeted Area Inspection of November 2017.

- 9.3 Inspectors reported that:

- There has been considerable progress in developing an environment in which good social work can flourish by changing the way services are delivered and significantly reducing social workers' caseloads.
- Children identified as being at risk of immediate harm receive timely support and appropriate interventions.
- The vast majority of children in long term foster care live in stable homes and make good progress.
- We are in touch with virtually all of our care leavers and they receive a good level of support.
- Services for disabled children, which were previously a weakness, are now a strength.
- Corporate ownership of and commitment to children's services have resulted in strategic partnerships that are well developed and increasingly effective.
- Senior leaders are outward looking and innovative.

- 9.4 However, the inspection also identified the following areas for improvement:

- The quality of strategy discussions, reviews and child in need meetings, including records of decision-making.
- The quality of analysis in assessments and plans so that they are explicit about the desired outcomes and the timescales for completion.
- The quality of case recording, including recording of management decision-making.
- The effectiveness of arrangements to secure a sufficiency of placements.
- The educational progress and achievement of children in care.
- The take-up of return home interviews for children who go missing from home.

- 9.5 An action plan setting out how we will meet the areas for improvement was submitted to HMI on 28th January 2019.

10. Inspection of Youth Offending Services

- 10.1 An Inspection of Bristol's Multiagency Youth Offending Service was completed by HMI Probation in July 2018.

- 10.2 The overall judgement is that the service Requires Improvement, with Good for the following sub-judgements:

- Leadership and governance
- Information and facilities
- Assessment
- Implementation and delivery

- 10.3 An improvement plan is being implemented to address areas identified:

- Ensure children and young people working with the YOT receive their education entitlement and that this meets their specific needs.
- Ensure the YOT Board provides effective oversight to the work of the YOT, holding the YOT and its partners to account for their performance.
- Build on the voice of children and young people as represented in their individual assessment and plans to systematically seek their views and use these to improve the services provided to them.

Proposal

11. The Audit Committee notes the assurances offered in terms of the effectiveness of approaches being undertaken to safeguarding vulnerable children and the progress made since the Ofsted Single Inspection of 2014 as reflected in the September 2018 Inspection of Local Authority Children's Services.

Risk Assessment

12. This report is targeted at demonstrating the effectiveness of risk management arrangements around children's safeguarding.

Other Options Considered

13. N/A

14. Public Sector Equality Duties

- 14a) 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.

14b) The recommendations have no specific bearing on equality issues.

Legal and Resource Implications

Legal

Legal Services have provided views on the recommendations and the agreed recommendations have reflected their advice.

Legal advice provided by Husinara Jones (Senior Practitioner – Solicitor)

Financial

(a) Revenue

Not applicable

(b) Capital

Not applicable

Land/Property

Not applicable

Human Resources

HR advice provided by Mark Williams – Head of HR

Appendices:

Appendix 1 – Extract from Corporate Risk Register

Appendix 2 - Assurance Map

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Risk	Threat Risk Description	Key Potential Causes	Key Consequence	Strategic Theme	Risk Owner	Q3 2018/19 Risk Level			What we have done (inc. completion dates, who and meeting where papers received to note of action)	Q4 2018/19 Current Risk Level			Direction of travel	What we are doing	Resp. Officer	Timescale	Action Status	Threat Risk Tolerance Level			Management Summary on progress	Last Updated	Date for Review
						Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating						Likelihood	Impact	Risk Rating			
Failure to discharge safeguarding duties effectively results in harm or death of a child	The council fails in its safeguarding duties and this results in harm or death to a child.	Safeguarding arrangements do not meet the requirements of the Children Act and associated legislation, guidance and regulations: Inadequate controls result in harm. Management and operational practices fail. Demand for services exceeds its capacity and capability. Inability to recruit/retain social care staff in a competitive market. Poor information sharing. Strategic commissioning arrangements do not meet identified need and our ability to commission safe care for children is impaired. Increase in complex safeguarding risks, criminal exploitation, serious youth violence and gang affiliation	Harm - serious injury or death of a child/ren. Regulatory enforcement action. Litigation and other unpredicted financial cost to the LA.	Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing	Ann James Director for Children's and Families Services	2	7	14	<p>Provision of regular analysis of performance and reports to Cabinet Members and Directors regarding safeguarding performance and progress. A children's safeguarding assurance report updates senior leaders on a quarterly basis.</p> <p>The Safeguarding Children's Board provides independent scrutiny of children's safeguarding arrangements in the city and holds BCC and partner agencies to account.</p> <p>There has been a review of arrangements to meet the Prevent Duty and the Safer Bristol Board has adopted an Improvement Plan to deliver better outcomes in service provision quality and safety.</p> <p>BCC works with partners to effectively identify victims and perpetrators of CSE and take action to disrupt and protect.</p> <p>Multi Agency Public Protection Arrangements are in place (MAPPA) with BCC contributors at every level to support family safeguarding.</p> <p>The Safeguarding and Quality Assurance Service has been remodelled to secure additional capacity (Independent reviewing officer and Child Protection Chairs) and has the Local Authority Designated Officer for allegations against people who work with children.</p>	2	7	14	↔	<p>Safeguarding Board and related arrangements are under review, with the aim of improving efficiency and effectiveness, and ensuring robust governance arrangements continue to hold multiagency partners (inc. BCC) to account</p> <p>Ongoing action is being taken to extend information sharing arrangements and improve response to children at risk of criminal exploitation and going missing following CSE/Missing National Working Group recommendations. Bristol is now part of the contextual safeguarding scale up programme working with Uni of Bedfordshire to develop improved responses to contextual safeguarding risks.</p> <p>The Strengthening Families Programme is entering its second year and includes plans to:</p> <ul style="list-style-type: none"> • Reduce caseloads of social care practitioners. • Ensure purposeful practice that supports children to live safely within their families and provide local authority care for those who need it. • Ensure effective management oversight is evident on all children's records. <p>Measures to improve recruitment and retention of Social Workers are included in a revised career progression policy to be implemented (April 2019).</p> <p>In response to an identified and increasing risk of serious youth violence, criminal exploitation a multiagency plan is being developed and implemented, focussing on primary, secondary and tertiary prevention. Multiagency intelligence and operational team is being established, with a Gold</p>	Jacqui Jensen - Director Children's Services	Ongoing	Current	1	7	7	Progress is being made in line with timescales outlined.	Feb-19	Apr-19
						Becky Lewis - Acting Quality Assurance Manager		Current															
						Ann James - Director for Children and Families		Current															
						Vanessa Catterall - Principal social Worker	Sep-18	Current															
						Ann James - Director for Children and Families		Current															

Children's strategic commissioning team have a priority work plan in place and are working to increase placement sufficiency through regional framework arrangements. BCC commissioners work closely with operational services to identify need and ensure appropriate service commissioning. Due diligence and quality checks of all commissioned services for vulnerable children are in place.

Draft Assurance Map for CRR9 Safeguarding Vulnerable Children (Based on Risk Register Q3 2018/19)

Risk	Risk Register Rating		Causes	Mitigation and Control		FIRST Line of Defence (management controls)	SECOND Line of Defence	THIRD Line of Defence	External
	Current	Tolerance		Policies and Procedures	Other Controls				
<p>Safeguarding: The Council fails to ensure adequate safeguarding measures are in place, resulting in harm or death to a vulnerable adult or child.</p> <p>Owner: Jacqui Jensen</p>	14	7	<p>Safeguarding arrangements do not meet the requirements of the Children Act and associated legislation, guidance and regulations.</p> <p>Inadequate controls</p> <p>Management and operational practice fail</p> <p>Demand for Services exceeds capacity/capability.</p> <p>Inability to recruit/retain care staff in a competitive market.</p> <p>Poor information sharing</p> <p>Strategic Commissioning arrangements do not meet need and our ability to commission safe care for children is impaired.</p> <p>Increase in complex safeguarding risks, criminal exploitation, serious youth violence and gang affiliation.</p>	<p>Safeguarding Policies and procedures are in place (agreed by Safeguarding Children's Board)</p> <p>Signs of Safety programme (for continual improvement of solutions and inform practice)</p> <p>Partnership wide 'Neglect Strategy' is in place to ensure accurate assessment and timely intervention.</p> <p>Quality of placement is considered as part of statutory review process. Statutory dispute resolution procedure will escalate issues identified.</p> <p>Workforce strategy to ensure social workers are in place as necessary.</p> <p>Safe Recruitment procedures are in place (BCC wide)</p> <p>Information sharing protocols are in place with services taking action to ensure GDPR compliance.</p> <p>Multi-agency approach to criminal exploitation, youth violence and gang affiliation.</p> <p>CSE Strategy</p> <p>Complaints policy and procedure</p> <p>Children's strategic commissioning team have a priority work plan in place and are working to increase placement sufficiency through regional framework arrangements.</p>	<p>Frontline Manager development programme to be delivered in 2019/20.</p> <p>Staff training and development is comprehensive.</p> <p>Monthly professional supervision.</p> <p>Mandatory staff training – council wide</p> <p>Call off arrangements are in place to ensure competent agency social workers where necessary</p> <p>Recruitment of carers and re-profiling of childrens homes.</p> <p>Local Authority Designated Officer (LADO) is in place to deal with allegations against people who work with children.</p> <p>Prevent Duty arrangements are in place.</p> <p>Transformation and Improvement Plan to manage demand (Strengthening Families Programme)</p> <p>Edge of Care Team work to reduce demand.</p> <p>Partnership working to identify victims and perpetrators of CSE and take action to disrupt and protect.</p> <p>Quality checks on commissioned services</p> <p>Multi Agency Public Protection Arrangements (MAPPA) arrangements are in place to support family safeguarding.</p>	<p>Safeguarding and Quality assurance service oversees compliance with safeguarding practice. Areas for improvement include timeliness of assessments and reviews and pathway plans</p> <p>Collaborative case file audits and feedback from families.</p> <p>Performance and Quality Assurance Framework monitors standards.</p> <p>Annual report of IRO to management and oversight boards.</p> <p>Social worker caseload monitoring.</p> <p>Management Team is monitoring social worker vacancies and level of experienced social workers retained by the team.</p> <p>Annual report of the LADO is provided to Senior Management and the Safeguarding Board.</p> <p>Safeguarding Assurance Visits by Commissioning Team</p>	<p>Safeguarding Children Board provides scrutiny of safeguarding arrangements and oversight of 'prevent duty'.</p> <p>Quarterly meetings between Director of Resources and Chair of Safeguarding Childrens Board.</p> <p>Corporate Parenting Panel</p> <p>Youth Justice Partnership Board.</p> <p>Regional Channel Panel led by Home Office.</p> <p>Bi-monthly Childrens Services Improvement and Transformation Board (chaired by LGA advisor). This board to oversee the Ofsted improvement plan.</p> <p>Quarterly assurance reports are considered by Statutory and Policy Board including a self-evaluation of safeguarding.</p> <p>Cabinet Members and Directors receive Safeguarding Performance reports. Q"</p> <p>Scrutiny Commission -receives performance reports which include PI's around safeguarding measures.</p> <p>-monitors Ofsted improvement plans.</p> <p>Risk Manager updates of risk register.</p> <p>Safer Bristol Board has adopted and oversees an improvement plan and also over see's 'prevent' arrangements.</p>	<p>Internal Audit 2017/18 Safer Recruitment Review – Limited assurance. Follow up audit indicates that some progress made but issues still to address. New HR/Payroll system has improved functionality that will assist in further improvement in this area.</p> <p>2017/18 Strengthening Families. Programme management Review – most areas reasonable assurance, benefits realisation areas – limited assurance</p> <p>2018/19 Complaints Management Follow-up identified some non-compliance with complaints tasks and activities. However, low level of complaints. New system and process should address going forward.</p>	<p>Peer Review</p> <p>Ofsted Children's Social Care September 2018 – Requires improvement.</p> <p>Key areas for improvement include Quality and recording of cases and decisions, quality of analysis in assessment and plans, sufficiency of placements and educational progress of children in care.</p> <p>Childrens homes are rated 'good' by Ofsted.</p> <p>Benchmarking. Adoption timeline is above the national average.</p> <p>YOT Inspection 2018 – requires improvement. Key areas include ensuring people get their full entitlement to education, Board oversight to hold services to account, use of views of young people to inform service improvements.</p> <p>CQC</p> <p>Joint area child protection inspection October 2017</p>

Key:

	Assurance source identifies significant risks
	Assurance source identifies some risks
	Assurance source has identified only minimal risks
	No assessment yet made of effectiveness.



Audit Committee

Insert date of meeting

Report of: Director of Finance – Denise Murray

Title: Report on External Inspections 2018/19

Ward: Citywide

Officer Presenting Report: Chris Holme – Head of Corporate Finance

Recommendation

Audit Committee is asked to;

1. **Note the findings of the external inspections as set out in paragraphs 4 to 7 of the report**
2. **Note any improvement actions required as a consequence of the inspection findings, and where appropriate the management response**
3. **Receive an annual report summarising external inspections and audits for the previous year along with progress against recommendations.**

Summary

The purpose of this report is to summarise recent external inspections, published since the beginning of April 2018, setting out the key findings along with arrangements for implementing any recommendations arising from them. The report does not incorporate the outcome of any peer reviews.

The significant issues in the report are:

The report focuses on the outcomes of external inspections of council services, which for 2018/19 relate to one Care Quality Commission inspection of Bristol North Rehabilitation Care Services, which were rated as good, and one OFSTED inspection of children’s social care that was rated as Requires Improvement to be Good. Eleven maintained schools were also inspected by OFSTED, of which eight were judged to be Good, one judged as Requires Improvement and two judged as Inadequate.

An inspection of Youth Offending Services was undertaken by the HM Inspectorate of Probation during the summer of 2018. Overall the Bristol Youth Offending Team (YOT) was rated as Requires Improvement.



1. Policy

1.1 Not Applicable

2. Consultation

2.1 Internal -
Not Applicable

2.2 External
Not Applicable

3. Context

3.1 The purpose of this report is to provide details of recent external inspections, including, where applicable, outline of arrangements that are in place regarding implementation of recommendations and any associated governance issues. It is intended that future reports will also summarise the progress made against recommendations from across all key external audits and inspections.

3.2 The published inspections for the financial years 2018/19 primarily relate to Adults and Children's care services and schools, and undertaken by the Care Quality Commission (CQC) and OFSTED. There was also an inspection of Bristol Youth Offending Services.

4. Adult Social Care

4.1 The CQC inspection framework has a number of key lines of enquiry (KLOEs) for assessing the quality of adult social care services in the following areas;

- **Safe** - People are protected from abuse and avoidable harm.
- **Effective** - People's care, treatment and support achieves good outcomes, promotes a good quality of life and is based on the best available evidence
- **Caring** - The service involves and treats people with compassion, kindness, dignity and respect.
- **Responsive** - That services meet people's needs.
- **Well-led** - The leadership, management and governance of the organisation assures the delivery of high-quality and person-centred care, supports learning and innovation, and promotes an open and fair culture.

4.2 Ratings are awarded on a four-point scale; 'Outstanding', 'Good'; 'Requires Improvement', or 'Inadequate'.

4.3 CQC carried out an inspection of this **Bristol North Rehabilitation Care Services** on 20th August 2018 and 20th September 2018. The feedback the inspectors received from people who used the service, relatives and reablement staff was positive. Satisfaction was expressed regarding the quality of the staff and their ability to "get them back on their feet", and as a result of this

CQC rated the service as Good. The ratings in each of the categories which form the KLOEs are shown in table 4.1 below.

Table 4.1 – Bristol North Rehabilitation Care Services

	Safe	Effective	Caring	Responsive	Well-led
Key question rating	Good	Good	Good	Good	Good

Overall location rating	Good
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4.4 There were no improvement requirements arising from the inspection.

5. Children's Social Care

5.1 The OFSTED inspection of Children's Social Care Services was undertaken between the 10th September and 21st September 2018. A summary of the outcome of the inspection is set out in Table 5.2 below;

Table 5.2 – Inspection of Children's Social Care Services

Judgement	Grade
The impact of leaders on social work practice with children and families	Good
The experiences and progress of children who need help and protection	Requires improvement to be good
The experiences and progress of children in care and care leavers	Requires improvement to be good
Overall effectiveness	Requires improvement to be good

5.2 OFSTED concluded that since the single inspection framework (SIF) inspection in 2014 and the joint area targeted inspection (JTAI) in 2017, services have improved substantially for care leavers, children in care and children in need of help and protection. Greater corporate ownership of, and commitment to children services have resulted in strategic partnerships that are well developed and increasingly effective. They went on to conclude that senior leaders, who are outward looking and innovative, have a good understanding of strengths and areas for improvement. They have made considerable progress in developing an environment in which good social work can flourish by changing the way in which services are delivered and significantly reducing social workers' workloads. While children, young people and families do not always currently get a good service, this is improving.

- 5.3 Practice improvements were most evident in a number of areas identified as weak in the most recent SIF inspection and the JTAI. Children identified as being at risk of immediate harm received more timely support and appropriate interventions. The vast majority of children in long-term foster care live in stable homes and make good progress. The local authority is in touch with virtually all of its care leavers, most of whom receive a good level of support. Services for disabled children, which were previously an area of weakness, are now a strength. However, despite these tangible improvements, outcomes for children and young people at every stage of their contact with children's services are not yet uniformly good and some pockets of weaker practice remain.
- 5.4 The inspectors set out a number of improvements required, and these are set out in table 5.3 below, along with a summary of the management response with regard to actions.

Table 5.3 – Children's Social Care - Improvement Actions Required

Improvements Required	Management Response
The quality of strategy discussions, reviews and child in need meetings, including records of decision-making.	An improvement plan was submitted to Ofsted in January 2019 which includes a development programme and technological solutions to assist frontline managers and practitioners in improving the written record.
The quality of analysis in assessments and plans so that they are explicit about the desired outcomes and the timescales for completion.	As above
The quality of case recording, including recording of management decision-making.	As above
The effectiveness of arrangements to secure a sufficiency of placements.	An improvement plan was submitted to Ofsted in January 2019 which includes elements of our Strengthening Families Transformation Programme including a focus on recruiting and retaining foster carers through a revised allowances, training and support offer, developing our children's homes estate and refreshing our Placement Sufficiency Plan.
The educational progress and achievement of children in care.	A detailed analysis has been undertaken and a plan is in place led by The HOPE Virtual School for children in care and care leavers. Outcomes evidence improvement. The attendance strategy has been launched and schools are supported by an improved team around the school offer.
The take-up of return home interviews for children who go missing from home.	Return Home Interviews are the subject of improvement work in police and children's services to ensure better reporting and response to missing children. Enhanced

	reporting functions are being developed to enable better scrutiny of eligibility, uptake and timeliness of return home interviews (RHIs). The Bristol Safeguarding Children's Board Sub-Group have agreed a change to a relationship based model of RHIs. Additionally, new commissioning arrangements for RHIs will be in place within the year.
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- 5.5 Bristol has five registered Children's Homes and two Short Break Homes for disabled children. One is temporarily decommissioned due to moving premises. Of those that are operational, all were graded 'Good' by Ofsted at their last full inspection. Three of the Homes have received an interim inspection since their last full inspection. Two have sustained effectiveness and one has declined in effectiveness. Each Home has an improvement plan to address any recommendations made by inspectors.
- 5.6 In addition to the inspection process, each home receives a monthly visit undertaken by an Independent Visitor whose role it is to assess the performance of the Home against the Children's Home Standards. A report is received by senior managers and actions put in place to address any areas for improvement that are highlighted. This is a statutory requirement outlined in the Children's Homes Regulations.
- 5.7 Bristol also makes use of the independent sector and has children placed across 31 Independent Children's Homes and Residential Schools. Of these, five are judged Outstanding, seventeen are judged Good, four are judged Requires Improvement (3 Homes are under a separate inspection framework for Wales and 2 are new and await a full inspection). Bristol's Placements and Commissioning team monitor independent providers and work as members of Children's Cross Regional Arrangements Group to monitor and share intelligence on independent residential providers.
- 5.8 The above is in addition to the Children Act Independent Review process which considers the suitability and quality of the care plan and placement for every child in our care.

6. Youth Offending Services

- 6.1 An inspection of Bristol Youth Offending Services was undertaken by HM Inspectorate of Probation Services during the summer of 2018. Bristol Youth offending team (YOT) supervises 10-18-year olds who have been sentenced by a court, or who have come to the attention of the police because of their offending behaviour but have not been charged - instead, they were dealt with out of court. YOTs are statutory partnerships and they are multidisciplinary, to deal with the needs of the whole child. They are required to have staff from local authority social care and education, the police, the National Probation Service and local health services.
- 6.2 The inspection process assessed three key areas of work, organisational delivery, court disposals and out of court disposals. The findings under the three domains are set out in table 6.1 below. Overall Bristol YOT was rated as: Requires improvement, with good assessments for a number of

areas in each of the three domains.

Table 6.1 Key Findings of Youth Offending Services Inspection

Assessment Area	Inspection Rating	Key Findings
Organisational Delivery		
Governance and leadership	Good	Bristol was ambitious for its children and young people. The Chair of the YOT Management Board shared that ambition, but the work of the board needed to be more effective.
Staff	Requires improvement	Staff in the YOT were knowledgeable, generally well-trained and motivated to do their best. There were, however, too few of them to deliver the range and quality of services that was expected.
Partnerships and services	Requires improvement	There was a creative range of positive partnerships. These had not, however, ensured that all children and young people working with the YOT, often with complex needs, received the education that was so important to them.
Information and facilities	Good	The YOT and Bristol Early Help Services took an innovative and increasingly sophisticated approach to their use of information. There was, however, no systematic approach to using the voice of children and young people to improve services.
Court Disposals		
Assessment	Good	Initial assessments were generally good. Case managers had a good understanding of the children and young people they worked with.
Planning	Requires improvement	Planning for work to protect others, and to support the safety and wellbeing of the child or young person, was often not done well. Some staff did not have a good understanding of how to use the AssetPlus integrated planning tool to support good risk management planning
Implementation and delivery	Requires improvement	The delivery of work to support desistance by the child or young person was good, including appropriate response to non-compliance
Reviewing	Requires improvement	Insufficient attention was given to ensuring that planning, delivery and review in the YOT clearly integrated the work of other agencies involved with the child or young person, and to making sure that this was coordinated well
Out of Court Disposals		
Assessment	Requires improvement	Assessment required improvement. It did not give enough attention to the risk of harm to others and to safety and wellbeing

Planning	Requires improvement	Planning for work to support the desistance of children and young people was done well. There was, however, insufficient planning to manage the risk of harm to others and support safety and wellbeing. Greater attention needed to be given to the promotion of safety and wellbeing
Implementation and delivery	Good	There was good work in most cases to encourage desistance from offending. The engagement skills of case managers ensured that children and young people generally complied with the work of the YOT.
Joint working	Good	The YOT and police worked together well in making joint out-of-court disposal decisions. Communications needed to be more systematic. National guidance on the use of assessments was not followed fully.

6.3 An improvement and development plan has been agreed and is being implemented to address the areas requiring improvement and a review underway to focus on sustainability and integration.

7. Schools

7.1 OFSTED have inspected a total of thirty two schools in the city since April 2018, of which eleven were Bristol City Council maintained schools. The outcomes of the maintained school inspections are set out in table 7.1 below, along with a summary of improvements actions required where appropriate. Eight schools were judged to be good, one judged to be requiring improvement, and two judged to be inadequate.

7.2 Of the twenty one academies inspected, one was judged to be outstanding, eight were judged to be good, seven judged to be requiring improvement and five inadequate.

Table 7.1 - OFSTED Maintained School Inspections April 2018 to March 2019

School	Inspection Outcome	Improvements required/ Support provided
Kingsweston	Good	
St Bernard's	Good	
Air Balloon Hill Primary	Good	
School of Christ the King	Good	
St Bernadette's Secondary	Good	Receiving support through the Strategic School Improvement bid
St Weburgh's Primary	Good	

Ashley Down Primary	Good	
Knowle Park Primary	Good	
Broomhill Infants	Requires Improvement	<p>Improve the quality of teaching and learning in mathematics and writing so all pupils make good progress by:</p> <ul style="list-style-type: none"> • improving pupils' reasoning and problem-solving skills in mathematics • supporting pupils to articulate their thinking in mathematics clearly • ensuring that activities planned develop pupils' writing in a range of different subjects. Improve the quality of leadership and management by:– ensuring that governors have the knowledge they need to be able to monitor the work of the school effectively • improving the impact of middle leaders and therefore pupils' outcomes • evaluating the effectiveness of the curriculum to ensure that it meets the needs of all pupils. <p>The school is receiving a building capacity support package from LA</p>
May Park Primary	Inadequate	<p>Improve the quality of leadership by:</p> <ul style="list-style-type: none"> – introducing a more rigorous approach to tackling the school's weaknesses and ensuring that pupils make strong progress – ensuring that leaders use assessment information to hold teachers to account for the progress pupils make – ensuring that governors have the information they need to challenge leaders effectively about pupils' progress – providing teachers with effective professional development and challenge to improve their practice – rigorously analysing incidents of challenging behaviour to reduce risk of future occurrences. Improve the quality of teaching, learning and assessment by: – raising expectations of what pupils can achieve – ensuring that learning activities are well matched to the needs of pupils – ensuring that pupils are provided with interesting activities that challenge them to think deeply and prepares them well for the next stage in their education. <p>Improve outcomes for pupils by:</p>

		<ul style="list-style-type: none"> – urgently improving the progress that pupils make in reading, writing and mathematics so that more pupils achieve the expectations for their ages – ensuring that more pupils, including the most able pupils, achieve higher standards in all year groups – improving the quality of teaching, learning and assessment in the early years so that children make rapid progress and are well prepared for Year 1 – ensuring that phonics is taught effectively – ensuring that pupils who speak English as an additional language and disadvantaged pupils have the resources and guidance they need to make good progress. <p>Improve behaviour by:</p> <ul style="list-style-type: none"> – raising expectations of behaviour in lessons and across the school – ensuring that there are robust systems in place to analyse and learn from behaviour incidents in order to reduce their frequency. <p>The school is receiving support through the Strategic School Improvement bid</p> <p>Interim governing board in place and access to school causing concern funded support from LA</p> <p>Academy order - moving to Excalibur Trust by end of academic year</p>
St Pius	Inadequate	<p>leadership and management by ensuring that</p> <ul style="list-style-type: none"> – the roles and responsibilities of senior leaders are urgently clarified with the governors, the local authority and the diocese – governors develop an accurate understanding of the effectiveness of the school and hold all leaders, including subject leaders, to account for the quality of education provided – the knowledge of the subject leaders is improved so that they can provide support in all key stages – an effective safeguarding culture is established – there is a more strategic approach developed to eradicate persistent absenteeism and improve pupils' attendance

		<ul style="list-style-type: none"> – the curriculum prepares pupils well for life in modern Britain and the next stage of their education – the funds for disadvantaged pupils are used strategically to raise pupils’ outcomes. <p>Improve pupils’ outcomes in reading, writing and mathematics through the improvement of teaching and learning in all key stages, including early years, by:</p> <ul style="list-style-type: none"> – raising teachers’ expectations of what pupils can achieve – using assessment information accurately to provide pupils with tasks that challenge them and build on previous learning – ensuring that the most able pupils are challenged to deepen and extend their thinking – improving the learning support assistants’ knowledge and understanding so that they provide more accurate support for pupils. <p>An external review of the school’s use of pupil premium should be undertaken in order to assess how this aspect of leadership and management may be improved. An external review of governance should be taken in order to assess how this aspect of leadership and management may be improved.</p> <p>Interim governing board arrangements in place and access to school causing concern funded support provided by LA</p>
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- 7.3. The Council’s School Improvement Offer provides a graduated approach to school improvement which will provide bespoke support and challenge to each school/academy depending on their current context and needs. As well as the graduated programme of support to maintained schools and academies, schools will have access to an annual ‘Bristol School Improvement Fund’ for which schools can submit bids that are focused on Bristol priorities. Schools which are secure and currently judged Good/Outstanding will be invited to submit bids to support projects in clusters of schools to develop system led school improvement and improve outcomes for our most vulnerable pupils using evidence based interventions
- 7.4 Bristol Education Partners (BEPs) are commissioned associates who support groups of schools, geographically or organisationally linked where possible. Those that are deemed to be vulnerable based on factors such as inspection grade, pupil outcomes, self-evaluation or other performance indicators, receive additional visits and support.
- 7.5 Overall accountability for the delivery, evaluation and ongoing monitoring of the programme success of the project will be held by the Excellence in Schools Group, who in turn will report to the Learning City Partnership Board.

7.6 School Risk Assessment Process

7.6.1 Decisions are made about the support level for each school/academy based on the most recent performance data; information from the regional school's commissioner; latest Ofsted inspection report; a one page summary SEF submitted by each school; and a self-assessment of each school's strengths. In September, all maintained and academy schools are required to assess themselves against the support level criteria and establish where they believe they match the criteria. This self-assessment also informed discussions with LA officers and Excellence in Schools Group members about which level of support the school will receive.

