



Borough of Tamworth

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AUDIT AND GOVERNANCE COMMITTEE

1 June 2016

Dear Councillor

A meeting of the Audit and Governance Committee will be held in **Committee Room 1 - Marmion House on Thursday, 9th June, 2016 at 6.00 pm.** Members of the Committee are requested to attend.

Yours faithfully

A handwritten signature in black ink, appearing to be 'A. G. ...', written over a circular stamp or mark.

A G E N D A

NON CONFIDENTIAL

- 1 Appointment of Chair
- 2 Appointment of Vice-Chair
- 3 Apologies for Absence
- 4 Minutes of the Previous Meeting (Pages 1 - 4)
- 5 Declarations of Interest

To receive any declarations of Members' interests (pecuniary and non-pecuniary) in any matters which are to be considered at this meeting.

When Members are declaring a pecuniary or non-pecuniary interest in respect of which they have dispensation, they should specify the nature of such interest. Members should leave the room if they have a pecuniary or non-pecuniary interest in respect of which they do not have a dispensation.

6 Fee Letter 2016-17 (Pages 5 - 10)

The Report of Grant Thornton (External Auditor)

7 Audit and Governance Committee Update 9th June 2016 (Pages 11 - 22)

The Report of Grant Thornton (External Auditor)

8 Proposed Changes to the Constitution and Scheme of Delegation (Pages 23 - 24)

(The Report of the Solicitor to the Council and Monitoring Officer)

9 Internal Audit Annual Report/Quarterly Report 2015/16 Quarter 4 (Pages 25 - 38)

(The Report of the Head of Internal Audit Services)

10 Review of the Effectiveness of Internal Control (Pages 39 - 46)

(The Report of the Head of Internal Audit Services)

11 Annual Governance Statement & Code of Corporate Governance (Pages 47 - 98)

(The Report of the Head of Internal Audit Services)

12 Quality Assurance & Improvement Programme (Pages 99 - 106)

(The Report of the Head of Internal Audit Services)

13 Audit & Governance Committee Self Assessment 2015/16 (Pages 107 - 110)

For Information Only

14 Audit and Governance Committee Timetable (Pages 111 - 114)

(Discussion Item)

People who have a disability and who would like to attend the meeting should contact Democratic Services on 01827 709264 or e-mail committees@tamworth.gov.uk preferably 24 hours prior to the meeting. We can then endeavour to ensure that any particular requirements you may have are catered for.

To Councillors: J Chesworth, C Cooke, J Faulkner, M Gant, R Kingstone, J Oates, T Peale and M Summers

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**MINUTES OF A MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
HELD ON 31st MARCH 2016**

PRESENT: Councillor J Chesworth (Chair), Councillors J Faulkner, J Goodall, S Goodall and K Norchi

Officers John Wheatley (Executive Director Corporate Services), Stefan Garner (Director of Finance), Jane Hackett (Solicitor to the Council and Monitoring Officer) and Angela Struthers (Head of Internal Audit Services)

Visitors John Gregory (Grant Thornton)

54 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J Oates and T People

55 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 28 January 2016 were approved and signed as a correct record.

(Moved by Councillor J Goodall and seconded by Councillor J Faulkner)

56 DECLARATIONS OF INTEREST

There were no declarations of Interest.

57 REVIEW OF THE TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STATEMENT 2016/17 AND THE TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW REPORT 2015/16

The Report of the Executive Director of Corporate Services on the review of the Treasury Management Strategy Statement, Minimum Revenue Provision Statement, Annual Investment Statement 2016/17, the Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Report 2015/16 approved by Council on 23rd February 2016 and 15th December 2015 respectively were considered.

RESOLVED: That the Committee endorsed the Treasury Reports, as detailed within the Executive Director's report.

(Moved by Councillor J Faulkner and seconded by Councillor S Goodall)

58 FINAL ACCOUNTS 2015/16 – ACTION PLAN

The Report of the Director of Finance to provide outline of the corporate requirements that will need to be achieved in order to produce the Council's Annual Statement of Accounts for 2015/16 (including deadlines but not including detailed responsibilities) and to obtain corporate commitment to the action plan was considered.

RESOLVED: That the Committee

- 1** approved the target of 31st May 2016 for closure of the final accounts and production of a draft statement for 2015/16;
- 2** agreed staffing resources be committed to the provision of appropriate information and support in order to meet the published timescales and the Committee receive progress updates (if required); and
- 3** agreed the Statement be presented to Audit and Governance Committee on 22nd September 2016.

(Moved by Councillor J Faulkner and seconded by Councillor J Chesworth)

59 REGULATIONS OF INVESTIGATORY POWERS ACT 2000

The Report of the Solicitor to the Council and Monitoring Officer informing Members of the surveillance carried out under the Regulation of Investigatory Powers Act 2000 (RIPA) was considered.

RESOLVED: That the Committee endorsed the quarterly RIPA monitoring report.

(Moved by Councillor J Chesworth and seconded by Councillor S Goodall)

60 AUDIT & GOVERNANCE COMMITTEE SELF ASSESSMENT

The Report of the Head of Internal Audit Services to complete a self assessment of the effectiveness of the Audit & Governance Committee and produce an improvement action plan was considered.

RESOLVED: That the Committee completed the self assessment checklist in order to formulate an improvement plan.

(Moved by Councillor J Goodall and seconded by Councillor S Goodall)

61 FINANCIAL GUIDANCE REVIEW

The Report of the Head of Internal Audit Services to seek Member endorsement of the recently reviewed Financial Guidance which forms an important part of the Council's regulatory framework, and to provide an opportunity for Members of the Committee to raise any issues they consider appropriate on the subject was considered.

RESOLVED: That the Committee endorsed the changes to Financial Guidance.

(Moved by Councillor S Goodall and seconded by Councillor J Chesworth)

62 THE AUDIT PLAN AND THE AUDIT RISK ASSESSMENT FOR 2015/16

The Report of Grant Thornton (External Auditor) was considered.

RESOLVED: That the Committee received the report of the External Auditor which informs The Audit Plan for the Council and the Audit Risk Assessment for 2015/16

63 INTERNAL AUDIT CHARTER & PLAN 2016/17

The Report of the Head of Internal Audit to advise Members of the proposed Internal Audit Charter and Plan for 2016-17 and to provide Members with assurance on the appropriate operation of Internal Audit was considered.

RESOLVED: That the Committee endorsed the Internal Audit Charter and Plan 2016-17.

(Moved by Councillor J Faulkner and seconded by Councillor J Goodall)

64 AUDIT AND GOVERNANCE COMMITTEE TIMETABLE

The Committee reviewed and agreed the timetable.

Chair



Grant Thornton

An instinct for growth™

Mr Tony Goodwin
Chief Executive
Tamworth Borough Council
Marmion House
Lichfield Street
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19 April 2016

Dear Tony

Planned audit fee for 2016/17

The Local Audit and Accountability Act 2014 provides for the introduction of a new framework for local public audit. Under these provisions, the Audit Commission closed in March 2015 and the Secretary of State for Communities and Local Government delegated some statutory functions from the Audit Commission Act 1998 to Public Sector Audit Appointments Limited (PSAA) on a transitional basis.

PSAA will oversee the Commission's audit contracts for local government bodies until they end in 2018, following the announcement by the Department for Communities and Local Government (DCLG) that it will extend transitional arrangements until 2017/18. PSAA's responsibilities include setting fees, appointing auditors and monitoring the quality of auditors' work. Further information on PSAA and its responsibilities are available on the PSAA website.

Scale fee

PSAA prescribes that 'scale fees are based on the expectation that audited bodies are able to provide the auditor with complete and materially accurate financial statements, with supporting working papers, within agreed timescales'.

There are no planned changes to the overall work programme for local government audited bodies for 2016/17, bar the adoption of new measurement requirements for the Highways Network Asset. Based on our current understanding we consider that this is unlikely to be applicable to Tamworth Borough Council.

CIPFA/LASAAC is expected to confirm, subject to consultation, that the 2016/17 Code of Practice on Local Authority Accounting in the United Kingdom will adopt the measurement requirements of the CIPFA Code of Practice on Highways Network Asset.

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PSAA have determined that there is no reliable and equitable way of establishing the volume of additional audit work, and therefore fees required, at each applicable local authority to gain assurance over the new financial reporting requirements. Therefore, fees for the additional work identified by auditors in 2016/17 will be subject to approval by PSAA under the normal fee variations process. PSAA expect that 'the additional fees for a highway authority will be in the range of £5,000 to £10,000, where authorities are able to provide the information required, and the auditor is able to rely on central assurance of the models in use.

PSAA have proposed that 2016/17 scale audit fees (excluding work completed on the Highways Network Asset) are set at the same level as the scale fees applicable for 2015/16. The Council's scale fee for 2016/17 has been set by PSAA at £49,838.

The audit planning process for 2016/17, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary as our work progresses.

Scope of the audit fee

Under the provisions of the Local Audit and Accountability Act 2014, the National Audit Office (NAO) is responsible for publishing the statutory Code of Audit Practice and guidance for auditors from April 2015. Audits of the accounts for 2016/17 will be undertaken under this Code, on the basis of the work programme and scale fees set out on the PSAA website. Further information on the NAO Code and guidance is available on the NAO website.

The scale fee covers:

- our audit of your financial statements
- our work to reach a conclusion on the economy, efficiency and effectiveness in your use of resources (the value for money conclusion)
- our work on your whole of government accounts return (if applicable).

As outlined above, the fee for any additional work in respect of the Highways Network Asset is not included in this fee.

PSAA will agree fees for considering objections from the point at which auditors accept an objection as valid, or any special investigations, as a variation to the scale fee.

Value for Money conclusion

The Code requires us to consider whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money (VfM) conclusion.

The NAO issued its guidance for auditors on value for money work in November 2015. The guidance states that for local government bodies, auditors are required to give a conclusion on whether the Council has put proper arrangements in place.

The NAO guidance identifies one single criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

Certification of grant claims and returns

The Council's indicative grant certification fee has been set by PSAA at £11,723. This fee covers the cost of certifying the housing benefit subsidy claim only and is based on final 2014/15 certification fees.

The indicative fee for certification work is based on the expectation that you provide the auditor with complete and materially accurate claims and returns, with supporting working papers, within agreed timeframes.

Assurance engagements for other schemes will be subject to separate arrangements and fees agreed between the grant-paying body, the Council and ourselves.

Billing schedule

Fees will be billed as follows:

Main Audit fee	£
September 2016	12,459.50
December 2016	12,459.50
March 2017	12,459.50
June 2017	12,459.50
Total	49,838.00
<hr/>	
Grant Certification	
March 2017	11,723

Outline audit timetable

We will undertake our audit planning and interim audit procedures in December 2016 to March 2017. Upon completion of this phase of our work we will issue a detailed audit plan setting out our findings and details of our audit approach. Our final accounts audit and work on the VfM conclusion will be completed in June/July 2017 and work on the whole of government accounts return will be done alongside our final accounts audit work.

Phase of work	Timing	Outputs	Comments
Audit planning and interim audit	December 2016 to March 2017	Audit plan	The plan summarises the findings of our audit planning and our approach to the audit of the Council's accounts and VfM.
Final accounts audit	June/July 2017	Audit Findings (Report to those charged with governance)	This report sets out the findings of our accounts audit and VfM work for the consideration of those charged with governance.
VfM conclusion	January to June/July 2017	Audit Findings (Report to those charged with governance)	As above
Whole of government accounts	July 2017	Opinion on the WGA return	This work will be completed alongside the accounts audit.
Annual audit letter	October 2017	Annual audit letter to the Council	The letter will summarise the findings of all aspects of our work.
Grant certification	June to October 2017	Grant certification report	A report summarising the findings of our grant certification work

Our team

The key members of the audit team for 2016/17 are:

	Name	Phone Number	E-mail
Engagement Lead	John Gregory	0121 232 5333	john.gregory@uk.gt.com
Engagement Manager	Joan Barnett	0121 232 5399	joan.m.barnett@uk.gt.com
In Charge Auditor	Denise Mills	0121 232 5306	denise.f.mills@uk.gt.com

Additional work

The scale fee excludes any work requested by the Council that we may agree to undertake outside of our Code audit. Each additional piece of work will be separately agreed and a detailed project specification and fee agreed with the Council.

Quality assurance

We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively you may wish to contact Mark Stocks, our Public Sector Assurance regional lead partner, via mark.c.stocks@uk.gt.com.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Gregory', written in a cursive style.

John Gregory
Engagement Lead
For Grant Thornton UK LLP

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Audit and Governance Committee
Progress and Update Report for
Tamworth Borough Council
Year ended 31 March 2016

9 June 2016

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John Gregory

Engagement Lead

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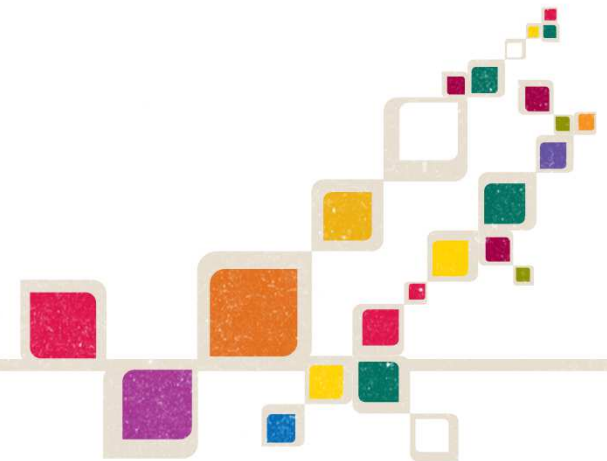
In Charge Auditor

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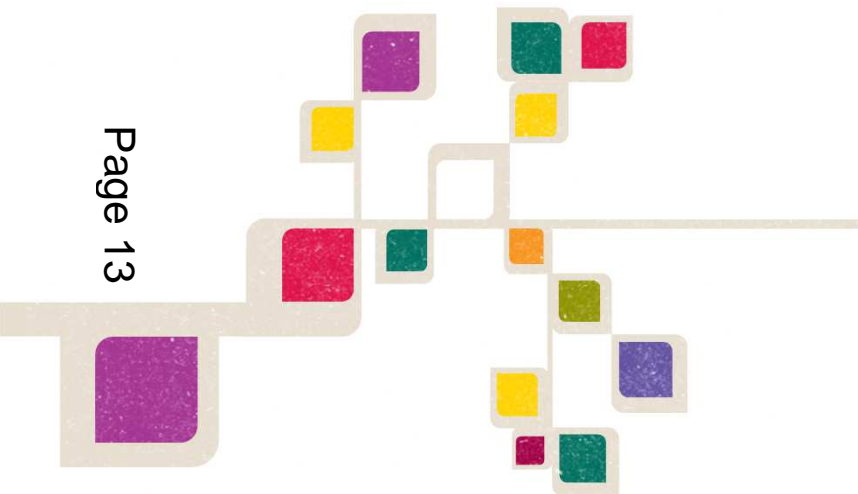


The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.



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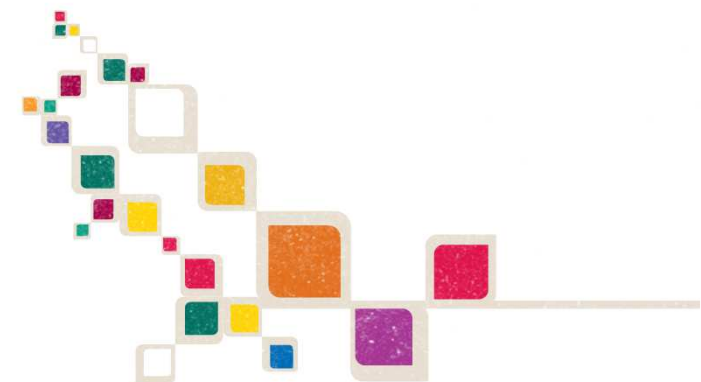
Introduction

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

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

- Better Together: Building a successful joint venture company;
<http://www.grantthornton.co.uk/en/insights/building-a-successful-joint-venture-company/>
- Knowing the Ropes – Audit Committee; Effectiveness Review ;
www.grantthornton.co.uk/en/insights/knowing-the-ropes--audit-committee-effectiveness-review-2015/
- Making devolution work: A practical guide for local leaders (October 2015)
www.grantthornton.co.uk/en/insights/making-devolution-work/

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 9 June 2016



 **Progress against plan**
On track

 **Opinion and VfM conclusion**
Plan to give before deadline of 30 September 2016

 **Outputs delivered**
Fee letter, Progress Reports, delivered to plan

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2015/16 work

Fee Letter

We issued the 'Planned fee letter for 2015/16 in April 2015.

