



CORPORATE GOVERNANCE AND AUDIT COMMITTEE

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Friday, 24th June, 2022
at 2.00 pm

MEMBERSHIP

Councillors

G Almass	R Downes	P Harrand
P Truswell		J Shemilt
M Midgley		B Flynn
A Smart		
P Wray (Chair)		
J Illingworth		

(Linda Wild – Independent Member)

To Note: Please do not attend the meeting in person if you have symptoms of Covid-19 and please follow current public health advice to avoid passing the virus onto other people

Note to observers of the meeting: To remotely observe this meeting, please click on the 'View the Meeting Recording' link which will feature on the meeting's webpage (linked below) ahead of the meeting. The webcast will become available at the commencement of them

<https://democracy.leeds.gov.uk/ieListDocuments.aspx?CId=161&MId=11941&Ver=4>

A G E N D A

Item No	Ward	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 15.2 of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(*In accordance with Procedure Rule 15.2, written notice of an appeal must be received by the Head of Governance Services at least 24 hours before the meeting)</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-</p>	

Item No	Ward	Item Not Open		Page No
3			<p>LATE ITEMS</p> <p>To identify items which have been admitted to the agenda by the Chair for consideration</p> <p>(The special circumstances shall be specified in the minutes)</p>	
4			<p>DECLARATION OF INTERESTS</p> <p>To disclose or draw attention to any interests in accordance with Leeds City Council's 'Councillor Code of Conduct'.</p>	
5			<p>APOLOGIES FOR ABSENCE</p>	
6			<p>MINUTES OF THE PREVIOUS MEETING HELD ON 25TH MARCH 2022</p> <p>To receive the minutes of the meeting held on 25th March 2022 for approval as a correct record.</p>	7 - 14
7			<p>MATTERS ARISING FROM THE PREVIOUS MINUTES</p> <p>To consider any matters arising from the previous minutes.</p>	
8			<p>INTERNAL AUDIT UPDATE REPORT MARCH TO MAY 2022</p> <p>The report of the Chief Officer Financial Services provides a source of assurance that the internal control environment is operating as intended through a summary of the Internal Audit activity for the period from March to May 2022. The report highlights the incidence of any significant control failings or weaknesses.</p>	15 - 42
9			<p>COUNTER FRAUD UPDATE REPORT</p> <p>The report of the Chief Officer Financial Services includes information on the counter fraud activities undertaken by the Internal Audit service between the period October 2021 and March 2022.</p>	43 - 52

Item No	Ward	Item Not Open		Page No
10			<p>DECISION MAKING STATEMENT OF INTERNAL CONTROL</p> <p>The Report of the Chief Officer is the annual report to the Committee concerning the Council's decision making arrangements and provides assurances that the Council's arrangements are up to date, fit for purpose, effectively communicated and routinely complied with.</p>	53 - 80
11			<p>GOVERNANCE ARRANGEMENTS FOR IMPLEMENTATION OF THE LEEDS BEST CITY AMBITION</p> <p>The report of the Chief Officer Strategy and Improvement requests the Committees consideration to set out the proposed governance arrangements for implementation of the Best City Ambition.</p>	81 - 90
12			<p>ANNUAL REPORT OF CORPORATE GOVERNANCE AND AUDIT COMMITTEE</p> <p>The report of the Chief Financial Officer sets out the draft annual report of The Corporate Governance and Audit Committee for the 2021/22 municipal year.</p>	91 - 110
13			<p>CORPORATE GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME 2022-23</p> <p>The report of the Chief Officer Financial Services presents the work programme for the Corporate Governance and Audit Committee, setting out future business for the Committee's agenda, together with details of when items will be presented.</p>	111 - 122
14			<p>DATE AND TIME OF NEXT MEETING</p> <p>To note the date of the next meeting is proposed as Friday 29th July 2022 at 2pm.</p>	

Third Party Recording

Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those

Item No	Ward	Item Not Open		Page No
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proceedings. A copy of the recording protocol is available from the contacts named on the front of this agenda.

Use of Recordings by Third Parties– code of practice

- a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.
- b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.

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Public Document Pack Agenda Item 6

Corporate Governance and Audit Committee

Friday, 25th March, 2022

PRESENT: Councillor N Walshaw in the Chair

Councillors G Almass, J Bentley, M Foster,
P Grahame, P Harrand, J Illingworth,
J Shemilt and P Truswell

Independent Member – Linda Wild

74 Election of the Chair

Apologies for absence were received from Councillor Maqsood...Councillor Walshaw attended the meeting as her named substitute.

