

AUDIT COMMITTEE

MONDAY 22 JULY 2024
6.00 PM

Bourges/Viersen Room - Town Hall

THE CHAIRMAN WILL ASSUME THAT MEMBERS HAVE READ THEIR PAPERS PRIOR TO THE MEETING TO AVOID UNNECESSARY INTRODUCTIONS TO REPORTS. IF ANY QUESTIONS ARE APPARENT FROM THE REPORTS THEY SHOULD BE PASSED TO THE REPORT AUTHOR PRIOR TO THE MEETING

AGENDA

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10. Draft Annual Governance Statement 2023/2024

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<http://democracy.peterborough.gov.uk/ecSDDisplay.aspx?NAME=Protocol%20on%20the%20use%20of%20Recording&ID=690&RPID=2625610&sch=doc&cat=13385&path=13385>

Committee Members:

Councillors: Schumann (Chair), Thulbourn (Vice Chair), Qayyum, Strangward, Farooq, Antunes, Perkins and Ali

Substitutes: Councillors: Jones, Ormston, Allen and Farid

Further information about this meeting can be obtained from Matt Makin on telephone 01733 384641 or by email – matt.makin@peterborough.gov.uk

SIGNIFICANT GOVERNANCE ISSUES: STATUS

Ref.No.	Governance Issue	Description	Not Started / In Progress / Complete
22.01	Business Continuity	All departmental Business Continuity Plans to be regularly reviewed / tested during 2022/2023. Regular updates will be provided to the Corporate Leadership Team	In Progress
22.02	Balanced budget and financial sustainability	The Council will continue to monitor its budget spending throughout the year and establish a MTFS early to enable for a balanced budget to be approved and moved towards financial sustainability in line with the Improvement Plans.	In Progress
22.04	Loss of key staff	As part of any restructures identified above or retirement and staff leaving, there will be a requirement to ensure that knowledge is not lost to the organisation. Appropriate workforce plans will be established	In Progress
22.05	Social Care integration	Continue to work towards greater integration between social care and health in order to maximise finite resources	In Progress
22.06	Information Governance	There is a need for continued vigilance in relation to the handling and access to data whether internally or the ability for it to be accessed from outside the Council	In Progress
22.07	Climate Change	The Council has an ambitious strategy to meet climate change targets. There is a need for this to be regularly challenged and monitored	In Progress
22.08	Project Management	Effective project management arrangements are required to assist in the ambitious Corporate Strategy and changes expected across the Council	In Progress
22.09	Solar Power Assets (ex-Empower)	With the decision to bring the solar panels etc. back in-house there is a need to ensure that there are accurate records, valuations in place to enable appropriate impairments to be recorded in the Councils records / accounts	In Progress
22.10	Performance reporting	Continue to review and embed performance reporting through committees and Corporate Leadership Team to meet expectations set out in the Improvement Plans	In Progress
22.11	Good governance and decision making	External reviews have identified a number of areas for improvement in decision making. Changes will be implemented to streamline and make decisions more transparent (as identified in the Improvement Plan). The Councils Local Code of Governance will be refreshed during 2022	In Progress
22.12	Equalities	The Council has established an Action Plan to look to develop and embed appropriate policies and processes to deliver improvement in equality and diversity	In Progress

22.13	Council Controls	Managers embrace internal audit recommendations and implement in line with agreed timescales	
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NEW AREAS 2022/2023:

Ref.No.	Governance Issue	Description	Not Started / In Progress / Complete
01	Decoupling	Decision taken to uncouple a number of services which are shared with County. This could lead to a number of services areas being under-resourced / under-staffed for a period of time of more staff are on County side. There is a requirement that the newly appointed Executive Directors keep up to date with the decoupling project so that service requirements remain to the fore and that any risks identified are mitigated expediently to ensure service continuity and prevent failure.	
02	Debt Management	Debt levels fluctuate through the year. There is a need to maintain effective arrangements between THE COUNCIL / SERCO to ensure appropriate enforcement and collection arrangements are in place to minimise the loss of monies	
03	Priorities Board	Following agreement of each Board's Terms of Reference, ensure that effective challenge on each service delivery is in place to meet the Corporate Strategy priorities. This will be assisted through the Delivery Unit and regularly reported to CLT	
04	Governance	Complete the implementation of recommendations which arose from external reviews of: <ul style="list-style-type: none"> • External organisation • Core governance Review other governance activities and policies as appropriate including: <ul style="list-style-type: none"> • Scrutiny model • Scheme of delegation • Whistleblowing 	
05	Income Generators	Review the viability of services which provide income to the Council (e.g., Clare Lodge). As part of the review there should be a comprehensive fees and charges review. Establish a Fees and Charges Policy which determines the purpose of charging and the level of cost recovery necessary for the various services provided.	
06	Asset Management Strategy	Regular reporting on progress to deliver the strategy – covering disposals, acquisitions etc. should be provided to the various decision makers to ensure that the AMS is being effectively managed.	