April 2015

We have also recently issued the fee letter for 2016/17, with no change to the fee proposed. This is reported to this meeting of the Audit and Governance committee.

Accounts Audit Plan

We are required to issue a detailed accounts audit plan to the Council setting out our proposed approach in order to give an opinion on the Council's 2015-16 financial statements.

March 2016

This was presented to the Audit and Governance Committee on 31 March 2016.

We also inform you of any subsequent changes to our audit approach.

Interim accounts audit

Our interim fieldwork visit includes:

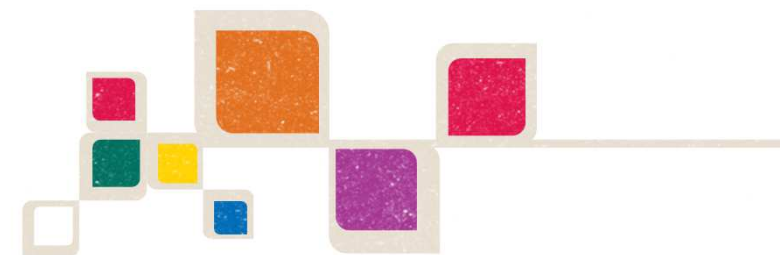
- updating our review of the Council's control environment
- updating our understanding of financial systems
- review of Internal Audit reports on core financial systems
- early work on emerging accounting issues
- early substantive testing

March 2016

Interim audit findings for the work completed to date are included in this report (pages 7 - 9).

As part of our formal communication between auditors and the council's Audit and Governance Committee, as 'those charged with governance' we prepare a specific report which covers some important areas of the auditor risk assessment where we are required to make inquiries of management and the Audit Committee under auditing standards. This was also presented to the Audit and Governance Committee on 31 March 2016.

Progress at 13 May 2016

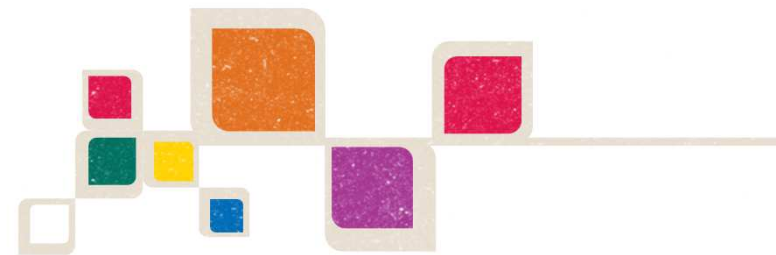


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2015/16 work	Completed	Comments
<p>Final accounts audit Including:</p> <ul style="list-style-type: none"> • Audit of the 2015-16 financial statements • proposed opinion on the Council's accounts 	<p><i>Main field work the three weeks commencing 4 July 2016; Benefits work to support the final accounts audit the week beginning 15 August 2016</i></p>	<p>We are planning to complete our audit by 31st August as part of the transition to the earlier closedown and audit cycle that is required from 2018.</p> <p>To help the Council prepare appropriate evidence to support the financial statements, we have provided a schedule of the working papers that we expect and discussed the implications of emerging accounting matters with finance staff.</p>
<p>Value for Money (VfM) conclusion The scope of our work has changed and is set out in the final guidance issued by the National Audit Office in November 2015. 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:</p> <ul style="list-style-type: none"> • Informed decision making • Sustainable resource deployment • Working with partners and other third parties 	<p><i>Field work in March – July , formal conclusion reported by 30 September 2016</i></p>	<p>We have set out the result of our risk assessment and the proposed focus of our work in our Audit Plan presented to you on 31 March 2016..</p> <p>The results of our VfM audit work and the key messages arising will be reported in our Audit Findings Report.</p> <p>We will include our conclusion as part of our report on your financial statements which we will give by 30 September 2016.</p>
<p>Other activities We provide a range of workshops, along with network events for members and publications to support the Council.</p>	<p>February 2016</p> <p>Ongoing</p>	<p>We have provided a local workshop covering changes to accounting standards and the Code of Practice, and emerging issues and future developments, to support officers involved in the preparation of the Financial Statements.</p> <p>Further details of the publications that may be of interest to the Council are set out from page 12.</p>

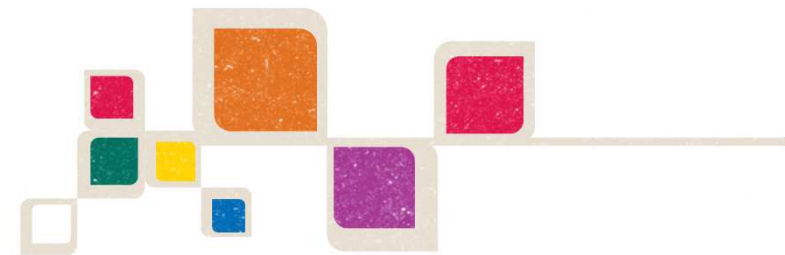
Results of interim audit work

The findings of our interim audit work, and the impact of our findings on the accounts audit approach, are summarised below.



	Work performed	Conclusion
Internal audit	We have completed a high level review of internal audit's overall arrangements. We have also considered the outcome of internal audit's work on the Council's key financial systems to date.	Overall, we have concluded that the arrangements for internal audit contribute to an effective internal control environment. Our review of internal audit work has not identified any weaknesses which impact on our audit approach.
Entity level controls	We have obtained an understanding of the overall control environment relevant to the preparation of the financial statements including: <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 • Human resource policies and practices 	Our work has identified no material weaknesses in these overall controls which are likely to adversely impact on the Council's financial statements
Journal entry controls	We have reviewed the Council's journal entry policies and procedures as part of determining our testing strategy and have not identified any material weaknesses which are likely to adversely impact on the Council's control environment or financial statements.	Further work will be completed at the accounts visit to extract journals with certain defined criteria for detailed review.

Results of interim audit work



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	Work performed	Conclusion
<p>Walkthrough testing</p>	<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 – namely employee remuneration, operating expenses and welfare expenditure.</p>	<p>Our walkthrough testing confirms that internal controls have been implemented by the Council in accordance with our documented understanding and our work has not identified any weaknesses which impact on our planned audit approach.</p>
<p>Early audit testing</p>	<p>We have performed testing of</p> <ul style="list-style-type: none"> • fees and other charges; • The existence and classification of property, plant and equipment; • Employee remuneration • Operating expenses • Uprating of welfare benefit rates to those applicable for 2015/16 <p>Our testing in these areas shall be completed in July/August 2016.</p>	<p>Our early testing has not identified any issues to report to you.</p>

Better Together: Building a successful joint venture company

Grant Thornton reports

Local government is evolving as it looks for ways to protect front-line services. These changes are picking up pace as more councils introduce alternative delivery models to generate additional income and savings.

Page 19

'Better together' is the next report in our series looking at alternative delivery models and focuses on the key areas to consider when deciding to set up a joint venture (JV), setting it up and making it successful.

JVs have been in use for many years in local government and remain a common means of delivering services differently. This report draws on our research across a range of JVs to provide inspiring ideas from those that have been a success and the lessons learnt from those that have encountered challenges.

Key findings from the report:

- JVs continue to be a viable option – Where they have been successful they have supported councils to improve service delivery, reduce costs, bring investment and expertise and generate income
- There is reason to be cautious – Our research found a number of JVs between public and private bodies had mixed success in achieving outcomes for councils
- There is a new breed of JVs between public sector bodies – These JVs can be more successful at working and staying together. There are an increasing number being set up between councils and wholly-owned commercial subsidiaries that can provide both the commercialism required and the understanding of the public sector culture.

Our report, Better Together: Building a successful joint venture company, can be downloaded from our website: <http://www.grantthornton.co.uk/en/insights/building-a-successful-joint-venture-company/>



ALTERNATIVE SERVICE DELIVERY MODELS IN LOCAL GOVERNMENT

Better together
Building a successful
joint venture company



Knowing the Ropes – Audit Committee Effectiveness Review

Grant Thornton reports

We have published our first cross-sector review of Audit Committee effectiveness encompassing the corporate, not for profit and public sectors.

It provides insight into the ways in which audit committees can create an effective role within an organisation’s governance structure and understand how they are perceived more widely. The report is structured into four key issues:

- What is the status of the audit committee within the organisation?
- How should the audit committee be organised and operated?
- What skills and qualities are required in the audit committee members?
- How should the effectiveness of the audit committee be evaluated?

The detailed report is available here

<http://www.grantthornton.co.uk/en/insights/knowning-the-ropes--audit-committee-effectiveness-review-2015/>

Size: 3-5 members is an ideal size for an audit committee

Frequency: meetings should be regular and the length should adapt to content

Relevance: audit committee members should be selected based on the skills and experience they bring

Communication: papers should strike the balance between detail and length

Ability: training should be provided for audit committee members

Clarity: the role of the audit committee and its relationship with other committees, should be clearly defined

Evolution: audit committees should continually develop

The two key things that audit committee members should be asking are:

- 1** What is expected of the audit committee and does it reflect the specific nature of the industry in which the organisation sits?
- 2** Does the audit committee have clear terms of reference in place? Audit committees should set themselves targets for what they want to achieve and define how these will be measured to ensure they are operating effectively.

Fighting Fraud and Corruption Locally

CIPFA publication

Fighting Fraud and Corruption Locally is a strategy for English local authorities that is the result of collaboration by local authorities and key stakeholders from across the counter fraud landscape .

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This strategy is the result of an intensive period of research, surveys, face-to-face meetings and workshops. Local authorities have spoken openly about risks, barriers and what they feel is required to help them improve and continue the fight against fraud and to tackle corruption locally.

Local authorities face a significant fraud challenge. Fraud costs local authorities an estimated £2.1bn a year. In addition to the scale of losses, there are further challenges arising from changes in the wider public sector landscape including budget reductions, service remodelling and integration, and government policy changes. Local authorities will need to work with new agencies in a new national counter fraud landscape.

The strategy:

- calls upon local authorities to continue to tackle fraud with the dedication they have shown so far and to step up the fight against fraud in a challenging and rapidly changing environment
- illustrates the financial benefits that can accrue from fighting fraud more effectively
- calls upon central government to promote counter fraud activity in local authorities by ensuring the right further financial incentives are in place and helping them break down barriers to improvement
- updates and builds upon Fighting Fraud Locally 2011 in the light of developments such as The Serious and Organised Crime Strategy and the first UK Anti-Corruption Plan
- sets out a new strategic approach that is designed to feed into other areas of counter fraud and corruption work and support and strengthen the ability of the wider public sector to protect itself from the harm that fraud can cause.

The strategy can be downloaded from

<http://www.cipfa.org/services/counter-fraud-centre/fighting-fraud-and-corruption-locally>



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GRT102468

Audit and Governance Committee

09 June 2016

REPORT OF THE SOLICITOR TO THE COUNCIL AND MONITORING OFFICER

Proposed Changes to the Constitution and Scheme of Delegation

EXEMPT INFORMATION

None

PURPOSE

To consider the proposals put forward as amendments to the Constitution and Scheme of Delegation at Council on 24 May 2016 in terms of Article 16 paragraph ii.

RECOMMENDATIONS

It is recommended that the Committee consider the proposals put forward as amendments to the Constitution and endorse same.

EXECUTIVE SUMMARY

Article 9 of the Constitution provides *inter alia* that the Audit and Governance Committee maintain an overview of the Council's Constitution. Article 16 requires *inter alia* changes to the constitution to be approved by full Council subject to consideration of any proposals in relation thereto by the Solicitor to the Council and the Audit and Governance Committee.

Under the Localism Act the Authority remains under a duty to promote and maintain high standards of governance and exercise all its powers and duties in accordance with the law. The Constitution and Scheme of Delegation assist this process. Accordingly the Audit and Governance Committee has been asked to recommend endorse the amendments made as per the appendix attached to this report.

RESOURCE IMPLICATIONS

The Amendments as required to the Constitution and the Scheme of Delegation ensure that the authority operates *intra vires* and implementation will be carried out as part of the duties of the Council, the Solicitor to the Council and staff with no additional resource implications for the Authority.

LEGAL/RISK IMPLICATIONS BACKGROUND

To have a Constitution that is not fit for purpose could lead to the Council making decisions that would be *ultra vires*. In addition an effective Constitution and Scheme of Delegation provides the mitigating action necessary to ensure that the Council's legal obligations are met and further provides officers with the required functionality to ensure that the Council's obligations under statute are fully met.

EQUALITY IMPLICATIONS

An Equalities Impact Assessment is not required in this instance. In approving the

recommendations it is envisaged that the citizens of Tamworth will benefit from robust governance which supports the active involvement of citizens in the process of local authority decision making and an open and transparent delegation regime for its officers.

BACKGROUND INFORMATION

Each year at the first business meeting of the Council the Constitution and Scheme of Delegation as reviewed require to be adopted to ensure probity and legal compliance. On 24 May 2016 it was agreed that the Constitution and Scheme of Delegation be adopted with the amendments proposed as attached to the Appendix to this report subject to endorsement by Audit and Governance Committee as required in Articles 9 and 16 of the Constitution.

REPORT AUTHOR

Jane M Hackett Solicitor to the Council and Monitoring Officer Tel 709258 if you would like further information or clarification prior to the meeting

LIST OF BACKGROUND PAPERS

Local Government Act 1972
Localism Act 2011

APPENDICES

Appendix 1: link to the changes to the Constitution as tabled at the Council meeting on
24 May 2016

[Link to Constitution](#)

9th June 2016

Report of the Head of Internal Audit Services

**INTERNAL AUDIT ANNUAL REPORT/QUARTERLY REPORT 2015/16
QUARTER 4****EXEMPT INFORMATION**

None

PURPOSE

To report on the outcome of Internal Audit's review of the internal control, risk management and governance framework in the 4th quarter of 2015/16 – to provide members with assurance of the ongoing effective operation of an internal audit function and enable any particularly significant issues to be brought to the Committee's attention.

RECOMMENDATION

That the Committee considers the attached quarterly report and raises any issue it deems appropriate.

EXECUTIVE SUMMARY

The Accounts and Audit Regulations 2015 require each local authority to publish an Annual Governance Statement (AGS) with its Annual Statement of Accounts. The AGS is required to reflect the various arrangements within the Authority for providing assurance on the internal control, risk management and governance framework within the organisation, and their outcomes.

One of the sources of assurance featured in the AGS is the professional opinion of the Head of Internal Audit Services on the outcome of service reviews. Professional good practice recommends that this opinion be given periodically throughout the year to inform the Annual Governance Statement. This opinion is given on a quarterly basis to the Audit & Governance Committee.

The Head of Internal Audit Services' quarterly opinion statement for Jan - Mar 2016 (Qtr 4) is set out in the attached document, and the opinion is summarised below.

Based on the ongoing work carried out by and on behalf of Internal Audit and other sources of information and assurance, my overall opinion of the control environment for this quarter is that "**reasonable assurance**" can be given. Where significant deficiencies in internal control have been formally identified by management, Internal Audit or by external audit or other agencies, management have given assurances that these have been or will be resolved in an appropriate manner. Such cases will continue to be monitored. Internal Audit's opinion is one of the sources of assurance for the Annual Governance Statement which is statutorily required to be presented with the annual Statement of Accounts.

