



**A&G.8 EXTERNAL AUDITOR'S AUDIT PLAN**

- 8.1 Attention was drawn to the external auditor's audit plan for the year ending 31 March 2022, circulated at Pages No. 22-46. Members were asked to consider the information provided.
- 8.2 The representative from Grant Thornton advised that most things within the report would be familiar to Members. It had been intended for the year end audit to be undertaken in July; however, due to issues with resourcing and a change in staff structure at Grant Thornton, this would now move to September. He went on to advise that the significant risks identified were revenue fraud and expenditure fraud – both of which had been rebutted - management override of controls - this was a presumed risk every year – valuation of land and buildings assets and valuation of the pension fund net liability. Page No. 39 of the report set out that two risks of significant weaknesses in the Council's value for money arrangements had been identified; the first related to the Council's arrangements for securing financial sustainability in the medium term. Whilst the Council set a balanced budget in-year, there would be challenges going forward and, although it was recognised there was a lack of uncertainty with regard to financial settlements and funding, there was no updated Medium Term Financial Strategy covering the year 2026/27 as would normally be expected – this played into the risk of significant weakness. The second risk related to pervasive and significant weaknesses in internal controls and the representative from Grant Thornton explained that, in 2020/21, the Internal Audit function had been redeployed to support other Council functions which had led to a limitation of scope resulting from non-completion of internal audit work and a lack of assurance over the operation of the Council's internal controls. The work of Internal Audit during 2021/22 would be reviewed to establish how the position had changed and how the "catch-up" on the intended programme of work for 2020/21 was progressing. Page No. 40 of the report provided an overview of the external audit team and reflected that the year end audit would now take place during the autumn with the statutory deadline in November. The audit fee for 2021/22 was set out at Page No. 41 of the report with the proposed fee being £62,565 and a breakdown of that figure was included at Page No. 42.
- 8.3 With regard to the audit fee breakdown, a Member questioned why £5,000 was included for remote working. The representative from Grant Thornton advised that, over the last two years during the COVID pandemic, remote working had generally caused the audit to be slower and, in 2021, there were still audits outstanding from the prior year – CIPFA had reported around 9% of audits had been completed by the end of September 2021. It was anticipated that the team would still be working remotely going forward and there would be an element of things taking longer than they had in previous years, so additional expenditure had been included upfront to account for that. The Member felt it appeared that the Council would be paying additional costs because Grant Thornton chose to work remotely. In response, the representative from Grant Thornton explained that this would be a decision made in connection with the individual authority; if arrangements could be made for external auditors to be on site, a discussion could take place around whether that charge should apply. The Head of Finance and Asset Management advised that, once the timing of the audit was known, consideration would be given as to whether Grant Thornton could be accommodated on site – the key factor was ensuring Tewkesbury Borough Council staff were available. If it could be accommodated, that element of the fee could be eliminated for the Council.
- 8.4 It was

**RESOLVED** That the External Auditor's Audit Plan be **NOTED**.

**A&G.9 INFORMING THE AUDIT AND GOVERNANCE RISK ASSESSMENT 2021/22**

9.1 Attention was drawn to the external auditor's report on Informing the Audit and Governance risk assessment for Tewkesbury Borough Council 2021/22. Members were asked to consider the information provided.

9.2 The representative from Grant Thornton advised that the report included a series of questions and the responses received from Tewkesbury Borough Council's management team which helped Grant Thornton, as external auditors, to understand more about the Council in terms of the financial risk assessment. The general enquires were set out at Pages No. 52-54 of the report and included questions around the key events that would have a significant impact on the financial statements for 2021/22, the appropriateness of the accounting policies adopted by the Council, use of financial instruments and transactions outside the normal course of business as well as questions around the use of solicitors, service providers and advisors consulted through the year. Members were informed that the Internal Standard on Auditing (ISO) 240 covered auditors' responsibilities relating to fraud within financial statements and Grant Thornton was required to consider the arrangements in place with regard to fraud risk so a series of questions had been asked as set out at Pages No. 56-62 of the report. It was noted there was always a presumption of fraud in terms of expenditure but this was usually rebutted for local government authorities and that was the case for Tewkesbury Borough Council this year supported by the responses from management. Pages No. 63-65 of the report related to law and regulations and Pages No. 66-67 covered related parties. In terms of matters related to going concern, set out at Pages No. 68-69, Members were advised that local authorities were assumed to be a going concern in the event of anticipated continuation of provision of services, unless there was clear evidence to the contrary. Pages No. 70-73 related to the general enquiries of management in respect of accounting estimates with the estimates set out at Appendix A to the report. The representative from Grant Thornton confirmed that nothing had been identified which was likely to cause an issue in terms of additional risks being identified.