7.6.2 Schools have been assigned a support level based on the following descriptors, with the focus being on the minority of schools in the 3rd and 4th categories:

- System Leader: good and outstanding schools, with secure results and likely to have an accredited leader for school improvement work. These schools also have capacity to support other schools and take an active role in improving the system as a whole across Bristol.
- Self-Improving: good and outstanding schools, with secure results. These schools are able to accurately evaluate their work, plan effectively for improvement and commission the support they require.
- Building Capacity: schools judged to require improvement or schools where this is the likely judgement at the next inspection. These schools need some support to build capacity.
- Causing Concern: schools judged to have serious weaknesses or require special measures will require more significant support.

7.6.3 Commissioned support from a BEP is allocated based on the above risk assessment. Schools and academies also have access to funding to support this work. In respect of building capacity and causing concern schools, the use of the improvement fund will be agreed with the head teacher or principal and the BEP.

7.7 Progress review meetings are designed to support schools in monitoring the impact of their work and the support they receive. It is essentially a performance management approach. Meetings will use a range of evidence to evaluate the progress schools are making in relation to the identified priorities and actions. The following information will be used to inform progress review meetings:

- Changes in the school's context;
- The school's current financial position;
- A report from the head teacher;
- A report from the governing body;

- Any reports of professionals who have carried out commissioned support.

7.8 The meeting will evaluate the actions taken and the evidence of impact to date. Further actions will be agreed and funding implications discussed. A judgement will be made against headings reflecting the Ofsted inspection framework.

8. Risk Assessment

8.1 This is a report for Audit Committee to consider and note, and deals with matters that are in the public domain.

9. Public Sector Equality Duties

8.1 There are no specific equalities implications arising from the recommendations

9. Legal and Resource Implications

9.1 Legal

There are no specific legal implications arising from the recommendations in this report

Legal advice provided by Sarah Sharland – Team Leader Litigation Regulatory and Community Team 18/03/19

9.2 Financial

There are no additional financial implications arising from the recommendations

9.3 Land/Property

Not applicable

Land/property advice provided by <Insert name and job title>

9.4 Human Resources

Not applicable

HR advice provided by <Insert name and job title>

10. Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

- An inspection of youth offending services in Bristol - HM Inspectorate of Probation Sept 2018
- Bristol City Council - Bristol North Rehabilitation Care Services – Care Quality Commission – Oct 2018
- OFSTED inspection reports – Bristol Schools - April 2018 to March 2019
<https://reports.ofsted.gov.uk/>



Audit Committee

26th March 2019

Report of: Chief Internal Auditor

Title: Internal Audit – Draft Plan 2019/20.

Ward: N/A

Officer Presenting Report: Jonathan Idle – Chief Internal Auditor
Alison Mullis – Head of Internal Audit (Job Share)

Recommendation

The Audit Committee review and approve the draft Internal Audit Plan for 2019/20. In doing so, the Committee should ensure the plan reflects the areas for which they will require assurance from Internal Audit in 2019/20.

Summary

The report provides the Audit Committee with the Audit Plan for 2019/20.

The significant issues in the report are:

- The methodologies used to formulate the Annual Audit Plan; (Section 2 of Appendix A)
- Resourcing the plan. (Section 3 of Appendix A)
- Key features of the plan. (Section 4 of Appendix A)
- Plan deliver and performance monitoring. (Section 5 of Appendix A)
- The Internal Audit Plan. (Appendices 1 and 2 of Appendix A)



Policy

1. Audit Committee Terms of Reference.

Consultation

2. Internal

- The Corporate Leadership Board
- Executive Directorate Management Teams
- Monitoring Officer
- S.151 Officer
- Other Management

3. External

Benchmarking with external organisations.

Context

4. The Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end, it should seek assurance that the key areas that contribute to this framework are operating properly.
5. The Council's Internal Audit service is a key component of the assurance framework and the Audit Committee's Terms of Reference includes a requirement to provide independent assurance to the Council in relation to internal audit activity. The Audit Committee need to consider if the planned Internal Audit work is appropriate and sufficient to provide the Committee with the assurance it requires. Public Sector Internal Audit Standards 2013 include guidance that the Committee should review and approve the Internal Audit work plan.

Proposal

6. The Audit Committee review and approve the draft Internal Audit Plan for 2019/20. In doing so, the Committee should ensure that plan reflects the areas for which they will require assurance from Internal Audit in 2019/20.

Other Options Considered

7. None Necessary.

Risk Assessment

8. An adequate and effective internal audit service, as well as a statutory requirement, is an integral part of good governance. A sound Internal Audit planning process minimises the risk of non-compliance with statute and good practice, and at the same time maximises the value that Internal Audit adds to the Council's governance arrangements and internal control environment.

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 equalities assessment necessary for this report.

Legal and Resource Implications

Legal – Not applicable

Financial

(a) Revenue – Not applicable

(b) Capital – Not applicable

Land/Property - Not applicable

Human Resources - Not applicable

Appendices:

- **Appendix (A) – Internal Audit Draft Plan Report and Draft Plan for 2019/20**

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Audit Planning Files, Corporate and Directorate Risk Registers, Public Sector Internal Audit Standards.



A

BRISTOL INTERNAL AUDIT

INTERNAL AUDIT: DRAFT PLAN 2019/20

Date: March 2019

Page 83

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1. Purpose of this Annual Plan Report

1.1 This report provides an overview of Internal Audit's proposed work plan for 2019/20. Its purpose is to:

- Provide the Audit Committee with the draft planned Audit coverage for 2019/20
- Provide details of the methodology used to formulate the plan
- Draw attention to key features of the proposed plan
- Provide details on the plan monitoring process, together with the follow-up and escalation process.

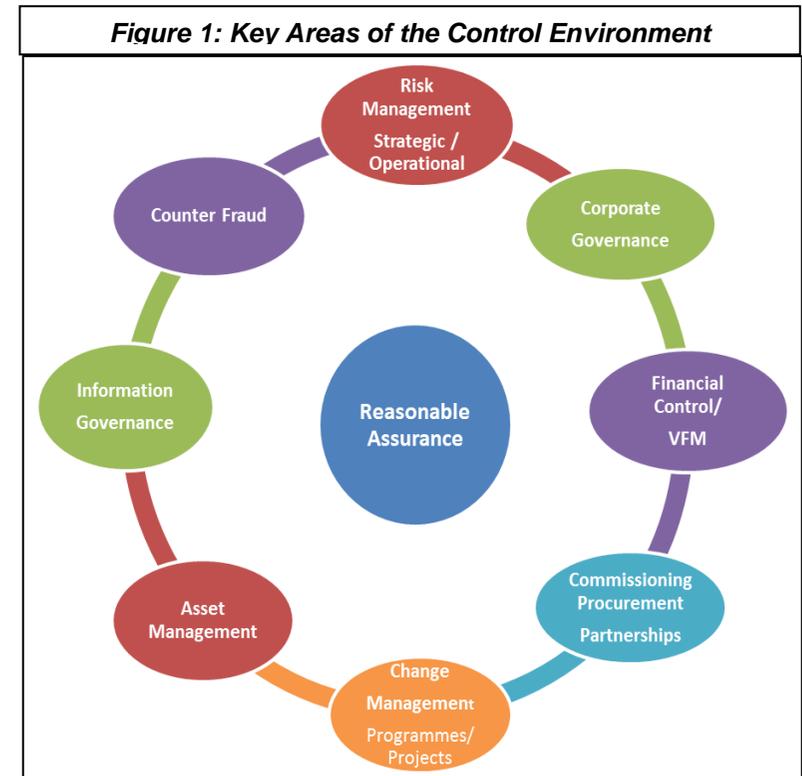
2. Formulation of the 2019/20 Audit Plan

2.1 The Internal Audit planning process reflects the requirements of the Public Sector Internal Audit Standards 2013 (PSIAS) and supporting Local Government Application Note produced by CIPFA/CIIA. It results in an audit plan which should:

- Ensure a complete a programme of work is planned to enable provision of an evidence based opinion on the whole risk management, governance and control environment to the Head of Paid Service and Audit Committee in support of the Annual Governance Statement (AGS)
- Help the Council meet high standards of service delivery, conduct and governance by examining, evaluating and reporting on the risk management, governance and internal control environment
- Ensure the team are in a position to deliver other elements of work carried out on behalf of the Council which also support the year-end opinion.

2.2 The level of Internal Audit resources required to examine all Council activities far exceeds those available each year. It is therefore important to ensure work is planned so that the maximum benefit is achieved in respect of the above aims and that the team complete work which is risk based and adding value. In preparing the audit plan, work is designed to provide assurance in key areas within the Council's risk, governance and control environment as demonstrated by Figure 1.

Figure 1: Key Areas of the Control Environment



- 2.3 In developing the plan, a desk top review has been undertaken of the potential risk areas for audit review including consideration of:
- The risks recorded in the Corporate Risk Register to determine the need to provide independent assurance regarding the management of those risks
 - The Council's and national fraud risk registers that are specific to local authority operations
 - The areas identified by the Council's Annual Governance Review process as potential governance issues
 - The results of audit work completed last year to determine where further work or 'follow up' reviews are required.
 - The budget proposals for the Council.
- 2.4 Additionally, consultation with officers and Members has taken place as follows to ensure a correct assessment of the risks to achievement of the Council's objectives and to ensure a clear understanding of how Internal Audit work fits with other sources of assurance:
- The Corporate Leadership Board
 - Executive Directorate Management Teams
 - Monitoring Officer
 - S.151 Officer
 - IT and Information Security Colleagues
 - Finance Managers
- 2.5 Internal Audit also has responsibility, on behalf of the Council for facilitation of developments in the following areas and this work is also included in the work plan:
- Co-ordination of assurances around corporate governance and compilation of the Annual Governance Statement (AGS)
 - Ensuring robust counter fraud arrangements are in place across the Council.
- 2.6 The outcome of the above process is the draft annual plan at Appendix 1. The plan sets out a work programme that will enable formation of an opinion on the whole of the Council's risk management, internal control and governance arrangements based on sampling risk management strategies and control/governance systems. However, recognising that the Council's risk profile may change during the year, the plan will be reviewed quarterly to ensure it remains relevant throughout the year.
- 2.7 Appendix 2 provides fuller details of the intended coverage.

3. Resources

- 3.1 In April 2017, the team was joined by an Interim Chief Internal Auditor to provide strategic support to enhance organisational ownership of governance, risk management and internal control. This has included reviewing the Internal Audit Service and development and delivery of an improvement action plan.
- 3.2 A team review and restructure has now been completed and has seen resources available to the team increase. Recruitment to new/existing vacant posts within the new structure is progressing well however the team will commence the year with 4 vacancies whilst recruitment continues. The audit plan has been based on a resourcing assumption that all vacancies are filled by the end of the first quarter with two posts being kept vacant for longer periods to fund buy in of skills required and temporary resource commitments already made. As permanent recruitments progress, the team's dependency on temporary resource will reduce to use only in exceptional circumstances.
- 3.3 The restructure has seen changes to resource available to the team in the following areas:
- Management resource has been increased by the addition of a new strategic management post of Chief Internal Auditor. This role will focus on the strategic delivery of the service and relationships management to enhance the profile of internal control and contribute to improving governance across the Council. Continued preparation of the team to a position where it can offer more services commercially is also key to this role going forward.
 - Fraud Team resources have been enhanced to include a further managerial role to allow focus to be maintained on both the proactive and responsive work elements undertaken. An additional investigator resource has been added and a permanent (previously seconded) Housing Advisor role on the team has been secured.
 - Senior Auditor numbers in the Assurance Team have been increased by one whilst more junior roles have decreased. This is to reflect the more complex nature of work required of the team.
 - A Data Analyst resource has been added to the team structure to enhance the use of data in both Audit and Fraud prevention and detection work.
 - Trainee posts within the team have also increased to provide opportunities to develop competent auditors going forward in a market place where it is difficult to recruit appropriately experienced and qualified audit staff. As well as retaining an apprentice role in the team, a Graduate Trainee post has now been established.
- 3.4 The team has secured, subject to internal approval processes, the continued support of a specialist IT audit resource which will predominantly be used to provide independent assurance concerning the IT improvement programme – the Future State Assessment Programme.
- 3.5 Table 1 below provides the Committee with a summary view of the proposed coverage for 2019/20, split by audit type and providing indicative days to be spent in each area. It also provides details of days allocated in previous years. Details of the Audit reviews planned in each area for 2019/20 are provided in Appendices 1 and 2.

Table 1: Summary of proposed Audit Plan 2019/20 with previous year comparatives:

Area of Work	Indicative Days	
	2019/20	2018/19
• Governance Systems	195	245
• Risk Management Effectiveness	140	205
• Financial Control Systems	255	285
• Certifications	150	150
• Schools Financial Governance	100	100
• Value for Money Exercises	50	42
• Commissioning and Procurement	100	120
• Asset Management	95	100
• Information Security	175	145
• Projects and Programme Management	170	195
• Follow up provision	176	60
• General Contingency	200	100
• Total Risk, Governance, Assurance	1806	1747
• Counter Fraud		
• Strategic Fraud Work	19	8
• Fraud Prevention	273	97
• Fraud Detection (incl tenancy fraud work)	814	743
• Responsive Fraud Investigation excl Tenancy (including DWP interface)	550	418
• Total Fraud	1656	1266
Total Planned Coverage	3462	3013
Total Available Productive Days	3467	2846

- 3.6 For each audit assignment planned, the resource required is estimated. A number of factors that occur either before or during the audit reviews can significantly alter (in either direction) the number of days required for individual reviews. The Plan includes an allocation of days for reactive/responsive work that will inevitably arise during the year.
- 3.7 The Audit Plan needs to be flexible to ensure it can change as the Council's risk environment changes. As such, the plan will be reviewed quarterly. Any amendments to the plan will be reported to management and the Audit Committee during the year.

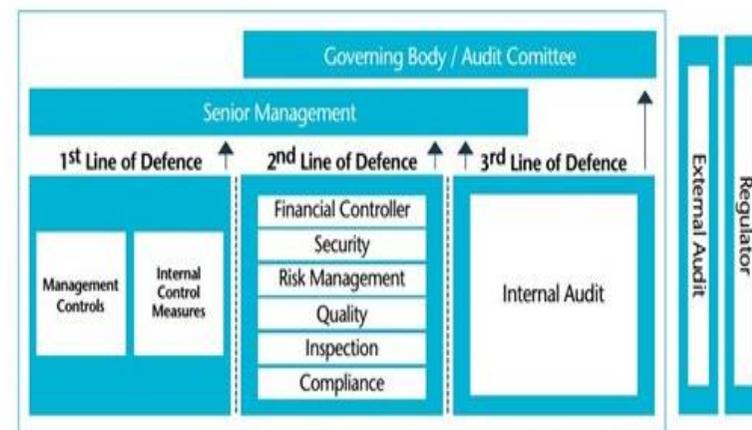
3.8 Whilst Value for Money (VfM) work represents a small percentage of the overall Audit plan, it is integral to all of the work completed and is considered at each audit assignment as a matter of course. A small contingency is also included for specific and targeted VfM work that is not specifically covered elsewhere in the plan. Additionally proactive fraud and irregularity work often identifies significant VfM opportunities.

4. The Audit Plan – Key Features

4.1 The plan reflects the highest risk areas to the Council and is designed to ensure that assurance is targeted effectively to enable provision of an opinion on the whole governance, risk and control framework. Significantly, this year, approaches include:

- **Flexibility and Responsiveness** – recognising that independent assurance requirements and organisational risks will change during the year, more flexibility has been built into the plan:
 - Contingencies have been included in the Audit side of the plan to allow for additional in year work requests should they arise and finalisation of work carried forward from 2018/19. This will enable the team to accept a limited number of requests for work in year without impacting on the planned work for 2019/20.
 - Resources for responsive fraud investigation work have been increased to ensure the team can deliver investigations in a more timely way.
 - Resource allocations have been made in the following areas without specifically defining the scope and coverage at this point. Again this will ensure that, at the time the piece of work is delivered, resources are targeted most effectively to provide the maximum value to the organisation:
 - Risk Management – see below
 - Grant Certifications
 - Schools Assurance
 - Projects and Programme
 - Procurement
 - Additionally, the plan will be reviewed quarterly and ‘flexed’ if necessary to reflect any change in risks to the organisation

- **Risk Management.** The plan reflects that the organisation now has a dedicated risk management resource. This has resulted in a much more dynamic corporate risk register than previously and potentially enhanced ‘second line’ assurance. As such, the plan in this area has been left flexible to allow for detailed review of areas of Corporate Risk each quarter without being specific at this time. The risk to be reviewed will be selected following quarterly reviews of the Corporate Risk Register and based on the levels of risk indicated. Quarterly meetings between Internal Audit and the Risk Manager should help to ensure these reviews are correctly focussed and support the development of organisational risk maturity. Work will continue this year to develop and refine assurance mapping processes for the highest risks. Assurance mapping aims to provide an overview of the different sources of assurances that are in place to manage risks and ensure those assurances are robust. It considers the extent to which three core sources of assurance are in place – commonly called the ‘three lines of defence’ further explained in this diagram.



- **Follow up.** The plan includes increased resources for follow up work. Where Internal Audit reports include high and medium priority recommendations for improvement, follow up work is carried out to confirm implementation of recommendations. Given the number of audit reviews concluding only limited assurance can be provided, the need for follow up is greater. Additionally, Internal Audit are working with management to improve the implementation rate of improvement recommendations made. The Activity Report being considered at this meeting provides fuller detail in this area.
- **Use of Data and Analytics** to both target audit resource and enhance fraud prevention and detection remains a key element of the plan. Provision in the structure of a Data Analyst role will enable the team to develop audit approaches designed to give greater levels of assurance and ensure resource is targeted in the most beneficial areas. Procurement and continued work on Direct Payments are areas we have specifically identified for this but use of this technique in much wider areas is envisaged. Additionally, significant resource has been allocated in the plan to expedite development of data matching, warehousing or a fraud 'hub' in the prevention and detection of fraud.
- **Information Security and IT Asset Management.** The Council is currently reviewing its IT infrastructure and how that needs development to ensure resilient and digital delivery of services going forward. Management and organisational changes in this area sees IT and information security rising as a priority in the audit plan. Specialist resource has been commissioned to oversee implementation of IT improvements and in house resources will target information governance and security arrangements in place testing the embeddedness of GDPR and other information security standards.
- **Financial Governance.** The plan retains a significant focus on financial control. As budget pressures continue across the Council, strong financial control is paramount to ensure the Council's financial resilience is secured. The plan includes significant resource allocation to the certification of grant claims to enable the Council to maximise income from this source.
- **Tenancy Fraud.** The year will begin with a significant piece of work around tenancy fraud – a key amnesty – which will, for a fixed period of time, encourage tenants who no longer need or use their council house to hand back the keys so it can be re-allocated to people with a genuine housing need. Advertising this begins in March 2019 and continues into April and May 2019.

4.2 **Team Development and Improvement.** As well as delivering the Assurance and Counter Fraud programmes set out in the Audit Plan, a significant amount of time has been set aside to continue to develop and improve the services offered by the team during 2019/20. Action plans resulting from the external Peer Review of the audit team in February 2018 continue to be implemented with continual improvement to process and procedures required to ensure that both management and the Audit Committee continue to have confidence in the outcomes of the work completed. Early priorities for 2019/20 include:

- Recruitment to remaining posts in the new structure.
- Implementing the reporting formats used by the team and how audit opinions are expressed to ensure greater clarity. (The Audit Committee will receive a separate paper on this at a future meeting).
- Training staff in analytics based software
- Delivery of a training strategy for the team
- Continued review of audit processes and documentation to ensure a lean and efficient approach
- Growing the volume of business with a view to increasing income generation to enhance the resilience of the team going forward.

5. Plan Monitoring

5.1 Performance against completion of the annual plan will be measured and reported in Internal Audit Activity reports at most Audit Committee meetings. The Audit Committee approved the Quality Assurance and Improvement Programme during 2017/18 which set out some key performance indicators for the team. The development of a business plan for the audit team has seen performance targets reviewed and the following will be reported to Audit Committee going forward:

- Delivery of Internal Audit Plan – Complete to at least draft report stage 90%
- Compliance with Public Sector Internal Audit Standards 95%
- Delivery of Audit Opinion in time to inform the Annual Governance Statement (AGS) May 2019
- Deliver of Counter Fraud Awareness Training Plan 90%
- Number of properties recovered by Tenancy Fraud Initiative 40
- Level of Recommendations Implemented (Fully or Partially) 90%
- Client Satisfaction (post individual audit review) with a score of good or above 85%
- Positive responses to annual management survey re benefits and value of audit service 90%
- Delivery of AGS in line with statutory timeframe May 2019

6. Follow Up and Escalation

- 6.1 As detailed above, monitoring the implementation of audit recommendations remains key.
- 6.2 Details of Audit follow up work will be reported to the Committee as part of in year updates and annual report. Directorates/Services that fail to implement High/Medium recommendations within the agreed timescale will be brought to the attention of the Committee.
- 6.3 The Escalation Procedure includes escalating issues of concern through the management structure and ultimately to the Audit Committee. Members are expected to require relevant Executive Directors or Directors/Heads of Service to explain any failure to satisfactorily implement improvement recommendations or to confirm their acceptance of the risks associated with non- implementation of recommendations.

7. Context

- 7.1 The Audit Committee's Terms of Reference includes a strategic requirement to ensure that the Council's internal control and assurance framework is operating effectively. To enable them to do so, the Committee needs to ensure it seeks assurance that key areas that contribute to this framework are robust. The work of Internal Audit is a key component of the assurance provided to the Committee in fulfilling this role and the Audit Committee need to ensure the plan is focussed on the key assurances they require.
- 7.2 The Public Sector Internal Audit Standards 2013 guidance on the role of Audit Committees in relation to Internal Audit suggests that it should involve reviewing, assessing and approving the Internal Audit work plan for delivery of the Audit Service.
- 7.3 The standards also include the requirement that Internal Audit must be operationally independent. The Internal Audit Charter and Terms of Reference detail the arrangements in place regarding the team's operational independence including details of the reporting lines for the Head of Internal Audit.
- 7.4 There is one area of work that the team does deal with operationally on behalf of the Council; facilitating the preparation and review of the Annual Governance Statement. There are synergies between this and audit work and they are well aligned to the assurances that Internal Audit seek to provide. The External Auditor, however, independently reviews the Annual Governance Statement to ensure it has been prepared to properly reflect the governance activities that have operated at the Council in respect of 2018/19 and as such completion of this work is not felt to be an issue.

**INTERNAL AUDIT
DRAFT PLAN 2019/20**

Assurance Area			
Corporate or Cross Directorate	Resources Directorate Specific	People	Growth & Regeneration Specific
Governance			
Annual Governance Statement	Trading with Schools	OFSTED Improvement Actions - monitoring and review.	New Housing Company - Joint Venture
Ethical Framework	Companies Governance Arrangements		
Partnership Working - Tracking of Outcomes (CRR 22)	Commercialisation Readiness		
Response to Ombudsman Reports			
Whistleblowing Review			
Improving Governance			
RIPA Processes			
LGA Peer Review			
Performance Reporting - Data Quality			
Risk Management			
Audit of Risk Management	Harbour Review	Transition to adult services - Disabled Children	Homelessness
CRR Risk Audit - Business Continuity Planning		Guardianship role (power of attorney)	
CRR - Risk Audit Q2		DBS checks	
CRR - Risk Audit Q3			
CRR - Risk Audit Q4			
Internal Control			
Financial Controls			
Certifications	Certifications	Certifications	Certifications
Capital Programme Financial Monitoring / delivery	Treasury Management	Education Support Grant - Contingency resources for further discussion	Housing Stock - Rent Collection and Arrears Recovery
Savings Realisation	Facilities Management - Financial Management	Schools Assurance	Financial Review of Park Cafes
Grant Funding Exit Strategies	Preparations for Making Tax Digital	Care Debt	Approval Process between BCC and WECA
IR35	VAT Arrangements		Bristol Impact Fund
	Payroll		Car Parking Income
	Litigation settlements		
Commissioning and Procurement			
Procurement Analytics and targeted audit review	Supplier Checks and Supplier Resilience	Procurement - Social Care	
Procurement - "off contract" spend.			
Contractors - application of Living Wage.			
Procurement and contract management compliance (CRR 24)			
Information Security/ICT			
Information Governance Board		Compliance with Data Security and Protection (DSP) Toolkit	New Housing IT System - security and controls.
Future State Assessment Assurance			
Information Security Practice			
Data security breaches			
Cyber Security (CRR 7)			
IT and business resilience			
Information Governance and Security			
Subject Access Request Procedures			
Privacy Impact Assessments			
Records of Data Processing Activities			
Data Storage			
HR and Asset Management			
Appointment of Interims and Consultants		Children's Social Worker Recruitment and Retention	Housing Stock Management - Response Repairs
Security of Heritage Assets			Embedded Assurance - Asset Management System
Absence Management			
Organisational Improvement Plan			
Projects and Programmes			
ABS Functions		New Model for Education and Skills	Capital Programme Delivery - Specific Projects
General Allocation - Projects and Programmes		CRR 23 - Better Lives Programme.	Housing ITE System - Phase 2
		Strengthening Families programme - Closure Phase	
		People Major Systems Procurement	
VFM/Targeted Savings Identification			
		Education – Home to School transport.	Garage Stock
		SEND – efficiency of case work processing	
Counter-Fraud			
Strategic Fraud Risk Management			
CIPFA Annual Fraud Survey			
Transparency Reporting			
Bribery & Corruption Risk Register			
Fraud Risk Register			
Fraud Policy Review			
Fraud Web Pages Maintenance			
Fraud Prevention Work			
Fraud Awareness Training	Building Practice	Pupil tracking requests	Key Amnesty

Data Analytics/ Data Hub		Schools Fraud Health check	
Money Laundering Risk Assessment			
Social Housing Gateway Review (allocations)			
E Learning Updates/management			
Publicity and Fraud Awareness			
Proactive Fraud Detection Exercises			
Fraud hotline management	Enterprise pool cars/expenses - Fraud and VfM review	Direct Payments	RTB Reviews
Gain	Analytics - Fiscal Fraud Module		Tenancy - Housing Applications
Data Matching - NFI Output	Analytics - Inappropriate use of IT		Blue Badge Contingency
Data Matching - NFI HMRC Pilot - data sets and output	CTR Casework		Council Funded Burials
			Tenancy Fraud - Multi-Storey Block
			Tenancy Fraud - casework
Fraud Investigation			
Responsive Contingency	Benefit Fraud Casework		Analytics - Land Registry Matching

INTERNAL AUDIT DETAIL DRAFT PLAN 2019/20

Directorate	Name of Review	Potential Coverage
Governance		
Corporate	Annual Governance Statement	Annual governance review co-ordination and Annual Governance Statement preparation on behalf of the Council.
Corporate	Ethical Framework	To review the adequacy and effectiveness of aspects of the Council's Ethical Framework. Precise coverage will be discussed with the Monitoring Officer.
Corporate	Partnership Working - Tracking of Outcomes (CRR 22)	To review the effectiveness of processes in place within the Council to monitor the delivery of planned outcomes in the delivery of Council objectives when working in partnership. Also to follow up any relevant areas identified in 2017/18 Audit review of Partnership Arrangements.
Corporate	Response to Ombudsman Reports	To review the extent to which lessons are learned from Ombudsman reports and any recommendations implemented.
Corporate	Whistleblowing Review	Annual review of the effectiveness of the Council's Whistleblowing arrangements. The review will include follow up of previous audit recommendations and those of other reviews.
Corporate	Improving Governance	Allocation to support activity for improving governance arrangements. Potentially to include continual review of processes to ensure Internal Audit and other inspection recommendations are implemented
Corporate	LGA Corporate Peer Review	To review progress in responding to recommendations from the LGA Peer Review
Corporate	Performance Reporting - Data Quality	To review processes in place to ensure performance data reported to senior management and members is accurate and verifiable. This will include testing a sample of reported performance measures for accuracy.
Corporate	RIPA Arrangements	To review arrangements in place to ensure compliance with the Regulation of Investigatory Powers Act.
Resources	Trading with Schools	Review of arrangements to ensure that the service offer is robust for commercialisation. The review will also follow up on known issues within the service.
Resources	Companies Governance Arrangements	Oversight and watching brief of governance arrangements in relation to Council Companies
Resources	Commercialisation Readiness	A review to assess the organisational readiness for commercialisation including commercialisation management systems.
People	OFSTED Improvement Actions - monitoring and review.	Review of the improvement board and assurances regarding progress and effectiveness of actions.
Growth and Regeneration	New Housing Company - Joint Venture	To review governance and monitoring arrangements in relation to the new Housing Company

Risk Management		
Corporate	Audit of Risk Management	Annual review to assess the maturity of risk management across the Council. The review will include follow up of previous audit reviews.
Corporate	CRR 5- Business Continuity Planning	To review the effectiveness of mitigating actions to manage the risk identified in the Corporate Risk Register and assess assurances in place relating to the risk.
Corporate	CRR - Risk Audit Q2	Selection of a risk from the Corporate Risk Register to review the effectiveness of mitigating actions and assess assurances in place relating to the risk.
Corporate	CRR - Risk Audit Q3	Selection of a risk from the Corporate Risk Register to review the effectiveness of mitigating actions and assess assurances in place relating to the risk.
Corporate	CRR - Risk Audit Q4	Selection of a risk from the Corporate Risk Register to review the effectiveness of mitigating actions and assess assurances in place relating to the risk.
Resources	Harbour Review	To review the management of key risks in relation to the Harbour Strategy included in the Corporate Risk Register
Growth and Regeneration	Homelessness	Specific coverage will be determined but could potentially include: - effectiveness of action in respect of the Key Commitment in the to betaken from the Council Business Plan in reducing the overall level of homelessness and rough sleeping. - Evaluation of how the Council complies with the Homelessness Code of Guidance for Local Authorities - How the Council ensures value for money is being achieved in the of Temporary, Bed and Breakfast and "out of district" Accommodation
People	Transition to Adult Services - Disabled Children	To review compliance with policy and best practice to ensure care provision continues to be effective.
People	Guardianship Role (power of attorney)	To review policy and processes to ensure the guardianship role is carried out effectively and within the interests of the service user.
People	DBS checks.	To review effectiveness of arrangements for obtaining and rechecking DBS status following implementation of new HR system.
Internal Controls		
Financial Controls		
Corporate	Certifications	A provision to undertaken grant and other certifications required by the Council.
Corporate	Capital Programme Financial Monitoring /	To review the effectiveness of capital programme and capital spend monitoring.
Corporate	Savings Realisation	To review arrangements in place to monitor delivery of the savings included in the medium term financial plan.
Corporate	Grant Funding Exit Strategies	To review the robustness of financial planning arrangements for when grant funding sources reduce or cease.
Resources	Treasury Management	Review to ensure that the Treasury Management function complies with best practice including loan and investment procedures and controls, cash flow controls, value for money, fraud and reconciliation controls. The review will include a review of bank line procedures and insurance arrangements relevant to this area.
Corporate	IR35	To review arrangements for ensuring that any 'off payroll' processing complies with HMRC rules for such engagements.
Resources	Facilities Management - Financial Management	Specific review of financial management, budgetary control and financial forecasting in this area.