Specific Issues

No specific issues have been highlighted through the work undertaken by Internal Audit during 2015/16.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

Failure to report would lead to non-compliance with the requirements of the Annual Governance Statement and the Public Sector Internal Audit Standards.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

None

APPENDICES

- Appendix 1 Internal Audit Performance Report 2015/16 Quarter 4**
- Appendix 2 Percentage of Management Actions Agreed 2015/16 Quarter 4**
- Appendix 3 Implementation of Agreed Management Actions 2015/16**

1. INTRODUCTION

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. (Public Sector Internal Audit Standards).

Internal Audit's role is to provide independent assurance to the Council that systems are in place and are operating effectively.

Every local authority is statutorily required to provide for an adequate and effective internal audit function. The Internal Audit service provides this function at this Authority.

This brief report aims to ensure that Committee members are kept aware of the arrangements operated by the Internal Audit service to monitor the control environment within the services and functions of the authority, and the outcome of that monitoring. This is to contribute to corporate governance and assurance arrangements and ensure compliance with statutory and professional duties, as Internal Audit is required to provide periodic reports to "those charged with governance".

2. PERFORMANCE AND PROGRESSION AGAINST AUDIT PLAN

The Internal Audit service aims as one of its main Performance Indicators (PI's) to complete work on at least 90% of applicable planned audits by the end of the financial year, producing draft reports on these where possible/necessary. **Appendix 1** shows the progress at the end of quarter 4 of the work completed against the plan and highlights the work completed in the fourth quarter. At the end of the fourth quarter, internal audit have commenced/completed 53 audits. The original plan identified 56 audits to be completed, due to service requirements, 8 were cancelled/postponed and an additional 5 audits were completed in other areas. This equates to 95% of the total annual plan (specific reviews). 26 implementation reviews were identified in the original audit plan, the service has completed 34 in total for the financial year.

The service also reports quarterly on the percentage of draft reports issued within 15 working days of the completion of fieldwork. All (100%) of the draft reports issued in this quarter of the year were issued within this deadline.

3. AUDIT REVIEWS COMPLETED QUARTER 4 2015/16

Appendix 2 details the number of recommendations made. A total of 74 recommendations were made in the fourth quarter with 72 (97%) of the recommendations being accepted by management. The total number of recommendations made during 2015/16 was 246 with 242 (98%) being accepted by management.

The service revisits areas it has audited around 6 months after agreeing a final report on the audit, to test and report to management on the extent to which agreed actions have been taken. Five implementation reviews were completed during the 4th quarter of 2015/16. **Appendix 3** details the implementation progress to date for quarter 4 with 65% of the agreed management actions implemented or partially implemented. 7 recommendations not implemented were high priority and management have agreed revised implementation dates for all outstanding recommendations. For the 2015/16 financial year, 34 implementation reviews were completed with a total of 79% of the recommendations made being fully/partially implemented. Internal Audit is fairly satisfied with the progress made by

management to reduce the level of risk and its commitment to progress the outstanding issues.

Year end summary information 2015/16		Target
Percentage of Audit Plan completed	95%	90%
Draft reports issued within 15 working days	100%	100%
Percentage of recommendation accepted by management	98%	97%
Percentage of recommendations due implemented	79%	-

4. INDEPENDENCE OF THE INTERNAL AUDIT ACTIVITY

Attribute Standards 1110 to 1130 in the Public Sector Internal Audit Standards require that Internal Audit have organisational and individual independence and specifically state that the Head of Internal Audit Services must confirm this to the Audit & Governance Committee at least annually. As performance is reported quarterly, this confirmation will be provided quarterly.

The Head of Internal Audit Services confirms that Internal Audit is operating independently of management and is objective in the performance of internal audit work.

5 DEVELOPMENTS DURING 2015/16

During 2015/16, Internal Audit has carried out the following:

- Completed the annual risk based audit plan in accordance with the Public Sector Internal Audit Standards;
- Produced a Quality Assurance and Improvement Programme;
- Given an assurance opinion for each audit completed, and a revised opinion on the completion of implementation reviews based upon Internal Audit's assessment of the control environment;
- Reported quarterly to the Audit & Governance Committee on progress against the audit plan;
- Continued to work with management to develop risk management;
- Provided an opinion on the internal control environment for the Annual Governance Statement;
- Provided support and consultancy to develop the Transparency Code timetable, Commercial & Industrial Properties lease/rent renewals, Elections Project Plan and Private Sector Leasing Scheme monitoring on the Covalent system (additional work to the audit plan);
- Continued to complete service enhancements mainly through the use of the Covalent Audit Module;
- Continued to Provide Audit Management Services to Lichfield District Council.

6 DEVELOPMENTS FOR 2016/17

The work of the Internal Audit Service will continue to be driven by the regulatory requirements of local government finance and the corporate and operational risks facing the Council. The Service is always looking to continuously improve its service and add value to management through regular audit to improve internal controls and identify efficiencies in their services. During 2016/17 we will complete the following:

- Comply with the Public Sector Internal Audit Standards; after an external assessment of the service, complete any service improvement identified;

- Complete the internal audit plan in accordance with the performance indicators;
- Continue to work with management to improve risk management;
- Continue to complete service enhancements to provide an efficient service;
- Continue to provide Internal Audit Management service to Lichfield District Council.

OVERALL CURRENT INTERNAL AUDIT OPINION

Based on the ongoing work carried out by and on behalf of Internal Audit and other sources of information and assurance, my overall opinion of the control environment at this time is that “reasonable assurance” can be given. Where significant deficiencies in internal control have been formally identified by management, Internal Audit or by external audit or other agencies, management have given assurances that these have been or will be resolved in an appropriate manner. Such cases will continue to be monitored. Internal Audit’s opinion is one of the sources of assurance for the Annual Governance Statement which is statutorily required to be presented with the annual Statement of Accounts.

Specific issues:

There were no specific issues highlighted through the work of Internal Audit in the fourth quarter of the 2015/16 financial year

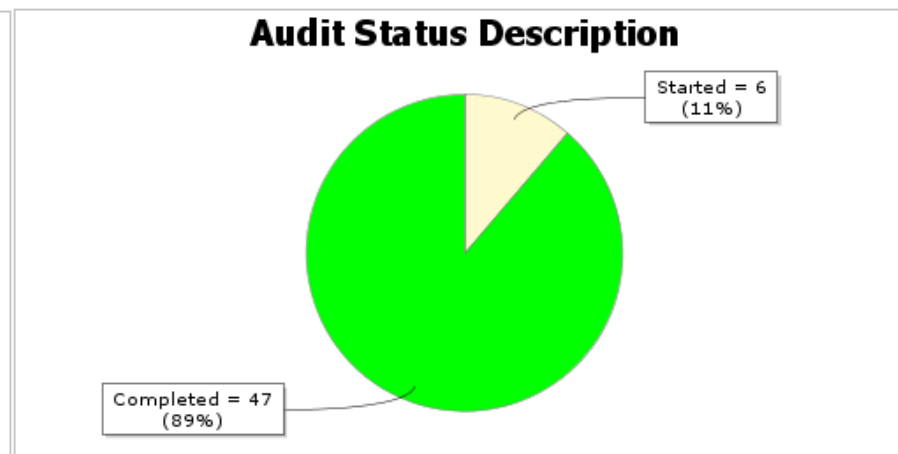
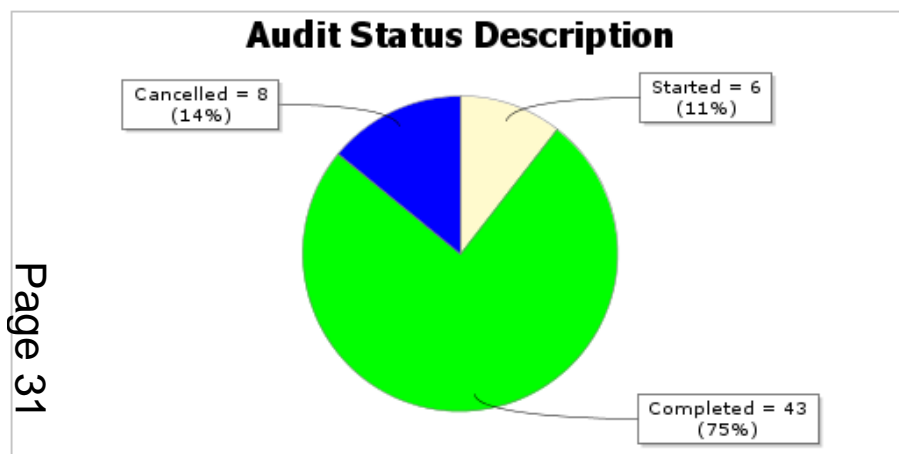
Angela Struthers,
Head of Internal Audit Services

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Internal Audit Performance Report 2015/16 Quarter 4

Report Type: Audit File Report
Report Author: Angela Struthers
Generated on: 22 April 2016

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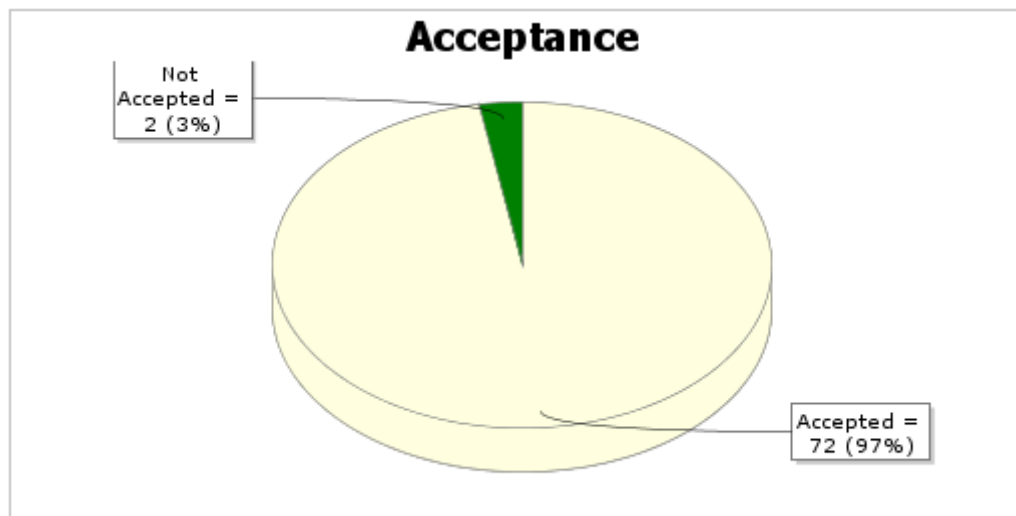
Title	Directorate Description	Audit Status Icon	Audit Status Description	Audit Assurance Type Title
Treasury Management Qtr3 2015/16	Finance	✓	Completed	Main financial system – interim
Council Tax	Finance	✓	Completed	Main financial system – interim
NNDR	Finance	✓	Completed	Main financial system – interim
Bank Reconciliation & Cash Collection	Finance	✓	Completed	Main financial system – interim
Housing Rents	Housing & Health	✓	Completed	Main financial system – interim
Debtors	Finance	✓	Completed	Main financial system – interim

Title	Directorate Description	Audit Status Icon	Audit Status Description	Audit Assurance Type Title
Main Accounting & Budgetary Control	Finance	✓	Completed	Main financial system – interim
Capital Strategy & Programme Management	Finance	✓	Completed	Main financial system – interim
Housing Anti-Social Behaviour	Housing & Health	✓	Completed	Risk based review
Creditors & Procurement	Finance	✓	Completed	Main financial system – interim
Housing & Council Tax Benefits	Finance	✓	Completed	Main financial system – interim
Payroll	Transformation & Corporate Performance	✓	Completed	Main financial system – interim
Housing Repairs QTR 2	Housing & Health	✓	Completed	Main financial system – interim
Housing Repairs QTR 4	Housing & Health	✓	Completed	Main financial system – interim
Property Contracts QTR 2	Assets & Environment	✓	Completed	Main financial system – interim
Property Contracts QTR 3	Assets & Environment	✓	Completed	Main financial system – interim
Municipal Charities	Corporate	✓	Completed	Transactional
I Trent	Technology & Corporate Programmes	✓	Completed	Information Technology
Pension Contributions	Transformation & Corporate Performance	✓	Completed	Compliance
Housing Repairs QTR 1	Housing & Health	✓	Completed	Main financial system – interim
Housing Repairs QTR 3	Housing & Health	✓	Completed	Main financial system – interim
Property Contracts QTR 1	Assets & Environment	✓	Completed	Main financial system – interim
Property Contracts QTR 4	Assets & Environment	✓	Completed	Main financial system – interim
Treasury Management Qtr4 2014/15	Finance	✓	Completed	Main financial system – interim

Title	Directorate Description	Audit Status Icon	Audit Status Description	Audit Assurance Type Title
Treasury Management Qtr1 2015/16	Finance	✓	Completed	Main financial system – interim
Treasury Management Qtr2 2015/16	Finance	✓	Completed	Main financial system – interim
Transparency Code	Corporate	✓	Completed	Compliance
Safeguarding Children & Vulnerable Adults	Solicitor & Monitoring Officer	✓	Completed	System based review
Assembly Rooms Bar	Communities, Planning & Partnerships	✓	Completed	System based review
Housing Voids & Lettings	Housing & Health	✓	Completed	System based review
Performance Framework	Transformation & Corporate Performance	✓	Started	Consultancy
Alternative Delivery Models	Corporate	✓	Started	System based review
Directoral Process	Solicitor & Monitoring Officer	✓	Completed	System based review
Asbestos & Legionella	Assets & Environment	✓	Completed	Risk based review
Recruitment Process	Transformation & Corporate Performance	✓	Completed	System based review
Planning Enforcement	Communities, Planning & Partnerships	✓	Completed	Risk based review
Transformation process/ Corporate Change	Corporate	✓	Completed	Consultancy
Review of Culture/ Ethics	Corporate	✓	Started	Consultancy
RIPA	Solicitor & Monitoring Officer	✓	Completed	Compliance
Corporate Complaints/ Service Feedback	Transformation & Corporate Performance	✓	Started	System based review

Title	Directorate Description	Audit Status Icon	Audit Status Description	Audit Assurance Type Title
Car Parking	Assets & Environment	✓	Started	Risk based review
Taxi/PHV Licences	Assets & Environment	✓	Started	System based review
Private Sector Housing Leasing Scheme	Housing & Health	✓	Completed	System based review
IT Disaster Recovery	Technology & Corporate Programmes	✓	Completed	Information Technology
Organisational Development	Transformation & Corporate Performance	✓	Completed	Risk based review
Homelessness	Housing & Health	✓	Completed	Risk based review
Commercial & Industrial Properties	Assets & Environment	✓	Completed	Consultancy
Electoral Registration/Canvassing Process	Solicitor & Monitoring Officer	✓	Completed	System based review
MS Application Review	Technology & Corporate Programmes	✓	Completed	Information Technology
Pension Contributions End of Year	Transformation & Corporate Performance	✓	Completed	Compliance
Assembly Rooms Bar	Communities, Planning & Partnerships	✓	Completed	System based review
Commercial & Industrial Properties	Assets & Environment	✓	Completed	Additional Consultancy
Election Project	Solicitor & Monitoring Officer	✓	Completed	Consultancy