07	Company structures and joint ventures	A full review of current arrangements, including implementation of all recommendations in the CIPFA Governance Paper. Some existing companies will be discontinued if no longer fit for purpose.	
08	Risk Management	Works are required for ongoing development of key strategic risks for monitoring by CLT and Audit Committee. There is also a need to develop an online training tool to assist managers in understanding this area	
09	Consultation	Refresh our methods and policies which are used as part of consultation with stakeholders. Particular focus should be on how the Councils engages with hard-to-reach communities	
10	Staff Capacity and Capabilities	With the increased frequency of reporting of service performance to CLT and various Committees, the Council will also revisit its approach to a staff appraisal process. There is no formal performance or appraisal process for staff, so it is difficult to determine if staff meet their priorities and objectives. Exit interviews may or may not happen.	
11	Financial Management	The Council will refresh its Financial Regulations and Contract Rules to ensure that they meet the latest delegations, constitutional needs, and best practice. Appropriate training and user guides will be developed for all Managers together with Inductions	
12	Health and Safety	Health and Safety arrangements appear weak. More resources are required and a higher prominence and visibility throughout the organisation.	
13	Corporate Strategy / Plans	The Corporate Plan has now been approved and service plans have been drafted. Performance management is improving but it is not yet embedded within the organisation. Work has progressed well on the Corporate Plan and values, but Service Plans need further development and must be embedded in everything we do	
14	Financial Performance	External Audit (EA) has not yet signed off for 2021/22 and 2022/23, so there is no confirmed external review of the control environment. This remains urgent. A robust timescale is required for this to be achieved in a timely fashion.	

NEW AREAS 2023/2024:

Ref.No.	Governance Issue	Description	Not Started / In Progress / Complete
01	Engagement with communities and voluntary sector	There is a need for more robust oversight and support through our engagement. Our relationships with community organisations and voluntary bodies are strong, although not embedded across the council. The Council should develop a strategy and plan to reset our approaches to engaging with and listening to communities, and then ensure this is adopted across the organisation to enable reaching Hard to Reach Groups.	
02	Equality Impact Assessments	Although the Council has an agreed policy and defined process for the completion of EIAs, the process isn't fully embedded.	
03	Workforce Planning	Continue to develop training plans for all services. Develop arrangements for recruiting and retaining the workforce in difficult, hard to fill, areas.	
04	Performance and Service Planning	Embedding Service Plans within Departments	
05	ICT Continuity Arrangements (cyber)	Continue with proactive measures in relation to clear approach for dealing with cyber-attacks.	
06	Corporate Vision	The Corporate Strategy has been in place for 2 years. A review is required to ensure that remains relevant and that the priorities and outcomes remain clear and appropriate.	
07	Capital Expenditure	The Council introduced a moratorium on capital spend as a result of the higher costs for borrowing. Furthermore, there is a need to review business cases to ensure that projects are appropriately identified and deliver value for money.	
08	Procurement Act Implementation	Legislation to be introduced in 2024 will impact on the arrangements for oversight and delivery of procurement. The Council needs to continue to prepare for it, including a revision to the contract rules, and raise awareness with our stakeholders, contractors and officers.	
09	IFRS 16	Changes are required to ensure compliance with the implementation and treatment of international reporting standards	
10	Improvement Panel Continuation	External scrutiny has been in place while the Council went through significant change. The Council should decide whether to continue with that collaborative approach	

11	Internal Audit Recommendations	Ongoing implementation of recommendations	
12	OFSTED Review	Following its OFSTED inspection, the Council needs to deliver against the agreed Action Plan. Regular reporting through to Council.	
13	Hilton Hotel	Following the developer for the site being put into administration, the Council needs to evaluate the option appraisals to protect the public purse and council's interests.	

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