Resources	Preparations for Making Tax Digital	To review the implementation and project plans in place to ensure that the Council is MTD compliant by October 2019.
Resources	VAT Arrangements	To review controls in place to ensure that VAT is correctly accounted for and information in HMRC returns is accurate and verifiable.
Resources	Payroll System control (I Trent)	Walkthrough tests on key payroll processes following implementation of new system (I Trent). The review will include
Resources	Litigation settlements	To ensure litigation claims are only paid in appropriate and valid circumstances
People	Care Debt	Time allocation to review Care Debt. The audit is yet to be fully scoped but could include areas such as avoidance/causes of debt, approach to debt recovery or bench-marking approaches with others.
People	Use of Education Support Grant - Contingency resource.	Contingency provision in this area - subject to further discussion with management to determine any possible audit coverage.
People	Schools Assurance	A provision to undertake themed control reviews at a selection of schools and any necessary LEA audit work.
Growth and Regeneration	Housing Stock - Rent Collection and Arrears Recovery	To review the control process for the management of income from the Council's housing estate and monitoring of rent arrears.
Growth and Regeneration	Financial Review of Park Cafes	To assess financial processes to ensure income is maximised and correctly brought to account.
Growth and Regeneration	Approval Process between BCC and WECA	To review the efficiency and governance arrangements of the Decision making timetables between WECA/Joint Committee and the Council in respect of relevant aspects of the Capital Programme.
Growth and Regeneration	Bristol Impact Fund	Review of how the Bristol Impact Fund of £3.7m to voluntary, community and charity bodies is governed and monitored for outcomes and effectiveness.
Growth and Regeneration	Car Parking Income	To review controls in place relating to non cash income collection in relation to car parking charges.

Commissioning and Procurement

Corporate	Procurement Analytics and targeted audit review.	Use of data analytics to determine a programme of targeted control reviews and detailed testing in the area of procurement.
Resources	CRR 24 - Procurement and contract management compliance	A review of the arrangements in place for awarding and managing of contracts. This will include a review of the effectiveness of risk mitigations included in the CRR. It was a new risk in the CRR at Q3 in 2018/19.
Resources	Supplier Checks and Supplier Resilience	To review the adequacy of due diligence arrangements for how prospective suppliers are checked, approved and set up and to review whether proper contractual and insurance arrangements are in place in the event of an incident that impacts upon the supply of a good/service.
Resources	Procurement - "off contract" spend.	Use of data analytics to review the extent of off contract spend and compliance with procurement regulations
Resources	Contractors - Application of Living Wage.	Open book review of a sample of contractors reviewing performance monitoring of contract and how robustly output is monitored.
People	Procurement Plans - Social Care	To review arrangements for Adult Care Commissioning.

VFM/Targeted Savings Identification

Adults Children and Education	Education – Home to School transport.	To determine if value for money is achieved in this area. The review will cover planning, processes and spend. (NB could also add the environmental cost of Home to school Transport planning).
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Adults Children and Education	SEND – case work processing	To review the efficiency of casework processing and gateways across the whole process. The review to include benchmarking approaches with others.
Growth and Regeneration	Garage Stock	Use of analytics to review the approach to management of garages owned by the council - particularly those not in use.
HR and Asset Management		
Corporate	Appointment of Interims and Consultants	To review the procedures and controls in place for the appointment of interim support to the Council. The review will include ensuring the approaches taken support value for money for the council.
Corporate	Security of Heritage Assets	To review the physical security of the Council's Heritage assets and ensure appropriate insurance is in place.
Corporate	Absence Management	To review the application and effectiveness of policies and processes in place to manage and minimise the impact of sickness absence.
Corporate	Organisational Improvement Plan	Monitoring and tracking implementation and effectiveness of the Key Actions within the Organisational Improvement Plan (launched in January 2019)
People	Children's Social Worker Recruitment and Retention	To review the mitigations in place to managing this key safeguarding risk.
Growth and Regeneration	Housing Stock Management - Response Repairs	To review that procedures and controls are in place to effectively manage and monitor the repairs and maintenance budget, that job costs are accurately recorded and accounted for.
Growth and Regeneration	Embedded Assurance - Asset Management System	Embedded Assurance approach to the project delivery of the implementation of a new system.
Information Security/ICT		
Corporate	Information Governance Board	Attendance at the Information Governance Board as a critical friend and for ongoing assurance.
Corporate	Future State Assessment Assurance	To provide assurance and critical friend role to the Board and the Council that the FSA Programme will deliver the required outcomes.
Corporate	Cyber Security (CRR 7)	Review of security, with reference to other assurance providers and watching brief on improvements made.
Corporate	IT and business resilience	To review the extent to which key services are resilient to IT outage should it occur.
Corporate	Information Governance and Security	To review the effectiveness of arrangements in place to ensure information security is fully considered in delivery of information management systems. The review will include governance arrangements for IT Management and Security including the role of the SIRO. The review will also examine information risk management processes including the alignment with corporate risk registers and audit risk consideration.
Corporate	Data Storage	To review the security and effectiveness of the data storage arrangements.
Corporate	Subject Access Requests	To review processes for the receipt, logging and dealing with subject access requests in line with requirements and timeframes.
Corporate	Data security breaches	To review processes for receiving , dealing, recording and reporting data security breaches.
Corporate	Privacy Impact Assessments	To ensure that arrangements have embedded effectively to provide assurance that the Council is compliant with requirements. The review will test the understanding of Privacy Impact Assessments.
Corporate	Records of Data Processing Activities	To ensure that arrangements have embedded effectively to provide assurance that the council is compliant with requirements. The review will test the completeness and robustness of ROPA's
Corporate	Information Security Practice	Review of Information Security Management System (ISMS), against ISO27001 best practice.

Growth and Regeneration	New Housing IT System - security and controls.	Review of IT access and processing permissions for key elements of the Housing Management System. The review will test the system controls for ensuring housing estate management processes are robust including housing management, void management, rent collection and repairs processes.
People	Compliance with NHS Data Security and Protection (DSP) Toolkit	A review of the Council's responses to the DSP Toolkit to determine any risks to compliance in this area.

Projects and Programmes

Corporate	General Allocation - Projects and Programmes (non Capital)	Allocation for assurance of project and programme governance. Either overview or allocation to specific projects as required.
Corporate	ABS Functions	Embedded Assurance approach to the project delivery. Key project which is due to commence in 2019/20
People	New Model for Education and Skills	Embedded Assurance approach to the project delivery. Key project which is due to commence in 2019/20
People	CRR 23 - Better Lives Programme.	Embedded Assurance approach to the project delivery. A key element of this review will include management of risks concerning delivery of savings.
People	Strengthening Families programme - Closure Phase	Embedded assurance of project closure and transition to business as usual including continue monitoring of deliverables.
People	People Major Systems Procurement	Embedded Assurance approach to the project delivery. Key project which is due to commence in 2019/20
Growth and Regeneration	Capital Programme Delivery - Allocation for review of Specific Projects	Allocation for embedded assurance over key capital projects - projects yet to be determined
Growth and Regeneration	Housing ITE System - Phase 2	Embedded Assurance approach to the project delivery. Key project which is due to commence in 2019/20

Counter-Fraud

Strategic Fraud Risk Management

Corporate	CIPFA Annual Fraud Survey	Benchmarking the Council against other Local Authorities in terms of fraud risks and responses.
Corporate	Transparency Reporting	Provision of information concerning fraud at the Council for upload to the web page in line with transparency requirements.
Corporate	Bribery & Corruption Risk Register	To review Bribery and Corruption risks and ensure appropriate mitigation is in place.
Corporate	Fraud Risk Register	To update fraud risk registers ensuring the organisation is clear on the fraud risks it faces and has effective mitigations plans in place
Corporate	Fraud Policy Review	Review of the Fraud Policy to ensure it remains relevant and in line with best practice.
Resources	Fraud Web Pages	Maintenance of web pages which provide advice/guidance to Council officers and awareness of fraud matters.

Fraud Prevention Work

Adults Children and Education	Pupil tracking requests	Provision for Investigations on behalf of People Directorate.
Adults Children and Education	Schools Fraud Health check	Development and roll out of a fraud health check for schools.
Corporate	Fraud awareness training	Contingency to use where need is identified (Housing, Customer services, Benefits)
Corporate	Data Analytics/ Data Hub	Enhanced use of data and development of a data hub in the prevention and detection of fraud.
Corporate	Money Laundering Risk Assessment	To identify key areas that require understanding of money laundering threats and liaise with the Money Laundering Reporting Officer to raise awareness in these areas.

Corporate	Social Housing Gateway Review (allocations)	To review control processes and procedures in place in allocation of Council housing.
Corporate	E Learning updates/management	Maintenance of fraud related e learning packages.
Growth and Regeneration	Key Amnesty	Campaign to encourage tenancy fraudsters to surrender their tenancy and raise awareness/encourage reporting of tenancy fraud.
Growth and Regeneration	Publicity and Fraud Awareness	To raise awareness of fraud matters using Corporate Communications and issue fraud alerts as appropriate.
Resources	Building Practice	A fraud prevention controls review in the area of building practice

Proactive Fraud Detection Exercises

Corporate	Fraud hotline management	Administration and management of Council Wide Fraud Hotline.
Corporate	GAIN	Provision to respond to enquiries from police and others agencies in the wider investigation of crime.
Corporate	Data Matching - NFI Output Review	Review of output from the mandatory national fraud initiative exercise
Corporate	Data Matching - NFI HMRC Pilot - data sets and output	Review of output from the pilot national fraud initiative exercise using HMRC data (test data set)
Resources	Enterprise pool cars/expenses - Fraud and VFM review	Use of data analytics to identify unusual activity in this area and duplication. VFM analysis could also analyse cost of bookings not used and overall cost compared to paying mileage.
Resources	Analytics - Fiscal Fraud Module	Fraud testing of accounts payable systems using the fraud module of the accounting system.
Resources	Inappropriate use of IT (Basic analytics)	Use of analytics to identify the extent to which IT is used for inappropriate purposes.
Resources	CTR Casework	Investigation of potential Council Tax Reduction Fraud cases
People	Direct Payments	Allowance to both complete ongoing data analytics and to investigate the results. Also to undertake a sample of financial reviews annually.
Growth and Regeneration	Right to Buy Reviews	Testing to verify eligibility of applicants who apply to purchase their Council house.
Growth and Regeneration	Tenancy - Housing Applications	Testing to verify eligibility of applicants who apply for housing.
Growth and Regeneration	Blue Badge Contingency	Allowance to both attend some of the joint working exercises and investigate where required.
Growth and Regeneration	Council Funded Burials	Testing to determine the extent to which the Council is funding burials where costs should be met from other sources.
Growth and Regeneration	Tenancy Fraud - Multi-Storey Blocks	Identification and investigation of tenancy fraud cases targeting multi-storey blocks
Growth and Regeneration	Tenancy Fraud - casework	Identification and investigation of tenancy fraud cases.

Fraud Investigation

Corporate	Responsive Contingency	Contingency for investigation of fraud referrals to the team.
Growth and Regeneration	Benefit Fraud Casework	Single point of contact role for provision of information to the Department of Work and Pensions for their investigations into housing benefit fraud.
Growth and Regeneration	Land Registry Matching	Allocation to explore the possibility of data matching using land registry records in fraud prevention/detection.

Audit Committee

26th March 2019



Report of: Chief Internal Auditor

Title: Peer Review Implementation Update

Ward: City-Wide

Officer Presenting Report: Jonathan Idle - Chief Internal Auditor

Recommendations

That the Committee:

1. Note the progress on the implementation of the recommendations from the Peer Review.

Summary

The Internal Audit Service was externally reviewed against the Public Sector Internal Audit Standards (PSIAS) in line with professional requirements in February 2018. The assessment concluded that Bristol City Council's Internal Audit Service "Generally Conforms" with the requirements of the Standards. This report highlights the status of the implementation of the recommendations contained in the Peer Review.

The significant issues in the report are:

- As at March 2019, 64% of the recommendations had been implemented with a further 32% in progress.



Policy

The external review of the Internal Audit function once every five years is a requirement of the Public Sector Internal Audit Standards (PSIAS) which are mandatory for the Internal Audit service within Bristol City Council.

Consultation

1. Internal

Interim Chief Internal Auditor, S151 officer, Corporate Leadership Board, Cabinet member for Finance, Governance & Performance, Audit Committee.

2. External

Not Applicable.

3. Context

In April 2013, a new set of Public Sector Internal Audit Standards (PSIAS) became effective. These standards apply to the Internal Audit function in all parts of the public sector in the UK and are mandatory. Within the PSIAS there is a requirement for an independent external review of the internal audit function once every five years. In order to address this requirement, the Core Cities Chief Internal Auditors Group set up a peer review process, managed by the constituent members, to provide the external reviews.

The purpose of the external review was to establish compliance with the PSIAS, ensure that governance is embedded within the service and identify areas where further improvement was required, thereby ensuring that the service is fit for purpose and free from any influencing factors which may impact on its independence.

The Peer Review was undertaken by the Chief Internal Auditor from Sheffield City Council and reported in February 2018. The outcome of the Review was reported in full to the Audit Committee in March 2018 and concluded that *“BCC’s Internal Audit Service **Generally Conforms** with the requirements of the Public Sector Internal Audit Standards. “The Internal Audit Service was assessed against 342 questions supporting the Standards, of which the reported outcome was:*

- 84% Fully Conformed
- 98% Fully / Partially Conformed

Areas were identified for improvement and the key themes are summarised as:

- The role of Internal Audit in the Council’s Risk Management process and its impact upon independence (Recommendations 1 & 16).
- Training and Appraisals (Recommendations 5-9 & 11).
- Working Papers (Recommendations 18 & 21).
- Reporting Format (Recommendations 2 & 24).
- Other Processes (Recommendations 13 & 19).

The Peer Review identified 28 recommendations, which if implemented, would further increase the level of conformity with the PSIAS and enhance the service.

4. Update on Implementation

The status of implementation of the 28 recommendations is set out in Appendix A.

In summary, as at March 2019, (with comparison to the status previously reported to the Committee in September 2018 in brackets):

- 64% (43%) complete (18 recommendations)
- 32% (46%) in progress (9 recommendations)
- 4% (11%) not complete. (1 recommendation)

5. Proposal

That the Committee note progress on the implementation of recommendations from the Peer Review.

6. Other Options Considered – N/A

7. Risk Assessment –N/A

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 equalities assessment necessary for this report.

Legal and Resource Implications:

Legal - N/A

Financial – N/A

Land – N/A

Personnel – N/A

Appendices:

- **Appendix A –Peer Review Implementation Update September 2018**

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

- Public Sector Internal Audit Standards
- Local Government Application Note for UK Public Sector

Peer Review Report Observations	Recommendations	Update – March 2019
<p>Whilst the Internal Audit Charter acknowledged that the team was not organisationally independent and safeguards were described that would go some way to mitigate any perceived or actual conflict of interest, testing confirmed that to date there have been no independent assurance reviews of risk management commissioned.</p>	<p>Recommendation 1:</p> <p>It was stated that the role of IA with regards to risk management and governance was being considered with a view to the responsibility being moved out of Internal Audit leaving it free to provide scrutiny and challenge as appropriate.</p> <p>It is recommended that this review be concluded and the safeguards required to maintain the independence of the service be embedded.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment:</p> <p>The responsibility for Risk Management now lies with the Risk and Insurance Manager.</p> <p>In respect of the role undertaken by Internal Audit in the compilation of the Council’s Annual Governance Statement, it has been agreed that in the absence of alternative provision, experience and expertise within the Council, Internal Audit will continue to undertake this core Council activity.</p> <p>In relation to the Health and Safety responsibilities previously undertaken on behalf of the Finance Department, this has been reviewed and Internal Audit will no longer be required to undertake such tasks.</p>
<p>Threats to objectivity at a functional level were identified because of the role of Internal Audit in risk management and governance (see above).</p> <p>It was further noted that the periodical rotation of assurance assignments between staff was naturally occurring as there had been continual movement in staffing in the service; however no formal staff rotation policy was in place.</p>	<p>Recommendation 2:</p> <p>As recommended above, safeguards should be developed and embedded to maintain functional independence.</p> <p>For specific audit assignment an independence statement should be included within the Terms of Reference and Draft and Final reports to confirm there is no conflict of interest for the auditor performing the review.</p>	<p>Status: Complete</p> <p>Comment:</p> <p>The various report templates and Terms of Reference have been updated, where applicable, in relation to independence statements.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>The CAE is at a 3rd Tier - Head of Service level which can impact on the influence they have on the rest of the organisation.</p> <p>In practice, however, the Chief Internal Auditor regularly attends Leadership Team meetings and provides constructive challenge.</p>	<p>Recommendation 3: The position of the CAE would be enhanced by the formalisation of Internal Audit attendance at SLT/DLT etc.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment:</p> <p>The Chief Internal Auditor and Head of Internal Audit regularly attend the Corporate Leadership Board, Statutory & Policy Board and Directorate EDM's.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>The Board (Audit Committee) does not approve the internal audit budget.*</p> <p>* denotes generally accepted practice within the sector</p>	<p>Recommendation 4: The Audit Committee should determine whether it is satisfied with the current arrangements for approving the Internal Audit budget.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: The Audit Committee approves the resources for delivery of assurances but not the budget per se and can make recommendations to senior management if it considers resources are insufficient. Additionally, members can propose a budget amendment as part of the budget setting process should they consider appropriate.</p>
<p>The Heads of Internal Audit have not had a performance appraisal for a number of years.</p> <p>The Chief Executive or equivalent does not undertake, countersign, contribute feedback to or review the performance appraisal of the CAE *</p> <p>The Chair of the Audit Committee does not contribute to feedback to the performance appraisal of the CAE.*</p>	<p>Recommendation 5: Identified as part of self-assessment. As a minimum, the Heads of Internal Audits should have an annual performance appraisal undertaken.</p> <p>Consideration should be given to method for obtaining feedback from the Head of Paid Service and Chair of the Audit Committee</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: Performance Appraisals for the Head of Internal Audit have been undertaken.</p>
<p>A draft Training Strategy for the Finance Service has been produced which focusses on professional qualifications only. A skills review within Internal Audit is to be undertaken by the Chief Internal Auditor as part of the Improvement Plan to ensure the service has the correct skills, knowledge and competence to perform its responsibilities.</p>	<p>Recommendation 6: As outlined in the Improvement Plan, the skills review should be undertaken by the Chief Internal Auditor.</p>	<p>Status: Complete</p> <p>Comment: The Skills Review has been completed and implementation of a revised structure is well progressed. There will, however, be further and ongoing reviews of how gaps in skills and knowledge will be addressed.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
All auditors do not currently have sufficient knowledge of computer assisted audit techniques. This has arisen as experienced staff have left the services.	Recommendation 7: Identified as part of self-assessment. Training in this area is planned, and should be rolled out as appropriate.	Status: In Progress Comment: As part of a wider review of Training Strategy and needs of the section, Computer assisted audit training (CAAT) is ongoing within the team, for example in data analytics. Additional training in this area has occurred in 2018/19, however, it still requires acceleration across the team as a whole.
Whilst internal auditors have had an annual appraisal and mid-year review, objectives and targets for the 17/18 financial year were not established.	Recommendation 8: Identified as part of the self-assessment. Targets should be established for the all auditors going forward. Performance against targets should be monitored throughout the year.	Status: Complete (as at Sept 19) Comment: Objectives and targets have been set for the section and for individuals.
Professionally qualified staff are responsible for meeting their own professional body requirements. A Training Strategy for the team is not in place.	Recommendation 9: Following the outcome of the Skills Review and the establishment of performance targets, a training strategy should be formulated to guide the future development of the team.	Status: Complete Comment: The Training Strategy has now been completed.
Compliance with routine quality monitoring processes was not consistently demonstrated.	Recommendation 10: Consideration should be given to re-introducing the quality control checklist to ensure Audit Managers clearly demonstrate compliance with the review process.	Status: In Progress Comment: Quality control has been reviewed and now requires specific sessions with the team to set out arrangements commencing from 2019/20

Peer Review Report Observations	Recommendations	Update – March 2019
<p>Whilst performance monitoring was undertaken, the Chief Internal Auditor confirmed that the current suite of PI's were outdated and needed refreshing.</p>	<p>Recommendation 11: The performance targets for Internal Audit should be refreshed in line with the wider corporate performance review and in consultation with appropriate parties.</p> <p>Once the performance target refresh has been undertaken, the new suite of PI's should be regularly monitored and reported.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: Performance Targets have been refreshed for 2018/19 and submitted to the Audit Committee.</p>
<p>The self-assessment identified a non-conformance in respect of the risk based plan taking into consideration the Council's assurance framework. It is acknowledged that a number of attempts have been made to develop an assurance framework for the Council but this has not been achieved.</p> <p>The PSIAS requires that an assurance mapping exercise is undertaken as part of identifying and determining the approach to using other sources of assurance.</p>	<p>Recommendation 12: Within the Improvement Plan there is an agreed action to progress assurance mapping for the Council.</p> <p>The approach to using other sources of assurance and any work that may be required to place reliance upon those sources should be further developed as part of the assurance mapping exercise.</p>	<p>Status: Complete</p> <p>Comment: Assurance mapping has commenced on a phased and pilot basis and incorporated when undertaking risk based audits on the Corporate Risk Register.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>Whilst procedures were agreed to guide the internal audit activity, these were not fully documented in the form of an audit manual and/or use of an electronic management system. This has led to variations in application and thus inconsistencies in areas such as working papers and file storage.</p>	<p>Recommendation 13: Documented procedures should be developed to guide staff in performing their duties in a manner that conforms to the PSIAS.</p>	<p>Status: Not Complete</p> <p>Comment: The completion of this action can only occur after the implementation of various other recommendations / improvements within the service.</p>
<p>The Chief Internal Auditor identified that liaison between internal and external audit was very limited. It is acknowledged that the External Auditors do attend the audit committee meetings and so are updated on the planned work of the team, however regular liaison meetings do not occur.</p>	<p>Recommendation 14: It is anticipated that these will be reinstated when the new EA providers are engaged.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: Planning and Liaison meetings with the Council's new External Auditor have commenced and a schedule of meetings has been established.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
A new approach to following-up audit recommendations has been devised to monitor implementation of high and medium priority recommendations. The Head of Internal Audit acknowledged however that the follow-up programme was behind schedule due to reduced resources.	Recommendation 15: Resources to conduct the new follow-up process should be established, with the results reported to DLT and SLT's.	Status: Complete (as at Sept 19) Comment: This was a short-term issue only at the time of the Peer Review and resources are allocated for the Follow Up Programme.
Due to the role of Internal Audit in risk management, it is difficult to assess how the service could evaluate the effectiveness of the organisation's risk management processes.	Recommendation 16: The role of the Internal Audit team in the risk management process should be formally reviewed and appropriate safeguards introduced to protect independence. An option would be the implementation of the proposed external reviews of risk management.	Status: Complete (as at Sept 19) Comment: The responsibility for Risk Management now lies with the Risk and Insurance Manager.
Testing established that Audit Managers are not required to demonstrate approval of engagement work programmes as part of their quality review, and instead the issuing of the Terms of Reference by the manager was considered sufficient.	Recommendation 17: The quality review checklist recommended above should incorporate a requirement for approval of the engagement work programme to be demonstrated.	Status: In Progress Comment: Quality control has been reviewed and now requires specific sessions with the team to set out arrangements commencing from 2019/20.