Percentage of Management Actions Agreed Quarter 4

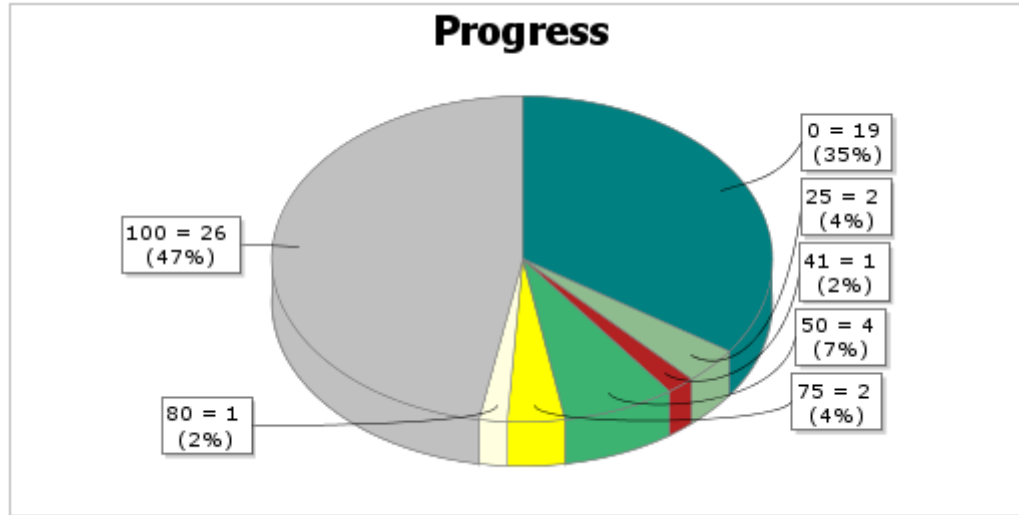


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Audit Recommendation Code & Title	Audit Recommendation Priority	Audit Recommendation Acceptance
1516 ITDR 5.3 Electronic copies of plans	High Priority	Not Accepted
1516 ITrent 3.3 Session audit data	Medium Priority	Not Accepted















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Implementation of Agreed Management Actions 2015/16 Quarter 4



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Audit Recommendation Code & Title	Audit Recommendation Status Icon	Audit Recommendation Priority	Audit Recommendation Progress Bar	Audit Recommendation Reasons Not Implemented Description
1213 TimRec 1.08 1.08 Breaks	✓	High Priority	0%	
1415 RTB 01 Policy	✓	High Priority	0%	Other Higher Priorities
1415 RTB 08 Contract for valuation	✓	High Priority	0%	Other Higher Priorities
1415 web2.1b Roles and responsibilities	✓	High Priority	0%	Other Higher Priorities
1415 web2.2 Roles and responsibilities	⊘	High Priority	0%	Reliance on 3rd Party – Internal

Audit Recommendation Code & Title	Audit Recommendation Status Icon	Audit Recommendation Priority	Audit Recommendation Progress Bar	Audit Recommendation Reasons Not Implemented Description
1415 web3.4 Incident management		High Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 web4.1 Content management policy		High Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 E&D 01.2 Equalities Risk Register		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 E&D 02.2 E-Induction		Medium Priority	<input type="text" value="0%"/>	Reliance on 3rd Party – External
1415 E&D 02.3 Diversity Awareness Training		Medium Priority	<input type="text" value="0%"/>	Financial
1415 E&D 02.4 Refresher Training		Medium Priority	<input type="text" value="0%"/>	Financial
1415 E&D 02.5 Member Training		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 E&D 02.6 Training Records		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 TimRec 1.11 3.1 Flexi-Time Balances		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 TimRec 2.2 Attendance Policy		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 web2.1a Roles and responsibilities		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 web5.1 Documentation		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1516 DM-ENF 10.2 Enforcement Procedures		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1516 DM-ENF 14.2 Development Management Charter		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary

9th June 2016

Report of the Head of Internal Audit Services**REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL****EXEMPT INFORMATION**

None

PURPOSE

To report on the effectiveness of the Council's System of Internal Control for the 2015/16 financial year.

RECOMMENDATIONS

That the Committee endorses the annual review of the effectiveness of the System of Internal Control for the 2015/16 financial year.

EXECUTIVE SUMMARY

Under the requirements of the Accounts and Audit (England) Regulations 2015, the Council must, at least once a year, conduct a review of the effectiveness of the system of internal control, and the findings of the review must be considered by the members of the body meeting as a whole or by a committee.

The system of internal control comprises the control environment, control activities, information and communication processes, and the process for monitoring the effectiveness of the system of internal control.

Internal control systems need to be monitored – this is a process that assesses the quality of the system's performance over time. This is accomplished through ongoing monitoring activities, separate evaluations or a combination of the two. On-going monitoring occurs in the course of operations through regular management and supervisory activities, and other actions personnel take in performing their duties. Separate independent evaluations are completed by Internal Audit, the frequency of which are based on the assessment of risk and the effectiveness of on-going monitoring procedures. Each year, a risk based assessment of systems is undertaken by Internal Audit which informs the Audit Plan. Internal Audit complete their work in accordance with the Public Sector Internal Audit Standards (PSIAS). The final stage of the effectiveness of the system of internal control is to report internal control deficiencies to management and the Audit & Governance Committee.

In order to demonstrate the effectiveness of internal control, the following action should be completed:

- Carry out a self -assessment of compliance with the Public Sector Internal Audit Standards (PSIAS) (completed annually). The results of the self-assessment are attached as **Appendix 1**;

- Complete an on-going assessment to identify and evaluate risks (this informs the Audit Plan);
- Report upon performance indicators collected on respect of the Internal Audit Service (completed quarterly and reported to the Audit & Governance Committee);
- Undertake a self-assessment of the effectiveness of the Audit & Governance Committee (completed annually). This was completed at the meeting of 31st March 2016 and the results appended to this meeting's agenda;
- Have in place a Quality Assurance & Improvement Programme (QAIP) (subject to a separate item on this agenda);
- Undertake a self-assessment against CIPFA's Roles of the Chief Finance Officer and the Head of Internal Audit (completed annually). This has been completed and there are no actions arising.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

There is a risk that Internal Audit will be non-compliant with the PSIAS

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

Assessment against the PSIAS
Assessment against the CIPFA Role of the Chief Finance Officer
Assessment against the Role of the Head of Internal Audit

APPENDICES

Appendix 1 Public Sector Internal Audit Standards Compliance Overview

Public Sector Internal Audit Standards Compliance Overview

Definition of Internal Auditing and Code of Ethics

Definition of Internal Auditing



Integrity



Objectivity



Confidentiality



Competency



Performance Standards

1000 – 1322 Attribute Standards

1000 – 1110 Purpose, Authority and responsibility

Purpose, Authority, and Responsibility



Recognition of the Definition of Internal Auditing, the Code of Ethics, and the Standards in the Internal Audit Charter



1110 – 1130 Independence and Objectivity

Organisational Independence



Independence and Objectivity



Direct Interaction with the Board



Individual Objectivity



Impairment to Independence or Objectivity



1210 – 1230 Proficiency and Due Professional Care

Proficiency



Due Professional Care



Continuing Professional Development



1300 – 1322 Quality Assurance and Improvement Programme (QAIP)

Quality Assurance and Improvement Programme (QAIP)



Requirements of the Quality Assurance and Improvement Programme



Internal Assessments



External Assessments



Reporting on the Quality Assurance and Improvement Programme



Use of Conforms with the International Standards for the Professional Practice of Internal Auditing



Disclosure of Non-conformance



2000 – 2600 Performance Standards

2000 – 2060 Managing the Internal Audit Activity

Managing the Internal Audit Activity



Planning



Communication and Approval



Resource Management



Policies and Procedures



Coordination



Reporting to Senior Management and the Board



2070 External Service Provider and Organisational Responsibility for Internal Audit

External Service Provider and Organisational Responsibility for Internal Audit



2100 – 2130 Nature of Work

Nature of Work



Governance



Risk Management



Control



2200 – 2240 Engagement Planning

Engagement Planning



Planning Considerations



Engagement Objectives



Engagement Scope



Engagement Resource Allocation



Engagement Work Programme



2300 – 2340 Performing the Engagement

Performing the Engagement



Identifying Information



Analysis and Evaluation



Documenting Information



Engagement Supervision



2400 – 2440 Communicating Results

Communicating the Results



Criteria for Communicating



Qualities of Communications



Errors and Omissions



Use of "Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing"



Engagement Disclosure of Non-conformance



Disseminating Results



2450 Overall Opinions

Overall Opinions



2500 Monitoring Progress

Monitoring Progress



2600 Communicating the Acceptance of Risks

Communicating the Acceptance of Risks



9th JUNE 2016

REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

ANNUAL GOVERNANCE STATEMENT & CODE OF CORPORATE GOVERNANCE

EXEMPT INFORMATION

None

PURPOSE

To inform Members of the Committee of the process followed in producing an Annual Governance Statement and revised Code of Corporate Governance in accordance with statutory requirements, and to approve the proposed draft Annual Governance Statement and Code of Corporate Governance.

RECOMMENDATIONS

That the proposed

- a) **Annual Governance Statement be agreed by the Committee as appropriate for presentation to the external auditor and for inclusion in the Annual Statement of Accounts; and**
- b) **Code of Corporate Governance be agreed.**

EXECUTIVE SUMMARY

The Authority is required to produce a public Annual Governance Statement (AGS) in accordance with the Accounts and Audit Regulations 2015. The AGS must be published with the Authority's Annual Statement of Accounts. The AGS is a document which sets out the arrangements within the Authority for ensuring:

1. That there is a sound and robust governance framework, that the framework is regularly reviewed; and
2. It is expected that any instances of significant shortfalls in governance issues/arrangements are referred to within the AGS.

The Accounts and Audit Regulations 2015 require that the Statement should be considered by a Committee of the Council – the Audit and Governance Committee is charged with this function.

Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) sets out the process by which the outcomes of the various arrangements within the Authority forming part of the governance framework should be brought together to inform the AGS. The guidance provides a model "Assurance Gathering Process" setting out the typical expected control arrangements and gives examples of the sorts of evidence which may be available within an authority to show that these controls are in place.

Relevant officers responsible for/involved in the main assurance processes have followed a process in accordance with CIPFA's guidance to enable the model

“Assurance Gathering Process” document to be completed. Members should also note that the AGS is informed by other processes such as the annual accounts closedown process, managers’ assurance statements, external audit reviews and inspections and the Head of Internal Audit Services Annual Audit Report.

The proposed Annual Governance Statement 2015/16 arising from these processes is attached as **Appendix 1** for Members’ consideration. It should be noted that the Annual Governance Statement only includes significant governance issues.

To achieve good governance, the Authority should be able to demonstrate that it is complying with the core and supporting principles contained in the guidance and should therefore develop and maintain a local Code of Corporate Governance appropriate to its circumstances and comprising the requirements for best practice as set out in the CIPFA/SOLACE guidance. As such the Code of Corporate Governance 2016/17 has been reviewed and is attached as **Appendix 2**. The Code indicates what is expected as per the CIPFA/SOLACE guidance and what we have completed to ensure that the principles of good governance are met. The Authority can demonstrate that it complies with the core and supporting principles and complies with best practice.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

Failure to produce an Annual Governance Statement would result in non-compliance with the Accounts and Audit Regulations 2015. There is a risk that failures in Governance would not be identified.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

Managers Assurance Statements

APPENDICES

Appendix 1 Annual Governance Statement 2015/16
Appendix 2 Code of Corporate Governance 2016/17

Annual Governance Statement 2015/16

Scope of Responsibility

The Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 (as amended) to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Authority's code is on our website at http://www.tamworth.gov.uk/council_and_democracy/governance.aspx. This statement explains how the Authority has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, regulation 6(1), which requires all relevant bodies to prepare an annual governance statement.

The Purpose of the Governance Framework

The Governance Framework comprises the systems and processes, culture and values by which the Authority is directed and controlled and its activities through which it is accountable to, engages with and leads its communities. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The Governance Framework has been in place at the Authority for the year ended 31 March 2016 and up to the date of approval of the statement of accounts.

The Governance Framework

The Code of Corporate Governance is a public statement which sets out the framework through which the Council meets its commitment to good corporate governance and is based on the following principles:

- Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area;
- Members and Officers working together to achieve a common purpose with clearly defined functions and roles;
- Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of Members and Officers to be effective;
- Engaging with local people and other stakeholders to ensure robust public accountability.

These principles have supporting principles identified in the Code. The Code also identifies what assurance we want and what assurance we get to ensure that these principles are in place. Links to the various supporting assurance documents are included in the Code. This statement provides an overview of our governance arrangements, how our assurance framework is made up and details of the review of the governance framework effectiveness completed during the financial year. Full details of the governance framework are noted in the Code of Corporate Governance.

The Assurance Framework

Our strategic framework was reviewed and revised in 2015/16 and sets out our vision “**One Tamworth, Perfectly Placed**” - **Open for business since the 7th Century A.D** and three strategic priorities aligned under “Living, Growing and Delivering in Tamworth”. These priorities are underpinned by specific objectives, our core purpose, customer service standards and corporate values. Full details of which can be found in the Annual Review and Corporate Plan.

Each year, the Authority undertakes consultation with local people on a wide range of issues. During 2015/16, local people were consulted on the Authority’s budget and spending, the Local Council Tax Reduction Scheme, Homelessness Prevention Strategy 2016-20, the Indoor and Outdoor Sports Facility Strategy and the Customer Access Strategy.

The 'Tamworth Listens' initiative aims to improve communication between Councillors and the public, and to ensure that the Authority is aware of issues which affect the public. Events take place throughout the year where the public can give ideas and ask questions about what would make Tamworth a better place to live.

The information collected from this initiative is fed into the annual State of Tamworth Debate. This is an opportunity for councillors to discuss and debate the findings of this consultation. Members of the public are invited to come along and listen to the debate.

Tamworth's third Question Time event took place at Tamworth Assembly Rooms on Wednesday 18 November 2015, when a panel of The Leader of Tamworth Borough Council, the police, health and County Council representatives answered questions. The event was split into three themes - Healthier Communities, Safer Communities and Regeneration and Growth.

The Authority has both a moral and legal obligation to ensure a duty of care for children and adults with care and support needs across its services. We are committed to ensuring that all children and adults with care and support needs are protected and kept safe from harm whilst engaged in services organised and/or provided by the Council. We do this by:

- Having a Child & Adult Safeguarding Policy and procedures in place;
- Having Child & Adult Safeguarding Processes which give clear, step-by-step guidance if abuse is identified;
- Safeguarding training programme in place for staff and members;
- Carrying out of the appropriate level of Disclosure & Barring Service (DBS) checks on staff and volunteers;
- Working closely with Staffordshire Safeguarding Children's Board & Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership.

The Authority ensures accountability and openness through the publishing of the Corporate Plan and the Annual Review which detail proposed plans for the coming year and achievement of objectives for the previous year.

The Statement of Accounts is made available to the public on the website both at draft and final stage and is subject to External Audit scrutiny & review. The Authority has a balanced three year Medium Term Financial Strategy (MTFS). The delivery of a balanced MTFS (three years for the General Fund, Housing Revenue Account (HRA) and the Capital Programme) is a major achievement for the Council in light of the adverse economic conditions and increased financial demands from Central Government for service improvements in areas such as local democracy and transparency – as well as substantial reductions in Government Grant support in the future.

We have a Performance Management Framework in place which brings together all of our performance information and ensures that our performance

against our intended outcomes as identified in the Corporate Plan, making the best use of resources available whilst obtaining value for money, is measured, monitored and reported on a quarterly basis. Details of performance against target are made available on the Authority's website.

The Constitution and Scheme of Delegation are reviewed and approved annually at Full Council. They detail roles and responsibilities of Members and the Statutory Officers and the protocol on Member/Officer relations. All new Members are given induction training which covers conduct and standards of behaviour. Members and Officers are required to declare gifts and hospitality and to register their interests. A Code of Conduct for officers has been included in the revised Constitution. There is an E-Induction programme in place which includes a section on conduct. All new staff and Members are required to complete an induction programme. On-going development of Members and Officers is identified through the Performance Development Review (PDR) process which is completed annually.

All Members and Officers are responsible for ensuring that risks are identified and appropriately managed. The Authority has in place a Risk Management Strategy, which was reviewed and adopted by the Audit & Governance Committee in October 2015.

Corporate Risks have been identified and are reviewed and updated on a quarterly basis. The Corporate Risks are owned and managed by Corporate Management Team and reported to the Audit & Governance Committee as part of the assurance process.

The Authority has in place a Counter Fraud & Corruption Policy Statement, Strategy and Guidance Notes and a Whistleblowing Policy which were reviewed and adopted by the Audit & Governance Committee in October 2015 and are available on the website.