9.3 A Member drew attention to Page No. 60 in relation to fraud risk and she asked whether staff were required to lock their computer screens when they left their desks. The Head of Corporate Services confirmed that was the case. In terms of Page 64, a Member noted that question four asked if there were any actual or potential litigation or claims that would affect the financial statements and the response stated that this would be disclosed in the financial statements – she felt this was inadequate and asked for clarification as to where the financial statements could be found and if anything had been identified in this regard. The Head of Finance and Asset Management advised that the draft statement was on the Council's website under Budget and Spending. He stressed that the response in the report had been provided by the Council to Grant Thornton on the basis that it would not help to disclose any actual or potential litigation or claims for the purposes of this report; however, he undertook to let Members know if there was anything to disclose. The Member felt it would also be useful to have a link to the relevant webpage. With regard to question one on Page 67, a Member noted that all senior managers and Councillors had been sent a related parties form to complete and she asked if any Councillors had failed to complete them. The Head of Finance and Asset Management advised that every attempt was made to achieve a 100% completion rate but he would check this following the meeting.

9.4 It was

**RESOLVED** That the external auditor's report on informing the Audit and Governance risk assessment for Tewkesbury Borough Council 2021/22 be **NOTED**.

**A&G.10 ANNUAL HEALTH AND SAFETY REPORT**

- 10.1 The report of the Environmental Safety Officer, circulated at Pages No. 78-92, summarised the Council's health and safety performance between 1 April 2021 and 31 March 2022 and the work proposed for the next year. Members were asked to consider the adequacy of the Council's health and safety arrangements.
- 10.2 The Head of Community Services advised that the report aimed to give reassurance that the Council was complying with its responsibilities under health and safety legislation. The Council's Health, Safety and Welfare Policy stated that elected Members had a responsibility for ensuring that the Chief Executive and Head of Community Services were adequately resourced and supported in achieving compliance with the requirements of the Health and Safety at Work Act 1974 so the report helped to assist Members to carry out this responsibility. Progress against the action plan, and the actions planned for the coming year, was set out at Pages No. 87-92 of the report.
- 10.3 A Member noted there had been no accidents or incidents which required reporting under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) and only one accident reported by Tewkesbury Borough Council staff during the period and he asked whether Ubico and Tewkesbury Leisure Centre were included. The Head of Community Services explained that, whilst the Council did have a responsibility to monitor health and safety compliance of contractors, that was not covered within this report. In terms of Ubico, he gave assurance that he met with senior management on a quarterly basis and an annual report was provided to the Overview and Scrutiny Committee which included health and safety information so he felt there were adequate arrangements in place for monitoring. A Member raised concern that the Overview and Scrutiny Committee received this information but the Audit and Governance Committee did not and the Head of Community Services indicated that he could ask internal audit colleagues to discuss this with Ubico's auditors to ensure they were all satisfied with the arrangements. In response to a query regarding the Keep Safe Stay Healthy Group, Members were informed that the Group met quarterly, it was chaired by the Head of Community Services and was attended by representatives from all departments along with the Lead Member for Organisational Development. A Member indicated that he could not recall receiving an induction which covered health and safety, fire, first aid etc. when he had been elected as a Borough Councillor and he asked whether all staff received them and how this was monitored. The Head of Community Services confirmed that all new members of staff were required to undergo an induction and health and safety information was included within that. The Corporate Director explained that new Members were subject to a full induction programme in relation to their function as Members and that included various training etc.; however, she was unsure whether health and safety aspects were covered within that. She pointed out that Members were advised of the evacuation procedure at the start of every Council and Committee meeting as part of the Agenda but she undertook to think about whether it was necessary to include health and safety within the formal Member induction programme.
- 10.4 A Member drew attention to Pages No. 87-88 of the action plan in relation to the workplace wellbeing programme and indicated that she was impressed with the amount of information provided on the Council's intranet. She asked if it was possible to gather feedback on the success of some of the initiatives in relation to stopping smoking, weight loss etc. Page No. 90 of the report stated that the Council was striving for excellence in terms of the health and wellbeing of its workforce and she expressed the view that it would help to have some facts and figures to show the success of the initiatives; although, ultimately, if they helped just one person they were worthwhile in her view. The Head of Corporate Services

confirmed that the Council had recently achieved the foundation level of the Gloucestershire Healthy Workplace Award – this was a fantastic achievement which had been reported at the Transform Working Group on 14 July 2022 and a Member Update would also be circulated shortly. The Chair asked that it be put on record that the Audit and Governance Committee was delighted with the Council's commitment to health and wellbeing.