Peer Review Report Observations	Recommendations	Update – March 2019
<p>From a review of four audit assignments, there was insufficient detail within the working papers of three assignments to fully demonstrate that conclusions within the reports had been based on sufficient analysis and evaluation.</p>	<p>Recommendation 18: Consistent completion of the working papers, particularly the RCES, should be undertaken to ensure that all conclusions within the audit reports are adequately supported by documented testing.</p>	<p>Status: In Progress</p> <p>Comment: While working paper processes had been inconsistent, audit reports issued are soundly based and occur after discussion and scrutiny of findings by relevant managers receiving the reports.</p> <p>Expectations and standards for consistent working papers are being reviewed and will be shared with management and the Assurance Team at the earliest opportunity.</p>
<p>The methodology used to file and store audit assignment working papers was not consistently applied. For 2 files sampled, the Head of Internal Audit was unable to immediately locate the working paper file and had to contact the auditor who had performed the review for assistance.</p>	<p>Recommendation 19: File storage protocols should be documented and adhered to for all types of engagement record.</p>	<p>Status: Complete</p> <p>Comment: The new protocols have been written and will be implemented commencing 2019/20.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>The standard requires that all engagements are properly supervised and whilst it was stated that an agreed approach existed, this was not consistently applied. With one of files reviewed, the working papers had not been fully completed and this had not been raised as part of the quality review by the Audit Manager.</p>	<p>Recommendation 20: The approach to undertaking and document the quality review by the Audit Manager should be evaluated to ensure it meets the requirements of the PSIAS. If necessary, the checklist of requirements should be reintroduced.</p>	<p>Status: In Progress</p> <p>Comment: Quality control has been reviewed and now requires specific sessions with the team to set out arrangements commencing from 2019/20</p>
<p>The review of four audit assignments identified that the working papers for three of these were not sufficiently completed and detailed to enable another experience internal auditor, with no previous connection with the audit, to ascertain what work was performed, to re-perform it and if necessary to support the conclusions reached.</p>	<p>Recommendation 21: As above, consistent completion of the working papers, particularly the RCES, should be undertaken to ensure that all conclusions within the audit reports are adequately supported by documented testing.</p>	<p>Status: In Progress</p> <p>Comment: While working paper processes had been inconsistent, audit reports issued are soundly based and occur after discussion and scrutiny of findings by relevant managers receiving the reports. Expectations and standards for consistent working papers are being reviewed and will be shared with management and the Assurance Team at the earliest opportunity.</p>
<p>The working paper which was in place to demonstrate the supervision and review of an audit engagement by an Audit Manager was not always completed. In addition, the checklist of items that should be checked/reviewed as part of the quality monitoring was no longer in use.</p>	<p>Recommendation 22: As above, the approach to undertaking and document the quality review by the Audit Manager should be evaluated to ensure it meets the requirements of the PSIAS. If necessary, the checklist of requirements should be reintroduced.</p>	<p>Status: In Progress</p> <p>Comment: Quality control has been reviewed and now requires specific sessions with the team to set out arrangements commencing from 2019/20.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>As a consequence of the findings identified from the assignment working paper reviews, there is a risk that that reports do not disclose all material facts, or that the opinions are not supported by sufficient, reliable, relevant and useful information. Whilst testing did not identify material omissions, the lack of consistency with working paper completion and quality review processes increases the risk that this may occur.</p>	<p>Recommendation 23: See recommendations above to ensure complete, detailed working papers are maintained.</p>	<p>Status: In Progress</p> <p>Comment:</p> <p>While working paper processes had been inconsistent, audit reports issued are soundly based and occur after discussion and scrutiny of findings by relevant managers receiving the reports.</p> <p>Expectations and standards for consistent working papers are being reviewed and will be shared with management and the Assurance Team at the earliest opportunity.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>Audit reporting at Bristol City Council is by exception. The standards encourage internal auditors to acknowledge satisfactory performance in engagement communications. Interviews with key officers confirmed the audit reports have improved in recent months and further reviews of the report formats are planned as part of the Improvement Plan.</p>	<p>Recommendation 24: Identified as part of self-assessment. To be considered as part of the review of report formats.</p>	<p>Status: Complete</p> <p>Comment: The various report templates have been updated. All Audit reports (and summaries to Audit Committees) reflect the balance of the findings in the respective audit with areas of compliance/ good practice and areas for improvement being explicit.</p>
<p>The self-assessment has identified an area of partial conformance surrounding the timeliness of the audit communications.</p>	<p>Recommendation 25: Chief Internal Auditor and Audit Committee to determine any actions arising.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: A new performance measure will monitor the length of the audit process and this will be measured, monitored and reported to the Audit Committee in 2018/19.</p>
<p>The annual internal audit report generally incorporates the requirements of the PSIAS, however the self-assessment identified that the results of the QAIP together with progress against any improvement plans resulting from the QAIP, were not fully covered.</p>	<p>Recommendation 26: The annual internal audit report should incorporate the results of the QAIP, together with progress against any improvement plans resulting from the QAIP.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: The QAIP was approved by the Audit Committee in November 2017 and annual performance was reported to the Audit Committee in May 2018.</p>

Peer Review Report Observations	Recommendations	Update – March 2019
<p>Whilst the annual report included a summary of performance of the internal audit activity against its performance measures and targets, the Chief Internal Auditor has acknowledged that the suite of PI's need to be refreshed.</p>	<p>Recommendation 27: Once the refresh of the PI's has been completed (see previous recommendation), the annual report should include a summary of performance against these measures.</p>	<p>Status: In Progress</p> <p>Comment: Performance measures were refreshed for 2018/19 but this recommendation cannot be fully implemented until the Annual Internal Audit report for 2018/19 is submitted to the Audit Committee in May / June 2019.</p>
<p>The Head of Internal Audit confirmed that the follow-up programme of work is behind schedule due to resourcing constraints, and so the assessment has been changed to a partial conformance.</p>	<p>Recommendation 28: Plans should be developed to progress the follow-up work programmed.</p>	<p>Status: Complete (as at Sept 19)</p> <p>Comment: As per Recommendation 15, this was a short-term issue only at the time of the Peer Review and resources are allocated for the Follow Up Programme.</p>

Audit Committee

26th March 2019



Report of: Chief Internal Auditor

Title: Internal Audit Activity Report for the period of 1st April 2018 to 28th February 2019

Ward: N/A

Officer Presenting Report: Jonathan Idle – Chief Internal Auditor

Recommendation

The Audit Committee note the Internal Audit Activity for the period of 1st April 2018 to 28th February 2019.

Summary

This Activity Report provides the Committee with an accumulative summary view of the work undertaken by Internal Audit (IA) in the period of 1st April 2018 to 28th February 2019, together with the resulting conclusions, where appropriate. Additionally, the report provides the Committee with oversight of grant certification work completed on behalf of the Council, the Internal Audit recommendation implementation rate for the period together with further details of recommendations that remain outstanding subsequent to a follow up review, and as with previous Activity Reports, enhanced reporting in terms of individual summaries for a number of audit reviews completed in the period. This is the fourth planned activity report for the municipal year of 2018/19.

Significant Matters Arising:

- Key messages arising from this report at Section 2 of Appendix A;
- Update on Audit Plan Progress, paragraph 3.1 and Section 5 of Appendix A
- Status of the Council Control Framework, based in IA work to date, Paragraph 3.2 and Section 5 of Appendix A
- Update on the Internal Audit Proactive Fraud/irregularity Prevention, Detection and Investigation Activity at Paragraph 3.3 of Appendix A
- Recommendation implementation rate, Paragraph 3.4 and Section 6 of Appendix A
- Value of Grants Certified by the Service in the period, Paragraph 3.5 of Appendix A
- Resources within Internal Audit, Paragraph 3.6 of Appendix A
- Summaries of completed Internal Audit reviews - Appended to Appendix A

1. Policy

Audit Committee Terms of Reference

2. Consultation

Internal – Corporate Leadership Board including S151 Officer, Cabinet Member for Governance, Resources and Finance.

External – N/A

3. Context

3.1 This is the fourth IA Activity report to the Audit Committee, covering IA work up to February 2019. The Activity reports are designed to provide the Committee with a summary view of the work completed by the Service throughout the year. The activity reports have been provided to the Committee on an accumulative quarterly basis covering all of the IA activities, with the exception of the November Audit Committee when a separate Counter Fraud Update report was provided. The purpose of the Activity reports is to:

- Provide an overview of the work of Internal Audit to date, and the level of assurance that can be derived from that work, in terms of the control framework within the Council.
- Present the assurance work completed and in progress by the Internal Audit team during the period, together with the conclusions we have drawn from that work.
- Update the Committee on the Internal Audit recommendations implementation rate and other performance indicators for the team.
- Spotlight audit review outcomes, both positive and negative, to management and the Audit Committee for their consideration and action, where appropriate.

This Fourth Activity Report in 2018/19 can be found at Appendix (A), with the key points to note provided below:

3.2 Key points arising from the Activity Report:

- 46% of reviews resulting in a ‘Reasonable Assurance’ Audit Opinion. This is compared to 63% of reviews that had concluded this level of assurance last year;
- Recommendation implementation rate currently at 90% implemented or partially implemented, compared to 88% in 2017/18;
- 24 grants with a total value of circa. £24m certified to date;
- Pro-active fraud/irregularity activity has identified approximately £778k of recoverable savings to date;
- Tenancy Property recoveries stand at 29 properties which can be reallocated to those in need.

4. Proposal

- 4.1 The Audit Committee considers the accumulative work of the Internal Audit Team (IA), during the period of 1st April 2018 to 28th February 2019, and the results thereof, raising challenge where appropriate.

5. Other Options Considered – N/A

6. Risk Assessment

The work of Internal Audit minimises the risk of failures in the Council’s internal control, risk management and governance arrangements, reduces fraud and other losses and increases the potential for prevention and detection of such issues. Areas of significant risk are detailed in the report.

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 – N/A

Financial – N/A

Land – N/A

Personnel – N/A

Appendices:

Appendix A – Internal Audit Activity Report for period of 1st April 2018 to 28th February 2019

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None.



BRISTOL INTERNAL AUDIT

INTERNAL AUDIT ACTIVITY REPORT FOR THE PERIOD OF April 2018 to February 2019



1. Introduction

- 1.1 The role of the Internal Audit function is to provide Members and Management with independent assurance that the control, risk and governance framework in place within the Council is effective and supports the Council in the achievement of its objectives. The work of the Internal Audit team should be targeted towards those areas within the Council that are most at risk of impacting on the Council's ability to achieve its objectives.
- 1.2 Upon completion of an audit, an assurance opinion is given on the soundness of the controls in place. The results of the entire programme of work are then summarised in an opinion in the Annual Internal Audit Report on the effectiveness of internal control within the organisation.
- 1.3 This activity report provides Members of the Audit Committee and Management with the status of the work carried out by the Internal Audit (IA) team for the period of 1st April 2018 to 28th February 2019, building on the information which was provided to the Committee at its meeting in November 2018, and thereby allowing the Committee to track the progress of Internal Audit work through the year.
- 1.4 Additionally, the report provides updates in the following areas:
- Status of the Control Framework within the Council
 - Summaries of completed audit reviews
 - Internal Audit Resources, as required by the Public Sector Internal Audit Standards (PSIAS)
 - Grant certification
 - Recommendation Implementation status, supported by further details of outstanding recommendations at Section 6 of this report
 - Fraud Prevention, Detection and Investigation Activity to date
- 1.5 The full detail of all of the Internal Audit work completed or in progress in the period 1st April 2018 to 28th February 2019, is provided at Section 5 of this report.

2. Key Messages

- 46% of reviews resulting in a 'Reasonable Assurance' Audit Opinion. This is compared to 63% of reviews that had concluded this level of assurance last year;
- Recommendation implementation rate currently at 90% implemented or partially implemented, compared to 88% in 2017/18;
- 24 grants with a total value of circa. £24m certified to date;
- Pro-active fraud/irregularity activity has identified approximately £778k of recoverable savings to date;
- Tenancy Property recoveries stand at 29 properties which can be reallocated to those in need.

3. Updates

3.1 Annual Risk Based Assurance Plan Status:

The status of the planned work either completed or in progress, for the period 1st April 2018 to the 28th February 2019, is provided in Section 5 below.

Work on the revised 2018/19 Internal Audit plan is progressing at a pace now, due to the additional resources secured either through permanent recruitment or temporary agency appointment. As at 28th February 2019, 88 % of the agreed revised Audit plan was either complete, or in progress, with a further 10% at the early planning stages, whereby a Terms of Reference is either being drafted or has been agreed. As a result, we are now well placed to have undertaken sufficient audit reviews in order to provide an evidenced Annual Audit Opinion.

The Internal Audit target percentage for plan completion to draft report stage at this point of the year is 67%, and while the actual number of reviews at this time stands at 62%, there are a number of reviews that are rapidly reaching a conclusion, putting us in a good position to achieve our planned coverage.

While the reassessment of the assurance plan resulted in a reduction in the number of planned reviews, the released resources have been effectively utilised, in that work has commenced on a Schools Audit Programme. The programme will look specifically at the level of understanding that exists within the school, including board of Governors, for the following key areas:

- Finance
- Fraud
- Governance

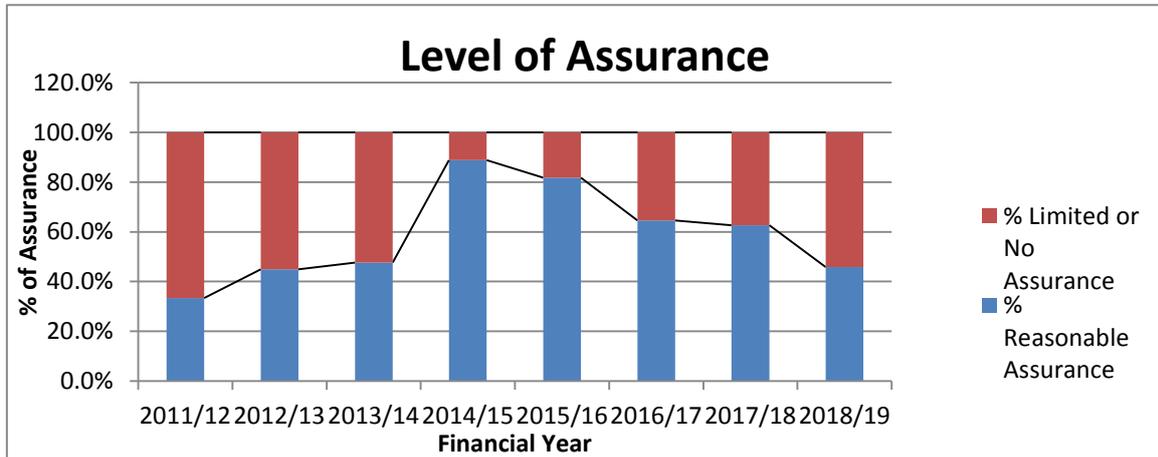
The programme methodology includes:

- The distribution of a questionnaire to 77 maintained schools (return rate to date is 65%)
- Response categorisation
- Targeted School visits

This approach will provide a level of assurance with regard to the themes above, covering a much wider population than previous school audit reviews that generally numbered 10 -15 each year. The output from this exercise will be reported to the Committee in the Internal Audit Annual Report.

3.2 Status of Control Framework within the Council:

At this point in the financial year, only 46% of audit reviews have concluded that a 'reasonable' level of assurance can be taken from the existing control framework in the areas reviewed. This does however mean that 54% of the audit reviews concluded that either limited or no assurance could be gleaned from the controls in place. This highlights a further decline in the control framework on previous years, as demonstrated by figure (1) below:



All of the work completed to date this year is as part of the revised Internal Audit risk based plan, as agreed with the Committee at its November 2018 meeting. There remain, however, a number of audit reviews that are in progress, the outcomes of which may increase the level of assurance the Council can place on the control framework. Internal Audit is working with Executive Directorate Teams to ensure that recommendations made as a result of an Internal Audit review are expediently implemented in order to achieve improvements in the control framework. (Please see section 3.4 below for further details).

3.3 Proactive Fraud/Irregularity Prevention, Detection and Investigation Activity:

Work on the fraud/Irregularity annual plan has progressed at a pace with 91% of the plan at various stages of completion. Full details of the ongoing work are provided in Section 5 to this report, with a summary of the savings identified to date provided in Table 1 below. However, the Committee's attention is drawn to the following initiatives which are currently ongoing:

- **Blue Badge Enforcement Exercise jointly with the Blue Badge team** – this exercise looks to not only to identify where Blue Badges are being used unlawfully, but also demonstrate the Council's commitment to ensuring Disabled Parking Bays are available for those in need of them. Internal Audit will continue its work with the Blue Badge Team;
- **Key Amnesty** – The Team are currently planning a Key Amnesty whereby tenants' who are no longer have need or are entitled to Social Housing can hand their keys in without further investigation. This includes tenants who are no longer living in their property and may be sub-letting. This approach saves investigation and legal costs, swiftly returning the property to stock to be allocated to a family in greater need. Two Registered Housing Providers have also signed up to the initiative;
- **Tenancy Fraud** – Our work on tenancy fraud continues with the recovery of **29** properties as a direct result of the Team's work and a further **12** properties recovered by the Housing team, therefore a total of **41** properties have been returned to housing stock for reallocation;
- **Fraud Awareness E-Learning Roll-Out** – An updated e-learning module has been rolled out to all Council Employees and Members. The module provides guidance on the identification of fraud/irregularity and what to do if you suspect that a fraud is being perpetrated. Members are strongly recommended to complete the training if they have not already done so;
- **Data Hub** - The team are beginning to explore the development of a data hub using existing software. The data hub will match data sets across the authority to identify anomalies, fraud and error;
- **NNDR – Small Business Rates Relief** – An exercise has been carried out to match business rates data across authorities to identify businesses claiming Small Business Rates relief, for branches across more than one Local Authority, who therefore should not be entitled. This has generated savings for the authority as detailed in the table below;
- **NFI HMRC Pilot Exercise** – BCC are taking part in a pilot exercise matching BCC tenants' data to HMRC property ownership data to identify fraud and error in respect of housing applications and benefit claims. No results have been identified yet, but several cases have been identified as requiring further investigation;

Source:	Recoverable	Weekly Cost Avoidance	Notional	Other
National Fraud Initiative	£39,759	£2,280		
NNDR – Small Business Rate Relief	£50,583			
Tenancy Fraud Cases	£11,899	£659	£2,697,000	29 Properties Recovered. 1 Application cancelled, 12 Regains by Estates.
Benefit Fraud Casework	£569,183	£1,575		
Administrative Penalty (Adpens)	£5,998			6 Adpens issued
Council Tax Reduction Casework	£100,383	£1,260		
Totals:	£777,805	£5,774	£2,697,000	

Table 1 - Summary of Savings Identified in Period 1st April 2018 to 28th February 2019

3.4 Recommendation Implementation:

Internal Audit follow up recommendations until they are implemented, therefore where it is concluded that a recommendation has either been partially implemented or not implemented at all, the follow up process will continue until full implementation has been achieved.

An analysis of the implementation of recommendations, based upon completed follow up reviews, is summarised in Table 2 below, which includes a percentage implementation rate which is regularly reported to the Committee. For the 25 concluded audits followed up in the year to date, there was an 90% implemented or partially implemented rate compared to 84% at the half year point and 88% for 2017/18. This represents a positive direction of travel.

A number of follow up audits are currently in progress, the results of which will have an impact on the level of implementation. Additionally, it should be noted that of the 90% implementation rate 58% have been fully implemented, with the remainder in progress.

Updates on the progress of implementation will continue to be provided to Members at each Audit Committee, together with a breakdown of implementation between high and medium risk recommendations, which can be found in section five of this report. Additionally, full details of recommendations that remain outstanding after a follow up review has taken place, is provided to the Committee at Section 6 of this report.

Table 2 - Summary of Implementation of Internal Audit Recommendations:

No.	Follow-up Audit	Date of Org. Report	Total Recs	Implemented	Partially Implemented	Superseded	Not Implemented
1	Accounts Receivable	19/09/17	14	4 (29%)	9(64%)		1(7%)
2	Budgetary Control - People	31/03/17	8	6(86%)	1(14%)	1	
3	Security Services Cash in Transit	30/06/17	6	3(50%)	3(50%)		
4	Sale and Disposal of Council Assets	28/03/17	13	8(62%)	5(38%)		
5	Contract Waivers	22/01/18	6	4(67%)	2(33%)		
6	Mobile Devices	05/11/15	16	2(20%)	1(10%)	6	7(70%)
7	HR Process Review	12/04/17	4	4(100%)			
8	Foster Care Payments	20/09/17	3		2 (67%)		1(33%)
9	Corporate and IT Business Continuity	23/03/16	6	2(33%)	3(50%)		1(17%)
10	Provider Failure	19/04/18	1	1(100%)			
11	Primary School	05/04/17	6	1(17%)	3(50%)		2(33%)
12	Purchase cards	21/07/17	11	9(82%)		2 (18%)	
13	Customer Relations System	08/12/16	3	1 (33%)	2 (67%)		
14	Whistleblowing effectiveness	06/03/18	13	13 (100%)			

No.	Follow-up Audit	Date of Org. Report	Total Recs	Implemented	Partially Implemented	Superseded	Not Implemented
15	Cash Receipting System Contract	06/01/18	4	4 (100%)			
16	Safer Recruitment Children and Families Care and support	16/03/18	5	1 (25%)	3 (75%)		1
17	G&R Budgetary Control (further follow-up)	28/09/17	2	1(50%)	1 (50%)		
18	General Ledger Movement (Further follow-up)	31/05/17	4	1 (25%)	3 (75%)		
19	Housing Benefits (Further follow-up)	09/03/17	6	4(67%)	2 (33%)		
20	Schools Financial Governance Overarching Follow Up	04/07/18	6	3 (50%)	3 (50%)		
21	Bank Reconciliation/E Income Returns	30/01/18	6	3 (50%)	2 (33%)		1 (2%)
22	Schools Financial Governance- Individual Schools Follow up x 4	July 2018	15	12 (86%)	2 (14%)	1	
23	DOL Assessments (Further follow-up)- On hold awaiting change in legislation.	26/10/16	2		2 (100%)		
24	Decision Making Process	03/08/18	6	6 (100%)			
25	Accounts Payable	06/02/18	8	2 (25%)	4 (50%)		2 (25%)
Total				95 (58%)	53 (32%)	10	16 (10%)

3.5 Grant Certification:

To date in 2018/19, Internal Audit has audited and certified 24 grant claims to the value of approximately £24m and 19,304 Euros.

Recommendations have been made to the services' administering the grants for improvements to the grant administration process, where appropriate. Section 5 below, provides details of the grants certified in the period.

As per the principles in the Resources Directorate Service Offer, agreed with the s.151 Officer, Grant Certification is no longer part of the core services provided by Internal Audit to the Council, therefore a re-charge for the certification of grants by Internal Audit is now being applied. A flat rate is charged against the grant on the assumption that sufficient notice is given that the grant requires certification, and that the supporting paperwork is accessible and sufficient. Additional charges will be incurred for short notice certifications and those that require additional work due to poor supporting evidence. This approach may go some way to address the number of short-notice certifications we have been asked to undertake this year and in some cases, the less than satisfactory supporting evidence.

3.6 Resources:

The Internal Audit service has been reviewing its structure to secure continued skills and knowledge requirements going forwards. The new structure, as consulted with the Section 151 officer and the Cabinet Member for Finance, Governance and Risk, is being implemented and recruitment has commenced with the recent appointment of a permanent Housing Officer (Tenancy Fraud) to the structure.

Recruitment to fill vacancies unaffected by the Service review has resulted in the following permanent appointments one Auditor and one Group Auditor, and while this additional resource has been of benefit to the Team, there remains a need for temporary resources until the new structure is recruited to in full.

The Team will seek to continue the co sourcing arrangements with a neighbouring local authority in order to source specialist skills.

4. Under the Spotlight!



With each activity report, Internal Audit turns the spotlight on the audit reviews not just where the residual level of risk was considered to be 'Red or Amber', but also where the governance and controls in the area reviewed were considered to be good, providing the Audit Committee with a summary of the objectives of the review, the key findings, conclusions and recommendations; thereby giving the Committee the opportunity to explore the areas further, should it wish to do so.

In this period, the following report summaries are provided at Appendix 1a & b, for the Committee's information and discussion:

Completed Audit Reports - Follow Up Audits (Appendix 1a):

- A. Corporate:
 - 1. Executive Decision Making
 - 2. Budgetary Control (Neighbourhoods)
 - 3. Budgetary Control (People)
- B. People:
 - 1. Safer Recruitment
- C. Resources:
 - 1. Housing Benefits (Further Follow up)
 - 2. General Ledger Movement / Journals
 - 3. Bank Reconciliation
 - 4. Accounts Payable

Completed Audit Reports – New Audits (Appendix 1b):

- D. Corporate:
 - 1. Budgetary Control
- E. People:
 - 1. Care Reviews for Residents in Care Homes
 - 2. Bristol Direct Payment Account
- F. Growth & Regeneration:
 - 1. Development Control (S106)
 - 2. Taxi Licencing
- G. Resources:
 - 1. Council Tax Income Collection
 - 2. Use of Imprest
 - 3. HR Payroll Project – Procurement Review
 - 4. Fleet Investment Contract Award
 - 5. Future State Assessment

5. Status of Internal Audit Work for the Period of: (1st April 2018 to 28th February 2019)

A. Risk Based Assurance Plan including Proactive Fraud Work: 2018/19 - Progress to Date

Directorate	Gov. Risk or Internal Control Area	Audit Plan	Name of Review	Initial Planning	Stage of Review			Outcome		Date when a Summary was reported to the Audit Committee.
					TOR in progress or agreed	In Prog/Ongoing	Draft Report	Complete	Assurance Level	
Resources	Information Security/ICT	Delivery of Future State Assessment - 1					✓	Limited	Red	March 2019
Corporate	Governance	Senior Officer Decision Recording					✓	Limited	Amber	September 2018
Corporate	Governance	Whistleblowing Review (Annual)					✓	Limited	Amber	January 2019 (Full Report)
People	Risk Management	School Places Planning and allocation processes.					✓	Limited	Amber	November 2018
Resources	Financial Controls	Council Tax Income Collection					✓	Reasonable	Amber	March 2019
Growth and Regeneration	Risk Management	Taxi Licensing					✓	Limited	Amber	March 2019
Corporate	Financial Controls	Development contributions (s 106 plus)					✓	Limited	Amber	March 2019
Corporate	Financial Controls	Directorate Budgetary control					✓	Reasonable	Amber	March 2019
Corporate	Financial Controls	Grant Application Process (from 2017/18)					✓	Limited	Amber	November 2018
People	Risk Management	Adult Social Care - Care Homes					✓	Limited	Amber	March 2019
Resources	Financial Controls	Payroll System Controls - b/f					✓	Reasonable	Amber	July 2018
People	Financial Controls	Direct Payments - Prepayment Cards					✓	Limited	Amber	March 2019
People	Financial Controls	Care Services - Accuracy of Billing					✓	Reasonable	Amber	November 2018
Growth and Regeneration	Financial Controls	Security Services - Use of Imprest (Colston Hall)					✓	Limited	Amber	March 2019
Resources	Information Security/ICT	Privileged Access Management					✓	Limited	Amber	November 2018
Corporate	Information Security/ICT	Third Party Assurance					✓	None	Amber	July 2018
Growth and Regeneration	HR and Asset Management	Planned Maintenance					✓	Reasonable	Amber	September 2018
People	Commissioning and Procurement	Adult Social Care Commissioning					✓	Limited	Amber	July 2018
Growth and Regeneration	Financial Controls	Car Parking Income					✓	Reasonable	Green	September 2018
Resources	Projects and Programmes	Embedded Assurance - HR Payroll Project <i>(Initial review completed, further work planned)</i>					✓	Reasonable	Green	Awaiting Phase two completion
People	Projects and Programmes	Embedded assurance - Strengthening Families Transformation (Phase One)					✓	Reasonable	Green	November 2018
Growth and Regeneration	Projects and Programmes	Replicate (EU Grant funded Project)					✓	Reasonable	Green	September 2018
Corporate	Commissioning and Procurement	Voluntary Sector Commissioning (Avoidance of Procurement Regulations)					✓	Reasonable	Green	July 2018
Resources	Commissioning and Procurement	Fleet Investment Contract Award					✓	Reasonable	Green	March 2019
Corporate	Governance	Annual Governance Statement and Review Process (2017/18)					✓	N/A	N/A	N/A
Corporate	Governance	Schemes of Delegation					✓			Summary to be provided at May 2019 meeting
Growth and Regeneration	Projects and Programmes	New Housing System Implementation					✓	N/A	N/A	Report on Phase 1 provided November 2018
Resources	Projects and Programmes	Project Management - PMO					✓			Summary to be provided at May 2019 meeting
Corporate	Governance	Annual Governance Statement and Review Process (2018/19)			✓					
Corporate	Risk Management	Audit of Risk Management (To be managed by MHM)			✓					
People	Risk Management	CRR 16 - Children's and Safeguarding - assurance mapping			✓					
People	Financial Controls	Apprentice Levy Account			✓					
Corporate	Commissioning and Procurement	Review of Specific Contracts			✓					
Resources	Commissioning and Procurement	Access rights to information - Partnerships/Contracts (GDPR)			✓					
Corporate	Commissioning and Procurement	Contract Monitoring - Continual Audit Testing (Testing new contracts)			✓					

Resources	Commissioning and Procurement	Effectiveness of New Procurement Arrangements			✓					
Resources	Financial Controls	Financial Systems Interfaces (<i>new ABW host system - critical friend</i>)			✓					
People	Projects and Programmes	Embedded assurance - Strengthening Families Transformation (Phase 2)			✓					November 2018 Phase One
Resources	Information Security/ICT	IT Project Management Approach (design and security)			✓					
Corporate	Financial Controls	Savings Tracker for Change Programme			✓					
Corporate	Risk Management	CRR - 15 - Business Continuity Planning and Management (Pick up any outstanding		✓						
Corporate	Risk Management	CRR 7 - Safety of Citizens		✓						
Corporate	HR and Asset Management	Individual Performance Management		✓						
People	Projects and Programmes	Transition from Care (Care leavers)		✓						
Corporate	Governance	New Directorate and Departments - Governance and Financial Control	✓							
Corporate	Governance	Strategic Business Planning	✓							
Corporate	Governance	Service Planning and Performance Management (focusing on outcomes)	✓							
Growth and Regeneration	Governance	New Commercial Investments - Embedded Assurance approach	✓							
Growth and Regeneration	Governance	Homelessness - Policy effectiveness (Not sure if we are doing this now?)	✓							
Corporate	Risk Management	Leadership and Management	✓							
Growth and Regeneration	Risk Management	Commercial Investment and Capital Programme	✓							
Resources	Financial Controls	Financial Systems Interfaces	✓							
People	Financial Controls	Care Act - Deferred Payments	✓							
People	Financial Controls	Public Health - Sexual Health Spend or Children's health spend	✓							
Growth and Regeneration	Projects and Programmes	Embedded Assurance - Major Project	✓							
People	VFM/Targeted Savings Identification	Direct Payments - Full Study to include systems, processes and targeted testing. Joint	✓							
Corporate	Information Security/ICT	E Procurement system - security	✓							
Corporate	Information Security/ICT	Operations Centre - Resilience/Cloud	✓							