Under the Corporate Priority – Delivering Quality Services in Tamworth, the Authority continues to complete a Corporate Improvement Programme. The Authority launched the Customer Services Review Project alongside Tranche II of the Agile Working Project in 2015/16.

The Authority has seen an incremental shift away from the “command and control” top down management style and culture to one of a fully empowered organisation with clear lines of responsibility and accountability leading to a more outcome focused, customer driven and efficient way of working.

In accordance with Section 38 of the Localism Act 2011, the Authority has updated and published a Pay Policy Statement setting out the Authority's approach to pay for all its officers.

The Authority's financial management arrangements conform to the governance requirements of the *CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)*. The Executive Director

Corporate Services (the Chief Financial Officer) reports directly to the Chief Executive and is a member of the Corporate Management Team (CMT). The Chief Finance Officer is professionally qualified and his main responsibilities include those set out in the CIPFA Statement on the role of the Chief Finance Officer in Local Government and also as detailed in the Constitution.

The Authority's Assurance Arrangements conform to the governance requirements of the *CIPFA Statement on the Role of the Head of Internal Audit (2010)*. The Head of Internal Audit Services fulfils this role and is professionally qualified and reports directly to the Executive Director Corporate Services who is a member of the Corporate Management Team.

The Solicitor to the Council fulfils the role of the Monitoring Officer, the functions of which are detailed in the Constitution and include the responsibility for ensuring that the Authority follows agreed procedures and that all applicable statutes, regulations and other relevant statements of good practice are complied with, for example, changes that have been required regarding the Localism Act 2011 and the Local Authority (Executive Arrangements) (Access to Information) Regulations 2013.

The Chief Executive fulfils the role of the Head of Paid Service, the functions of which are detailed in the Constitution.

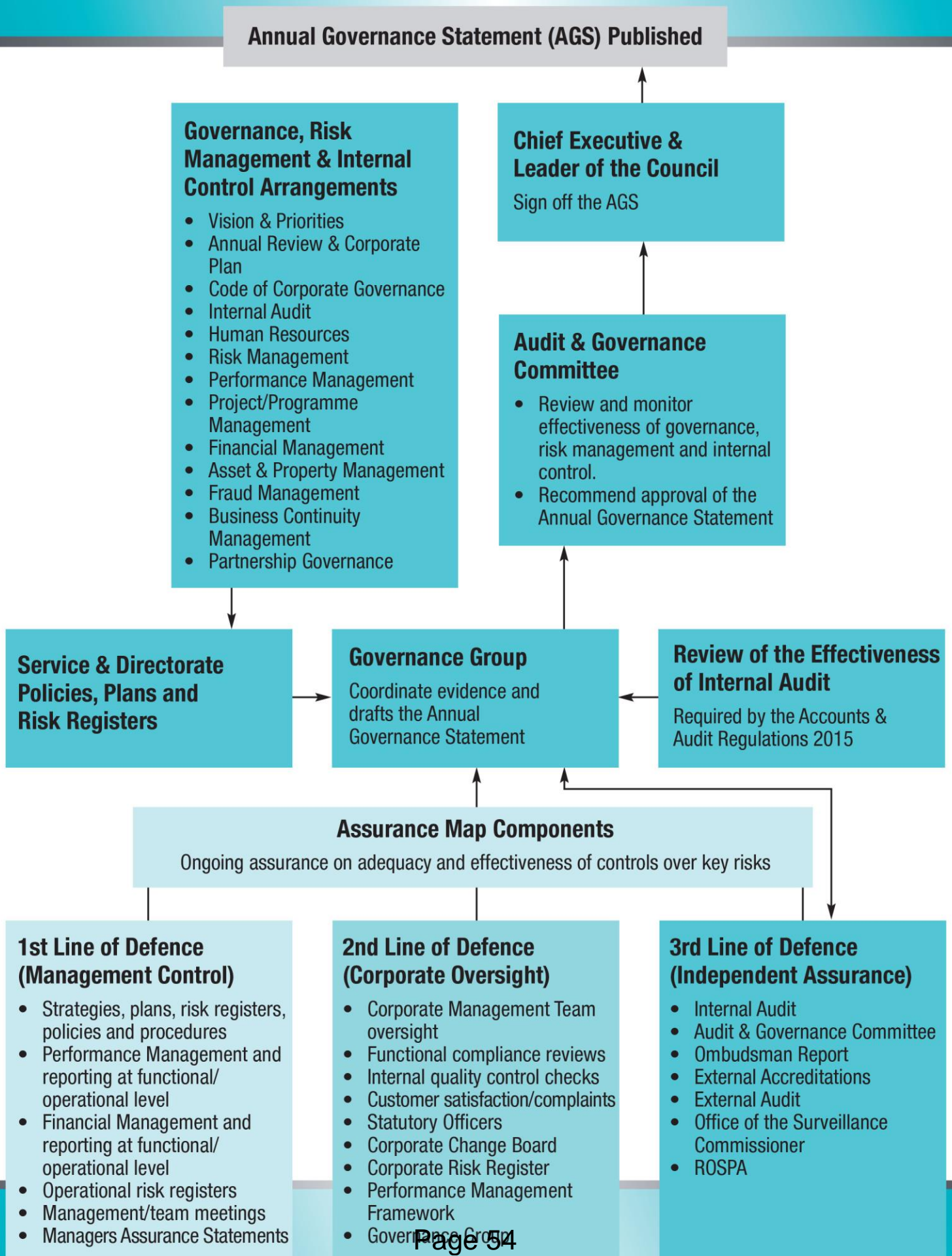
The Audit & Governance Committee has been in place since 2006 and its role and function are laid down in the Constitution. The core functions are as identified in *CIPFA's Audit Committees: Practical Guidance for Local Authorities*. Each year, the Committee completes a self-assessment against CIPFA guidance to ensure compliance. The Chair reports to the Full Council on an annual basis on the actions taken by the Committee during the year.

The Leader of the Council reported to Full Council on the 24th May 2016, in compliance with the Local Authorities Executive Arrangements) (Meetings & Access to Information) Regulations 2012, that no urgent executive decisions had been made for the period to 30 April 2016.

In compliance with the Localism Act 2011, two Independent persons have been appointed to join the Audit & Governance Committee when required to deal with Members Code of Conduct issues. Procedures have been adopted for making complaints against a Councillor for an alleged breach of the Code of Conduct.

The Assurance Framework

The diagram below shows how the Assurance Framework is made up



Review of Effectiveness

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Executive Managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the External Auditors and other review agencies and inspectorates as detailed below:

- During 2015/16, the Governance Group has reviewed and updated an assessment against the principles of the CIPFA/IFAC International Framework: Good Governance in the Public Sector;
- Both the CIPFA Statement on the Role of the Chief Finance Officer and the CIPFA Statement on the Role of the Head of Internal Audit were reviewed and updated and reported to the Audit & Governance Committee;
- The Head of Internal Audit Services reports to the Audit & Governance Committee on a quarterly basis and provides an opinion on the overall effectiveness of the system of internal control based upon the work completed. For the 2015/16 financial year and 2016/17 to date, the Head of Internal Audit Services' overall opinion of the control environment at this time is that "**reasonable assurance**" can be given;
- From the 1st April 2013, Internal Audit are required to comply with the Public Sector Internal Audit Standards. As part of the requirement of compliance, Internal Audit are required to complete an annual self-assessment against the Standards and produced a Quality Assurance & Improvement Programme(QAIP) which identifies areas for improvement both to ensure compliance with the Standards and other quality areas. The self-assessment against the standards and the QAIP are reported to the Audit & Governance Committee. An external verification of the self-assessment will be completed in 2016/17;
- Our External Auditors report to each Audit & Governance Committee. In their Annual Audit Letter, they gave an unqualified opinion on the Statement of Accounts, an unqualified conclusion in respect of the Authority securing economy, efficiency and effectiveness, and an unqualified opinion on the production of the Whole of Government Accounts;
- The Ombudsman report (June 2015) on the enquiries and complaints they received in 2014/15. In total, they received 10 enquiries / complaints of which 7 required decisions – 3 were referred back to the Authority for local resolution, 2 were closed after initial enquiries and 2 were not upheld;

- Managers Assurance Statements have been completed by Directors and Heads of Service and have not identified any significant control issues;
- The Corporate Risk Register is owned and reviewed on a quarterly basis by the Corporate Management Team and reported in the Quarterly Healthcheck to Cabinet and also reported in the risk management update to the Audit & Governance Committee. There are no significant risks on the Corporate Risk Register;
- The Performance Management Framework ensures that the Financial Healthcheck is reported to Cabinet on a quarterly basis and made readily available on the Authority's website;
- The Authority retained The Code of Connection Certificate after completing an annual assessment against the Code which included assessments against governance, service management and information assurance conditions. Compliance with the Code of Connection ensures access to the Public Services Network;
- In July 2014, the Office of the Surveillance Commissioner completed an assessment of the Authority's RIPA Policy and Procedures, the results of which were reported to Council. In May 2015, staff were issued the Policy for acceptance and understanding. The Policy was reviewed and updated and approved by full Council in February 2016. A quarterly update report is presented to the Audit & Governance Committee on the use of RIPA powers. During 2015/16, no RIPA authorisations were made.
- Financial Regulations, Contract Standing Orders and Financial Guidance are reviewed on a regular basis with the last review being approved by the Audit & Governance Committee in March 2016;
- No issues were raised through the Counter Fraud and Corruption and Whistleblowing Policies;
- There were no data security breaches/lapses during the financial year;
- The Chairs of the Audit & Governance and Scrutiny Committees submitted their Annual Reports to Full Council;
- The Authority complies with the Transparency Code;
- Following the transfer of Housing Benefit Fraud Investigation to the Single Fraud Investigation Service, we retained expertise in-house through the appointment of a Corporate Anti Fraud Officer to investigate potential corporate fraud activity.

- Internal Audit completes an annual assessment of the risk of fraud which is reported to the Audit & Governance Committee. Assessments against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption, the Fighting Fraud & Corruption Strategy & Checklist have been completed. Having considered all of the principles, we are satisfied that the authority has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

Declaration

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit & Governance Committee and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The significant governance issues already addressed and those to be specifically addressed with new actions planned are outlined in the attached **Annex 1**. Other minor issues highlighted through the assurance gathering process have been noted with planned actions to address these issues. Monitoring of the completion of these issues will be completed through reporting to the Audit & Governance Committee.

We propose over the coming year to take steps to address those matters raised to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operations as part of our next review.

Signed

D Cook

A E Goodwin

Leader

Chief Executive

Date

On behalf of the Authority

This information can be produced on request in other formats and languages. Please contact Internal Audit Services on 01827 709234 or email enquiries@tamworth.gov.uk

This is an electronic copy without an electronic signature. The original was signed as dated above and a copy can be obtained from the Executive Director Corporate Services.

Significant Governance Issues 2015/16

The significant governance issues identified in relation to the Authority achieving its vision in 2015/16 are:

No	Issue	Action
1	<p>Medium Term Financial Strategy (MTFS)</p> <p>Whilst actions have been taken to ensure that the MTFS remains balanced, this is still a significant risk to the Authority. Revenue Support grants will be removed around 2020. Opportunities and risks associated with the 100% Business Rates Retention will need to be identified. The increasing demands of our customers also need to be considered.</p>	<p>Review on a regular basis the plans in place to deliver the MTFS to ensure that plans remain realistic and achievable including development of the Sustainability Strategy to address future financial constraints. Work with the Local Government Association (LGA) responses to the Department for Communities & Local Government (DCLG) on how the Business Rate Retention Scheme will operate.</p>
2	<p>Regeneration/Capital Projects</p> <p>The Authority needs to ensure that capital projects are managed effectively to ensure that they are delivered and grant monies are spent appropriately and timely.</p> <p>There is a risk that developers will not develop schemes on a timely basis in accordance with the Local Plan need.</p>	<p>Maintain and review project plans on a regular basis to ensure that they can be delivered in accordance with the Capital Programme.</p>
3	<p>Better Care Fund & Disabled Facilities Grants</p> <p>There is a risk that the Authority will not be fully funded to deliver the need for Disabled Facilities Grants.</p>	<p>Assessment of needs to be linked to the grant money received.</p>

Significant Governance Issues 2014/15

The significant governance issues identified in relation to the Authority achieving its vision in 2014/15 were:

No	Issue	Action	Update
1	<p>Medium Term Financial Strategy (MTFS)</p> <p>Whilst actions have been taken to ensure that the MTFS remains balanced, this is still a significant risk to the Authority.</p>	<p>Review on a regular basis the plans in place to deliver the MTFS to ensure that plans remain realistic and achievable including development of the Sustainability Strategy to address future financial constraints.</p>	<p>Quarterly updates are provided to Cabinet as part of the Performance Management Framework and include the delivery of planned savings, additional National Non Domestic Rates (NNDR) income and government grants.</p>
2	<p>Town Centre Redevelopment</p> <p>The Authority is progressing plans for the redevelopment of the Town Centre.</p>	<p>Maintain and review plans on a regular basis to ensure that they can be delivered in accordance with the MTFS.</p>	<p>Significant grant funding was obtained which will enable the Enterprise Quarter project to commence in early 2016. This is the first major regeneration project in the town.</p>
3	<p>Housing Regeneration</p> <p>An in-depth study of council housing in Tamworth has identified that some housing in Tinkers Green in</p>	<p>The regeneration of Tinkers Green and Kerria areas are progressing well with Development Consultants appointed and</p>	<p>Outline planning permission for both sites has been granted. Moving to the next stage will involve the procurement of a</p>

	<p>Wilnecote and the Kerria Centre in Amington was unpopular with residents, outdated and unsuitable for current housing needs.</p>	<p>currently developing master planning proposals. These will be submitted for approval by the Council's Planning Committee later this year. It is anticipated that the project will move to detailed design stages during 2015 and a developer procured during this period.</p>	<p>developer. Decant of existing residents is progressing well. Letting of the demolition contracts will commence shortly.</p>
4	<p>Land redevelopment (former Golf Course)</p> <p>Following Cabinet approval a project has been established to investigate and implement the redevelopment of the site for housing including the provision of significant open space. A project team has been established and external support procured to instigate the site constraints and prepare for an outline planning application prior to a sale of the site. Note some land will be withheld by the Council for public open space.</p>	<p>Work continues to deliver the high level project plan as approved by Cabinet.</p>	<p>Outline planning consent was achieved in August 2015 and the land was sold on 21st January 2016.. .</p>

TAMWORTH BOROUGH COUNCIL

CODE OF CORPORATE GOVERNANCE 2016/17

Introduction

Good Governance is about how the Authority ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, and culture and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

Our Commitment

The Authority is committed to upholding the highest possible standards of good corporate governance, as good governance leads to high standards of management, strong performance, effective use of resources, increased public involvement and trust in the Council and ultimately good results.

Good governance flows from shared values, culture and behaviour and from sound systems and structures. This Code of Corporate Governance is a public statement which sets out the framework through which the Council meets its commitment to good corporate governance and is based on the following principles which build on the Seven Principles of Public Life (see **Annex 1**).

- Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area;
- Members and Officers working together to achieve a common purpose with clearly defined functions and roles;
- Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of Members and Officers to be effective;
- Engaging with local people and other stakeholders to ensure robust public accountability, and
- Compliance and continuous improvement with the relevant regulatory codes such as the landlord co-regulatory framework for the Council's own housing stock.

This Code describes how the Council demonstrates its commitment to these **six principles** and indicates what the Council has completed to achieve the commitment.