In the absence of the Chair, Councillor Walshaw was nominated as Chair of the meeting.

RESOLVED – That Councillor Walshaw act as Chair for this meeting.

75 Appeals Against Refusal of Inspection of Documents

There were no appeals against the refusal of inspection of documents.

76 Exempt Information - Possible Exclusion of the Press and Public

The agenda contained no exempt information requiring the exclusion of the press and public.

77 Late Items

There were no late items.

78 Declaration of Interests

No declarations of interest were made.

79 Minutes

RESOLVED – That the minutes of the previous meeting held 4th February 2022 be approved.

80 Matters Arising

Minute 69 – The Committee noted that the requested benchmarking data had been circulated by the Data Protection Officer on 7th February 2022.

Minute 71 - Mr Gareth Mills, External Auditors (Grant Thornton), provided an update on the work of the Auditors, noting receipt of some of the outstanding information required to complete the LCC audit, however the Auditors were also tasked with other non-Council related work which required prioritisation. The Committee noted the intention to complete the LCC work by week commencing 27th June 2022, once the remaining outstanding information was provided and once the Auditors work for the NHS was complete.

Mr Mills also highlighted additional work necessitated by the ongoing Valuation of Infrastructure Assets where the Regulator had identified some issues with some Local Authority's accounting of infrastructure assets and the subsequent audits.

81 Annual Assurance Report on Customer Contact

The Director of Resources submitted a report providing the Committee with assurance over the control environment in place for customer contact and customer satisfaction. The report covered the following areas:

- Face to face services
- Contact centre and digital services for customers
- Compliments and complaints

The terms of reference of the Corporate Governance and Audit Committee require the Committee to consider the adequacy of the Council's policies and practices to ensure compliance with statutory guidance and the adequacy of the Council's corporate governance arrangements.

The Head of Shared Services presented the report and highlighted the extent to which the standards, policies and procedures in relation to customer contact and satisfaction have been complied with during the reporting period from January 2021 to December 2021. Information was also provided for the period from January 2020 to December 2020 for the purposes of comparison.

The Head of Shared Services provided detail in respect of the following areas: Face to Face Contact - This includes the services that the Communities Housing and Environment directorate provide such as the Community Hubs, Libraries, Jobshops and Customer Services. During 2021, new community hub developments have been completed, there has been a review of community hub and library opening hours and some community hub sites have been used as vaccination venues during the year.

Contact Centre – This remained very often the first point of contact for service users. 1.4 m calls and 250,000 emails had been handled during 2020/21. It was noted that the average time waiting for calls to be answered had lengthened and work was being done to address this, looking at digital contact options and staff recruitment to improve responsiveness and the Committee was assured that work was being done with the Digital Inclusion Service to assist customers who need non-digital options for contact.

Satisfaction – A new survey was launched for the Contact Centre in January 2022 and the results for the month of January 2022 were provided as an indication of current satisfaction levels, acknowledging this was outside the period of assurance detailed in the report. Complaint volumes increased in 2021 compared to 2020, by around a quarter at both stage 1 and stage 2.

The following matters were considered during discussion:

Telephone contact – Several issues were raised by Members, including:

- One Member identified this as an area of weakness, citing those customers who could only telephone the contact centre during work breaks/lunchtime and as waiting times for calls to be answered had increased, some callers may not be able to wait.
- One Member queried whether the Contact Centre hours could be extended.

The Committee heard that a robust improvement plan was in place to understand the root cause of contact and to recruit to vacancies in the Contact Centre. Work was being done across Services to promote a “Get it Right first time” approach to reduce the need for calls and follow up calls. Although there were no plans to extend the Contact Centre hours, a review of the rotas/call contact peak times to ensure there was sufficient cover was being done.

- Figures from pre-pandemic were requested for comparison purposes
- Insight on the reasons for staff leaving the Contact Centre was requested.
- How the complexity of calls was assessed
- Why one third of callers were making repeat calls to the Contact Centre

The Committee heard that information gleaned from exit interviews showed a key reason for staff leaving was their promotion within the Council as Contact Centre staff are well trained and have an understanding of many LCC services therefore have transferrable and desirable skills for the rest of the authority. Development of career pathways across Shared Services was being considered in order to retain staff, but it was also reported that receiving abuse from callers was another factor.

In terms of the complexity of call responses increasing, average handling times showed that generally calls were taking longer to resolve, this was attributed to backlogs in service provision/catch up from Covid-19 and re-scheduling issues.

In respect of repeat calls, work was ongoing to address this issue and it was acknowledged that some customers abandon first attempt calls and make a repeat call at other times.