B. Certifications

Directorate	Gov, Risk or Internal Control Area		Initial Planning	TOR (Where App.)	In Prog/Ongoing	Complete	Value of Grant Claim
Growth and Regeneration	Financial Controls	NTS Funding and Grant (Scambuster)				✓	£ 300,000
Growth and Regeneration	Financial Controls	NTS Funding and sub Grant (Scambuster)				✓	£ 81,000
Growth and Regeneration	Financial Controls	IF 13 Development of Hengrove				✓	£ 400,000
Growth and Regeneration	Financial Controls	GBVS - GIGABIT				✓	£ 20,574
Growth and Regeneration	Financial Controls	GBVS - GIGABIT				✓	£ 3,942
Growth and Regeneration	Financial Controls	GBVS - GIGABIT (November)				✓	£ 2,032
Growth and Regeneration	Financial Controls	GBVS - GIGABIT (January)				✓	£ 1,293
Growth and Regeneration	Financial Controls	Disabled Facilities Grant				✓	£ 261,339
Growth and Regeneration	Financial Controls	TQEZ Jobs				✓	£ -
Growth and Regeneration	Financial Controls	Bristol Temple Quarter Enterprise Zone (TQEZ) RIF 008				✓	£ 7,185,793
Growth and Regeneration	Financial Controls	WECA Highways and Capital Grant				✓	£ 7,632,000
Growth and Regeneration	Financial Controls	Pothole Action Grant				✓	£ 218,435
Growth and Regeneration	Financial Controls	Cattle Market Grant				✓	£ 502,225
Growth and Regeneration	Financial Controls	Local Sustainable Transport Package Grant				✓	£ 970,627
People	Financial Controls	Future Bright Programme				✓	£ 27,711
Growth and Regeneration	Financial Controls	A4-A4174 Challenge Fund				✓	£ 152,945
Growth and Regeneration	Financial Controls	WECA Community Transport				✓	£ 886,000
Growth and Regeneration	Financial Controls	DFG				✓	£ 2,651,566
Growth and Regeneration	Financial Controls	Carbon Reduction Commitment (CRC)				✓	£ 258,920
Growth and Regeneration	Financial Controls	Challenge Fund Grant - Flood resilience Project				✓	£ 53,034
Growth and Regeneration	Financial Controls	Bus Service Operators Grant (BSOG)				✓	£ 448,348
Growth and Regeneration	Financial Controls	Feas B Southern Orbital Grant				✓	£ 154,754
Growth and Regeneration	Financial Controls	(LEP) (LGF) Local Sustainable Transport Package 2017/18				✓	£ 1,748,529
Growth and Regeneration	Financial Controls	URBACT III				✓	19,304.86 Euro
Total Grants Certified							£ 23,961,065

C. Recommendations Follow Up Work Completed:

Directorate	Gov, Risk or Internal Control Area	Name of Review	In progress	Complete	Implemented:		Partially Implemented		Not Implemented		Superseded	Total
					H	M	H	M	H	M		

Corporate	Governance	Decision Making Process - follow up		✓	1	5					6		
Resources	Financial Controls	Accounts Receivable		✓	1	3	2	7		1	14		
Resources	Financial Controls	Accounts Payable		✓		2		4		2	8		
People	Financial Controls	Budgetary Control - People (Including Further Follow Up)		✓	1	5		1			1	8	
Growth and Regeneration	Financial Controls	Budgetary Control - Neighbourhoods (Including Further Follow Up)		✓		1		1				2	
Resources	Financial Controls	Security Services Cash -in- Transit		✓		3		3				6	
Growth and Regeneration	HR and Asset Management	Sale and Disposal of Council Assets, including St Agnes Lodge and POB		✓		8		5				13	
People	Financial Controls	Foster care Payments (Further follow-up)		✓				2	1			3	
Corporate	Commissioning and Procurement	Contract Waivers		✓		4		2				6	
Resources	Fraud - Prevention	Purchase card review		✓	9			0			2	11	
Resources	Information Governance and ICT	Mobile devices		✓	1	1		1	6	1	6	16	
People	Schools	Primary School		✓	1		3		1	1		6	
Resources	HR and Asset Management	HR Process Review		✓		4						4	
Corporate	Governance	Whistleblowing Effectiveness Review		✓	13							13	
People	Risk Management	Provider Failure (People)		✓		1						1	
Resources	Commissioning and Procurement	Cash Receipting System Contract		✓	3	1						4	
People	Risk Management	Safer Recruitment - Children and Families Care and Support		✓	1			3		1		5	
Corporate	Risk Management	Corporate and IT Business Continuity (Including further Follow Up)		✓		2	1	2		1		6	
Resources	Financial Controls	General Ledger Movement (Further follow-up)		✓	1			3				4	
Resources	Financial Controls	Housing Benefits (Further follow-up)		✓		4		2				6	
Corporate	Governance	Customer Relations System (Further follow-up)		✓		1		2				3	
People	Governance	Schools Financial Governance Overarching		✓		3		3				6	
Resources	Financial Controls	Bank Reconciliation/E Income Returns		✓		3		2		1		6	
People	Financial Controls	Schools Financial Governance- Individual Schools	✓			12		2			1	15	
People	Risk Management	DOL Assessments (Further follow-up)- On hold awaiting change in legislation.	✓					2				2	
Total Recommendations followed up or in progress						32	63	6	47	8	8	10	174

D. Planned Proactive Fraud work

Directorate	Gov, Risk or Internal Control Area	Name of Review	Fact Finding has commenced	TOR/Initial Asst	In Prog	Complete	Commentary
Corporate	Fraud - Strategic Fraud Risk Management	CIPFA Fraud Survey				✓	Benchmarking
Corporate	Fraud - Strategic Fraud Risk Management	Analysis of CIPFA Benchmarking				✓	Planning & Development
Resources	Fraud - Strategic Fraud Risk Management	Transparency Data Reporting - Fraud				✓	Statutory Requirement
Corporate	Fraud - Prevention	Fraud Web page updates				✓	Raising Awareness
Corporate	Fraud - Proactive Detection Exercises	National Fraud Initiative (NFI) Download				✓	
Resources	Fraud - Proactive Detection Exercises	AP Forensics - Accounts Payable fraud testing (Round 1)				✓	
Growth and Regeneration	Fraud - Proactive Detection Exercises	Blue Badge Enforcement exercise - Joint Exercise with Blue Badge Team				✓	Protecting the Public Purse
Resources	Fraud Investigation	National Fraud Initiative SPD download				✓	
Corporate	Fraud - Prevention	Bribery and Corruption Review - Fraud Controls Framework Review			✓		
Corporate	Fraud - Prevention	E learning roll-out			✓		
Resources	Fraud - Prevention	Fraud Awareness Training - Benefits Administrators			✓		
Adult, Children and Education	Fraud - Prevention	Education Team Requests			✓		
Adult, Children and Education	Fraud - Prevention	Fraud Awareness Training - Schools			✓		
Adult, Children and Education	Fraud - Prevention	Schools Fraud Health Check			✓		
Growth and Regeneration	Fraud - Prevention	Social Housing Gateway Review (allocations)			✓		
Corporate	Fraud - Proactive Detection Exercises	NFI Output			✓		
Resources	Fraud - Proactive Detection Exercises	NNDR b/f			✓		
Resources	Fraud - Proactive Detection Exercises	AP Forensics - Accounts Payable fraud testing (Round 2)			✓		
Adult, Children and Education	Fraud - Proactive Detection Exercises	Direct Payment - Analytical Review & Testing			✓		
Growth and Regeneration	Fraud - Proactive Detection Exercises	Key Amnesty			✓		
Growth and Regeneration	Fraud - Proactive Detection Exercises	Housing Partnership - working with RSLs on Tenancy Fraud			✓		
Growth and Regeneration	Fraud - Proactive Detection Exercises	Tenancy Fraud Case work			✓		
Growth and Regeneration	Fraud - Proactive Detection Exercises	Gain work			✓		
Corporate	Fraud Investigation	Fraud hotline management			✓		
Resources	Fraud Investigation	Benefit Fraud casework			✓		

Resources	Fraud Investigation	CTR Casework			✓		
Growth and Regeneration	Fraud Investigation	Blue Badge - on going investigations and publicity			✓		
Growth and Regeneration	Fraud - Proactive Detection Exercises	HMRC Pilot Exercise			✓		
Resources	Fraud - Proactive Detection Exercises	NNDR Small Business Rates relief			✓		
Corporate	Fraud - Strategic Fraud Risk Management	Fraud Risk Registers - Engagement with risk owners		✓			
Corporate	Fraud - Proactive Detection Exercises	Continuous Matching/Data Warehouse		✓			
Resources	Fraud - Proactive Detection Exercises	Procurement - Analytical Review		✓			

E. Adhoc Work Requests/ Consultancy & Advice

Directorate	Gov, Risk or Internal Control Area	Name of Review	Initial Planning	Stage of Review				Summary of Findings/Advice Provided: Key Matters:
				TOR	In Prog/Ongoing	Draft Report	Complete	
Resources	Information Governance and ICT	Changes to payment terms					✓	Issues around unauthorised changes to contract terms
Resources	Information Governance and ICT	Information Security Policy Review				Advice	✓	Review of Information Security Policy Statement, associated policies
Communities	Governance	New Housing System Project (Advice)				Advice	✓	Project Board Attendance, Critical Friend and Guidance
Resources	Financial Controls	Cheque Control					✓	Disposal of Cheques.
Resources	Financial Controls	Purchase Cards					✓	Advice on use of purchase cards for various matters arising

ALL DIRECTORATES:

Table (1) below provides a summary of the recommendations which are currently not implemented or where implementation remains in progress. Table (2) below provides details of specific recommendations which have been followed up but remain outstanding, together with their risk level, status and where appropriate, further Audit and Management commentary on the progress made.

Table (1) - Summary of Outstanding Recommendations

Directorate	Name of Review	Date of Original Report	Responsible Officer	Implementation In Progress/ Partial		Not Implemented		Total	Notes
				High	Med	High	Med		
Corporate	Business Continuity - follow up	24/03/2016	Head of Citizen Services	1	3		1	5	Further, Further follow up to be incorporated into the full BCP review in Q1 of 2019/20
Corporate	Customer Relations System (Further follow-up)	08/12/2016	Customer Relations Manager		2			2	New Customer Relations System currently being Tendered.
Growth and Regeneration	Sale and Disposal of Council Assets, including St Agnes Lodge and POB	28/03/2017	Director of Place		5			5	Follow up review currently in progress, update to be provided in the annual Report
Resources	Accounts Receivable (follow up)	19/09/2017	Head of Corporate Finance		9		1	10	Follow up review currently in progress, update to be provided in the annual Report
Resources	Mobile devices follow up	05/11/2015	Director of ICT		1	6	1	8	Details of recommendations that continue to be in progress or are outstanding are provided below
Resources	Housing Benefits (Further follow-up)	09/03/2017	Head of Benefits		2			2	Details of recommendations that continue to be in progress or are outstanding are provided below
Adults & Children Education	Budgetary Control (People - Further follow-up)	20/03/2017	Head of Corporate Finance		1			1	Details of recommendations that continue to be in progress or are outstanding are provided below
Resources	General Ledger Movement (Further follow-up)	31/05/2017	Head of Corporate Finance		3			3	Details of recommendations that continue to be in progress or are outstanding are provided below
Resources	Security Services Cash -in- Transit	30/06/2017	Head of Facilities Management		3			3	Details of recommendations that continue to be in progress or are outstanding are provided below
Adults & Children Education	Foster care Payments (follow-up)	20/09/2017	Director of Children and Families		2	1		3	Details of recommendations that continue to be in progress or are outstanding are provided below
Communities - Now Growth & Regeneration	Budgetary Control (further follow-up)	28/09/2017	Director of Finance/Head of Corporate Finance		1			1	Details of recommendations that continue to be in progress or are outstanding are provided below
Corporate	Contract Waivers (Follow Up and Review)	22/01/2018	Head of CPG/Head of Procurement		2			2	Details of recommendations that continue to be in progress or are outstanding are provided below
Resources	Bank Reconciliation/E Income Returns	30/01/2018	Director of Finance/Head of		2			2	Details of recommendations that continue to be in progress or are outstanding are provided below
Resources	Accounts Payable (Follow up)	06/02/2018	Director of Finance/Head of		4		2	6	Details of recommendations that continue to be in progress or are outstanding are provided below
Adults & Children Education	Safer Recruitment - Children and Families Care and Support	16/03/2018	Director of Children and Families		3		1	4	Details of recommendations that continue to be in progress or are outstanding are provided below
Totals:				1	43	7	6	57	Awaiting full implementation

Audit Recommendations Tracker (Details of recommendations which remain outstanding or in progress after completion of follow up work).

Directorate:	Audit	RAG Rating	Recommendations	Responsible Officer	Due Date	Implementation Status	Management/Audit Comment	Open / Closed
Resources	Mobile devices (follow up)	M	Purchase orders should be reconciled against delivery notes. At the point of delivery the asset should be recorded in the asset management system.	ICT Service Delivery Manager. Head of ICT	01-Feb-16	Partially Implemented	Further Audit Comments: A List of outstanding recommendations was provided to the Head of ICT in December 2018, following an update meeting, with a view to the recommendations being reprioritised, however further feedback has not been received.	Open
		H	ICT should ensure that when any type of mobile device is reported as lost/ stolen, they record the crime reference number and also the action they took. This action should be: - Vasco token cancelled. - Laptops, exclude from the domain. - iPads and iPhones, a wipe command should be sent. - Blackberries, a kill message should be sent	ICT Service Delivery Manager. Head of ICT	01-Feb-16	Not Implemented		Open
		H	Purchase orders should be reconciled against delivery notes. At the point of delivery the asset should be recorded in the asset management system.	ICT Service Delivery Manager. Head of ICT	01-Feb-16	Not Implemented		Open
		H	Formal procedures should be written that define management responsibilities for mobile devices. Reports should be put in place to identify digressions from the policy so appropriate action can be taken.	ICT Service Delivery Manager. Head of ICT	01-Feb-16	Not Implemented		Open
		H	The IT Security Guide should be reviewed on an annual basis and, when staff are issued with a mobile device, it should be sent as an email that staff are asked to acknowledge.	ICT Service Desk Manager and Information Security Manager.	01-Feb-16	Not Implemented		Open
		H	Procedures should be written for testing of wipe commands. The procedure should ensure that wipe commands are tested whenever the software is updated and a record of these tests should be retained.	ICT Service Delivery Manager. Head of ICT	01-Feb-16	Not Implemented		Open
		H	IT Health Check recommendations for these areas should be adopted by BCC as a matter of urgency.	ICT Service Delivery Manager. Head of ICT	01-Feb-16	Not Implemented		Open
		H	The risk register should be reviewed to reflect the content of the report.	ICT Service Delivery Manager. Head of ICT	01-May-16	Not Implemented		Open
Resources	Housing Benefits (Further follow-up)	M	The Service needs to review overpayments to identify unrecoverable debt which should be considered for write off.	Benefits Operations Manage	28-Feb-19	Partially Implemented	Management Comments: The overpayment report identifies the outstanding debt and an exercise is planned in early 2019 to write off any outstanding debt, where appropriate, which is over ten years old in the benefits environment. This will be in conjunction with business as usual to look at benefits debt as it arises.	Open
		M	Work on the older items in the Suspense Account has been time consuming though successful; however further work is essential to continue to deal with the volume and value of the items in the Suspense Account.	Benefits Operations Manage	Ongoing	Partially Implemented		Management Comments: There has been good progress towards clearing the old items in the debtors suspense account; new items are being cleared on a regular basis as part of business as usual. Additional resource has been allocated to the overall task and we hope to be able to
People	Budgetary Control (People - Further follow-up)	M	Internal Audit has no doubt that the Business support team is versatile and collectively possesses knowledge of systems and processes for the provision of effective support of Budget Managers. However formal knowledge management should be introduced to control the risk of loss of knowledge due to unforeseen loss of key financial officers.	Head of Corporate Finance	30-Apr-19	Partially Implemented	Management Comments: Work is underway to develop corporate financial processes with the first guide regarding Purchase Cards having been reviewed by Finance DMT. A schedule of further processes which are being developed has been worked up with a timeline for delivery.	Open

Resources	General Ledger Movement (Further follow-up)	M	Guidance should be prepared for clarification on rules for trading journal spreadsheets and record keeping. The possibility of storing supporting records for spreadsheet transactions on ABW should be explored. This would provide assurance that financial transactions are documented. Clarification should be provided to Budget Managers on which charges are internal trading.	Head of Corporate Finance	30-Apr-19	Partially Implemented	Management Comments: Outstanding recharging and internal trading processes will be completed as part of the Corporate Services Core offer work to be completed as set out in Finance Service Plan. The revised costing model is now complete and will be in place by the end 2018/19.	Open
		M	The Supplier Department should notify the Budget Manager about the trading transactions posted by the spreadsheet. The notification should explain how and why trading charges were calculated.	Head of Corporate Finance	30-Apr-19	Partially Implemented	As above	Open
		M	Procedures should be improved so Business Units processing spreadsheet journals for internal charges address the issues identified in the finding. Internal charges should be posted on time and with pre-agreement of relevant Budget Managers.	Head of Corporate Finance	30-Apr-19	Partially Implemented	As above	Open
Resources	Security Services Cash -in- Transit	M	The Critical Service Continuity Plan should be reviewed to consider emergency cash counting alternatives in the event of loss of use of Unit 6 Brunel Lock. The risk of parts not being available in the event of need of repair to the cash counting machine should be reviewed and acted upon as necessary.	The Premises Manager, Security Services Manager and Business Support Manager	30-Jun-17	Partially Implemented	Further Audit Comments: Internal Audit was informed that efforts are being made to find an alternative cash counting facility for use in the event of an emergency.	Open
		M	Back up tapes should be kept and stored off site. The possibility of independent viewing via CCTV software should be considered. The CCTV facility should be reviewed for adequacy of coverage, clarity and frame rate recording.	Security Services Manager	30-Jun-17	Partially Implemented	Management Comments: A Council wide review of CCTV is occurring which could result in CCTV at Security Services offices at Brunel Lock being monitored at a central location.	Open
		M	The collection contract between Bristol Security Services and BANES should be signed by both parties as a matter of urgency.	Security Services Manager	30-Jun-17	Partially Implemented	Further Audit Comments: Internal Audit was informed that the contract had not been signed at the time of the follow up visit on 12 February 2018. This was because there had been a series of changes to the contract; Security Services Management anticipates that the signing of the contract will occur soon. Internal Audit confirmed that, during the period when amendments to the contract	Open
Foster care Payments (follow-up)		H	Particular attention needs to be paid to ensure that FOSPAY forms are completed in a timely manner when a child moves from an in-house foster carer to agency.	Director for C&FS Head of Permancy and Special Services	N/A	Not Implemented	Further Audit Comments: Invoices have been raised to recoup overpayments made. This includes an invoice in excess of £6,000 where the current address of the carer is unknown. There are still delays in Client and Carer Financial Services receiving notification of ending of placements, so the risk of overpayment remains.	Open
		H	A review should be undertaken of all agency placements to identify which Individual Placement Assessments (IPAs) are missing. A signed IPA should then be put in place for each placement. Where a placement is arranged through necessity by e-mail an IPA should be produced and signed at the earliest opportunity.	Director for C&FS Policy, Improvement and Partnership Manager	N/A	Partially Implemented	Further Audit Comments: Four recent placements were identified. Signed IPAs were only held for two, another was received during the course of the review. Internal Audit consider that, although the position is better than at the time of the previous review, IPAs should be produced and signed promptly for each placement made.	Open

		M	A more efficient way of producing reports should be considered.	Director for C&FS Policy, Improvement and Partnership Manager	2018/19 Financial Year	Partially Implemented	Further Audit Comments: No testing was undertaken by Audit (implementation date was April 2018). However, confirmation was received from Anne Sheridan, Principal Accountant Children and Family Support, that progress is being made.	Open
Growth & Regeneration	Budgetary Control (further follow-up)	M	The budget forecast reports should clarify that budgets for a number of cost centres were not re-forecasted in year due to their being dependent on an annual re-charge at year-end. The percentage of the budget which depends on annual re-charges should be established and reported.	Head of Corporate Finance. Finance Business Partner	30-Apr-19	Partially Implemented	Management Comments: Revised costing model is complete for annual corporate overhead charges. This will be implemented in budgets as part of budget setting for 2019/20. The recharging process outlines all recharge should be actioned monthly, as default, with quarterly as a maximum by exception.	Open
Corporate	Contract Waivers (Follow Up and Review)	M	All actions required by CPG should be monitored and followed up with a clear trail to evidence actions taken and current position for each individual request. Where CPG detect waivers are being requested as a result of poor contract management, there should be a clear escalation process, including sanctions. Steps should be taken to reduce the number of waivers requested as a result decisions not being made in sufficient time for a tendering process to take place.	Head of Procurement	30-Oct-18	Partially Implemented	Management Comments: CPG are trailing holding the contract number, subject to confirmation that 'off-line amendments'/outstanding actions have been resolved to ensure prompt action by officers and reduce the level of resource required in follow up activity. The revised Procurement Rules strengthen the expectations of officers in respect of procurement. The Head of Procurement is to discuss and agree an escalation process with the S.151 Officer/Finance Director. A process is in place for recording and referring waivers at risk of exceeding the threshold, at which the Council can waive its own rules, to the S.151 officer – see above re sanctions.	Open
		M	The instance where waiver documentation is unavailable should be investigated by the Procurement & Commercial Solutions Service. Waivers should only be considered by CPG once the relevant form is fully completed with all required supporting information. Contracts should never include a clause to allow it to run indefinitely until cancelled, as this does not encourage value for money.	Head of Procurement	30-Oct-18	Partially Implemented	Management Comments: Earlier engagement with service areas is to be accelerated by adopting the category management approach to improving procurement and contracting processes. Category Managers will be the expert commercial leads to help improve value from contracting. In support of this formal CPG meetings are being limited to one meeting per week, with Category Managers meeting in advance of that in order to identify opportunities for improving how procurement needs and requests are processed. This approach will mean that a high priority will be given to ensuing waivers are appropriate.	
Resources	Bank Reconciliation/E Income Returns	M	A Fraud Risk Assessment should be undertaken and regularly updated.	Finance Business Partner, Finance	31-Mar-18	Partially Implemented	Further Audit Comments: Internal Audit has not been provided with a copy of a Fraud Risk analysis used to inform the risk in the Finance Risk Register. Internal Audit still considers that individual Fraud Risk Assessment should be undertaken to inform the Fraud entry in the Finance Risk Register. Agreed with a revised implementation date of June 2019.	Open
		M	Given that all journals raised by Corporate Finance are not being authorised by another officer, a more senior officer should carry out supervisory checks of a sample of journals. The policy and guidance on the approval of journals raised by Corporate Finance needs to be clearly documented and applied.	Finance Business Partner, Finance	31-May-19	Partially Implemented	Management Comment: A policy and guidance document is being drafted to clearly document the journal approval process.	Open

Resources	Accounts Payable (Follow up)	M	Management should consider how the number of invoices paid on time can be increased and the average number of days to pay may be reduced, so the AP team's business objectives can be achieved; as such there is greater potential for benefits such as early settlement discount to be achieved. Given that the team consistently does not meet its targets an in-depth review is recommended in order to establish the reasons for this failure with consideration given to whether or not the performance measure is the most appropriate.	Finance Manager Finance Business Partner, Finance	Revised Date: 30-Nov-19	Partially Implemented	Management Comments: The Data and Reporting team outlined several actions to take forward. There is an action plan for the coming year which will set out milestones for monitoring improvements in this area.	Open
		M	BCC terms of supplies and payment referenced at the back of the Purchase Orders should be aligned with the AP objective that payment will be made within 30 days of the invoice being received.	Legal and Procurement teams to action, following escalation by Director of Finance	Revised Date: 30-May-19	Not Implemented	Further Audit Comment: Internal Audit confirmed that no changes have yet been made to the purchase order or Terms and Conditions for supply of goods and work to accommodate the audit recommendation. Internal Audit confirmed that the issue had been repeatedly raised with Legal and Procurement Teams. Management Comments: This is out of control of Corporate Finance as Legal and Procurement Services should have acted upon the submitted request. This will now be escalated through the Director of Finance	Open
		M	Management action on retrospective orders is needed, including the workflow system. This should include: - Escalation in respect of service departments where the level of retrospective orders are consistently high; - Raising the awareness of budget managers regarding retrospective orders.	Finance Manager Finance Business Partner, Finance	Revised Date: 30-Nov-19	Partially Implemented		Open
		M	Suppliers should be formally reminded, periodically, to send invoices directly to the AP team. Service Managers should be reminded that where they receive invoices directly these should be promptly receipted, authorised and forwarded to the AP team to avoid late payment.	Finance Manager Finance Business Partner, Finance	Revised Date: 30-Nov-20	Partially Implemented	Further Audit Comment: Further monitoring of invoices sent to the services instead of AP is required in order to analyse if the situation has been improving or not. Management Comment: This is covered in the action plan referred to above, monitoring will be ongoing.	Open
		M	The AP/Sourcing team should refer orders back to Budget/Service Manager, where insufficient level of authoriser is provided. Total requisition/order should be taken into account for all orders up to £250, irrespective of the separately listed items on the requisition/order form. Management, should consider if the workflow could be amended to ensure that requisitioning officers cannot circumvent the under £250 auto-self authorisation rule.	Finance Manager Finance Business Partner, Finance	Revised Date: 30-Nov-20	Not Implemented	Further Audit Comment: Internal Audit reviewed purchase orders, raised in November 2018, eligible for self-authorisation. The testing revealed that the self-authorisation level is up to £250 regardless of the fact that Officer Scheme of Delegation – Finance, increased the self-authorisation level to £500 in June 2018. Management Comments: Agreed, workflow will be updated to reflect financial regulations when the system is next updated.	Open
		M	Recruiting managers should be reminded that new employees whose posts are subject to a DBS check should not start without a clear DBS check; if, for operational reasons it is necessary for them to start prior to this, a risk assessment should be undertaken.	Employee Lifecycle Manager Director for C&FS	Ongoing	Partially Implemented	Management Comments: HR will only process new employees with a risk assessment, where a DBS check is underway. Managers will be instructed that where an existing DBS is referenced for new employees,	Open

People	Safer Recruitment - Children and Families Care and Support	M	Recruiting managers should be reminded of the requirement to seek references for applicants to posts subject to DBS checks, prior to short listing for interview. Copies of References should be retained.	Director for C&FS	Ongoing	Partially Implemented	Management Comments: Children and Family Services have employed a part time individual to co-ordinate recruitment processes and be the link with HR Resourcing. C&FS Recruitment Coordinator (recruited following initial IA Report) will now be responsible for seeking references prior to shortlisting for all DBS posts. Managers will be instructed to see and retain references prior to shortlisting for posts subject to a DBS check. BCCs policy will be highlighted to Managers for future reference.	Open
		M	Recruiting managers should be reminded of the requirement to sight evidence of qualifications and retain copies, prior to an employee starting.	Director for C&FS	Ongoing	Partially Implemented	Management Comments: Children and Family Services have employed a part time individual to co-ordinate recruitment processes and be the link with HR Resourcing. C&FS Recruitment Coordinator will now be responsible for obtaining qualification/professional registration. Managers will be instructed to see qualification or proof of professional registration (which has required proof of qualification) and to retain a copy of said proof. BCCs policy will be highlighted for future reference.	Open
		M	Managers should be reminded of the need to ensure that DBS checks are completed every three years.	Director for C&FS	30-Apr-19	Not Implemented	Management Comments: New I-Trent HR Payroll system being introduced in April 2019 will provide automatic alerts and notifications to managers and employees prior to three year time period elapsing.	Open

APPENDIX 1a - SUMMARIES OF COMPLETED AUDITS

A CORPORATE – FOLLOW UPS

A1 Executive Officer Decision Making Follow Up

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
Total Recommendations	Implemented	Partially Implemented	Not Implemented	An audit review of Officer Executive Decision (OED) Making was completed in August 2018 which concluded Limited Assurance. A summary of the report was presented to the Audit Committee in September 2018. Six high or medium priority recommendations were made and the objective of this review was to test if the recommendations have now been implemented.
6	6 (100)%	n/a	0	
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings: Internal Audit confirmed that good progress has been made with all recommendations fully implemented. Internal Audit have also made some additional recommendations to further enhance the processes in place:</p> <ul style="list-style-type: none"> The importance of compliance could be further emphasised by the OED guidance noting that it is a criminal offence where there is intentional obstruction, or refusal to supply a copy of an executive officer decision to a member of the public The OED tracker relies on a manual calculation of days from approval to publication; the robustness of the process would be enhanced by replacing this with a calculated field for working days Tracing an approved CPG decision to the published OEDs is convoluted and can be addressed by including the CPG contract number on the OED Form There was still some non-compliance with publication deadlines and not all incidences of this were escalated to the Monitoring Officer. Compliance should be monitored during the Directorate Support Managers and Democratic Service liaison meetings and all breaches reported to the Monitoring Officer. 				<p>Implemented:</p> <ul style="list-style-type: none"> The published OED guidance has been amended The OED guidance has been relaunched via 'The Brief' and a presentation to ELM. The Directorate Support Managers maintain an OED tracker which records the progress of OED publication and allows late OEDs to be escalated to the Monitoring Officer The Procurement Approval Forms now required indication of whether it is an OED or A Key Decision. Procurement documentation now requires the user to indicate whether the decision is an OED or a 'Key Decision' The publication of OEDs is managed through mod.gov. The Directorate Support Managers complete an online web form, which is submitted to Democratic Services for approval and publication The importance of the publication of OEDs within specific timescales has been communicated through the guidance and ELM presentation An OED Quarterly Monitoring report has been drafted for review and approval by the Monitoring Officer, but not yet issued.