10.5 It was

**RESOLVED** That the annual health and safety report be **NOTED**.

#### **A&G.11 CORPORATE RISK REGISTER**

11.1 The report of the Head of Finance and Asset Management, circulated at Pages No. 93-118, asked Members to consider the risks contained within the corporate risk register and assurance that the risks were being effectively managed.

11.2 The Head of Corporate Services advised that the corporate risk register was a strategic document which was brought to each Audit and Governance Committee. The key updates since the last meeting were set out in the table at Page No. 95 of the report. As previously discussed, it was proposed to remove Ref. 6 Emergency Planning as, although this remained a risk, the Council could demonstrate effective arrangements to manage it. With regard to Ref. 9 Asset Management, Members were advised that funds had been redirected to asset management reserves to support need over the medium term – this was essential given the financial support required for the solar canopy project and the likely need for financial support towards the replacement of the heating system. As had been reported to the Overview and Scrutiny Committee, the production of an updated Asset Management Strategy had been postponed until 2022/23. In terms of Ref. 11 Brexit, it was proposed to remove this risk from the register as it remained largely outside of the Council's control. Any financial impact resulting from Brexit compounded by the COVID pandemic and the Ukrainian crisis would be picked up through the financial sustainability risk. In relation to Ref 14. COVID-19 Recovery, the COVID-19 recovery plan actions had been transitioned back into the refreshed Council Plan which was due to be considered by Council on 26 July. Whilst the majority of services were in recovery mode, this had been further impacted by the additional pressures of other activities such as the energy rebate scheme and support to the Ukrainian refugee scheme. As set out at Page No. 96, Paragraph 3.2 of the report, recruitment and retention of staff had been highlighted as an emerging risk and would be scored and evaluated for inclusion in the corporate risk register going forward.

11.3 The Chair indicated that today marked the 15 year anniversary of the 2007 floods and, since that time, Tewkesbury Borough Council had become extremely proficient with regard to emergency planning and there was an effective command system in place so, whilst it was important to remain vigilant, he was satisfied this risk could be removed from the corporate risk register and he thanked Officers for all of their hard work to get to this point. The Head of Community Services indicated that a huge amount of work went into emergency planning and it was a real team effort, not just within the Council, but with partners such as the Local Resilience Forum. He agreed it was right to remove the risk at this stage given the amount of experience of dealing with such events albeit with the recognition that there was always a risk that something unexpected would occur in future.

11.4 A Member drew attention to Page No. 98 of the report, Ref. 2 around the financial impact of the failure to deliver residential and business growth within the borough and, whilst she accepted that growth would attract significant additional funding streams including Council Tax, she asked whether this would cover the services needed by the people living and working in the new developments. The Head of Finance and Asset Management advised there was no simple answer but rough

figures suggested that Council Tax alone was insufficient to meet future needs and New Homes Bonus would also be needed along with retained business rates – the uncertainty over those future funding streams placed a question mark over the Council's financial sustainability. With regard to the same risk, the Member noted that Page No. 99 of the report referenced the A46 realignment business case development and she raised concern that this was taking years with another £6m recently being put into looking for a solution so the public wanted to know when it would be happening. The Chair indicated that the A46 business case was strong in terms of infrastructure development for the future of the area so he did not see this as an amber risk. Consultation would be taking place in September on the design of the road followed by a more detailed plan based on the comments received by the County Council. The scheme would ultimately be delivered by National Highways. As with all schemes of this nature, it was important to be transparent in terms of environmental issues etc. and a lot of work was needed before it could be delivered; the £6m recently invested would help to move forward to the outline business case. In his view, this was a vital piece of work for the future of North Gloucestershire and it was important to get it right. The Member indicated that the consultation had been promised but never seemed to come forward and the Chair advised that he understood that it was anticipated that it would be commencing in the autumn.