Digital inclusion – In response to a query, the Head of Shared Services confirmed that some lines do carry a script for call handlers to ask callers if they are aware of digital contact options. Some lines also have an IVR on the call waiting message to direct callers to the digital options.

Additionally, responding to comments regarding the accessibility of the LCC website and on-line reporting format, the Head of Shared Services confirmed that there were approximately 60 different on-line reporting forms on the website, but that these were progressed to the relevant service for action. Bins/replacement bins make up 48% of web form contact, the reporting forms have been simplified and relaunched this year and there were indications that

the redesign work has had a positive impact, as there had been fewer complaints.

Data Poverty – One Member highlighted that some customers without internet access at home use their mobile phones to access the LCC website to report on-line and advocated the development of an App which would use less mobile data and be more user-friendly. The Head of Shared Services welcomed the suggestion and agreed this would be further discussed with IDS.

Complaints responded to within target – It was acknowledged that responses within target were lower during 2021 and had been impacted by the pandemic. One Member requested the monthly reporting figures be provided to the Committee in order for Members to assess the success of the improvement plans developed to support service recovery.

Organisation of Communications – One Member cited an example where operatives installing heat pumps were providing a helpline number to tenants which was not resourced and unintentionally providing mis-information on “Green Doctor” work and advocated better organisation and resource for communications. Details of this issue to be provided to the Head of Shared Services for investigation.

Libraries data – Clarity was provided to the statistics in Table 5 revealing that although less library visits were recorded, more books were borrowed during the reporting period due to Libraries operating a “click and collect” service.

RESOLVED -

- a) To note the assurances provided that
 - the appropriate systems and procedures are in place in respect of the Council’s control environment for customer contact and satisfaction; and
 - there are robust plans in place for improving the customer experience.
- b) To note the intention for Committee Members to be provided with the requested information as detailed above.

82 Approval of Local Code of Corporate Governance

The Chief Officer Financial Services submitted a report presenting a revised Local Code of Corporate Governance (the Code) for approval. The report set out how the Code will underpin the Council’s governance arrangements, and that the principles and commitments set out in the Code meet the requirements of the CIPFA Delivering Good Governance in Local Government: Framework (2016) (CIPFA’s Framework) which is established proper practice for local authorities.

Members noted that corporate governance arrangements seek to ensure the sustainable delivery of the Council’s strategic ambition within the resources available, and that innovation would form part of this approach.

RESOLVED

- a) To approve the Local Code of Corporate Governance as attached at Appendix A of the submitted report
- b) To note the arrangements proposed for reporting annually on monitoring and compliance.

(Councillor Shemilt left the meeting at this point)

83 Internal Audit Update Report December 2021 to February 2022

The Chief Officer Financial Services submitted a report which provided a summary of the Internal Audit activity for the period December 2021 to February 2022.

The report provided assurance that the internal control environment is operating as intended through a summary of the Internal Audit activity during that period and also highlighted the incidence of any significant control failings or weaknesses.

The report also included information relating to the monitoring of urgent decisions to enable timely consideration of these matters by Committee as agreed following consideration of the annual decision-making assurance report at the meeting held 30th July 2021. 6 audit reports (excluding external work) during the period from 1st December 2021 to 28th February 2022.

The Senior Audit Manager presented the report, highlighting the following key issues:

- The changes made to the Internal Audit Plan 2021/22 and work undertaken to analyse priorities, including the external sources of assurance which could be used for evaluation purposes.
- Delivering on priorities with the resources available will ensure the Council is in a better place to implement the Audit Plan 2022/23.
- The outcome of an audit of the Data Protection Impact Assessments processes.
- Where available, more information on the outcomes following audit work and recommendation tracking had been included in the report with plans to include feedback from departments in future reports.

During discussions the Committee focused on the following matters:

- Reasons for the removal of the audit work in respect of Children and Families Commissioning from the 21/22 Audit Plan – noting that a new post had been introduced to review the joint LCC & NHS commissioning and the impact of the forthcoming implementation of the new West Yorkshire Integrated Care System.
- Reasons for the removal of the audit work in respect of Housing Disrepair Services from the 21/22 Audit Plan – noting that no major issues had been found during the previous audit a watching brief would monitor the Disrepair service. The Directorate had requested assurance on Housing Voids which had therefore assumed priority over the Disrepair Service.