A2 Budgetary Control – Neighbourhoods / Communities Second Follow Up Report

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
Total Recommendations	Implemented	Partially Implemented	Not Implemented	To verify the status of the two outstanding recommendations, that were reported as being partially implemented in the first Internal Audit follow up report issued in March 2018.
2	1	1	0	
Internal Audit should be provided with confirmation and evidence, that the partially implemented recommendations is complete, when the agreed due date in the Management Action Plan is reached. A further review may be undertaken in 2019/20.				This Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings:</p> <p>Page 140 Finance structures have been revised to reflect revised Directorate structures. This Internal Audit review has not covered the adequacy of the revised Finance structures</p> <p>An internal recharging model has been completed and will be implemented for 2019/20 budgets. This Internal Audit review has not covered the adequacy of the internal recharge model.</p>				<p>Implemented:</p> <ul style="list-style-type: none"> The Finance Team structure has been reviewed to reflect revised Directorate structures. <p>Partially Implemented:</p> <ul style="list-style-type: none"> A revised costing model is complete for annual corporate overhead charges and will be implemented as part of the budget setting process for 2019/20.

A3 Budgetary Control – Adults, Children and Education Second Follow Up Report

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
<i>Total Recommendations</i>	<i>Implemented</i>	<i>Partially Implemented</i>	<i>Superseded</i>	<p>To verify the status of the two outstanding recommendations, that were reported as being partially implemented in the first Internal Audit follow up report issued in April 2018.</p> <p>This Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.</p>
2	0	1	1	
<p>Internal Audit should be provided with confirmation and evidence, that the partially implemented recommendations is complete, when the agreed due date in the Management Action Plan is reached. A further review may be undertaken in 2019/20.</p>				
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings:</p> <p>Page 141</p> <ul style="list-style-type: none"> Internal Audit acknowledge the progress made in documenting Knowledge management; however this remains in progress Budget managers' training needs are being addressed by risk based 1:1 support by Finance business support staff and finance Business Partner activity. Internal Audit has not reviewed the adequacy of the support provided as part of this review. 				<p>Partially Implemented:</p> <ul style="list-style-type: none"> The introduction of formal Knowledge Management processes is still underway and the original due date of 30 April 2019 has not yet been reached. <p>Superseded:</p> <ul style="list-style-type: none"> Finance for non-financial management training, has been superseded by risk based 1:1 support for budget managers.

B ADULTS, CHILDREN AND EDUCATION / PEOPLE – FOLLOW UPS

B1 Children’s Services Safer Recruitment Follow Up Report

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
Total Recommendations	Implemented	Partially Implemented	Not Implemented	<p>To test whether the five recommendations identified in the previous Internal Audit report of March 2018 have now been implemented.</p> <p>The Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.</p>
5	1 (20%)	3 (60%)	1 (20%)	
<p>Internal Audit will undertake further work on Children’s Services Safer Recruitment in 2019/20, following the introduction of the new I-Trent HR Payroll system, which should enable more effective monitoring of DBS.</p>				
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings:</p> <ul style="list-style-type: none"> • DBS checks were obtained for four of five new employees sampled by Internal Audit; for one employee a risk assessment was carried out, however it was incomplete • References were not held on file for one of the five starters, sampled by Internal Audit • No qualification was held on file for one of the five starters sampled by Internal Audit • Posts requiring a DBS check had been recorded as such on Vision • DBS checks had not been completed, using e-bulk or Vision, following the last three year expiration date, for four of five employees sampled by Internal Audit. 				<p>Implemented:</p> <ul style="list-style-type: none"> • Posts requiring a DBS had been recorded on Vision and where a risk assessment was required this had been undertaken. <p>Partially Implemented:</p> <ul style="list-style-type: none"> • DBS checks should be undertaken prior to starting employment (or an appropriate risk assessment undertaken) • Recruiting managers should be further reminded of the requirement to seek references for applicants to posts subject to DBS checks, prior to short listing for interview • Recruiting managers should be further reminded of the requirement to sight evidence of qualifications and retain copies, prior to an employee starting. <p>Not Implemented:</p> <ul style="list-style-type: none"> • Managers should be reminded of the need to ensure that DBS checks are completed every three years.

Page 142

C RESOURCES
C1 Housing Benefits Further Follow Up

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
Total Recommendations	Implemented	Partially Implemented	Not Implemented	To test whether the six recommendations originally identified in the Internal Audit report of March 2017 and recorded in the first follow up report of November 2017 as not implemented or in progress, have now been implemented. The Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.
6	4 (67%)	2 (33%)	0 (0%)	
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings:</p> <ul style="list-style-type: none"> Overpayments have increased overall from 2017 to 2018, but are levelling out, following completion of staff recruitment and initial training Targeted coaching by the QA team has taken place, where assessment officers have been identified as having below acceptable performance The DWP Performance Development Team (PDT) revisited Bristol in July 2018 and were content with progress on reducing overpayments due to Local Authority error; no return visit/follow up activities are planned Local Authority error overpayments are being predicted as being under the DWP PDT lower threshold in 2018/19; compared to being above the upper threshold in 2017/18 A specialist team has been set up to continue work on reducing the volume and value of debts within the Suspense Account, amongst other work on the systems and information team Although progress has been made in putting resource in place to reduce overpayment, significant further efforts will be required to reduce the total overpayments. 				<p>Implemented:</p> <ul style="list-style-type: none"> Management will need to ensure staff are retained and developed to reduce overpayment levels; this is now business as usual Consideration of additional actions to further reduce overpayments needs to continue; this is now business as usual Overpayment due to Local Authority error should continue to be closely monitored on a case by case basis to ensure that immediate action is taken to stop overpayments and to recover them if this is possible; this is now business as usual Prompt reporting of rejected payments is now in place and ongoing. <p>Partially Implemented:</p> <ul style="list-style-type: none"> Actions identified within the March 2017 Internal Audit report have been implemented and are ongoing. Review of overpayments needs to continue to reduce the overall level and identify unrecoverable debt which should be considered for write off Work on the older items in the Suspense Account has been time consuming though successful; however further work is essential to continue to deal with the volume and value of the items in the Suspense Account.

Page 143

C2 General Ledger Journals Second Follow Up

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
Total Recommendations	Implemented	Partially Implemented	Not Implemented	<p>To verify the status of the four outstanding recommendations, that were reported as being partially implemented in the first Internal Audit follow up report issued in March 2018.</p> <p>This Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.</p>
4	1	3	0	
<p>Internal Audit should be provided with confirmation and supporting evidence, that the partially implemented recommendations are complete, when the agreed due dates in the Management Action Plan are reached. A further review may be undertaken in 2019/20.</p>				
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings:</p> <p>An internal recharging model, which should address the three partially implemented recommendations below, has been developed and will be implemented for 2019/20 budgets. This Internal Audit review has not covered the adequacy of the internal recharge model.</p>				<p>Implemented:</p> <ul style="list-style-type: none"> Preparation of Finance Risk Register <p>Partially Implemented:</p> <ul style="list-style-type: none"> Notifications relating to trading transactions Guidance for trading journal spreadsheets and record keeping Procedures for internal charges and timely posting.

Page 144

C3 Bank Reconciliations Follow Up

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS					SCOPE SUMMARY
					<p>To verify the status of the six 'high' and 'medium' recommendations, in the Internal Audit report issued in February 2018.</p> <p>This Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.</p>
Total Recommendations	Implemented	Partially Implemented	Not Implemented	Superseded	
6	2 + 1 part	2	0	1 + 1 part	
<p>Internal Audit should be provided with confirmation and supporting evidence, that the partially implemented recommendations are complete, when the agreed due dates in the Management Action Plan are reached. A further review may be undertaken in 2019/20.</p>					
KEY FINDINGS FROM FOLLOW UP					RECOMMENDATIONS STATUS
<p>Key Findings:</p> <ul style="list-style-type: none"> The good progress in reducing unallocated items, which was identified in the previous Internal Audit report, has been maintained A policy and guidance document is being drafted to clearly document the journal approval process For two issues; Rec. 3 and Rec. 4 part (relating to Loans Fund), management have reviewed and accepted the risk raised by Internal Audit, due, respectively, to what management consider to be the low level of risk and compensating controls. 					<p>Implemented:</p> <ul style="list-style-type: none"> Maintain the reduction of unallocated items Clearance of unmatched/unreconciled credit card income Reducing errors in the allocation and posting of income and expenditure. <p>Partially Implemented:</p> <ul style="list-style-type: none"> Undertake a Fraud Risk Assessment of the bank reconciliation process Authorisation of bank/cash book journals. <p>Superseded:</p> <ul style="list-style-type: none"> More frequent journaling of Loans Fund items (risk accepted by management) Reducing unallocated items in the IM Account.

C4 Accounts Payable Follow Up

SUMMARY OF IMPLEMENTATION OF RECOMMENDATIONS				SCOPE SUMMARY
Total Recommendations	Implemented	Partially Implemented	Not Implemented	<p>To verify the status of the high and medium recommendations, that were reported in the Internal Audit report on Accounts Payable (AP) issued in February 2018.</p> <p>This Internal Audit report assessed the progress made to date and reports on the current status of implementation of these recommendations.</p>
8	2	4	2	
<p>Internal Audit should be provided with confirmation and supporting evidence, that the partially implemented recommendations are complete, when the agreed due dates in the Management Action Plan are reached. A further review may be undertaken in 2019/20.</p>				
KEY FINDINGS FROM FOLLOW UP				RECOMMENDATIONS STATUS
<p>Key Findings:</p> <ul style="list-style-type: none"> In spite of considerable efforts by the AP team, issues with late payments of invoices and retrospective orders remain significant. Internal Audit acknowledge the role to that all Services have in addressing this Management have prepared an Action Plan to address outstanding issues raised in this report. 				<p>Implemented:</p> <ul style="list-style-type: none"> Analysis of reasons for late payment of invoices Review procedures for changing Suppliers' bank details. <p>Partially Implemented</p> <ul style="list-style-type: none"> Analysis to improve AP team's compliance with business objective to pay 96% of all invoices on time (within 30 days) Reduce the number of retrospective purchase orders Invoices sent to service departments rather than directly to the AP team Undertake a Fraud Risk Assessment of the AP process. <p>Not implemented:</p> <ul style="list-style-type: none"> BCC terms of supplies and payment referenced to AP team's corporate objective Purchase orders self-authorisation limits.

APPENDIX 1b - SUMMARIES OF COMPLETED AUDITS – NEW AUDITS

D CORPORATE – NEW AUDITS

D1 Directorate Budgetary Control

The objectives of the review were to provide an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and internal controls regarding Directorate Budgetary Control. The majority of the review related to 2017/18 and 2018/19 arrangements.

Based on the completion of the fieldwork a **Reasonable Assurance** Opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- The 2017/18 outturn represented a balanced budget
- Budget review and re-forecasting was undertaken across all Directorates in accordance with a pre-agreed timetable
- Budget monitoring reports were reviewed at managerial levels and considered by EDM's (former DLT's), prior to presentation to Cabinet as the Corporate Budget Monitoring Report
- Cabinet provided with regular budgetary control reports in 2017/18 (although in 2018/19 first report in September 2018)
- Cabinet reporting of Council's budget performance was reported against both the formally approved budget and a revised budget, which was updated for each report
- Directorate performance was also managed against approved and revised budgets
- At the beginning of the year, Strategic and Service Directors formally acknowledged the approved budgets for their areas of responsibility.

The audit also identified the following **areas for improvement**, for which 11 recommendations were made, including:

- No evidence of the formal process to approve in year 'revisions' to the budget arising from reforecasts of income and expenditure
- Council's Scheme of Delegation in respect of virements being agreed by a budget holder not fully complied with
- Differences between the approved budget, 'in year revisions' and outturn requiring more explicit reporting
- The use of the term "technical adjustment" in Cabinet Budget reports requires clearer definition
- Revisions to budgets were agreed corporately though not formally signed off by Directors
- A clearer definition is needed of the policies and protocols that under pin the 'financial framework'
- Formal minuting of the consideration of financial recovery plans at DLT' (now EDM's).

All recommendations were agreed for implementation.

E ADULTS, CHILDREN AND EDUCATION / PEOPLE – NEW AUDITS

E1 Care Reviews of Residents in Care Homes

Guidance supporting the Care Act 2014 suggests that care reviews for service users placed in care homes should be undertaken annually, which is reflected in Council policy.

The objective of this review was to provide an independent opinion on the adequacy and effectiveness of the Council's governance and risk management arrangements regarding frequency of review of the care needs of service users in care homes. The risks of not reviewing the care needs of service users are:

- The care the Council is paying for is insufficient leading to the risk of injury to a vulnerable adult
- The care that the Council is paying for is too high leading to increased costs.

Based on the completion of the fieldwork, a **Limited Assurance** Audit Opinion was assigned. The key **areas of compliance / good practice** identified during the review are summarised as follows:

- The incidence of reviews being undertaken had increased since a previous Internal Audit review in 2016/17
- It was noted that if the needs of an individual placed in a care home have increased, then it is likely that this would be reported to the Council by the care home, where priority is assigned.

The audit also identified the following **areas for improvement**, for which 2 recommendations were made:

- 36% of a sample of service users had not had a review within the previous 18 months (although it should be noted that some service users had a Deprivation of Liberty Safeguards assessment undertaken)
- The need to evidence the confirmation checks at care homes via the contracts and quality team.

Both recommendations were agreed for implementation and the management response highlighted that there has been a significant improvement in reviews completed. Furthermore, management stated that resources were being targeted and prioritised when they had been overdue for a significant period.

E2 Bristol Direct Payment Account

Individuals receiving Direct Payments are able to choose to use a Bristol Direct Payment Account (BDPA). The BDPA operates like a bank current account and can be used to pay for services in a service user's agreed support plan. The account has a debit card, which can be utilised to make payments via chip and pin, standing order or direct debit or bank transfer. The Client and Carer Financial Services Team pay the Direct Payment into these accounts, which are to be used only for service user's Direct Payments.

The risks associated with the BDPA are:

- Service users unable to manage accounts
- Use of funds is not monitored
- Fraud / accounts used by a third party.

The objective of this review was to provide an independent opinion on the adequacy and effectiveness of the Council's governance and risk management arrangements regarding the BDPA, with specific emphasis upon:

- Account set-up
- Account monitoring (including payments made, account balances and service user contributions) and subsequent actions
- Council oversight of use of the accounts by third parties.

Based on the completion of the fieldwork, a **Limited Assurance** Audit Opinion was assigned. The audit identified the following **areas for improvement**, for which 8 recommendations were made, including:

- The majority of the BDPAs are managed as "on behalf of (obo) " accounts by organisations for whom the Council pays for the service. Council Procurement rules were not followed when entering into agreements with the organisations
- Additionally, there was insufficient clarity as to what services are being provided as part of the "obo" service, how service user contributions are checked and what additional support to service users and checks are required to ensure the smooth running of these accounts
- Under the Council Direct Payment Policy, a contingency of up to eight weeks is allowed for leave, sickness and enhancements, but audit testing highlighted that this period was exceeded in the majority of cases
- Resource factors have meant that regular reviews of the accounts have not been undertaken, although work has been undertaken to clawback balances of funds which exceed the allowed eight week contingency. It was recommended that regular reviews, at least annually, should be undertaken with targeting of higher value direct payments
- The Direct Payment Policy requires update to reflect it is in line with the Care Act in respect of cash withdrawals from the BDPA
- The Care Act places an onus on the Council to ensure that checks are carried out on payments to the HMRC for personal assistants employed by service users. There was no evidence that the checks are being consistently undertaken.

All recommendations were agreed for implementation.

F GROWTH AND REGENERATION – NEW AUDITS

F1 Development Control (Section 106 Funding)

Under Section 106 of the Town and Country Planning Act 1990, the Council is able to partly offset the cost of providing and maintaining its infrastructure by negotiating contributions from developers. The agreed obligations of developers are then set out in Section 106 Agreements which are legally binding documents, the terms of which, both the developers and the council are obliged to adhere to.

The Planning Act 2008 made provisions for a new charge, the Community Infrastructure Levy (CIL), to be levied from developers. This means that rather than negotiating contributions on a site by site basis, which had previously been the case, a set tariff is now used to calculate charges based on the size of the development.

The aim of the review was to provide an independent opinion on how effectively the risks associated with Section 106/ CIL expenditure are being managed and to ensure that processes are in place and being operated that will provide assurance that:

- There is a valid reason for Section 106 funds which are more than 10 years old not having been used.
- Where the responsibility of funds has been transferred to allow a project to progress, the funds are appropriately allocated, and the expenditure is permissible by the terms of the S106 agreement and CIL Levy.

Based on the completion of the fieldwork, a **Limited Assurance** Audit opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- The Holding Account, where Development Control (Section 106 Plus) funds are received and held, was well controlled
- The process for the drawdown of funds was found to be adequate.

The audit also identified the following areas for improvement, for which 7 recommendations were made, including:

- The need for clear supporting evidence of how funds, that have been drawn down, have been managed and spent
- The need for closer management of funds which are due to expire, in order to ensure maximum benefit is achieved from the funds available
- That funds when drawn down, should have a time limit in order to ensure the fund does not expire
- Stronger controls on funds where the responsible officer has changed, i.e. succession arrangements
- Funds which are not spent within a set timescale should be returned to the Holding Account
- The information on the Council's website regarding S106 monies needs to be updated.

All recommendations were agreed for implementation within appropriate timeframes. This review will be subject to follow-up early in the new financial year.

F2 Taxi Licensing

Bristol City Council is responsible for the licensing and regulation of taxis and private hire that operate within its area. The management and issue of the licenses are carried out by two Committees, which are the Licensing Committee and the Public Safety and Protection Committee, and by a team of Council officers.

It is the Council's duty to ensure that only persons who are "fit and proper" are granted a taxi and/or private hire driver's license; this means the applicants must comply with at least the minimum standards that are detailed in the Council policy document for individuals seeking to become a taxi and/or private hire driver.

To ensure that taxis and/or private hire are safe, a series of controls operate within the Licensing Department to ensure that licenses are only issued to individuals and firms who have satisfied a series of knowledge and security checks and whose vehicles have been checked and confirmed to comply with various safety and suitability requirements.

The aim of the audit was to provide an independent opinion on how effectively the risks associated with issuing licenses are being managed and to ensure that the processes that are in place and their adherence are being operated to a sufficiently high standard that will review the following associated risks:

- Safeguarding and Health and Safety risks are minimised
- Staffing levels are appropriate and training is comprehensive so as to provide assurance that licenses are only issued where the firm, driver and vehicle have been appropriately vetted
- Compliance and enforcement procedures are efficient and effective to ensure that non-compliant practices are promptly stopped
- Income from Licensing is only used for the purposes intended.

In September 2018, a report entitled "Taxi and private hire vehicle licensing: recommendations for a safer and more robust system" (the T&PVH Report) was published on the Government website gov.uk. This was commissioned by the Department for Transport (DfT) in response to ministers' concern that the current regulatory regime for the taxi and private hire vehicle sector is no longer fit for purpose. The T&PVH Report made 34 recommendations for central and local government and our Internal Audit work had regard to this. Internal Audit acknowledges that this was a very recent report, which the Council will need time to consider and have recommended that a full review of its activities against the recommendations in the T&PVH Report should be undertaken, in anticipation of possible legislative change.

Based on the completion of the fieldwork a **Limited Assurance** Opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- DBS documentation is reviewed in the processing of driver applications
- The electronic licensing system for applications had been updated to indicate that DBS forms had been reviewed
- Training of staff occurs (although no formal training plan)
- The management of complaints was effective
- Evidence of liaison with neighbouring local authorities and the LGA in relation to the licensing of taxis
- A Taxi Forum has been established to liaise with trade representatives

- In 2017/18, £506k income was collected in respect of taxi licenses. Legislation dictates that all this income is ring fenced to improve/ fund provision of the Licensing Service. It was confirmed that funds were being spent in accordance with this requirement.

The audit also identified the following **areas for improvement**, for which 9 recommendations were made, including:

- The frequency of enhanced DBS checks is not in line with the national T&PVH recommendation, increasing the risk of decisions being based on outdated conviction history
- Assurance could not be provided that the checks performed on DBS documents were accurate
- The Licensing Team should review with the DBS service relating to the retention of DBS checks
- There was no formal, recorded supervisory check by a second member of staff to confirm that the DBS details recorded were accurate
- The number of temporary renewal licenses increased significantly in 2018, these being a short term negation of the controls that are in place to protect the public (occur when application process has not been completed/ background checks are awaited)
- The stationery that is used in the production of taxi license plates and taxi driver badges was not being held securely
- Greater control is required in respect of the issuing of duplicate licenses (where originals are lost by the license holder).

All recommendations were agreed for implementation.

G RESOURCES - NEW AUDITS

G1 Council Tax Income Collection

Bristol City Council's Revenues Service is responsible for the administration of Council Tax on 200,000 domestic properties and of business rates on 16,000 commercial properties; collecting approximately £460m for the Council which is the major source of income to fund local services.

The key risks the Council faces in the collection of Council Tax and Business Rates are:

- Bills are issued late, or are incorrectly calculated
- Exemptions and discounts are not properly applied
- Council Tax payers are not able to make payments easily
- Arrears are not promptly identified and followed up effectively
- There is no effective oversight of collection arrangements, so that risks are not managed and issues are not quickly identified and addressed.

The aim of the audit review was to provide an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and internal controls regarding Council Tax Income Collection.

Based on the completion of the fieldwork a **Reasonable Assurance** Opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- In 2017/18, the Revenues Service collected 96.8% of domestic Council Tax; placing BCC as the second best performer of the ten Core Cities (which average 94.8%). In 2018/19, the Revenues Service is on course to achieve their end of year target of 96.8%
- Council Tax Bills were issued on time and there was an effective procedure to monitor payments
- The Service had correctly calculated exemptions and discounts, officers had recorded decisions made, and an effective review process, by Team Leaders, was in place
- The Service was found to be pro-active in identifying fraud/irregularity in Council Tax Reduction claims and payments
- An extensive range of payment channels are offer to Council Tax Payers, all of which are advertised on the Council's Website
- The council tax collected is reconciled and reported on a monthly basis.

The audit also identified the following **areas for improvement**, for which 4 recommendations were made, including:

- The need for an appropriate solution to mitigate the risk of the non-availability of the Council Tax system
- A Cost and Resource review needs to be completed with regards to the proposed changes to the enforcement provision
- The need for a comprehensive procedures document with regard to the treatment of council tax arrears
- The need to ensure that the paper Council Tax bill reflects the same methods of payment as listed on the Council's Website.

All recommendations were agreed for implementation.

G2 Use of Imprest

Bristol City Council (BCC) Security Services provide cash collection and delivery facility for BCC establishments including schools and museums and other clients.

Recent legislation relating to money laundering, prevention of terrorism and tax evasion has increased BCC's responsibility to ensure large or unusual cash transactions are justifiable. Security Services should therefore ensure that reasonable care is taken to adhere to the relevant legislation when providing any aspect of their business; this extends to questioning the appropriateness of the value and frequency of Imprest top up requested.

The objective this audit assignment was to provide an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and internal controls regarding the administration of a large cash Imprest float. Specifically the audit reviewed:

- Whether the level of cash held was appropriate
- The authorisation of cash requests
- The authorisation of withdrawals from the Imprest float
- The level of awareness within Security Services employees, of the Council's responsibilities in relation to money laundering, prevention of terrorism and tax avoidance.

Based on the completion of the fieldwork, a **Limited Assurance** Audit opinion was assigned. The key findings from the review are summarised as follows:

- The value of cash held by the Security Services team was deemed to be reasonable
- Security Services employees were not aware of the Council's responsibilities under the money laundering, prevention of terrorism and tax avoidance rules
- Regular large cash payments had been requested by one client, this practice had been in place over a number of years
- While Security Services have written procedures which cover all of their activities, greater clarity is required with regard to the system for requesting and making cash advances and the weekly reconciliation of the Imprest
- A manual recording system is currently in use for managing the Imprest, and although the system functions adequately it does not allow for data analysis
- Service Level Agreements between Security Service and external clients had not been reviewed.

The audit identified **areas for improvement**, for which 13 recommendations were made, which included:

- The Council should ensure it is compliant with the Money Laundering Policy, the Criminal Finance Act 2017 and/or HMRC rules, therefore regular requests for large amounts of cash should be investigated with the client, and where appropriate the transactions should be cleared via the Council's Chief Finance Officer and the Monitoring Officer
- The establishment of a threshold for high value and/or multiple cash payment requests should be established in order to identify incidences which may require further investigation
- An alternative to the current manual Imprest recording system should be considered in order to support information integrity and allow for trend analysis
- Training should be provided to all employees who are involved in cash handling within Security Services. The training should include the Council's responsibilities in terms of the legislation with regard to the handling of cash payments
- Legislation changes should be cascaded to all relevant employees.

- The Service level Agreements (SLA) between Security Services and their clients should be reviewed annually and updated as appropriate. The updated SLAs should include the need for the Council and the client to adhere to the relevant legislation.
- The level of the Imprest float should continue to be monitored in order to ensure it remains appropriate.

All recommendations, including those detailed above, have been provided to management, and agreement has been obtained as well as appropriate implementation time scales.

G3 HR Payroll Project Procurement Review

The Business Case for the project to deliver a new fully integrated HR and Payroll solution with integration to finance and other back office systems was approved with the following objectives:

- Revenue savings
- More timely and better quality Management Information
- Enhanced user experience.

The procurement process followed was the 'competitive procedure with negotiation', in accordance with The Public Contracts Regulations 2015 and Crown Commercial Service guidance. This was a new approach for the Council, but legal advice was given in respect of its appropriateness for this procurement process. The procurement timescales were acknowledged to be very tight, which was necessary to achieve an anticipated go live date of April 2019.

OJEU invitations were published via ProContract in January 2018 The contract was awarded under Schemes of delegation by the relevant Director in July 2018.

The aim of the audit was to provide an independent review of the following risks:

- The procurement does not provide the best outcome for the Council in terms of quality and price.
- The procurement is not conducted appropriately in accordance with legislative and Council requirements.

Based on the completion of the fieldwork a **Reasonable Assurance** Opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- The Procurement phase went through appropriate governance including sign off by Cabinet, CPG and DWG
- The assessment of bids and tenders was rigorous and followed a detailed methodology with clear guidance
- There was a high level of business involvement in the assessment of bids and tenders and negotiation with shortlisted companies, which created a high degree of business ownership
- The contract with the supplier set out when stage payments were to be made and what needed to be achieved to generate payment. The first stage payment was made in accordance with the contract.

Internal Audit found nothing to suggest that the contract should not have been awarded to the supplier and the new system, if implemented to plan and timescales, should significantly enhance processes throughout the Council. Some issues were, however, identified with the formality of some of the processes adopted, which may provide lessons learned for future projects with the following **areas for improvement**, for which 5 recommendations were made, including:

- The spreadsheet used to assess tenders was complex and there was no evidence of independent review of the assessment (no errors were identified in the audit review)
- Records of negotiation meetings and calls were not sufficient nor as per the Council Procurement Manual
- The Council's Procurement Manual provides guidance that a report should be prepared to the awarding Manager showing the relative strengths of each bid and the overall ranked

scores but no such report was prepared for or requested by the Director: Workforce and Change in support of the recommendation

- Negotiations were rigorous and it was considered by the Project Team that improvements to the service offer and value for money was obtained, however no cost benefit analysis of the negotiation stage was prepared.

All recommendations were noted and /or agreed for implementation within appropriate timeframes.

G4 Fleet Investment Contract Award

A capital bid was made for £6.1m to replace 342 of the 456 fleet vehicles over a three year period with the business case put to Cabinet and approved in December 2017. A Framework Contract was awarded in March 2018 and several drawdowns from the framework have since taken place.

Council Procurement Regulations set out the rules that must be followed by the Council for the procurement of goods, services or works, and/or the award of any concession or licence. These Regulations have four purposes:

- To ensure that the Council complies with its legal obligations regarding the procurement of goods, services and works
- To ensure that the Council obtains Value for Money
- To prevent corruption or suspicion of such
- To ensure, to the extent legally permitted, the promotion of the local economy and the promotion of environmental sustainability.

The objective of the assignment was to provide an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and internal controls regarding the Fleet Investment Contract Award.