Core Principle 1: Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
<p>1.1 Exercising strategic leadership by developing and clearly communicating the Authority’s purpose and vision and its intended outcome for citizens and service users.</p>	<p>Develop and promote the Authority’s purpose and vision</p> <p>Review on a regular basis the Authority’s vision for the local area and its implications for the Authority’s governance arrangements.</p> <p>Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.</p> <p>Publish an annual report on a timely basis to communicate the Authority’s activities and achievements, its financial position and performance.</p>	<p>The revised strategic framework is designed to ensure that the Authority is an “outcome focused”, efficient corporate identity where customers are key. It sets out our vision “One Tamworth, Perfectly Placed” – Open for business since 7th Century A.D. and three strategic priorities aligned under “Living, Growing and Delivering in Tamworth”</p> <ul style="list-style-type: none"> • Living a quality life in Tamworth; • Growing strong together in Tamworth, and • Delivering quality services in Tamworth. <p>These priorities are underpinned by specific objectives, our core purpose, customer service standards and corporate values details which can be found in the Annual Review & Corporate Plan.</p> <p>As detailed above, one of the three revised Corporate Priorities that will enable us to deliver the vision is ‘Delivering Quality Services in Tamworth’. This priority will be delivered primarily through a project that will bring about the biggest change in the delivery of customer services that the authority has seen. Running alongside the changes in customer services, work will also begin on Tranche II of Agile working. These two projects</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>will be delivered as part of a corporate Continual Improvement Programme (previously the Corporate Change Programme).</p> <p>From talking and listening to our customers, and from capturing the demand placed on our services we know that:</p> <ul style="list-style-type: none"> • we need to change the way we deliver customer services; • customers want to access our services in a variety of ways and at a time and place that suits them; • we have inconsistencies in the levels and types of service we provide to our customers; • some of our high demand services are costly to deliver and we need to make them more efficient, and • we do not have a clear picture of the demand our customers place on us – what we do know is that customers rarely come in with one single request, invariably they have multiple requests for service in their ‘shopping basket’. <p>We will work with our partners through facilitation and challenge, to improve the customer experience especially where the Authority is not the direct provider.</p> <p>The Authority has seen an incremental shift away from the “command and control” top down management style and culture to one of a fully empowered organisation with clear lines of responsibility and accountability leading to a more outcome</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>focused, customer driven and efficient way of working. The use of efficiency models and demand management techniques has resulted in the Authority becoming a multi-economy or hybrid organisation.</p> <p>The Authority continues to work with others by using alternative delivery models for service provision. A Memorandum of Understanding has been adopted with Lichfield District Council to replace an existing informal arrangement for options of pursuing shared service arrangement with each other.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. During 2015/16, consultation was completed on the budget, Homelessness Prevention Strategy 2016 – 2020, Local Council Tax Reduction Scheme and the Indoor & Outdoor Sports Facility Strategy.</p> <p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”. The consultation exercise for the 2016/17 budget process was completed to gauge residents’, business and other core stakeholders’ views on the Council’s priorities to achieve the “Vision” considering areas of spending or where savings could potentially be made. As part of this consultation exercise, a question time event was held for residents to attend and ask questions.</p> <p>There is a dedicated Economic Development website for business advice.</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>In terms of the Council's own housing stock and in compliance with the regulatory framework members have approved a regulatory framework ensuring tenants are plugged into the democratic process and have the opportunity to inform, share and influence key strategic decisions</p> <p>There is a Tenant Involvement and Consultation Strategy in place. A Tenants Conference also took place in March 2014 and will take place bi-annually. As part of the Tenant participation, there are formal groups for Tenant Consultation and Tenant Involvement and several informal groups in place. Open House is now communicated by way of an e-newsletter on a bi-monthly basis. It is still advertised on our website and will be available on request as a hard copy. A small number of hard copies will be made available in prominent places i.e. reception/TIC etc and a small number delivered to the 11 Housing Sheltered schemes around the Borough.</p> <p>The Vision is used as a basis for the Corporate Plan and service delivery plans which are reviewed on an annual basis.</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to be better informed regarding their needs and aspirations.</p> <p>The Tamworth Strategic Partnership (TSP) is an umbrella</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>partnership that brings together key local agencies from the public, private, voluntary and community sectors. The TSP has terms of reference, vision and priorities, workstreams, and a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Authority produces an Annual Review and Corporate Plan. Performance against the Corporate Plan is reported on a quarterly basis. During 2015/16, this included reporting upon the Sustainability Strategy. The Statement of Accounts and the Annual Audit Report are made available on the website.</p> <p>The Medium Term Financial Strategy (MTFS) outlines how finances will be used over the coming three years detailing how Capital and Revenue expenditure will be used to support the delivery of the Corporate Priorities and ensure that appropriate resources are focused on the Vision Statement, Priority Themes, Corporate Priorities and Outcomes. The Authority has been proactive in the design and implementation of innovative and effective measures for driving efficiency and reducing cost within the MTFS. In August 2013, Cabinet endorsed "Planning for a Sustainable Future" as the overarching strategy for meeting the challenges forecast for the Council's Medium Term Financial Strategy and a series of workstreams designed to deliver savings & efficiencies to mitigate grant & income reductions in the coming years. This includes exploring new and innovative ideas and to be more commercial in our approach to business.</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>A quarterly performance report is presented to Cabinet which provides information on:</p> <ul style="list-style-type: none"> • Corporate Plan scorecard of performance indicators • High level corporate plan actions • Performance Management Framework • Corporate risks • Financial matters. • Live performance data via the customer dashboard on the Council's website
<p>1.2 Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</p>	<p>Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available.</p> <p>Put in place effective arrangements to identify and</p>	<p>Corporate plan actions and performance indicators are in place and available on the website. Performance is reported on a quarterly basis.</p> <p>Consultation with the local community to identify their priorities is completed through Budget Consultation and Tamworth Listens as well as other on-going consultation activities such as tenant forums, place surveys etc.</p> <p>The Authority has in place a Tell Us Scheme which provides an</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
	deal with failure in service delivery.	<p>avenue for services users to provide feedback on the services provided. This can either be in the form of comments, compliments or complaints. Guidance available about complaints refers to referrals to the Ombudsman. Guidance is made available to members of the public if they wish to make a complaint against a member of the Council. Complaints against members of the Council are dealt with by the Monitoring Officer in the first instance and ultimately reported to the Audit & Governance Committee.</p> <p>One of the three revised Corporate Priorities that will enable us to deliver the vision is 'Delivering Quality Services in Tamworth'. This priority will be delivered primarily through a project that will bring about the biggest change in the delivery of customer services that the Authority has seen. Running alongside the changes in customer services, work will also begin on Tranche II of Agile working. These two projects will be delivered as part of a corporate Continual Improvement Programme (previously the Corporate Change Programme).</p>
1.3 Ensuring that the Authority makes best use of resources and that tax payers and service users	Decide how value for money is to be measured and make sure that the Authority or partnership has the information needed to review value for money and performance effectively.	The Authority has approved a Procurement Strategy for 2013/14 to 2015/16 which is supported by an improvement and action plan. Various departments within the Authority complete benchmarking exercises.

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
receive excellent value for money.	Measure the environmental impact of policies, plans and decisions.	<p>The Authority has been undertaking a continual improvement programme over the last four years. The Corporate approach to project management has been strengthened by the strategic overview provided by a Corporate Change Board – set up in 2012/13. Given the nature and overarching significance of the “Planning for a Sustainable Future” initiative, the Corporate Change Board provide the project management and governance arrangements to ensure the effective and timely delivery of the wide ranging actions and associated outcomes and that all necessary authorities and approvals are in place.</p> <p>All implications relating to the decisions to be made are identified in the report so that members are aware of the implications of taking that decision.</p>

Core Principle 2. Members and officers working together to achieve a common purpose with clearly defined functions and roles

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>2.1 Ensuring effective leadership throughout the Authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</p>	<p>Set out a clear statement of the respective roles and responsibilities of the executive and of the executive’s members individually and the Authority’s approach towards putting this into practice.</p> <p>Set out a clear statement of the respective roles and responsibilities of other Authority members, members generally and senior officers.</p>	<p>The Constitution defines and documents the roles and responsibilities of the Executive (the Cabinet) and other non-executive committees. The Constitution details delegation arrangements, codes of conduct and protocols for Member/Officer relations. The Constitution also contains procedural rules, standing orders and financial regulations as well as the statutory roles of Head of Paid Service, Chief Finance Officer and Monitoring Officer. All Statutory officers are members of the Corporate Management Team. The Constitution is reviewed and approved by Full Council on an annual basis.</p> <p>The Forward Plan is produced monthly and contains details of all key decisions that will be made over the next one to four months.</p>
<p>2.2 Ensuring that a constructive working relationship exists between Authority members and officers and that the responsibilities of members and officers are carried out to a high</p>	<p>Determine a scheme of delegation and reserve powers within the Constitution, including a formal schedule of those matters specifically reserved for collective decision of the Authority taking account of relevant legislation and ensure that it is monitored and updated when required.</p>	<p>The Scheme of Delegation is included in the Constitution and is reviewed annually and approved by Full Council at their first meeting of each Municipal year.</p> <p>Standing Orders, Financial Regulations and Financial Guidance are reviewed on a regular basis. The last review was approved by the Audit & Governance Committee in March 2016.</p> <p>The functions of the Chief Executive are detailed within the</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
standard.	<p>Make a Chief Executive or equivalent responsible and accountable to the Authority for all aspects of operational management.</p> <p>Develop protocols to ensure that the Leader and Chief Executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.</p> <p>Make a senior officer (the Section 151 officer) responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.</p>	<p>Constitution. The Chief Executive has a Performance Development Review with Cabinet.</p> <p>The Authority's Financial Management Arrangements conforms with the governance requirements of the <i>CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)</i>. The Executive Director Corporate Services (the Chief Financial Officer) reports directly to the Chief Executive and is a member of the Corporate Management Team (CMT). The Executive Director Corporate Services is professionally qualified (FCCA) and his main responsibilities include those set out in the CIPFA Statement on the role of the Chief Finance Officer in Local Government. The functions of the Chief Finance Officer are detailed in the Constitution.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>Make a senior officer (usually the monitoring officer) responsible to the Authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p>	<p>The Authority's Assurance Arrangements conform with the governance requirements of the <i>CIPFA Statement on the Role of the Head of Internal Audit (2010)</i>. The Head of Internal Audit Services fulfils this role. She is professionally qualified (CMIIA) and reports directly to the Executive Director Corporate Services who is a member of the Corporate Management Team. Internal Audit comply with the Public Sector Internal Audit Standards (PSIAS) and complete an annual Quality Assurance and Improvement Programme (QAIP)</p> <p>The Solicitor to the Council fulfils the role of the Monitoring Officer. The functions of the Monitoring Officer are detailed in the Constitution and include the responsibility for ensuring that the Council follows agreed procedures and that all applicable statutes, regulations and other relevant statements of good practice are complied with, for example changes that have been required regarding the Localism Act 2011 and the Local Authority (Executive Arrangements) (Access to Information) Regulations 2013.</p>
2.3 Ensuring relationships between the Authority, its partners and the public are clear so	<p>Develop protocols to ensure effective communication between members and officers in their respective roles.</p> <p>Set out the terms and</p>	<p>The Protocol on Members/Officers Relations is detailed within the Constitution which is reviewed and approved annually. Members are required to abide by the Code of Conduct which is laid down in the Constitution and to abide by the Principles of Public Life.</p> <p>There is a Members Remuneration Scheme in place which is</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>that each knows what to expect of the other.</p>	<p>conditions for remuneration of members and officers and an effective structure for managing the process including an effective remuneration panel.</p> <p>Ensuring that effective mechanisms exist to monitor service delivery.</p> <p>Ensure that the organisation’s vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p>	<p>reviewed on a regular basis by an Independent Panel. The last review was completed in 2013.</p> <p>All officers are subject to a job evaluation process. There is a Pay Policy Statement in place which is reviewed on a regular basis and was approved by Council in March 2016.</p> <p>The shared vision “One Tamworth, Perfectly Placed” – Open for business since the 7th Century A.D. and corporate priorities and objectives have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities. During 2015/16, the vision and corporate priorities and objective were reviewed and updated to give the Authority direction and focus.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultation undertaken during 2015/16 included Budget Consultation, Local Council Tax Reduction Scheme, Homelessness Prevention Strategy and the Indoor & Outdoor Sports Facility Strategy.</p> <p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Authority.</p> <p>Ensure that there is clarity about the legal status of the partnership.</p> <p>Ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their</p>	<p>.</p> <p>The Vision and Strategic Priorities and Corporate Objectives along with the core purpose are identified in the Annual Review and the Corporate plan. The customer service standards and corporate values will stem from these.</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to learn more about their needs and aspirations.</p> <p>The Tamworth Strategic Partnership(TSP) is an umbrella partnership that brings together key local agencies from the public, private, voluntary and community sectors. The TSP has terms of reference, vision and priorities, workstreams, and a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Greater Birmingham and & Solihull Local Enterprise Partnership has governance arrangements in place in relation to the management of the Single Local Growth Fund.</p> <p>The Authority is also a member of the Stoke-on-Trent & Staffordshire Enterprise Partnership.</p> <p>The Authority is also a non constituent member of the West Midlands Combined Authority.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	organisation to partner decisions.	<p>The Authority has in place a Partnership Guidance Policy and Toolkit which is designed to help the Council work with its partners to ensure that all partnerships have good systems of governance. This toolkit ensures that:</p> <ul style="list-style-type: none"> • The Council is clear about its purpose and can clearly define its expected outcomes for the people of Tamworth when entering into partnerships; • The Council's own agreed priorities and objectives are being met; • There is clarity about accountability and responsibility for outcomes; • Partnership activity and outcomes are monitored, reviewed and evaluated; • Risks for the Council and for the Partnership are assessed and agreed; • Each Partnership has a clear focus during its lifetime and has in place an effective exit strategy; • Partnerships are empowered and their legal status understood; • Reviews are undertaken to evaluate success and promote progression and improved effectiveness. <p>A Memorandum of Understanding relating to potential shared services with Lichfield District Council was endorsed in 2015 to replace the existing, informal arrangement and shows commitment onto a more secure footing and thus provides each</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>Authority with the initial option of pursuing a shared service arrangement with the other. This is neither a contractual agreement nor a legally binding arrangement but is viewed as a clear demonstration of trust and confidence and a commitment to build upon existing successes.</p> <p>In producing the Local Plan, we have worked in partnership with neighbouring authorities to discharge the duty to co-operate resulting in cross boundary issues to be addressed.</p>

Core Principle 3. Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>3.1 Ensuring Authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance</p>	<p>Ensure that the Authority’s leadership sets a tone for the organisation by creating a climate of openness, support and respect.</p> <p>Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the Authority, its Partners and the Community are defined and communicated through codes of conduct and protocols.</p> <p>Put in place arrangements to ensure that members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.</p>	<p>There is a Members Code of Conduct in place as well as a protocol on Member/Officer relations. The Code of Conduct for Employees is detailed in the revised Constitution which was approved by Council in December 2015.</p> <p>The Constitution details Rules of Procedures for Committee meetings. Codes and protocols also include Gifts & Hospitality and Register of Interests.</p> <p>Complaints received about Members Conduct are administered by the Monitoring Officer. Following the Localism Act, the Standards Committee has been abolished and all the functions relating to standards of conduct as provided in the Localism Act are now dealt with by the Audit & Governance Committee. Two Independent Members have been appointed to sit on the Committee for Standards issues.</p> <p>There is a complaints procedure in place (the “Tell Us” Scheme) for comments, complaints and complements on service delivery.</p> <p>Personal Development Reviews are completed annually for staff.</p> <p>The Counter Fraud & Corruption Policy Statement, Strategy &</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>Guidance Notes and the Whistleblowing Policy are reviewed and updated on a regular basis. The last review was completed during 2015/16 and both were approved by the Audit & Governance Committee on the 29th October 2015. Both policies are available on the Council's website and the staff intranet. The new E learning package has been procured and will be used to develop governance awareness training which includes awareness around counter fraud arrangements and Whistleblowing. This package will be rolled out to staff and members in 2016/17. The Counter Fraud and Corruption Policy Statement & Strategy will be reissued to staff via the NetConsent Policy Management system as the E Learning solution is rolled out. Staff are required to accept the policy via NetConsent.</p> <p>Both Members and Officers complete induction training. Training in specialised areas is provided to Members throughout the year. Members induction training includes details of the Authority's operations, policies and Constitution.</p> <p>Officers complete an annual Personal Development Review (PDR). The PDR process identifies training needs required by the officer for continued professional development and in order to deliver the vision and priorities of the Authority. A staff annual general meeting is held which is well attended.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>Standing Orders, Financial Regulations and Financial Guidance are reviewed and updated on a regular basis. The last review was approved by the Audit & Governance Committee on 31st March 2016.</p> <p>Staff are required to Register Interests, secondary employment and declare Gifts & Hospitality as per the Code of Conduct.</p> <p>The Authority has both a moral and legal obligation to ensure a duty of care for children and adults with care and support needs across its services. We are committed to ensuring that all children and adults with care and support needs are protected and kept safe from harm whilst engaged in services organised and/or provided by the Council. We do this by:</p> <ul style="list-style-type: none"> • Having a Child & Adult Safeguarding Policy and procedures in place; • Having Child & Adult Safeguarding Processes which give clear, step-by-step guidance if abuse is identified; • Safeguarding training programme in place for staff and members; • Carrying out of the appropriate level of DBS checks on staff and volunteers; • Working closely with Staffordshire Safeguarding Children's Board & Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership.