- 11.5 A Member raised concern in relation to removing Ref. 9 Brexit as the impacts were only just beginning to be felt and she was of the view that the justification for removing it on the basis that it was outside of the Council's control could be applied to a number of other risks within the register. In response, the Head of Community Services explained that he had included Brexit as a risk within the corporate risk register originally and, from his perspective, a lot of elements were outside the Council's control so the authority could only prepare to a certain extent and he was confident that impacts associated with Brexit would be picked up through other mechanisms. In terms of Ref. 12 Garden Town, a Member noted that Page No. 111 of the report stated that further "seed corn funding" had been received for the Garden Town and she asked for an explanation as to what that meant. The Head of Finance and Asset Management advised that, as Members were aware, the Garden Town was funded by a Government grant and it was an annual process to attract more funding – this year, over £250,000 had been received to keep moving forward. It was intended that the initial funding would be used to get the Garden Town up and running until it reached the stage when it was self-funding. With regard to Ref. 13 in relation to delivery of Ashchurch Bridge, the Member noted that Page No. 114 of the report set out that the project team was now pressing ahead with the project planning for the construction phase which was due to commence in early 2023 pending a final judgement from the court of appeal and she raised concern that, assuming the Council won the appeal, there would only be nine months for the build. The Corporate Director explained that work was continuing whilst the outcome of the appeal was awaited – this risk had been balanced against the risk of not doing the work – and meant that once a decision had been reached, and assuming the Council won, it should be in a position to let the tender.
- 11.6 In terms of Ref. 15 in relation to climate change and carbon neutrality, a Member felt it should be noted that, whilst there was a significant financial impact, the carbon reduction programme would save the Council money in the long run – failing to make provision now would be a long-term risk which she felt had been demonstrated by the UK experiencing its hottest day on record which had not been expected until 2050. The Head of Community Services advised that management team would be discussing whether this risk should be broadened to include extreme heat. Turning to Ref. 16 National Driver Shortage, the Member expressed the view that Ubico had done a fantastic job during the pandemic, particularly given the staff shortages experienced, and the Chair asked Officers to pass on the

Committee's thanks to the team. In terms of Ref. 17 in relation to the waste transfer station at Wingmoor Farm, the Member noted that a second planning application had been submitted to Gloucestershire County Council and she asked when that would be determined. The Head of Community Services advised this was likely to be after July when the current planning permission expired after which it would be a matter for the County Council to determine whether any enforcement action was necessary.

11.7 With regard to Ref. 7 Use of Swindon Road Depot, a Member noted that elements of the lease had been reviewed and changes made to formalise the arrangements with Cheltenham Borough Council and he asked whether there was a break clause and how long Tewkesbury Borough Council would have to find an alternative location. The Head of Community Services advised that he would need to check and report back to Members but he assumed it would be a minimum of one year. He explained that it was intended that Tewkesbury Borough Council would invest in the site as an equal partner but that was a long-term piece of work and funding would need to be identified as part of that.

11.8 Having considered the information provided, it was

**RESOLVED** That the risks and mitigating controls within the corporate risk register be **NOTED**.

## **A&G.12 INTERNAL AUDIT PLAN MONITORING REPORT**

12.1 The report of the Chief Audit Executive (Head of Corporate Services) provided an overview of the internal audit work completed during the period. Members were asked to consider the work undertaken and the assurance given on the adequacy of the internal controls operating in the systems audited.

12.2 The Head of Corporate Services advised that the full details of the work undertaken in the period were attached at Appendix 1 to the report and showed that one limited opinion had been issued in relation to sundry debtor recovery. Only two recommendations had required follow-up during the quarter – one around project management had been implemented and the other in relation to fraud risk registers was outstanding and would be picked up in the following Agenda item. In terms of work in progress, as set out at Paragraph 2.2 of the report, audits were currently being undertaken in relation to car parks, test and trace grant declaration and Winchcombe Tourist Information Centre banking procedures and those would be brought to the next Audit and Governance Committee meeting in September.