Based on the completion of the fieldwork a **Reasonable Assurance** Opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- The process to support the capital bid for the fleet replacement was well administered and recorded
- A detailed Business Case was presented and approved by Senior Leadership Team (SLT) and Cabinet
- Corporate Procurement Group (CPG) authorisation was then obtained to proceed with tender process
- Procurement Regulations were correctly followed in the tender process
- Tender details were recorded on the Council's contract register, Pro Contract
- Monitoring of forecast capital spend against budget was up to date.

No recommendations were made in this review.

G5 Future State Assessment Programme – Embedded Assurance Review

In July 2018, Cabinet approved £20.3m (£7.2m revenue, £13.1m capital) to deliver the Future State Assessment (FSA) programme in a timescale of 3-5 years. In March 2019, Cabinet approved the procurement of a FSA Delivery Partner to an estimated value not to exceed £12m. The FSA set out components needed to build on the current IT platforms and ICT service delivery to ensure a modern, secure, flexible and service-aligned IT service in support of the Corporate Strategy and business drivers/outcomes will be delivered.

The Embedded Assurance approach provides assurance at various stages of key Council programmes and projects. This review concentrated on the following:

- Appropriateness of decision-making in relation to technological change
- Effectiveness of Programme Governance and Management arrangements
- Credibility of the approach undertaken

The previous FSA review provided only a relatively high level blueprint to inform FSA programme planning and delivery. Subsequently, the Council has experienced difficulties in defining a complete view of the programme and establishing an appropriate route to delivery. As a result, there has been limited actual programme delivery, although some costs incurred have been significant.

In response to this, a decision was taken to pause the programme to clarify what can be delivered, realign FSA projects and explore the benefits of a single delivery partner approach. This is an appropriate and credible response to re-align the programme within the parameters set by the Board. This approach, however, is being delivered at pace to extremely tight timescales, with limited IT resource. Much of the Council's technology strategy development and identification of detailed deliverables from the FSA programme are being progressed simultaneously. There are a number of risks inherent with this approach:

- Clarity and deliverability of programme scope
- Clarity of decision making
- Clarity of potential procurement approach communicated to the Board
- Programme governance
- Corporate governance of IT
- The level of responsibility concentrated in one Director.

Based on the completion of the fieldwork a **Limited Assurance** Opinion was assigned. The key areas of **compliance / good practice** identified during the review are summarised as follows:

- A dedicated programme, board, team and resource has been identified and put in place to deliver the programme with high-level sponsorship of the programme and a Delivery Board that includes the Head of Paid Service and Cabinet member for the service. The governance structure of the programme has been defined, together with roles, responsibilities, delegations and programme tolerances
- A Programme SRO has been appointed
- Costs of work undertaken in relation to the programme are being recorded
- Assurance arrangements for the programme are in place and assurance on individual business cases has been sought from the Programme Management Office
- The decision to pause and revisit the scope and deliverables for the programme has allowed the programme to start to move to a more defined and deliverable state
- The choice to explore the use of a single delivery partner will reduce risks of the Council managing several independent SMEs to deliver a complex, interrelated set of work. The

technology direction for the Council is being positively informed from work being undertaken with the various potential delivery partners

- The SRO is rightly focusing the programme's initial attention on stabilising at-risk infrastructure and has commissioned a review of the Council's cyber posture. Risks relating to resilience and cyber have been escalated from the IT Department risk register to the Corporate Risk Register. The SRO has also undertaken a considerable amount of work to stabilise and reconfigure the programme, as well as holding several sessions with IT staff to clarify and gain a common understanding of the service's future direction
- Elements of the IT staffing restructure discussed so far with the SRO will help address a number of pressure points to enhance capacity/capability in the service
- It is understood that, through the Cloud Migration project, it has been possible to further clarify the number of applications and servers in use by the Council and it has been possible to decommission a number of these, prior to any forthcoming migration to the cloud
- The Programme Team are exploring the introduction of a more formal Project and Portfolio Management Solution to enhance programme management capabilities
- It is understood the Customer Relations Management project team and service area are demonstrating robust collaborative working practices and are jointly identifying solution requirements.

The audit also identified the following **areas for improvement**, for which 10 recommendations were made, including:

- The need to clarify the scope of the current programme and the need for a clear statement of:
 - A high level view of anticipated significant IT and Digital related change and transformation required over the next 3-5 years
 - The elements of change that will be delivered through the current programme and how they will be delivered
 - An appraisal of the required IT and Digital change that will not be delivered by the current programme
 - A clear financial model for the current programme of deliverables and the implications of procuring a delivery partner
- The Delivery Partner decision paper should adequately appraise how the re-scoped programme align with the future Digital and IT strategies of the Council and how delivery partner proposals meet requirements.
- To review whether governance effectiveness for the direction and control of ICT could be enhanced by a Digital or IT Strategy/ steering group.
- The membership of the FSA Board should be reviewed to ensure that it can adequately direct, challenge and control the FSA programme
- The path to appointing the delivery partner and starting the wider programme should be mapped out
- Governance arrangements should be reviewed including:
 - The application of benefits realisation methodology from the outset of any further programme activity
 - Programme reporting
 - Financial management arrangements
- The investment in a delivery partner will require robust supporting evidence to justify value for money and that the procurement process is consistent with the Council's procurement policy and any relevant framework requirements
- The Delivery Board should consider the level of risk currently being held by the SRO in relation to the programme with current vacancies in the IT service and whether the level of responsibility is sustainable for one member of staff to deliver.

All recommendations were agreed for implementation.

Audit Committee

26th March 2019



Report of: Service Director Legal & Democratic Services (Monitoring Officer)

Title: Annual Review of the Audit Committee terms of reference

Ward: Citywide

Officer presenting report: Nancy Rollason, Head of Legal Service.

Recommendation:-

1. The committee considers and comments on the terms of reference and advises if there are any amendments or additions that should be made.

Summary

1. The Audit Committee terms of reference were reviewed, updated and approved by the committee and Full Council in May 2018.

2. In December 2018 Full Council agreed that the terms of reference for the committee be updated to include consideration of proposed changes to the Council's constitution.

3. The Committee's work plan includes an annual review of its terms of reference.



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

1. Internal

Monitoring Officer, Deputy Monitoring Officer.

External

Not applicable.

Context

1. The Audit Committee terms of reference were reviewed, updated and approved by the committee and full Council in May 2018.

2. In December 2018 Full Council agreed that the terms of reference for the committee be updated to include consideration of proposed changes to the Council's constitution:-

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 and to periodically consider proposed changes to the Constitution in order to make recommendations for amendments to Full Council.

3. The Committee's work plan includes an annual review of the terms of reference.

4. This is a routine annual review and an opportunity to consider how the terms of reference are supporting the work of the Committee.

5. There are no recommendations from officers for change this year. The terms of reference have been recently updated.

6. Members are asked to consider and comment on the terms of reference and advise if there are any amendments or additions that should be made.

Other Options Considered

2. None necessary.

Risk Assessment

Legal and Resource Implications

Legal implications:

As set out in the report.

Financial:

(a) Revenue

Not applicable.

(b) Capital

Not applicable.

Land/Property

Not applicable.

Human Resources

Not applicable.

Appendices:

Appendix A – Terms of Reference for Audit Committee

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: none

B. TERMS OF REFERENCE OF COMMITTEES

Each committee has delegated authority to undertake all responsibilities and actions falling within its terms of reference.

COMMITTEE TERMS OF REFERENCE:

A. OVERVIEW AND SCRUTINY COMMITTEES

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Terms of Reference

Functions

In accordance with legislation (Local Government Act 2000, Health and Social Care Act 2001, NHS Act 2006, Police and Justice Act 2006, Flood and Water Management Act 2010, Localism Act 2011, Health and Social Care Act 2012) the Board will meet six times a year to discharge the Council's overview and scrutiny function, including but not limited to the following:

General

1. Overview and scrutiny of strategic priorities and policy, including the Council's policy framework and review of their impact on service delivery and outcomes for people in Bristol.
2. Work with, inform and hold the Mayor/Executive to account in relation to the development, implementation and review of strategic priorities and policy.
3. Review and scrutinise decisions made, or other action taken in connection with the discharge of any functions which are the responsibility of the Mayor/Executive, functions which are not the responsibility of the Executive, and functions which are the responsibility of any other bodies the Council is authorised to scrutinise.
4. Make reports and recommendations to Full Council, the Mayor/Executive and/or any 'Other Body' on matters within their remit and on matters which affect the authority's area or the inhabitants of that area.
5. Develop the external focus of overview and scrutiny on 'city-wide issues' (and where appropriate sub regional, regional and

national issues), in particular through collaborative work with local partner authorities, providers, stakeholders and members of the public.

6. Working with Joint Scrutiny Committees, namely West of England Combined Authority Overview and Scrutiny Committee, Joint Health Committee and Joint Health Overview Scrutiny Committee, to scrutinise the work and effectiveness of partners, where the powers of scrutiny allow, and other local strategic partnerships such as the Local Enterprise Partnership.
7. Scrutinise governance arrangements at strategic and local level (e.g. Area Committees) to ensure these are fit for purpose and deliver good decision making, accountability, transparency and involvement.
8. To consider organisational performance (ICT, legal, financial and HR services) and commission performance reviews through the relevant Scrutiny Commissions.
9. To develop a budget review process and ensure that budget proposals are subject to rigorous challenge (likely to be allocated to the MTFP/Budget Scrutiny Task Group).

Management Function

10. To manage, develop and champion the overview and scrutiny function of the Council:
 - (a) As a vehicle to provide constructive challenge, public accountability and improved outcomes for people in Bristol.
 - (b) As a forum to consider evidence and different views and opinions and respond to public priorities.
 - (c) To promote confidence and greater involvement in local democracy.
 - (d) To set the overall scrutiny work programme, oversee the work programme of each of the Commissions and ensure the effective co-ordination of those programmes within the resource envelope available (to include commission meetings, select committees, sub-committees, working groups and any other forms of scrutiny that may be established by virtue of the Overview and Scrutiny Procedure Rules).

- (e) To consider requests for scrutiny reviews under the Councillor Call for Action process.
- (f) To review and evaluate the effectiveness of the overview and scrutiny function and make recommendations to Full Council and propose any changes to the Constitution as necessary.

B RESOURCES SCRUTINY COMMISSION

Terms of reference - Overview

The role of the Commission is the overview and scrutiny in respect of the implementation of policies, decisions, performance and actions relating to the Resources Directorate with functions that include Legal, Finance, HR, ICT, Policy & Strategy, Procurement and Revenue and Benefits.

1. To ensure that overview and scrutiny directly responds to corporate and public priorities, is used to drive service improvement, provides a focus for policy development and engages members of the public, key stakeholders and partner agencies.
2. To action the annual work programme set by the Overview and Scrutiny Management Board using the following framework:
3. Scrutiny of corporate plans and other major plan priorities within its remit with particular reference to those areas where targets are not being met or progress is slow;
4. Input to significant policy developments or service reviews;
5. Review and scrutiny of decisions made, or other action taken in connection with the discharge of any functions which are the responsibility of the Mayor/Executive, functions which are not the responsibility of the Mayor/Executive, and functions which are the responsibility of any other bodies the Council is authorised to scrutinise.
6. To make reports and recommendations to Full Council, the Mayor/Executive and/or any other body on matters within their remit and on matters which affect the authority's area or the inhabitants of that area and to monitor the response, implementation and impact of recommendations.
7. To work in collaboration with the Mayor/relevant Executive Member and receive updates from that member on key policy developments, decisions taken or to be taken and progress against corporate priorities.

8. To report to the Overview and Scrutiny Management Board on progress against the work programme and on any recommendations it makes.
9. To develop a budget review process and ensure that budget proposals are subject to rigorous challenge.

C ADULT, CHILDREN AND EDUCATION SCRUTINY COMMISSION

Terms of reference - Overview

The role of the commission is the overview and scrutiny of matters relating to the Adults, Children and Education Directorate, including:

Adults: Front Door/ Hospital Social Care teams, Maximising Independence, Safeguarding/ Deprivation of Liberty, Approved Mental Health Act Service, Strategic Commissioning/ Contracts & Quality, Early Intervention/ Targeted support, and Intermediate Care, Reablement and Regulated Services.

Childrens: Early Help, Targeted Support, Safeguarding including Child Protection Social Work Services and Permanency and Specialist Services for children in care, care leavers and disabled children and their families.

Education: HOPE Virtual School, Early Years, School Partnerships, Specialist Education and Access, and Employment, Learning & Skills.

Functions

1. To ensure that overview and scrutiny directly responds to corporate and public priorities, is used to drive service improvement, provides a focus for policy development and engages members of the public, key stakeholders and partner agencies.
2. To action the Annual Work Programme set by the Overview and Scrutiny Management Board using the following framework:
 - (a) Scrutiny of corporate plans and other major plan priorities within its remit, with particular reference to those areas where targets are not being met or progress is slow;
 - (b) Input to significant policy developments or service reviews;
 - (c) Review and scrutiny of decisions made, or other action taken in connection with the discharge of any functions which are the responsibility of the Mayor/Executive, functions which are not the responsibility of the Executive, and functions which are the responsibility of

any other bodies the Council is authorised to scrutinise.

3. To make reports and recommendations to Full Council, the Mayor/Executive and/or any other body on matters within their remit and on matters which affect the authority's area or the inhabitants of that area and to monitor the response, implementation and impact of recommendations.
4. To work in collaboration with the Mayor/relevant Executive Member and receive updates from that member on key policy developments, decisions taken or to be taken and progress against corporate priorities.
5. To report to the Overview and Scrutiny Management Board on progress against the work programme and on any recommendations it makes.

D GROWTH AND REGENERATION SCRUTINY COMMISSION

Terms of Reference - Overview

The role of the commission is the overview and scrutiny of matters relating to the Growth and Regeneration Directorate including;

Planning; Strategic City Planning, Development Management, City Design, City Innovation and Sustainability;

City Growth, Investment and Infrastructure; housing delivery, Economic development, Programme and Project Management (including Temple Quarter, the Arena, Colston Hall, Education Capital, Capital Infrastructure, Regeneration, Housing and Transport Programmes / Projects, including the Avonmouth and Severnside Enterprise Area, Housing Deal and Housing Infrastructure Fund), Culture, Property Asset Strategy, Property Management and Property Development;

Transport; Strategic City Transport, Local and Sustainable Transport and Traffic and Highway Maintenance including the statutory flood risk management scrutiny function.

Functions

1. To ensure that overview and scrutiny directly responds to corporate and public priorities, is used to drive service improvement, provides a focus for policy development and engages members of the public, key stakeholders and partner agencies.
2. To action the Annual Work Programme set by the Overview and Scrutiny Management Board using the following framework:
 - (a) Scrutiny of corporate plans and other major plan priorities within its remit, with particular reference to those areas where targets are not being met or progress is slow;
 - (b) Input to significant policy developments or service reviews;
 - (c) Review and scrutiny of decisions made, or other action taken in connection with the discharge of any functions which are the responsibility of the Mayor/Executive, functions which are not the responsibility of the Executive, and functions which are the responsibility of any other bodies the Council is authorised to scrutinise.

3. To make reports and recommendations to Full Council, the Mayor/Executive and/or any other body on matters within their remit and on matters which affect the authority's area or the inhabitants of that area and to monitor the response, implementation and impact of recommendations.
4. To work in collaboration with the Mayor/relevant Executive Member and receive updates from that member on key policy developments, decisions taken or to be taken and progress against corporate priorities.
5. To report to the Overview and Scrutiny Board on progress against the work programme and on any recommendations it makes.

E COMMUNITIES SCRUTINY COMMISSION

Terms of reference - Overview

The role of the Commission is the overview and scrutiny of matters relating to the Communities Directorate including; Integrated Customer Services, housing solutions, housing delivery, commercialisation and energy, crime and disorder (including the Statutory Scrutiny Function), recycling, waste and environmental issues, neighbourhoods, and public health (including sport, leisure and physical activity) (*note – the statutory duties in relation to Health are also likely to be added*).

Functions

1. To ensure that overview and scrutiny directly responds to corporate and public priorities, is used to drive service improvement, provides a focus for policy development and engages members of the public, key stakeholders and partner agencies.
2. To action the Annual Work Programme set by the Overview and Scrutiny Management Board using the following framework:
 - (a) Scrutiny of corporate plans and other major plan priorities within its remit, with particular reference to those areas where targets are not being met or progress is slow;
 - (b) Input to significant policy developments or service reviews;
 - (c) Review and scrutinise decisions made or other action taken in connection with the discharge of any functions which are the responsibility of the Mayor/Executive, functions which are not the responsibility of the Executive, and functions which are the responsibility of any other bodies the Council is authorised to scrutinise.
3. To make reports and recommendations to Full Council, the Mayor/Executive and/or any other body on matters within their remit and on matters which affect the authority's area or the inhabitants of that area and to monitor the response, implementation and impact of recommendations.
4. To work in collaboration with the Mayor/relevant Executive Member and receive updates from that Member on key policy developments, decisions taken or to be taken and progress

against corporate priorities.

5. To report to the Overview and Scrutiny Management Board on progress against the work programme and on any recommendations it makes.

F JOINT HEALTH SCRUTINY COMMITTEE

Terms of Reference

Functions

1. Where more than one local authority is consulted by a local NHS body in respect of any proposal, which it has under consideration for the substantial development of the health service or the substantial variation of such service, to review and scrutinise such proposal jointly with any other local authority so consulted.
2. Where a matter is referred to it by Healthwatch to consider whether to exercise any powers in relation to the matter, taking into account information supplied by Healthwatch.
3. Where more than one local authority has an interest in the planning, provision and operation of health services which cross geographical boundaries, to review and scrutinise any such matters jointly with any such other local authority.
4. To require the local NHS body to provide information about the proposal under consideration and where appropriate to require the attendance of a representative of the NHS body to answer such questions as appear to it to be necessary for the discharge of its function in connection with the consultation.
5. To prepare a report to the health body and the participating local authorities, setting out any comments and recommendations on any matter reviewed or scrutinised.
6. To report to the Secretary of State in writing where it is not satisfied that consultation on any proposal referred to in paragraph (1) has been adequate in relation to the content or time allowed.
7. To report to the Secretary of State in writing in any case where it considers that the proposal referred to in paragraph 1 above would not be in the interests of the health service in the area of the Joint Committees participating local authorities.

**G TERMS OF REFERENCE OF THE WEST OF ENGLAND
COMBINED AUTHORITY OVERVIEW AND SCRUTINY COMMITTEE
("THE WECA OVERVIEW AND SCRUTINY COMMITTEE")**

The functions of the Overview and Scrutiny Committee primarily relate to scrutinising the work of the WECA and making appropriate recommendations as to the discharge of its function

The WECA Overview and Scrutiny Committee shall have the power to:-

(i) Review or scrutinise decisions made or other actions taken, in connection with the discharge of any functions which are the responsibility of the WECA;

(ii) Make reports or recommendations to the WECA on matters that affect the WECA area or the inhabitants of the area;

(iii) Make reports or recommendations to the WECA with respect to the discharge of any functions which are the responsibility of the WECA.

(iv) In so far as the business of the Local Enterprise Partnership Business Board (LEP) relates to the discharge of functions of the WECA, the WECA Overview and Scrutiny Committee shall have the power to scrutinise the LEP as set out in (i) – (iii) above.

Save for the provision in Section A – Standing Orders (Descriptions and Rules of Procedure), that can only apply to a meeting of the West of England Combined Authority, the rules of procedure will apply to meetings of the Overview and Scrutiny.

H JOINT OVERVIEW AND SCRUTINY ARRANGEMENT

Terms of Reference of the Joint Overview and Scrutiny Arrangement comprising of the Constituent Councils of the West of England Combined Authority, the Mayor and North Somerset Council (“The Joint Overview and Scrutiny Arrangement”)

Joint Overview and Scrutiny shall have the power to:-

- (i) Review or scrutinise decisions made or other actions taken, in connection with the discharge of any functions which are the responsibility of the Joint Committee;

- (ii) Make reports or recommendations to the Joint Committee on matters that affect the Joint Committee area or the inhabitants of the area;

- (iii) Make reports or recommendations to the Joint Committee with respect to the discharge of any functions which are the responsibility of the Joint Committee.

Save for the provision in Section A – Standing Orders (Descriptions and Rules of Procedure), that can only apply to a meeting of the West of England Combined Authority; the rules of procedure will apply to meetings of the Voluntary Joint Scrutiny Arrangement.

B. REGULATORY COMMITTEES:

DEVELOPMENT CONTROL COMMITTEES

Terms of Reference

Arrangements

There are two Development Control Committees:

- **Development Control Committee “A”**
- **Development Control Committee “B”**

Each Development Control Committee shall have full authority to deal with all development control matters reserved to a Development Control Committee by virtue of this consultation.

Functions

Full Council has delegated to the Development Control Committees all functions relating to town and country planning and development control as specified in Regulation 2 and Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) under the following provisions and any related secondary legislation:

1. Power to determine applications for planning permission (section 70(1) (a) and (b) and 72 of the Town and Country Planning Act 1990 (c.8)).
2. Power to determine applications to develop land without compliance with conditions previously attached (section 73 of the Town and Country Planning Act 1990).
3. Power to grant planning permission for development already carried out (section 73(A) of the Town and Country Planning Act 1990).
4. Power to decline to determine application for planning permission (section 70A of the Town and Country Planning Act 1990).
5. Duties relating to the making of determinations of planning applications (Sections 69, 76 and 92) of the Town and Country Planning Act 1990 and Articles 8, 10 to 13, 15 to 22 and 25 and 26 of the Town and Country Planning (General Development Procedure Order 1995) (S.I. 1995/419 and directions made thereunder).
6. Power to determine application for planning permission made by a local authority, alone, or jointly with another person

- (section 316 of the Town and Country Planning General Regulations 1992 (S.I. 1992/1492)).
7. Power to make determinations, give approvals and agree certain other matters relating to the exercise of permitted development rights (Parts 6, 7, 11, 17, 19, 20, 21 to 24, 26, 30 and 31 of Schedule 2 to the Town and Country Planning (General Permitted Development) Order 1995).
 8. Power to enter into agreement regulating development or use of land (Section 106 of the Town and Country Planning Act 1990).
 9. Power to issue a certificate of existing or proposed lawful use or development (Section 191(4) and 192(2) of the Town and Country Planning Act 1990).
 10. Power to serve a completion notice (Section 94(2) of the Town and Country Planning Act 1990).
 11. Power to grant consent for the display of advertisements (Section 220 of the Town and Country Planning (Control of Advertisements) Regulations 1992).
 12. Power to authorize entry onto land (Section 196A of the Town and Country Planning Act 1990).
 13. Power to require the discontinuance of a use of land (Section 102 of the Town and Country Planning Act 1990).
 14. Power to serve a planning contravention notice, breach of condition notice or stop notice (Sections 171C, 187A and 183(1) of the Town and Country Planning Act 1990).
 15. Power to issue a temporary stop notice (Section 171E of the Town and Country Planning Act 1990).
 16. Power to issue an enforcement notice (Section 172 of the Town and Country Planning Act 1990).
 17. Power to apply for an injunction restraining a breach of planning control (Section 18 7B of the Town and Country Planning Act 1990).
 18. Power to determine applications for hazardous substances consent and related powers (Sections 9(1) and 10 of the Planning (Hazardous Substances) Act 1990 (c.10)).
 19. Duty to determine conditions of which old mining permissions, relevant planning permissions relating to dormant sites or active Phase I or II sites or mineral permissions relating to mining sites, as the case may be, are to be subject (paragraph 2(6) (a) of Schedule 2 of the Planning and Compensation Act 1991, paragraph 9(6) of the Schedule 13 of the Environment Act 1995 (c.25) and paragraph 6(5) of Schedule 14 to that Act.
 20. Power to require proper maintenance of land (section 215(1) of the Town and Country Planning Act 1990).
 21. Power to determine application for listed building consent and related powers (sections 16(1) and (2), 17 and 33(1) of the

- Planning (Listed Buildings and Buildings in Conservation Areas) Act 1990 (c.9).
22. Power to issue Certificate of Lawful Works to listed buildings
The Planning (Listed Buildings and Conservation Areas) Act 1990: sections 26H and 26I, as inserted by section 61 of the Enterprise and Regulatory Reform Act 2013. The Planning (Listed Buildings) (Certificates of Lawfulness of Proposed Works) Regulations 2014
 23. Duties relating to applications for listed building consent and Certificates of Lawful Works and conservation area consent (sections 13(1) and 14(1) and (4) of the Planning (Listed Buildings and Conservation Areas) Act 1990 and regs 3 to 6 and 13 of the Planning (Listed Buildings and Conservation Areas) Regulations 1990 S.I. 1990/1519) and paragraphs 8, 15 and 26 of the Department of Environmental, Transport and the Regions circular 01/01).
 24. Power to serve a building preservation notice and related powers (sections 3(1) and 4(1) of the Planning (Listed Buildings and Buildings in Conservation Areas) Act 1990.
 25. Power to issue enforcement notice in relation to demolition of listed building in conservation area (section 38 of the Planning (Listed Buildings and Conservation Areas) Act 1990).
 26. Powers to acquire a listed building in need of repair and to serve a repairs notice (section 47 and 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990).
 27. Power to apply for an injunction in relation to a listed building (section 44A of the Planning (Listed Buildings and Conservation Areas) Act 1990).
 28. Power to execute urgent works to unoccupied listed buildings (section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990).
 29. Power to authorize stopping up or diversion of highway (section 247 of the Town and Country Planning Act 1990).
 30. Power to authorise stopping-up or diversion of footpath, bridleway or restricted byway (section 257 of the Town and Country Planning Act 1990).
 31. Power to extinguish public rights of way over land held for planning purposes (Section 258 of the Town and Country Planning Act 1990).
 32. Powers relating to the protection of important hedgerows (the Hedgerows Regulations 1997 (S.I. 1997/1160).
 33. Powers relating to the preservation of trees (sections 197 to 214D of the Town and Country Planning Act 1990 and the Trees Regulations 1990 (S.I. 1999/1892)).
 34. Powers relating to complaints about high hedges (Part 8 of the Anti-Social Behaviour Act 2003).

35. Power to include modifications in other orders (Section 53A of the Wildlife and Countryside Act 1981).
36. Power to revoke or modify planning permission (Section 97 Town and Country Planning Act 1990).
37. Duty to enter land in Part 2 of the brownfield land register (Regulation 3 of the Town and Country Planning (Brownfield Land Register) Regulations 2017).
38. The making of Local Development Orders under Article 5 of the Town and Country Planning (General Development Procedure) (Amendment) (England) Order 2006.
39. Power to exercise functions relating to Nationally Significant Infrastructure Projects and Development Consent Orders as contained in the Planning Act 2008.

Code of Conduct

The committee must follow the Council's Code of Conduct for Councillors and Officers dealing with development control and other appropriate planning matters (in part 5 of the constitution).

PUBLIC SAFETY AND PROTECTION COMMITTEE

Terms of Reference

Functions

Full Council has delegated to the Public Safety and Protection Committee all functions relating to public safety and protection as specified in Regulation 2 and Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) under the following provisions and any related secondary legislation:

1. Power to license Hackney carriages and private hire vehicles ((a) as to Hackney carriages, the Town Police Clauses Act 1847 (10 and 11 Vict. c. 89) as extended by section 171 of the Public Health Act 1875 (38 and 39 Vict. c. 55) and section 15 of the Transport Act 1985 (c.67); and sections 47, 57, 58, 60 and 79 of the Local Government (Misc. Provisions) Act 1976 (c.57); (b) as to private hire vehicles, sections 48, 57, 68, 60 and 79 of the Local Government (Misc. Provisions) Act 1976).
2. Power to license drivers of Hackney carriages and private hire vehicles (sections 51, 53, 54, 59, 61 and 79 of the Local Government (Misc. Provisions) Act 1976).
3. Power to license operators of Hackney carriages and private hire vehicles (sections 55 to 58, 62 and 79 of the Local Government (Misc. Provisions) Act 1976).
4. Power to register pool promoters (Schedule 2 to the Betting, Gaming and Lotteries Act 1963 as saved for certain purposes by article 3(3)(c) of the Gambling Act 2005 (Commencement No. 6 and Transitional Provisions Order 2006 (S.I. 2006/3272) (“the Gambling Order”)).
5. Power to grant track betting licences (Schedule 3 to the Betting, Gaming and Lotteries Act 1963 as saved for certain purposes by article 3(3) of the Gambling Order Act 2005).
6. Power to license inter-track betting schemes (Schedules 5ZA to the Betting, Gaming and Lotteries Act 1963 as saved for certain purposes by article 3(3) of the Gambling Order Act 2005).
7. Power to grant permits in respect of premises with amusement machines (Schedule 9 to the Gaming Act 1968 as saved for certain purposes by article 3(3) of the Gambling Order Act 2005).
8. Power to register societies wishing to promote lotteries (Schedule 1 to the Lotteries and Amusements Act 1976 as saved for certain purposes by article 3(3) of the Gambling Order Act 2005).