- A request for more detail on DPIA findings for each Directorate.
- In respect of CSQ returns, one member queried the reference to external. The Senior Audit Manager advised that this referred to organisations where LCC provided an audit service through a contractual obligation and it was vital to receive feedback from them.
- In respect of the crisis in Ukraine, no specific audit work was being undertaken currently, however work is being undertaken to support a project looking at the systems in place to make payments to sponsors of refugees fleeing the conflict. Additionally a review of risks in relation to Ukrainian refugees was being undertaken by the Intelligence and Policy Manager.

In conclusion the Committee received assurance that a satisfactory annual audit opinion would still be delivered for the 2021/22 year given the work undertaken using all the appropriate assurances available.

RESOLVED -

- a) To receive the Internal Audit Update Report covering the period from December 2021 to February 2022 and note the work undertaken by Internal Audit during the period covered by the report;
- b) To note that there have been no limitations in scope and nothing has arisen to compromise the independence of Internal Audit during the reporting period.
- c) To receive the report providing information relating to the Monitoring of Urgent Decisions covering the period December 2021 to February 2022.

84 Internal Audit Plan 2022-23

The Chief Officer Financial Services submitted a report presenting the proposed Internal Audit Plan for 2022-2023 for review and approval. The report also included a summary of the basis for the plan which had been developed in consultation with the Council's senior management and highlighted that the Committee retained responsibility for reviewing the adequacy of the Council's Corporate Governance arrangements.

Addressing the report the Senior Audit Manager provided an overview of the consultation undertaken with relevant parties to ensure the plan reflected the Council's current risks and priorities.

Members were informed of the following areas of work which had been identified as priorities with the team resource planned accordingly:

- Financial risks
- Cloud based solutions and Cyber
- Business Transformation
- Adults and Childrens Services
- Fraud and Corruption

Members were advised that any amendment to the Plan would be reported to the Committee.

During discussions, the Committee received the following additional information:

Covid-19 Grants – Noting concern regarding fraudulent grant claims, it was reported that Omicron support grants were still being paid and an update would be included within the bi-annual report. Members noted that fraudulent claims were reported to West Yorkshire Police as appropriate. Current information could be provided directly to Committee Members.

Team resources – Noting the ongoing service review focussing on active productivity, Members were advised that the increase in productivity did not entirely rest on further recruitment. Members were also assured that, at the current time, the team would be sufficiently resourced to deliver the Plan

RESOLVED – Having reviewed the documents, the Committee approved the Internal Audit Plan for 2022-23.

85 Corporate Governance and Audit Committee Work Programme 2021-22 and 2022-23

The Chief Officer Financial Services submitted a report which set out the proposed Work Programme for the 2022-23 municipal year, setting out future business for the Committee's agenda, together with details of when items will be presented. The Committee noted the intention to include two additional reports into the 2022/23 timetable:

- Governance Arrangements for implementation of Best City Ambition and review of strategic framework, and
- Assurance report on Estate Management Arrangements.

In response to CIPFA's Position Statement and a query regarding measuring the Committee's effectiveness against CIPFA's recommendations, it was agreed that further information would be presented alongside the Annual Report of the Committee to be considered in June 2022.

RESOLVED – To note the future meeting dates and to approve the Work Programme for the 2022/23 Municipal Year.

86 Date of Next Meeting

RESOLVED – To note the date and time of the next meeting is proposed as Friday 24th June 2022 at 10.00 am.

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Internal Audit Update Report March to May 2022

Date: 24th June 2022

Report of: Chief Officer (Financial Services)

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report provides a source of assurance that the internal control environment is operating as intended through a summary of the Internal Audit activity for the period from March to May 2022. The report highlights the incidence of any significant control failings or weaknesses.
- The work of Internal Audit contributes to Leeds City Council achieving its key priorities by helping to promote a secure and robust internal control environment, which enables a focus on accomplishing Best Council Plan objectives.

Recommendations

The Corporate Governance and Audit Committee is asked to

- a) receive the Internal Audit Update Report covering the period from March to May 2022 and note the work undertaken by Internal Audit during the period covered by the report;
- b) note that there have been no limitations in scope and nothing has arisen to compromise the independence of Internal Audit during the reporting period.
- c) Receive the report providing information relating to the Monitoring of Urgent Decisions covering the period March to May 2022

Why is the proposal being put forward?

- 1 The Corporate Governance and Audit Committee has responsibility for reviewing the adequacy of the Council's corporate governance arrangements, including matters such as internal control and risk management. The Committee also considers the Council's arrangements relating to internal audit requirements, including monitoring the performance of Internal Audit.
- 2 This report provides the Committee with a summary of the Internal Audit activity for the period March to May 2022. The work of Internal Audit offers a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended.