12.3 In terms of the audit in relation to the contain outbreak management fund, there was a requirement in the grant conditions that the Chief Executive and the Chief Internal Auditor make a declaration that the grant conditions had been complied with. Tewkesbury Borough Council had been awarded funding of £109,658 and it was necessary to check that had been spent in accordance with those conditions. The audit had confirmed the conditions had been adhered to and the money had been used for the provision of Community Protection/COVID Protection Officers and a COVID Compliance Events Officer. The sundry debtors audit related to the process whereby the Council raised invoices for goods or services commissioned and was split across various risk factors. A recommendation had been made around the findings of the audit being incorporated into the review of the Council's corporate retention schedule. The audit had found that invoices were being raised correctly and allocated to the appropriate cost centre. Of those tested, 80% had been raised promptly; for the remaining 20% the delay in raising the invoice ranged from three to 24 months. This was primarily due to resources being limited or having been reallocated as a result of COVID duties. Adjustments to debtor accounts were found to have been made with sufficient justification; however, in terms of adjustments where the debt was attributed to a contractually agreed price being reduced e.g. rent reduction during COVID, the appropriate level of

authorisation had not been evidenced to Finance prior to the adjustment taking place and a recommendation had been made accordingly. A limited opinion had been issued in relation to debt recovery due to a disconnect between when action was taken by Finance and when it was passed to services. Members were advised that £217,934 of the debt currently outstanding had been owed for longer than one year with the majority relating to trade waste and licensing so recommendations had been made in relation to this.

- 12.4 With regard to the homelessness prevention grant, Members were informed there was a requirement within the grant conditions to make a declaration to the Department for Levelling Up, Housing and Communities that the grant conditions had been complied with. The Council had received a grant allocation of approximately £250,000 to support homelessness prevention and the Internal Audit team had given assurance that it had been spent in accordance with the conditions of the grant. A recommendation had been made to ensure that case management records were appropriately retained. It was noted that a formal report would be taken to the Executive Committee in relation to the projected homelessness prevention funding for 2022/23 to demonstrate how the money was planned to be spent and how that aligned with the Council's priorities – it was essential there was a structured plan in place which could be audited against. The Head of Corporate Services advised that the Overview and Scrutiny Committee received an annual report on complaints and assurance had been provided to the Committee that internal audit would be used to ensure that lessons learnt had actually been implemented; internal audit was satisfied that was the case.
- 12.5 A Member indicated that she had seen the Community Protection/COVID Protection Officers out in the community and met with them several times and she felt they had done a fantastic job. In terms of the sundry debtors audit, she asked what percentage of debt was written-off. In response, the Head of Finance and Asset Management advised that he did not know the percentage but provided assurance it was very low – writing-off debt was a last resort and it was intended that services would do everything necessary before that decision was made. With regard to the homelessness prevention grant audit, a Member noted that excellent work had taken place during COVID to provide accommodation for anyone who wanted to be taken off the street and she asked what the level of homelessness was currently. The Head of Corporate Services undertook to ask the Head of Community Services to provide this information following the meeting but it was noted that it was reported in the performance tracker which was considered by the Overview and Scrutiny Committee on a quarterly basis. Another Member drew attention to Page No. 127 of the report, conditions 3 and 4 in relation to the authority producing and agreeing a bed and breakfast elimination plan should there be more than five families in bed and breakfast accommodation for longer than six weeks, and she asked when this would be done. In response, the Head of Corporate Services confirmed this was one of the grant conditions and was not relevant to Tewkesbury Borough Council as it did not have any families residing in bed and breakfast accommodation for longer than six weeks during the 2021/22 period.

12.6 It was

**RESOLVED** That the internal audit monitoring report be **NOTED**.

### **A&G.13 COUNTER FRAUD AND ENFORCEMENT UNIT REPORT**

- 13.1 The report of the Counter Fraud and Enforcement Unit Head of Service, circulated at Pages No. 133-142, provided an annual update on the work of the Counter Fraud and Enforcement Unit. Members were asked to consider the report.