9. Power to grant permits in respect of premises where amusements with prizes are provided (Schedule 3 to the Lotteries and Amusements Act 1976 as saved for certain purposes by article 3(3) of the Gambling Order Act 2005).
10. Power to issue cinema and cinema club licences (section 1 of the Cinema Act 1985 (c.13)).
11. Power to issue theatre licences (sections 12 to 14 of the Theatres Act 1968 (c.54)).
12. Power to issue entertainments licences (section 12 of the Children and Young Persons Act 1933 (c.12), section 52 of, and Schedule 12 to, the London Government Act 1963 (c.33), section 79 of the Licensing Act 1964 (c.26), sections 1 to 5 and 7 of, and Entertainment (Licensing) Act 1967 (c.19) and Part I of, and Schedules 1 and 2 to, the Local Government (Misc. Provisions) Act 1982).
13. Power to license performances of hypnotism (the Hypnotism Act 1952 (c.46)).
14. Power to license pleasure boats and pleasure vessels (Section 94 of the Public Health Acts Amendment Act 1907 (c.53)).
15. Power to license market and street trading (Part III of, and Schedule 4 to, the Local Government (Misc. Provisions) Act 1982, Part III of the London Local Authorities Act 1990 (c.viii) and section 6 of the London Authorities Act 1994 (c.xii).
16. Power to license scrap yards (section 1 of the Scrap Metal Dealers Act 1964 (c.69)).
17. Power to license persons to collect for charitable and other causes (section 5 of the Police, Factories etc. (Misc. Provisions) Act 1916 (c.31) and s.2 of the House to House Collections Act 1939 (c.44)).
18. Power to sanction use of parts of buildings for storage of celluloid (section 1 of the Celluloid and Cinematograph Film Act 1922 (c.25)).
19. Power to register motor salvage operations (Part 1 of the Vehicles (Crime) Act 2001).
20. Power to issue licences authorising the use of land as a caravan site ("site licences") (Section 3(3) of the Caravan Sites and Control of Development Act 1960 (c.62)).
21. Power to license the use of moveable dwellings and camping sites (section 269(1) of the Public Health Act 1936) (c.49).
22. Power to enforce offences to the display of no-smoking signs (section 6(5) of the Health Act 2006 ("the 2006 Act").
23. Power to enforce offences relating to smoking in smoke-free places (section 7(4) of the 2006 Act).
24. Power to enforce offences of failing to prevent smoking in smoke-free places (section 8(4) of the 2006 Act).

25. Power to enforce offences of failing to prevent smoking in smoke-free places (section 8(4) of the 2006 Act).
26. Power to transfer enforcement functions to another enforcement authority (Smoke-free (Premises and Enforcement) Regulations 2006 (S.I. 2006/3368)).
27. Power to license premises for acupuncture, tattooing, ear piercing and electrolysis (section 13 to 17 of the Local Government (Misc. Provisions) Act 1982).
28. Powers to license night cafes and take-away food shops (section 2 of the Late Night Refreshment Houses Act 1969 (c.53), Part II of the London Local Authorities Act 1990 and section 5 of the London Local Authorities Act 1994).
29. Duty to keep list of persons entitled to sell non-medicinal poisons (sections 3(1) (b)(ii), 5, 6 and 11 of the Poisons Act 1972 (c.66)).
30. Power to license dealers in game and the killing and selling of game (sections 5, 6, 17, 18 and 21 to 23 of the Game Act 1831 (c.32); s.2 to 16 of the Game Licensing Act 1860 (c.90), s.4 of the Customs and Inland Revenue Act 1883 (c.10), section 12(3) and 27 of the Local Government Act 1874 (c.73), and section 213 of the Local Government Act 1972 (c.70)).
31. Power to register and license premises for the preparation of food (section 19 of the Food Safety Act 1990 (c.16)).
32. Power to issue, amend or replace safety certificates (whether general or special) for sports grounds (the Safety of Sports Grounds Act 1975 (c.52)).
33. Power to issue, cancel, amend or replace safety certificates for regulated stands at sports grounds (Part III of the Fire Safety and Safety of Places of Sports Act 1987 (c.27)).
34. Power to issue fire certificates (section 5 of the Fire Precautions Act 1971 (c.40)).
35. Power to license premises for the breeding of dogs (section 1 of the Breeding of Dogs Act 1973 (c.60) and section 1 of the Breeding and Sale of Dogs (Welfare) Act 1999 (c.11)).
36. Power to license pet shops and other establishments where animals are bred or kept for the purposes of carrying on a business (section 1 of the Pet Animals Act 1951 (c.35); section 1 of Animal Boarding Establishments Act 1963 (c.43); the Riding Establishments Acts 1964 and 1970 (1964 c70 and 1970 c70); s.1 of the Breeding of Dogs Act 1973 (c.60) and subsection 1 and 8 of the Breeding and Sale of Dogs (Welfare) Act 1999).
37. Power to register animal trainers and exhibitors (section 1 of the Performing Animals (Regulation) Act 1925 (c.38)).
38. Power to license zoos (section 1 of the Zoo Licensing Act 1981 (c.37)).
39. Power to license dangerous wild animals (section 1 of the Dangerous Wild Animals Act 1976 (c.38)).

40. Power to license knackers' yards (Section 4 of the Slaughterhouses Act 1974 see also the Animal By-Products Order 1999 (S.I. 1999/646)).
41. Power to license the employment of children (Part II – Children and Young Persons Act 1933 (c.33), bylaws made under that Part and Part II – Children and Young Persons Act 1963 (c.37)).
42. Power to grant consent for the operation of loudspeaker (Schedule 2 to the Noise and Statutory Nuisance Act 1993 (c.40)).
43. Power to license agencies for the supply of nurses (Section 2 of the Nurses Agencies Act 1957 (c.16)).
44. Power to issue licences for the movement of pigs (Article 12 of the Pigs (Records, Identification and Movement) Order 1995 (S.I. 1995/11)).
45. Power to license the sale of pigs (Article 13 of the Pigs (Records, Identification and Movement) Order 1995).
46. Power to license collecting centres for the movement of pigs (Article 14 of the Pigs (Records, Identification and Movement) Order 1995).
47. Power to issue a licence to move cattle from a market (Article 5(2) of the Cattle Identification Regulations 1998 (S.I. 1998/871)).
48. Power to approve meat product premises (Regulations 4 and 5 of the Meat Products (Hygiene) Regulations 1994 (S.I. 1994/3082).
49. Power to approve premises for the production of minced meat or meat preparations (Regulation 4 of the Minced Meat and Meat Preparations (Hygiene) Regulations 1995 (S.I. 1995/3205)).
50. Power to approve dairy establishments (regulations 6 and 7 of the Dairy Products (Hygiene) Regulations 1995 (S.I. 1995/1086)).
51. Power to approve egg product establishments (regulation 5 of the Egg Products Regulations 1993 (S.I. 1993/1520)).
52. Power to issue licences to retail butchers' shops carrying out commercial operations in relation to unwrapped raw meat and selling or supplying both raw meat and ready-to-eat foods (Schedule 1A to the Food Safety (General Food Hygiene) Regulations 1995 (S.I. 1995/1763)).
53. Power to approve fish products premises (regulation 24 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998 (S.I. 1998/994)).
54. Power to approve dispatch or purification centres (regulation 11 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998).
55. Power to register fishing vessels on board which shrimps or molluscs are cooked (Regulation 21 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998).

56. Power to approve factory vessels and fishery product establishments (regulation 24 of the Food Safety (Fishery Products and Shellfish) (Hygiene) Regulations 1998).
57. Power to register auction and wholesale markets (regulation 26 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998).
58. Duty to keep register of food business premises (regulation 5 of the Food Premises (Registration) Regulations 1991 (S.I. 1991/2828)).
59. Power to register food business premises (regulation 9 of the Food Premises (Registration) Regulations 1991).
60. Functions under any of the “relevant statutory provisions” within the meaning of Part 1 (health, safety and welfare in connection with work and control of dangerous substances) of the Health and Safety at Work Act 1974 to the extent that those functions are discharged otherwise than in the authority’s capacity as an employer (part 1 of the Health and Safety at Work etc. Act 1974 (c.37)).
61. Functions relating to sea fisheries (sections 1, 2, 10 and 19 of the Sea Fisheries Regulation Act 1966 (c.38)).
62. Power to make closing order with respect to take-away food shops (Section 4 of the Local Government (Misc. Provisions) Act 1982 (c.30)).

PUBLIC RIGHTS OF WAY AND GREENS COMMITTEE

Terms of Reference

Functions

Full Council has delegated to the Public Rights of Way and Greens Committee all functions relating to public rights of way and greens are as specified in Regulation 2 and Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) under the following provisions and any related secondary legislation:

List A – Non-Executive Functions Delegated to the Resources Directorate

1. Functions relating to the registration of common land and town or village greens (part 1 Commons Act 2006 and the Commons Registration (England) Regulations 2008);
2. Power to register variation of rights of common (Regulation 29 of the Commons Registration (General) Regulations 1966 (S.I. 1966/1471));
3. Power to apply for an enforcement order against unlawful works on common land (Section 41 Commons Act 2006);
4. Power to protect unclaimed common land and unclaimed town and village greens against unlawful interference (Section 45(2)(a) Commons Act 2006); and
5. Power to institute proceedings for offences in respect of unclaimed registered common land or unclaimed town or village greens (Section 45(2)(b) of the Commons Act 2006).

List B – Non-Executive Functions Delegated to the Communities and Growth and Regeneration Directorates

6. Power to grant a street works license (section 50 of the New Roads and Street Works Act 1991 (c.22)).
7. Power to permit deposit of builder's skip on highway (section 139 of the Highways Act 1980 (c.66) ("the Act")).
8. Duty to publish notice in respect of proposal to grant permission under section 115E of the Act (section 115E of the Act).
9. Power to license planning, retention and maintenance of trees etc. in part of highway (Section 142 of the Act).
10. Power to authorise erection of stiles etc. on footpaths or bridleways (section 147 of the Act).
11. Power to license works in relation to buildings etc. which obstruct the highway (Section 169 of the Act).

12. Power to consent to temporary deposits or excavations in streets (section 171 of the Act).
13. Power to dispense with obligation to erect hoarding or fence (section 172 of the Act).
14. Power to restrict the placing of rails, beams etc over highways (section 178 of the Act).
15. Power to consent to construction of cellars etc. under street (section 179 of the Act).
16. Power to consent to the making of openings into cellars etc. under streets and pavement lights and ventilators (section 180 of the Act).
17. Power to create footpath, bridleway or restricted byway by agreement (section 25 of the Act (C.66)).
18. Power to create footpaths, bridleways and restricted byways (section 26 of the Act).
19. Duty to keep register of information with respect to maps, statements and declarations (section 31A of the Act).
20. Power to stop up footpaths, bridleways and restricted byways (section 118 of the Act).
21. Power to determine application for public path extinguishment order (sections 118ZA and 118C (2) of the Act).
22. Power to make a rail crossing extinguishment order (section 118A of the Act).
23. Power to make special extinguishment order (section 118B of the Act).
24. Power to divert footpaths, bridleways and restricted byways (section 119 of the Act).
25. Power to make a public path diversion order (sections 119ZA and 119C (4) of the Act).
26. Power to make a rail crossing diversion order (section 119A of the Act).
27. Power to make a special diversion order (section 119B of the Act).
28. Power to require applicant for order to enter into agreement (section 119C(3) of the Act).
29. Power to make an SSSI diversion order (section 119D of the Act).
30. Duty to keep register with respect to applications under sections 118ZA, 118C, 119ZA and 119C of the Act (section 121B of the Act).
31. Power to decline to determine certain applications (section 121C of the Act).
32. Duty to asset and protect the rights of the pubic to use and enjoyment of highways (section 130 of the Act).
33. Duty to serve notice of proposed action in relation to obstruction (section 115E of the Act).

34. Power to apply for variation of order under section 130B of the Act (section 130B(7) of the Act).
35. Power to authorize temporary disturbance of surface of footpath, bridleway or restricted byway (section 135 of the Act).
36. Power to temporarily divert footpath, bridleway or restricted byway (section 135A of the Act).
37. Functions relating to the making good of damage and the removal of obstructions (section 135B of the Act).
38. Powers relating to the removal of things so deposited on highways as to be a nuisance (section 149 of the Act).
39. Power to extinguish certain public rights of way (section 32 of the Acquisition of Land Act 1981 (c.67)).
40. Duty to keep definitive map and statement under review (section 53 of the Wildlife and Countryside Act 1981 (c.69)).
41. Power to include modifications in other orders (section 53A of the Wildlife and Countryside Act 1981).
42. Duty to keep register of prescribed information with respect to applications under section 53(5) of the Wildlife and Countryside Act 1981 (section 53B of the Wildlife and Countryside Act 1981).
43. Power to prepare map and statement (section 57A of the Wildlife and Countryside Act 1981).
44. Power to designate footpath as cycle track (section 3 of the Cycle Tracks Act 1984 (c.38)).
45. Power to extinguish public right of way over land acquired for clearance (section 294 of the Housing Act 1981 (c.68)).
46. Power to enter into agreements with respect to means of access (section 35 of the Countryside and Rights of Way Act 2000 (c.37)).
47. Power to provide access to absence of agreement (section 37 of the Countryside and Rights of Way Act 2000).
48. Power to make limestone pavement order (section 34(2) of the Wildlife and Countryside Act 1981 (c.69)).
49. Power to discharge and acquire from other authorities, functions relating to Definitive Map Modification Orders and Public Path Orders (section 101 of the Local Government Act 1972).

C. OTHER COMMITTEES

HUMAN RESOURCES COMMITTEE

Terms of Reference - Membership

7 members of the authority, politically-balanced in line with usual proportionality rules. In addition the relevant member of the Executive will be invited to attend meetings ex officio in a non-voting capacity (they will count towards the quorum). When the Committee is discharging functions relating to discipline and dismissals one or more voting members of the Committee will be substituted with a member(s) of the Executive.

Terms of Reference - Overview

The role of the committee primarily relates to the employment and remuneration of chief officers and deputy chief officers. Full Council has delegated to the Committee the power to determine the terms and conditions on which employees hold office including procedures for their dismissal (s.112 Local Government Act 1972) and functions relating to local government pensions (regulations under s.7, 12 and 24 Superannuation Act 1972). The relevant member of the Executive will be an ex officio (non-voting) member of the Committee.

Functions

Full Council has delegated the following functions to the Employment and Remuneration Committee to be discharged in accordance with the Officer Employment Procedure Rules:

1. Conduct and capability

- Consider any allegations/complaints regarding conduct or cases of capability (performance or health) in relation to chief officers and deputy chief officers, having regard to the model procedures and associated guidance of the Joint Negotiating Committee for Local Authority Chief Executives/Joint Negotiating Committee for Chief Officers of Local Authorities as appropriate. Where necessary to take action up to and including dismissal, except in relation to the Head of Paid Service, Monitoring Officer and Chief Finance Officer, where the Committee may recommend dismissal to full Council.
- The suspension of the Head of Paid Service, Monitoring Officer and Chief Finance Officer is delegated to the Chair of the Committee; the suspension of other chief officers and deputy chief officers is

delegated to the Head of Paid Service.

2. Dismissals

Determine any proposal to dismiss a chief officer or deputy chief officer on grounds of redundancy or some other substantial reason or the expiry of a fixed term contract where the authority has committed to renew it, except in relation to the Head of Paid Service, Monitoring Officer and Chief Finance Officer where the Committee may recommend dismissal to full Council.

3. Grievances

- Hear and determine any grievance submitted by the Head of Paid Service provided that it has been referred by the Monitoring Officer.
- Hear and determine any grievance submitted by an employee against the Head of Paid Service where referred by the Monitoring Officer or Director: HR, Workforce & Inclusion.

4. Terms and conditions of employment including remuneration

- Set the terms and conditions of employment including remuneration for chief officers and deputy chief officers.
- Consider and make recommendations to full Council in relation to the Pay Policy Statement. (The Mayor should be involved and due regard given to any proposals he may have before the statement is considered and approved by full Council).
- Agree with the senior coroner the amount of their salary.

5. Other matters

- Consider proposals for major organisational change affecting chief officers or deputy chief officers.
- Monitor the development and implementation of the Council's Workforce Plan.
- Hear and determine any collective dispute where referred by the Director: HR, Workforce & Inclusion.
- Approving compensation for loss of office (ie, any payments not required by the contract of employment) in respect of chief officers and deputy chief officers.

SELECTION COMMITTEE

Terms of Reference - Overview

The role of the committee primarily relates to the appointment and starting remuneration of chief officers and deputy chief officers. Full Council has delegated to the Committee the power to determine the terms and conditions on which employees hold office (s.112 Local Government Act 1972). One or more members of the Committee will be a member(s) of the Executive.

Functions

Full Council has delegated the following functions to the Selection Committee to be discharged in accordance with the Officer Employment Procedure Rules:

1. Make recommendations to full Council in relation to the appointment of the Head of Paid Service (s.4 (1) Local Government and Housing Act 1989), Monitoring Officer (s.5(1) Local Government and Housing Act 1989), Chief Finance Officer (s.151 Local Government and Housing Act 1989), Electoral Registration Officer (s.8(2) Representation of the People Act 1983) and Returning Officer for local government elections (s.35 Representation of the People Act 1983).
2. Appoint all other chief officers and deputy chief officers and agree their starting remuneration.
3. Appoint a senior coroner for the Avon coroner area, subject to prior consultation with the other authorities in the coroner area and the separate written consent of the Chief Coroner and the Lord Chancellor.

APPEALS COMMITTEE

Terms of Reference

Overview

The primary role of the Committee is to consider employee appeals against dismissal. The Committee also takes decisions on renewal and discharge of guardianship under the provisions of the Mental Health Act 1983.

Functions

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

1. Hear and determine any appeal submitted by the Head of Paid Service, Monitoring Officer or Chief Finance Officer in relation to disciplinary action short of dismissal.
2. Hear and determine any appeal against dismissal submitted by employees (except the Head of Paid Service, Monitoring Officer and Chief Finance Officer, where a full Council hearing is required).
3. Hear and determine any grievance appeal submitted by an employee where the grievance is against the Head of Paid Service.
4. Hear and determine any grievance appeal submitted by chief officers or deputy chief officers. (Any grievance appeal submitted by the Head of Paid Service will be heard by full Council).
5. Hear and determine any appeal submitted by chief officers or deputy chief officers regarding the classification of posts and ring-fence arrangements in the Methods of Appointment under the Council's Managing Change Policy.
6. Decide on guardianship discharge or renewal under the Mental Health Act 1983.
7. Decide an appeal against any decision made by or on behalf of the authority, except where another Council body is in place to decide that appeal.

AUDIT COMMITTEE (AND VALUES AND ETHICS SUB COMMITTEE)

Composition of the Committee

The Audit Committee comprises seven members of the Council and up to two independent members. The independent members are appointed by the committee. 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 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 last 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.

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 and to periodically consider proposed changes to the Constitution in order to make recommendations for amendments to Full Council.
- 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.

Values and Ethics Sub Committee

The Audit Committee shall appoint a Values and Ethics Sub-Committee

Composition of Values and Ethics Sub-Committee

4 Elected members of the Audit Committee (one from each political group represented on the committee), and one independent member, chaired by an independent member.

Terms of Reference for Value & Ethics Committee

To deal with all matters relating to the ethical framework affecting members of the Council under Part 1 Chapter 7 Localism Act 2011 as amended and all other relevant legislation including regulations, directions and guidance. This shall include, but not be limited to:-

1. The promotion of the highest standards of behaviour by members of the Council, including the Mayor, councillors, independent members and co-optees.
2. Advising the Council on the adoption and operation of the Member Code of Conduct, making recommendations for change as the Committee sees fit.

3. Training all members in the operation of the Member Code of Conduct and ensuring it is well publicised both within and outside the Council.
4. The adoption, implementation and maintenance of a procedure for dealing with allegations of breach of the Member Code of Conduct; including monitoring and review and amending it from time to time as the Committee sees fit.
5. Dealing with allegations of Breach of the Member Code of Conduct, where these are referred to them by the Monitoring Officer, and the imposition of sanctions as appropriate in accordance with the law, the Council's Constitution and relevant procedures adopted by the Council.
6. Consideration of applications for dispensation to allow members to participate in consideration of matters in which they would, but for a dispensation, not be able to participate, in circumstances permitted by law.
7. To adjudicate on any dispute relating to the payment of Members' Allowances or expenses under the Members' Allowances scheme in force from time to time.
8. To review the Council's use of the powers available to it under the Regulation of Investigatory Powers Act 2000.
9. Conferring of Alderman/Alderwoman status and the criteria for such awards.
10. To lead on member development and enhance the role of members as city leaders and community councillors.
11. To review compliance of the Mayor and Councillors in terms of mandatory training.
12. To have oversight of the Register of Members' Interests.
13. All things necessary or in the opinion of the Committee

appropriate to fulfil the role and remit of a Values and Ethics Committee as defined by law or the Council's Constitution.

D. STATUTORY COMMITTEES

LICENSING COMMITTEE

Overview

Functions relating to licensing and gambling as set out below.

Licensing Act 2003 (“the 2003 Act”)

1. All those matters relating to the discharge of licensing functions that are referred to that committee by virtue of section 7(1) of the 2003 Act;

2. Functions which, in exercise of its powers under section 7(3) of the 2003 Act, full council has arranged for the Licensing Committee to discharge, namely:

(a) Power to grant permission for provision etc of services, amenities, recreation and refreshment facilities on highway and related powers (sections 115E, 115F and 115K of the Highways Act 1980);

(b) Power to make an order identifying a place as a designated public place for the purposes of police powers in relation to alcohol consumption (section 13(2) of the Criminal Justice and Police Act 2001 (c.16));

(c) Power to make a revoke an order designating a locality as an alcohol disorder zone (section 16 Violent Crime Reduction Act 2006);

(d) The Council’s functions under the third schedule to the Local Government (Miscellaneous Provisions) Act 1982 (as amended); and

(e) Powers to make and cancel closure notices; make applications for closure orders; issue certificates of termination of closure orders; defend applications for the discharge of closure orders; appeal against the refusal to make closure orders; enforce closure orders or for offences in connection with closure orders (sections 19 to 28 of the Criminal Justice and Police Act 2001);

Gambling Act 2005 (“the 2005 Act”)

3. All of those functions under Part 8 of the 2005 Act that are delegated to the Committee by virtue of section 154 of the 2005 Act;

4. Functions, which, in exercise of its powers under section 101 of the Local Government Act 1972, the full council has arranged for the Licensing Committee to discharge, namely:

(a) Duty to comply with requirements to provide information to the Gambling Commission (s.29 of the 2005 Act);

(b) Functions relating to exchange of information (s.30 of the 2005 Act);

(c) Functions relating to occasional use notice (s.39 of the 2005 Act);

(d) Power to designate officer of a licensing authority as an Authorised Person for a purpose relating to premises (section 304 of the 2005 Act);

(e) Power to make order disapplying section 279 or 282(1) of the Act in relation to specified premises (s.284 of the 2005 Act);

(f) Power to exchange information (section 350 of the 2005 Act);

(g) Power to institute criminal proceedings (section 346 of the 2005 Act);

(h) Functions relating to the determination of fees for premises licenses (the Gambling (Premises License Fees) (England and Wales) Regulations 2007 (S.I. 2007/479));

(i) Functions relating to the registration and regulation of small society lotteries (Part 5 of Sch 11 to the 2005 Act).

Code of Conduct

The Constitution contains a supplement to the members’ code of conduct which deals with the role of elected members in relation to licensing committee hearings (see part 5 of the constitution).

HEALTH AND WELLBEING BOARD

Terms of Reference

Arrangements

The Membership of the Board shall be as follows:

- a. at least one elected member, nominated by the elected mayor or executive leader,
- b. the director of adult social services,
- c. the director of children's services
- d. the director of public health,
- e. a representative of the Local Healthwatch,
- f. a representative of each relevant clinical commissioning group, and
- g. such other persons, or their representatives as deemed appropriate by a majority of the Board,
- h. The political requirements set out in sections 15, 16 and schedule 1 of the Local Government and Housing Act 1989 shall not apply to the membership of the Board.

Schedule of meetings

The Board will formally meet with such frequency as it shall determine.

Voting

1. The Health and Wellbeing Board will be a committee of the Local Authority.
2. All members of the Health and Wellbeing Board will have voting rights.
3. If the Health and Wellbeing Board appoints additional members to the Board, the Board itself will determine whether those members will have voting rights.

Functions

The function of the board will be to:

- promote joint commissioning and encourage integrated working between commissioners of NHS, public health and social care services to improve the health and wellbeing of the local community;
- encourage integrated working between commissioners of NHS, public health and social care services to improve the health and wellbeing of the local community;
- encourage organisations who arrange for the provision of any health-related services to work closely with the Health and Wellbeing Board to improve the health and wellbeing of the local community;
- encourage organisations who arrange for the provision of services related to the wider determinants of health, such as housing or transport, to work closely with commissioners of health and social care;
- assess the needs of the local community through the Joint Strategic Needs Assessment (JSNA) and consider the need or likely need capable of being met or affected by Local Authority or CCG functions;
- agree and produce a Health and Wellbeing Strategy that addresses need and which commissioners will need to take into account when they develop plans for health care, social care and public health;
- involve health watch and people living and working in Bristol in the preparation of the JSNA and JHWS;
- have regard to the NHS Commissioning Board mandate and statutory guidance in the preparation of the JSNA and JHWS;
- consider the suitability of current Pharmaceutical Needs Assessments (PNA) and prepare a statement of the needs for pharmaceutical services of the local population;
- agree and produce a revised PNA by 1 April 2015;
- provide such advice, assistance or other support as it thinks appropriate for the purpose of encouraging the making of arrangements under section 75 of the National Health Service Act

2006 in connection with the provision of such services;

- be involved in the process of developing and signing-off Clinical Commissioning Group plans
- assess and provide an opinion on whether the commissioning plan has taken proper account of the JSNA and JHWS;
- assess and provide an opinion on how well the commissioning plan has contributed to the delivery of the JHWS;
- to advise the Mayor in relation to the taking of executive decisions that concern health and well being functions of the local authority.

Code of Conduct and Declarations of interest

All members of the Board will be bound by the Council's code of conduct for members and will complete the Register of Interests.

Audit Committee

26th March 2019



Report of: Service Director Legal & Democratic Services (Monitoring Officer)

Title: Review of the Constitution

Ward: Citywide

Officer presenting report: Tim O’Gara, Service Director Legal & Democratic Services (Monitoring Officer)

Recommendation

That the Committee notes the summary of the areas of the Council’s Constitution that will be reviewed during the next 6-12 months and provides any initial feedback regarding the proposed areas of focus.

It is recommended that the Monitoring Officer reports back to a subsequent meeting of the Audit Committee with an update on the work that is being undertaken to review and update the Council’s Constitution as outlined in this report.

Summary

Responsibility for reviewing the Council’s Constitution and making recommendations to Full Council was delegated to the Audit Committee in December 2018.

The review will ensure that the presentation and formatting of the Constitution is brought up to date and that the indexing and content pages are user-friendly, to ensure that it is accessible and reflects best practice publishing standards. The review will also make technical updates to legislation and post-titles.



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

1. Internal

Not applicable.

External

Not applicable

Context

The review of the Constitution will initially focus on the following areas;

Part One – Summary and Explanation

No significant changes envisaged

Part Two – Articles of the Constitution

The Articles will be reviewed to ensure that the terms of reference and guiding principles are up to date.

Part Three – Responsibility for Functions

The responsibilities for functions will be updated to reflect the current decision-making procedures within the Council.

Part Four – Council Procedure Rules

This part of the Constitution will require a detailed review. For example, the Council and Committee Procedure Rules need to be reviewed to remove any inconsistencies and to reflect current practice. The Call-in Procedure will be clarified. The Petition Scheme needs to be updated to make the process more robust and transparent. There needs to be a read-across all of the procedure rules to ensure that they are internally consistent.

Part Five – Codes and Protocols

The Member Code of Conduct will be reviewed in light of the recommendations from the Committee on Standards in Public Life and the Member-Officer Protocol is currently under review.

Part Six – Members' Allowances Scheme

This is currently being reviewed by the Independent Remuneration Panel and will be updated in due course once a new scheme of allowances has been approved.

Part Seven – Council’s Management Structure

This section is for information only and links to the Council’s website.

Part Eight – Members’ Contact Details

This section is for information only and links to the Council’s website.

Part Nine – Mayor’s Forward Plan

This section is for information only and links to the Council’s website.

Officer Schemes of Delegation

These are kept under review by the Monitoring Officer and are updated as appropriate.

Other Options Considered

None necessary.

Risk Assessment

None necessary.

Legal and Resource Implications

Legal implications:

As set out in the report.

Financial:

(a) Revenue

Not applicable.

(b) Capital

Not applicable.

Land/Property

Not applicable.

Human Resources

Not applicable.

Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None