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>The Authority has both a moral and legal obligation to ensure a duty of care for children and vulnerable adults across its services. We are committed to ensuring that all children and vulnerable adults are protected and kept safe from harm whilst engaged in services organised and provided by the Council. We do this by:</p> <p>Having a Child & Adult Protection Policy and procedures in place</p> <p>Having child & adult protection processes which give clear, step-by-step guidance if abuse is identified</p> <p>Safeguarding training programme in place for staff and members</p> <p>Carrying out the appropriate level of DBS checks on staff and volunteers</p> <p>Working closely with Staffordshire Safeguarding Children Board & Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership</p> <p>The Harassment, Assault & Threats Procedure was reviewed and updated in 2013/14.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>3.2 Ensuring that organisational values are put into practice and are effective</p>	<p>Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectation, and communicate these with members, staff, the community and partners.</p> <p>Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</p> <p>Develop and maintain an effective standards committee.</p> <p>Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the Authority.</p> <p>In pursuing the vision of a partnership, agree a set of values</p>	<p>There is a Members Code of Conduct in place which they sign up to and update their interests annually as well as a protocol on Member/Officer relations. All members received training on the Code of Conduct. The Code of Conduct for Employees is detailed in the revised Constitution which was approved by Full Council in December 2015.</p> <p>The Seven Principles of Public Life are detailed within the Counter Fraud & Corruption Policy Statement, Strategy & Guidance Notes which has been issued to staff through NetConsent. They are also detailed with the Members Code of Conduct.</p> <p>Under the Localism Act, the Standards Committee regime has been abolished with the duties relating to members conduct now being completed by the Monitoring Officer and the Audit & Governance Committee. Two independent members have been appointed to sit on the Committee for conduct issues. The Whistleblowing Policy is available on the Intranet and Website.</p> <p>The Chair of the Audit & Governance Committee reports to Full Council on an annual basis.</p> <p>The Annual Review & Corporate Plan details the Vision and Corporate Priorities. It details achievements and plans for the current financial year and looks back at the achievements of the</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.</p>	<p>previous year's plan. Performance against the Corporate Plan is reported on a quarterly basis.</p> <p>Partnership Governance guidance is in place.</p>

Core Principle 4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
<p>4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny</p>	<p>Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Authority’s performance overall and that of any organisations for which it is responsible.</p> <p>Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.</p> <p>Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.</p> <p>Develop and maintain an effective audit committee (or</p>	<p>The Council has in place two Scrutiny Committees – Aspire and Prosper and Healthier and Safer which provide effective scrutiny to the achievement of the strategic priorities. The Scrutiny Committee join together to scrutinise the Budget.</p> <p>Agendas and minutes for the Scrutiny Committees are made available on the Council’s website and reported to the Full Council. Each Chair of the Scrutiny Committees reports annually to Full Council.</p> <p>An effective Internal Audit function is resourced and maintained with performance reported to the Audit & Governance Committee. Internal Audit work in accordance to the Public Sector Internal Audit Standards (PSIAS) and complete an annual Quality Assurance & Improvement Programme (QAIP).</p> <p>Article 13 of the Constitution includes details about Decision Making. All decisions made are recorded in the minutes of the meeting held. Agenda items are submitted providing advice on the reaching of the decisions.</p> <p>A Members Code of Conduct is in place. Members are required to declare interests at the start of meetings. Requests for, and any declarations received are recorded in the minutes of the meeting.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	<p>equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the function of such a committee.</p> <p>Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.</p>	<p>There is an Audit & Governance Committee in place for which the terms of reference and membership are detailed in the Constitution. Training is provided to the Members of the Committee.</p> <p>The Council's complaints system is the "Tell Us" scheme. Complaints are investigated internally. If the complainant is still not satisfied they can go to the Ombudsman. Details of this complaints procedure are on the website.</p>
<p>4.2 Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs</p>	<p>Ensure that those making decisions, whether for the Authority or the partnership, are provided with information that is fit for purpose – relevant, timely and gives clear explanations of technical and financial issues and their implications.</p> <p>Ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making</p>	<p>Detailed agenda items are presented to the Committees. Legal and financial implications are noted on the agenda items. The Authority uses a computerised package "Mod Gov" for the production of Committee reports which requires implications of the report to be identified.</p> <p>Decisions made are published in the minutes of the meeting.</p> <p>Publications of agendas and reports are completed to a laid down timetable.</p> <p>The Forward Plan is published monthly and details the key decisions to be made over the next 4 months.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	and used appropriately.	<p>The Authority complies with the <i>CIPFA Statement on the Role of the Chief Financial Officer in Local Government</i> and this is reported in the Annual Governance Statement.</p> <p>Professional guidance is sourced through appropriate channels to support gaps in skills/resources.</p>
4.3 Ensuring that an effective risk management system is in place.	Ensure that risk management is embedded into the culture of the Authority, with members and managers at all levels recognising that risk management is part of their jobs.	<p>The Authority has in place a Risk Management Policy & Strategy. Regular reviews and updates are completed, with the last review approved by the Audit & Governance Committee in October 2015. Quarterly risk management reports are presented to the Audit & Governance Committee. There is a Corporate Risk Register which is owned by the Corporate Management Team and reviewed quarterly. Operational risk registers are owned by managers and recorded on the Covalent risk management system and are linked to the performance module and service business plans. Internal Audit work with managers to help them identify their risks and record them on the Covalent system. The Internal Audit plan takes into account the identified risks on the risk registers.</p> <p>The Authority retained The Code of Connection Certificate after completing an annual assessment against the Code which included assessments against governance, service management and information assurance conditions.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	<p>Ensure that effective arrangements for Whistleblowing are in place to which officers, staff and all those contracting with or appointed by the Authority have access.</p>	<p>Compliance with the Code of Connection ensures access to the Public Services Network.</p> <p>Contract standing orders, financial regulations and financial guidance are in place and reviewed and updated on a regular basis. The last review was approved by the Audit & Governance Committee in March 2016. Counter fraud arrangements are in place and reviewed and updated on a regular basis. Counter fraud documents (including the Whistleblowing Policy) are made available to members of the public through the Authority's website.</p>
<p>4.4 Using their legal powers to the full benefit of the citizens and communities in their area</p>	<p>Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine, but also strive to utilise their powers to the full benefit of their communities.</p> <p>Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on Local Authorities by public law.</p>	<p>There is a Constitution in place which is reviewed and approved annually by Full Council. The Constitution details the provision for The Monitoring Officer and the Statutory provision of the Council.</p> <p>There is a record of legal advice provided by Officers.</p> <p>Details of the Monitoring Officer's role are included within the Constitution.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into their procedures and decision-making processes.	

Core Principle 5. Developing the capacity and capability of members and officers to be effective

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>5.1 Making sure that members and officers have the skills, experience and resources they need to perform well in their roles</p>	<p>Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.</p> <p>Ensure that the statutory officers have the skills, resources to perform effectively in their roles and that these roles are properly understood throughout the Authority.</p>	<p>There are training and development plans in place for members and officers. Officers training and development is identified through the Personal Development Review (PDR).</p> <p>The recruitment process ensures that skills and knowledge are measured and tested appropriately.</p> <p>There is an E-Induction programme in place which is available to both officers and members.</p> <p>Job descriptions and personal specifications are in place for all posts and reviewed as required.</p> <p>All Statutory Officers are members of CMT.</p> <p>Job descriptions for members are included in the recently revised Constitution. They detail the purpose, duties & responsibilities and skills required for all Councillors, Leader & Deputy Leader, Members of the executive, Chairs of Committees and the Leader and Deputy Leader of the Opposition.</p>
<p>5.2 Developing the capability of people with governance responsibilities and</p>	<p>Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to</p>	<p>There is a training and development plan which is developed through the PDR process. This process is in place for all officers</p> <p>Members training is provided on induction and in specialist areas.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
evaluating their performance, as individuals and as a group	<p>be carried out effectively.</p> <p>Developing skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</p> <p>Ensure that arrangements are in place for reviewing the performance of the Executive as a whole and of individual members and agreeing an action plan, which might for example aim to address any training or development needs.</p>	Regular training is provided for the Regulatory Committees.
5.3 Encouraging new talent for membership of the Authority so that best use can be made of individual skills and resources in balancing	Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority.	The shared vision “One Tamworth, Perfectly Placed” – Open for business since the 7 th Century A.D. and corporate priorities have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities. During 2015/16, the vision, corporate priorities and objectives were

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
continuity and renewal	Ensure that career structures are in place for members and officers to encourage participation and development.	<p>reviewed and updated to give the Authority direction and focus.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultation undertaken during 2015/16 included budget consultation.</p> <p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”. As part of this consultation exercise, a question time event was held for residents to attend and ask questions.</p> <p>Other consultations completed include, Local Council Tax Reduction Scheme, Homelessness Prevention Strategy 2016-20202 and the Indoor & Outdoor Sports Facility Strategy.</p> <p>There is a Tenant Involvement and Consultation Strategy in place. A Tenants Conference also took place in March 2014 and will take place bi-annually. As part of the Tenant participation, there are formal groups for Tenant Consultation and Tenant Involvement and several informal groups in place. Open House is now communicated by way of an e-newsletter on a bi-monthly basis. It is still advertised on our website and will be available on request as a hard copy. A small number of hard copies will be made available in prominent places i.e. reception/TIC etc and a small number delivered to the 11 housing sheltered schemes around the Borough.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>There is a Communication Strategy which details the way that the Authority communicates with the local community to learn more about their needs and aspirations.</p> <p>Social media channels are being used to encourage more participation.</p> <p>The Tamworth Strategic Partnership (TSP) is an umbrella partnership that brings together key local agencies from the public, private, voluntary and community sectors. The TSP has terms of reference, vision and priorities, workstreams, and a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Succession planning process will over the next few months be supported by the further development of the iTrent HR/Payroll system. Generic core competencies will be assigned to roles which will enable PDRs to be more focussed, co-ordinated and delivered.</p>

Core Principle 6. Engaging with local people and other stakeholders to ensure robust public accountability

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships</p>	<p>Make clear to themselves, all staff and the community to whom they are accountable and for what.</p> <p>Consider those institutional stakeholders to whom the Authority is accountable and assess the effectiveness of the relationships and any changes required.</p> <p>Produce an annual report on the activity of the scrutiny function.</p>	<p>The Tamworth Strategic Partnership is in place.</p> <p>There is a consultation strategy in place. Members of the public are able to comment on various consultation exercises completed (see 5.3) which are displayed on the website. In addition, members of the public are actively encourage to become members of various consultation groups. Consultation feedback is made available on the website.</p> <p>The Authority has two Scrutiny Committees – Aspire and Prosper and Healthier and Safer. The Committees join together to scrutinise the budget.</p> <p>The Aspire and Prosper Committee undertakes a strategic role in the review and scrutiny of the performance of the Council in relation to its policy objectives and performance targets. This will include the Council’s overall financial management and the overall performance of the Council.</p> <p>The Healthier and Safer Committee reviews and scrutinises the performance and functions of other public bodies, statutory undertakers or other such organisations, including voluntary and not for profit institutions, who provide or facilitate the provision of public services within the Borough.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		An annual report on the work completed by the Scrutiny Committees is reported to Full Council.
6.2 Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the Authority, in partnership or by commissioning	<p>Ensure clear channels of communication are in place with all sections of the community and other stakeholders, including monitoring arrangements, and ensure that they operate effectively.</p> <p>Ensure that arrangements are in place to enable the Authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands.</p> <p>Establish a clear policy on the types of issues on which they will meaningfully consult on or engage with the public, and</p>	<p>The shared vision “One Tamworth, Perfectly Placed” – Open for business since the 7th Century A.D. and corporate priorities have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities. During 2015/16, the vision, corporate priorities and objectives were reviewed and updated to give the Authority direction and focus.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultations undertaken during 2015/16 included Budget Consultation, Local Council Tax Reduction Scheme, Homelessness Prevention Strategy 2016 – 2020 and the Indoor & Outdoor Sports Facility Strategy.</p> <p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”.</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to learn more about their needs and aspirations.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>service users, including a feedback mechanism for those consultees to demonstrate what has changed as a result.</p> <p>Publish an annual performance plan giving information on the Authority's Vision, Strategy, Plans and Financial Statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p> <p>Ensure that the Authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to</p>	<p>Social media channels are being used to encourage more participation.</p> <p>A record of public consultations and their outcomes are recorded on the Authority's website.</p> <p>The Tamworth Strategic Partnership (TSP) is an umbrella partnership that brings together key local agencies from the public, private, voluntary and community sectors. The TSP has terms of reference, vision and priorities, workstreams, and a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Annual Review & Corporate Plan is produced and made available on the website. This gives details on the Authority's Vision, Strategy and Plans and the financial statements. It gives details of outcomes and achievements. It is produced on an annual basis and details both a backward look at achievements and successes and a forward look to achievements for the forthcoming year. Performance against the Corporate Plan is reported on a quarterly basis.</p> <p>Each department develops a business plan with outcomes, and performance indicators linked to the vision and priorities.</p> <p>The Constitution is available on the Authority's website.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.</p>	<p>The Freedom of Information Act publication scheme is made available on the Authority's website, along with the Council Tax Leaflet.</p> <p>A Disclosure Log is in place on the website. This details frequently asked Freedom of Information Requests.</p>
<p>6.3 Making best use of human resources by taking an active and planned approach to meet responsibility to staff</p>	<p>Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.</p>	<p>The Authority has in place a Trade Union Liaison Group (TULG). This group is made up of representatives from the trade unions and management and is led by the Director of Transformation and Corporate Performance. A facilities agreement is in place and is reviewed regularly. The Group meet on a regular basis to discuss both operation and strategic issues and both sides are encouraged to raise issues they feel necessary. The Chief Executive, Directors and Heads of Service attend the meetings as necessary to present changes to legislation, reorganisations, changes to processes and policies. The representatives are provided with assistance where applicable and an open style of communication is encouraged.</p> <p>An Organisational Development Strategy has been implemented with a supporting action plan.</p>

The Nolan Principles of Public Life

1. Selflessness :

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

2. Integrity :

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

3. Objectivity

:

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. Openness :

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. Leadership

:

Holders of public office should promote and support these principles by leadership and example.

9th June 2016

Report of the Head of Internal Audit Services**QUALITY ASSURANCE & IMPROVEMENT PROGRAMME****EXEMPT INFORMATION**

None

PURPOSE

To report on the Quality Assurance & Improvement Programme in compliance with the Public Sector Internal Audit Standards.

RECOMMENDATION

That the Committee endorses the Quality Assurance & Improvement Programme.

EXECUTIVE SUMMARY

The Public Sector Internal Audit Standards (PSIAS) came into force on the 1st April 2013. The PSIAS replace the CIPFA Code of Practice for Internal Audit which had been in place since 2006. Both the standards/codes require that Internal Audit comply with professional best practice and assess themselves against the requirements.