- 13.2 The Counter Fraud and Enforcement Unit Head of Service advised that, since the last report to the Committee, the team had assisted with a successful prosecution relating to unauthorised works on a listed building. In relation to the workstreams detailed at Appendix 1 to the report, a review of the Gifts and Hospitality Procedure had been completed and a revised online form, which focussed on intent, would be introduced and staff awareness raised. The Counter Fraud and Enforcement Unit had also issued a vetting and recruitment risk report to HR for consideration to ensure they were undertaking the right checks on new staff etc. and the HR and OD Manager had confirmed there were robust practices in place. The team had also been assisting with verification of the energy rebate payments – people who did not pay their Council Tax by direct debit had to apply for the money so it was important to carry out checks to ensure that the people applying were actually living in the properties etc. Paragraph 3 of the report contained information regarding the annual update on the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA) which related to surveillance and communications data. Paragraph 3.3 of the report stated that the RIPA Surveillance and Covert Human Intelligence Source Policy had recently been updated to reflect minor changes in relation to undercover agents being able to commit crime whilst working undercover which did not apply to the authority. The Counter Fraud and Enforcement Unit would be delivering refresher training to relevant enforcement staff on the new policies.
- 13.3 A Member drew attention to Page No. 135, Paragraph 2.1 of the report which stated that the Counter Fraud and Enforcement Unit had received 10 referrals and she asked whether those came from staff or members of the public. In response, the Counter Fraud and Enforcement Unit Head of Service clarified that this related only to business grants and not the general work of the Counter Fraud and Enforcement Unit so the intel would have come from the staff processing the applications. It was noted there was a separate referral regime for the Council Tax support scheme. The Member congratulated the Counter Fraud and Enforcement Unit on the successful prosecution but expressed the view that the £613 costs awarded was a bit light. The Counter Fraud and Enforcement Unit Head of Service confirmed that the Council had put in for full costs but, unfortunately, could not influence the decision of the Court in terms of what was awarded. The Member went on to draw attention to the 2022/23 work programme, set out at Page No. 142 of the report, and asked why the review of the housing waiting list would only apply to silver band properties. In response, the Counter Fraud and Enforcement Unit Head of Service explained that the review of emergency and gold bands was carried out first and the outcomes of this had already been reported to the Committee. In response to a query as to how people without bank accounts would receive energy rebate payments, Members were advised that it was hoped there would not be many people in that situation but, for those who were, the money could be credited to their Council Tax accounts; the difficulty would arise for those who did not pay Council Tax but the majority of people would have some sort of account, for instance, a post office account. The Counter Fraud and Enforcement Unit Head of Service provided assurance that Officers were doing all they could to ensure anyone who was eligible and applied for the funding did receive it.
- 13.4 It was
- RESOLVED** That the Counter Fraud and Enforcement Unit annual report be **NOTED**.

**A&G.14 COUNTER FRAUD AND ENFORCEMENT UNIT FRAUD RISK STRATEGY**

- 14.1 The report of the Counter Fraud and Enforcement Unit Head of Service, circulated at Pages No. 143-173, attached, at Appendix 1, the new Fraud Risk Strategy which had been developed for implementation across the Counter Fraud Partnership. Members were asked to consider the strategy and its associated workstreams.
- 14.2 The Counter Fraud and Enforcement Unit Head of Service advised that fraud was the most common crime in the UK and cost many billions of pounds to private companies, individuals and the public sector. The Counter Fraud and Enforcement Unit had developed a Fraud Risk Strategy, attached at Appendix 1, which set out the definitions and motivations for fraud and the principles of risk management as well as outlining the high risk areas that local government was susceptible to; historically the focus had been on benefit fraud. Annexed to the strategy, and attached to the report as Appendices 2 and 3, were the Fighting Fraud and Corruption Locally and the Government Functional Standard GovS 013 checklists which set out best practice recommendations – these would be completed by the Counter Fraud and Enforcement Unit in consultation with the Corporate Governance Group to inform areas for improvement or for inclusion on the work plan. In addition, the Counter Fraud and Enforcement Unit would implement a series of service area reviews to identify specific fraud risks within each Council service area and a service specific risk register would then be developed which could be monitored. This was quite a big piece of work and it was intended to focus on high risk service areas first i.e. procurement, revenues and benefits and housing.
- 14.3 A Member drew attention to the Government Functional Standard GovS 013 Checklist, attached at Appendix 3 to the report, which posed a series of questions and she asked if she was right to presume that the answer to these was 'yes'. The Counter Fraud and Enforcement Unit Head of Service confirmed that was correct and she explained that the answers would be specific to each authority – she was reluctant to publish them as this would give information on the methods being used to tackle fraud. She confirmed that a checklist had been completed to give assurance to the Council and if any further action was needed it could be included on the work plan. The Member drew attention to Page No. 167 of the report which referenced training and asked how many Councillors had attended cyber security training. The Head of Corporate Services indicated that a training session had been run via Teams and he believed around 12 Members had attended. The Member indicated that when she had looked it appeared that only two Members had completed the training. The Head of Corporate Services advised that a presentation had also been given to Transform Working Group which would have captured more Members. It was intended to roll out an e-module on GDPR and cyber security following the Borough Council elections in May 2023 with the aim being 100% take-up. The Counter Fraud and Enforcement Unit Head of Service indicated that the Counter Fraud and Enforcement Unit had updated its presentation on fraud awareness for the authorities which had recently had local elections and she undertook to circulate this to Members for information.
- 14.4 It was
- RESOLVED** That the Counter Fraud and Enforcement Unit Fraud Risk Strategy be **NOTED**.