As part of the requirement, the Head of Internal Audit Services is required to develop a Quality Assurance & Improvement Programme (QAIP) that includes both internal and external assessments. The requirement is that the external assessment should be completed at least every five years. The Staffordshire Chief Auditors Group is collaborating on this issue along with a couple of neighbouring authorities to tender for the provision of this external assessment against the self-assessment during the financial year 2016/17. This will be in year four of the new standards. The combined tender will hopefully bring about cost efficiencies and completing the exercise a year early than the latest date should ensure that assessors will be available.

Under the QAIP, quality should be assessed at both an individual audit engagement level as well as at the broader internal audit activity level. A well developed QAIP will ensure that quality is built in to, rather than on to, the way the internal audit activity operates. In essence, Internal Audit should not need to assess whether each individual engagement conforms to the Standards, but that engagements should be undertaken in accordance with an established methodology that promotes quality and, by default, conforms with the Standards.

The QAIP should conclude on the quality of the internal audit activity and lead to recommendations for appropriate improvements. It enables an evaluation of:

- Conformance with the Definition of Internal Auditing, the Code of Ethics and the Standards. (ref PSIAS0, PSIAS1, PSIAS2, PSIAS3, PSIAS4)

- The adequacy of the internal audit activity's charter, goals, objectives, policies and procedures. (ref PSIAS1000, PSIAS2040)
- The contribution to the organisation's governance, risk management, and control processes. (ref PSIAS2000, PSIAS2100, PSIAS2110, PSIAS2120, PSIAS2130)
- Completeness of coverage of the entire audit universe. (ref PSIAS2010)
- Compliance with applicable laws, regulations, and government or industry standards to which the internal audit activity may be subject. (ref PSIAS1000, PSIAS2040)
- The risks affecting the operation of the internal audit activity itself. (ref PSIAS2010)
- The effectiveness of continuous improvement activities and adoption of best practices. (ref PSIAS1300, PSIAS1311)
- Whether the internal audit activity adds value, improves the organisation's operations, and contributes to the attainment of objectives. (ref PSIAS2410)

The references relate to the specific area within the PSIAS assessment.

To achieve comprehensive coverage of all aspects of the internal audit activity, a QAIP must effectively be applied at three fundamental levels:

- Internal Audit Engagement Level – self assessment at the audit engagement or operational level.
- Internal Audit Activity Level – self assessment at the internal audit activity or organisational level.
- External Perspective – independent external assessment of the entire internal audit activity including individual engagements.

Attached as **Appendix 1** is the Quality Assurance & Improvement Programme for the Authority's Internal Audit Service. This gives an overview of the QAIP in place.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

There is a risk that non-compliance with the PSIAS will mean that an effective system of internal control is not in place and therefore we are not complying with the Accounts and Audit (England) Regulations 2015.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

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LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 Quality Assurance & Improvement Programme (QAIP)

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Internal Audit Services Quality Assurance & Improvement Programme

1 Introduction

Internal Audit's Quality Assurance Improvement Programme (QAIP) is designed to provide reasonable assurance to the various stakeholders (the Board, Senior Management, the External Auditor and Operational Managers etc) that Internal Audit:

- Conforms with the Definition of Internal Auditing, the Code of Ethics and the Standards;
- Has an adequate Internal Audit Activity's Charter, Goals, Objectives, Policies and Procedures;
- Contributes to the organisation's governance, risk management and control processes
- Has complete coverage of the audit universe
- Complies with applicable laws, regulations and other standards that the internal audit activity may be subject to
- Has identified the risks affecting the operation of the internal audit activity itself
- Has an effective continuous improvement activity in place and adopts best practice
- Adds value to improve the organisation's operations and contributes to the attainment of the organisation's objectives.

The Chief Audit Executive (CAE) is ultimately responsible for the QAIP, which covers all types of Internal Audit activities, including consultancy. The QAIP must include both internal and external assessments. Internal assessments are both ongoing and periodical and external assessments must be undertaken at least once every five years.

The QAIP is reviewed on an annual basis.

2 Internal Assessments

Internal Assessments are made up of both ongoing reviews and periodic reviews.

Ongoing reviews

Ongoing reviews provide assurance that the processes in place are working effectively to ensure that quality is delivered on an audit by audit basis. This includes continuous monitoring of:

- Engagement planning and supervision (preapproval of the audit scope, innovative best practices, budgeted hours, and assigned staff),
- Standard working practices (including working paper procedures, sign off, report review, checklists to ensure that the audit process has been followed)
- Feedback from other clients and stakeholders
- Analysing performance metrics to measure audit plan completion and stakeholder value.

Periodic reviews

Periodic assessments are designed to assess conformance with Internal Audit's Charter, the Standards, Definition of Internal Auditing, the Code of Ethics, the quality of the audit work and supervision, policies and procedures supporting the internal audit activity, the added value to the organisation and the achievement of performance standards.

Periodic assessments will be conducted through:

- Working paper reviews for conformance to the definition of Internal Auditing, the Code of Ethics, the Standards, and internal audit policies and procedures
- Self-assessment of the internal audit activity with objectives established as part of the QAIP components – Governance, Professional Practice and Communication
- Review of internal audit performance measure and benchmarking of best practices. Periodic activity and performance reporting to the board and other stakeholders as deemed necessary.
- Annual self-review of conformance to the PSIAS.

The periodic self assessment should identify the quality of ongoing performance and opportunities for improvement and to check and validate the objectives and criteria used in the QAIP. The self assessment will be completed on an annual basis and the results reported to the Board and Senior Management.

3 External Assessment

The External Assessment will consist of a broad scope of coverage that includes the following:

- Conformance with the Standards, Definition of Internal Auditing, the Code of Ethics, and Internal Audit's Charter, plans, policies, procedures, practices, and any applicable legislative and regulatory requirements
- Expectations of Internal Audit as expressed by the Board and Senior Management
- Integration of the Internal Audit activity into the governance process
- The mix of staff knowledge, experiences, and disciplines, including use of tools and techniques, and process improvements
- A determination whether Internal Audit adds value and improves the Council's operations.

An external assessment will be conducted every five years by a qualified, independent assessor from outside the Council. The assessment will be in the form of a full external assessment, or a self-assessment with independent external validation. The format of the external assessment will be agreed with the Board.

4 Assessment scale

The scale to assess the level of conformance of the Internal Audit activity with the standards is as follows:

Generally Conforms/Partially Conforms/Does Not Conform
(IIA Quality Assessment Manual Scale)

5 Reporting on the Quality Program

Internal Assessments – reported to the Board and Senior Management on an annual basis. The internal assessment report will be accompanied by a written action plan in response to significant findings and recommendations contained in the report.

External Assessments – reported to the Board and Senior Management. The external assessment report will be accompanied by a written action plan in response to significant findings and recommendations contained in the report.

Follow up – The CAE will implement appropriate follow up actions to ensure that recommendations made in the reports and action plans developed are implemented in a reasonable timeframe.

Quality Assurance & Improvement Programme			
Ongoing Monitoring of Performance			
Activity	Frequency	Responsibility	Reporting
Review of the audit universe to ensure complete	Annual	Head of Internal Audit Services	N/A
Identification of risks affecting the operation of the Internal Audit Service	Quarterly	Head of Internal Audit Services	N/A
Review of audit engagements	Each engagement	Head of Internal Audit Services/Principal Auditor	N/A
Progress against the audit plan	Monthly	Head of Internal Audit Services/Principal Auditor	Quarterly report to Audit & Governance Committee
Progress against Key Performance Indicators	Quarterly	Head of Internal Audit Services	Quarterly report to Audit & Governance Committee
Discuss performance of internal audit activity	Monthly	Head of Internal Audit Services and Executive Director Corporate Services	Annual report to Audit & Governance Committee
Customer survey/questionnaire	For each engagement	Principal Auditor	Annual report to Audit & Governance Committee
Review of Internal Audit Charter, goals, policies & procedures	Annual	Head of Internal Audit Services	Annual report to Audit & Governance Committee
Personal Development Review	Annual	Appropriate line manager	Documentation to HR
Continuous improvement activity and adoption of best practice	Continuous	Head of Internal Audit Services/Principal Auditor	Annual report to the Audit & Governance Committee
Identification of added value to the authority's operations	Continuous	Head of Internal Audit Services/Principal Auditor	Annual report to the Audit & Governance Committee

Periodic Self Assessments			
Self assessment against the Public Sector Internal Audit Standards (PSIAS)	Annual	Head of Internal Audit Services	Annual report to the Audit & Governance Committee
Compliance with applicable laws, regulations and other standards that the Internal Audit activity may be subject to	Continuous review	Head of Internal Audit Services	Report to Audit & Governance Committee when applicable
Benchmarking review of Internal Audit Services	Every 3 years	Head of Internal Audit Services	Report to Audit & Governance Committee
External Assessments			
Assessment against the PSIAS	Every 5 years	Head of Internal Audit Services and external reviewer	Report to the Audit & Governance Committee

Audit & Governance Committee Self Assessment 2015/16

	Area	Yes	No	Part
1	Terms of Reference			
1.1	Have the Committee's terms of reference been approved by the full Council and do they follow the CIPFA model?	✓		
1.2	Does the Committee report to the directly to the Full Council on an annual basis?	✓		
2	Internal Audit Process			
2.1	Does the Committee approve the strategic audit approach and the annual programme?	✓		
2.2	Is the performance of Internal Audit reviewed regularly?	✓		
2.3	Are summaries of quality questionnaires on the work of Internal Audit from managers reviewed?	✓		
2.4	Does the Committee receive the Internal Annual Report which includes an opinion and information on conformance with the Public Sector Internal Audit Standards?	✓		
2.5	Does the Committee ensure that officers are acting on and monitoring action taken to implement recommendations?	✓		
3	External Audit Process			
3.1	Are reports on the work of External Audit and other inspection agencies presented to the committee?	✓		
3.2	Does the Committee input into the external audit programme?	✓		
3.3	Does the Committee monitor management actions in response to the issues raised by the External Auditor?	✓		

	Area	Yes	No	Part
4	Regulatory Framework			
4.1	Does the Committee take a role in overseeing <ul style="list-style-type: none"> • Risk management strategies and the actions taken to manage the risks • Annual Governance Statement • Counter-fraud arrangements – including the Counter Fraud Policy and Whistleblowing Policy • Financial Guidance – including Financial Regulations & Contract Standing Orders • Constitution • Complaints handling/ombudsman's report • RIPA Policy and updates? 	✓ ✓ ✓ ✓ ✓ ✓ ✓		
5	Accounts			
5.1	Does the Committee take a role in overseeing the annual statement of accounts?	✓		
6	Standards of Conduct			
6.1	Does the Committee exercise all the functions of the Council relating to Codes of Conduct as provided by the Localism Act 2011 except for those that may only be exercised by Full Council?	✓		
7	Membership			
7.1	Has the membership of the committee been formally agreed and a forum set?	✓		
7.2	Is the chair free from executive or scrutiny (chair) functions?	✓		
7.3	Are members sufficiently independent of the other key committees of the council?	✓		

	Area	Yes	No	Part
7.4	Have all members' skills and experiences been assessed and training given for identifying gaps? Notes: skills matrix to be issued to the members of the Audit & Governance Committee in the new Municipal year	✓		
7.5	Can the committee access other committees as necessary?	✓		
8	Meetings			
8.1	Does the committee meet regularly?	✓		
8.2	Are separate, private meetings held with the external auditor and internal auditor?	✓		
8.3	Are meetings free and open without political influence being displayed?	✓		
8.4	Are decisions reached promptly?	✓		
8.5	Are agenda papers circulated in advance of meetings to allow adequate preparation by members?	✓		
8.6	Does the committee have the benefit of attendance of appropriate officers at its meetings?	✓		
8.7	Can special meetings be organised to allow a quick response to emergencies?	✓		
8.8	Does External Audit regularly attend meetings and update members on their progress/external audit issues?	✓		
9	Training			
9.1	Is induction training provided to members? Notes: Members of the Committee would like additional training on induction – should be covered in the new E-learning solution	✓		

	Area	Yes	No	Part
9.2	Is more advanced training available as required?	✓		
10	Administration			
10.1	Does the authority's s151 officer or deputy attend meetings?	✓		
10.2	Are key officers available to support the committee?	✓		
10.3	Do reports to the Committee communicate relevant information at the right frequency and in a format that is effective?	✓		

PLANNED REPORTS TO AUDIT AND GOVERNANCE COMMITTEE

	Report	Committee Date	Report Of	Comments
1	Role of the Audit Committee	June	Grant Thornton	Presentation/training
2	Audit and Governance Committee Update	June	Grant Thornton	
3	Fee Letter	June	Grant Thornton	
4	Draft Annual Statement of Accounts	June	Executive Director Corporate Services	
5	Changes to Arrangements for Appointments for External Auditors	June	Executive Director Corporate Services	
6	Review of the Constitution and Scheme of Delegation for Officers	June	Solicitor to the Council and Monitoring Officer	
7	RIPA Quarterly Report	June	Solicitor to the Council and Monitoring Officer	
8	Internal Audit Annual and Quarterly Update	June	Head of Internal Audit	
9	Risk Management Quarterly Update	June	Head of Internal Audit	
10	Counter Fraud Update	June	Head of Internal Audit	

11	Review of the Effectiveness of Internal Control Environment	June	Head of Internal Audit	To include the review of the effectiveness of internal audit, compliance with PSIAS, roles of the CFO and HIAS
12	Annual Governance Statement and Code of Corporate Governance	June	Head of Internal Audit	
1	Audit Findings Report	September	Grant Thornton	
2	Management Representation Letter	September	Grant Thornton	
3	Annual Statement of Accounts	September	Executive Director Corporate Services	
4	Treasury Management Strategy Statement and Annual Investment Strategy Mid-Year Review Report 2016/17	September	Executive Director Corporate Services	
5	RIPA Quarterly Report	September	Solicitor to the Council and Monitoring Officer	
6	Local Government Ombudsman's Annual Review and Report 2015/16	September	Solicitor to the Council and Monitoring Officer	
7	Internal Audit Quarterly Update	September	Head of Internal Audit	
8	Risk Management Quarterly Update	September	Head of Internal Audit	

1	Members/Standards	October	Solicitor to the Council and Monitoring Officer	
2	Anti Money Laundering Policy	October	Solicitor to the Council and Monitoring Officer	
3	Internal Audit Quarterly Update	October	Head of Internal Audit	
4	Risk Management Quarterly Update	October	Head of Internal Audit	
5	Annual Governance Statement Update	October	Head of Internal Audit	
1	Audit Report on Certification Work 2015/16	January	Grant Thornton	
2	Audit Progress Report	January	Grant Thornton	
3	Annual Audit Letter 2015/16	January	Grant Thornton	
4	RIPA Quarterly Report	January	Monitoring Officer Solicitor to the Council and	
5	Internal Audit Quarterly Update	January	Head of Internal Audit	
6	Risk Management Quarterly Update	January	Head of Internal Audit	
7	Counter Fraud Update	January	Head of Internal Audit	
1	Draft Audit Plan	March	Grant Thornton	

2	Draft Certification Work Plan	March	Grant Thornton	
3	Audit Committee Update	March	Grant Thornton	
4	Auditing Standards	March	Grant Thornton	
5	Informing the Audit Risk Assessment	March	Grant Thornton	
6	Review of the Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Statement 2017/18 and the Treasury Management Strategy Statement and Annual Investment Strategy Mid-Year Review Report 2016/17	March	Executive Director Corporate Services	
7	Final Accounts 2016/17 – Action Plan	March	Director of Finance	
8	RIPA Quarterly Report	March	Monitoring Officer Solicitor to the Council and	
9	Internal Audit Charter and Audit Plan	March	Head of Internal Audit	
10	Audit and Governance Committee Self Assessment	March	Head of Internal Audit	
11	Review of Financial Guidance	March	Head of Internal Audit	