**A&G.15 COUNTER FRAUD AND ANTI-CORRUPTION POLICY**

- 15.1 The report of the Counter Fraud and Enforcement Unit Head of Service, circulated at Pages No. 174-192, attached, at Appendix 1, the Counter Fraud and Corruption Policy. Members were asked recommend to the Executive Committee that the policy be approved and to delegate authority to the Head of Finance and Asset Management, in consultation with the Counter Fraud and Enforcement Unit, One Legal and the Lead Member for Corporate Governance, to approve future minor amendments to the policy.
- 15.2 The Counter Fraud and Enforcement Unit Head of Service advised that the policy at Appendix 1 to the report had been amended to ensure it reflected current legislation and aligned with the Council's procedures. The proposed changes were highlighted in red.
- 15.3 Accordingly, it was

**RESOLVED**

That it be **RECOMMENDED TO THE EXECUTIVE COMMITTEE:**

1. That the Counter Fraud and Anti-Corruption Policy, as attached at Appendix 1 to the report, be **APPROVED**.
2. That authority be delegated to the Head of Finance and Asset Management, in consultation with the Counter Fraud and Enforcement Unit, One Legal and the Lead Member for Corporate Governance, to approve future minor amendments to the policy.

**A&G.16 INTERNAL AUDIT ANNUAL REPORT 2021/22**

- 16.1 Attention was drawn to the report of the Chief Audit Executive (Head of Corporate Services), circulated at Pages No. 193-213, in relation to internal audit 2021/22. Members were asked to consider the limitation of scope regarding independent assurance from internal audit on the adequacy of the Council's governance, risk management and control environment for 2021/22 and to note that the internal audit team was now operational and a meaningful audit opinion would be reached for 2022/23.
- 16.2 The Head of Corporate Services advised that a limitation of scope opinion for 2020/21 had been presented at Audit and Governance Committee on 21 July 2021 due to deployment of the Internal Audit team to the business cell to support the administration and payment of business grants - the same opinion was being issued for 2021/22. As set out in the report, the Internal Audit team was now operational and a meaningful audit opinion would be reached for 2022/23. Members were well-versed regarding the decision to use internal audit to support the business cell and this was set out at Page No. 196, Paragraph 3.2 of the report. It was noted that, as a mitigating control, each Head of Service had produced a management assurance statement on the adequacy of the control environment within their service area and these would be brought to the Committee in September. The Head of Corporate Services advised that the Internal Audit team was operational and undertaking audits and Page No. 197 Paragraph 4.2 of the report provided information on the team's recovery. It was noted that all outstanding internal audit recommendations had been reviewed and revised implementation dates had been agreed with relevant managers; an internal audit six month plan covering the period October 2022 to March 2023 would be brought to the September meeting of the Committee; quarterly meetings had commenced with the Chair of the Audit and Governance Committee and the Lead Member for Corporate Governance; a Quality Assurance and Improvement Programme had been approved for 2022/23; and there was a commitment from

the Corporate Leadership Team to further invest in the team for the second half of the year with interviews about to take place for an audit apprentice.

16.3 The Chair thanked the Internal Audit team for the brilliant work that had been done in terms of re-training in order to help the community during the pandemic. It was

**RESOLVED** That the Internal Audit Annual Report 2021/22 be **NOTED**.

**A&G.17 AUDIT AND GOVERNANCE COMMITTEE ANNUAL REPORT 2021/22**

17.1 The report of the Chief Audit Executive (Head of Corporate Services), circulated at Pages No. 200-213, attached, at Appendix 1, the Audit and Governance Committee Annual Report 2021/22. Members were asked to approve the report.

17.2 Accordingly, it was

**RESOLVED** That the Audit and Governance Committee Annual Report 2021/22 be **APPROVED**.

The meeting closed at 3:45 pm