- 3 The report also includes information relating to the monitoring of urgent decisions which is included to enable timely consideration of these matters by Committee as agreed following consideration of the annual decision making assurance report at the July 2021 meeting.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 4 This report provides a source of assurance that the internal control environment is operating as intended. The report highlights the incidence of any significant control failings or weaknesses that would require the intervention of the Committee.
- 5 The work of Internal Audit contributes towards Leeds City Council achieving its key priorities and Best Council Plan objectives.

What consultation and engagement has taken place?

- 6 The Internal Audit Plan is developed in consultation with Members and senior management across the authority. Consultation around key risks and priorities continues throughout the year, and continual engagement with directorates is driven through the ongoing completion of audit assignments and the agreement of the associated recommendations.

What are the resource implications?

- 7 The Internal Audit Plan includes a number of reviews that evaluate the effective use of resources and provide assurance on the corresponding financial governance, risk management and internal control arrangements.
- 8 The Internal Audit Update Report also provides the Committee with assurances around the effective use of Internal Audit resources through information pertaining to the delivery and completion of the annual plan.

What are the legal implications?

- 9 The Chief Officer (Financial Services), as the council's Section 151 Officer, is responsible under the Local Government Act 1972, for ensuring that there are arrangements in place for the proper administration of the authority's financial affairs. The work of Internal Audit is an important source of information for the Chief Officer (Financial Services) in exercising her responsibility for financial administration.
- 10 The Public Sector Internal Audit Standards (PSIAS) require the Head of Audit to deliver an annual audit opinion and report that can be used by the council to inform its Annual Governance Statement. Each Internal Audit Update Report will provide a rolling quarterly opinion that will feed into the Internal Audit Annual Report and Opinion.
- 11 The Internal Audit Plan includes a number of reviews that provide assurances around the application of the statutory and constitutional framework.

What are the key risks and how are they being managed?

- 12 The Internal Audit Plan is subject to review throughout the financial year to ensure that audit resources are prioritised and directed towards the areas of highest risk. This process involves

the review of information from a number of sources including the corporate and directorate risk registers.

13 The risks relating to the achievement of the Internal Audit Plan are managed through ongoing monitoring of performance and resource levels. This information is reported to the Committee.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Zero Carbon

14 The Internal Audit Plan provides assurances that span a range of themes including coverage across the council's three Key Pillars.

Options, timescales and measuring success

What other options were considered?

15 The work of Internal Audit provides a key source of assurance to the Committee. Additional assurances are obtained through a range of further reports presented to the Committee throughout the year.

How will success be measured?

16 Success can be measured through the delivery of the Internal Audit Annual Report and Opinion. Each update report will provide a rolling quarterly opinion that will reflect the work completed during the period.

17 Further performance measures and drivers are under continual review to ensure that relevant performance information is reported to the Committee throughout the year.

What is the timetable for implementation?

18 The Internal Audit Plan is in place and is approved annually by the Committee.

Appendices

19 A – Internal Audit Update Report March – May 2022

B – Monitoring of Urgent Decisions March – May 2022

Background papers

20 None.

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Appendix A

Leeds City Council Internal Audit Update Report

Corporate Governance and Audit Committee

24th June 2022

INTERNAL AUDIT UPDATE REPORT 2022/23

1ST March 2022 to 31ST May 2022

1 Purpose of this report

- 1.1 This report provides the Committee with a summary of the work completed by Internal Audit during the period from 1st March 2022 to 31st May 2022. The work of Internal Audit offers a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended.

2 2021/22 Internal Audit Plan Progress

- 2.1 The work of Internal Audit is directed by the annual Internal Audit Annual Plan. This has been developed in line with the Public Sector Internal Audit Standards (PSIAS) and has been reviewed and approved by the Committee.
- 2.2 Throughout the audit year we will develop our Annual Assurance Opinion based upon:
- Work carried over from the previous year.
 - Work contained within the 2022/23 Internal Audit Plan that was approved by the Committee in March 2022.
 - Unplanned work undertaken in response to emerging risks and priorities.
- 2.3 We have looked at the priorities within the 2022/23 Internal Audit Plan to ensure that these are aligned with current risks and council objectives. Those audits deemed as a lower priority in the current time period have been re-evaluated on a risk basis.

3 Changes to the 2021/22 Internal Audit Plan

- 3.1 No further changes to the 2021/22 Internal Audit Plan have been made since those that were reported to the Committee at the March meeting.

4 Final Internal Audit reports issued

- 4.1 We have issued 11 audit reports (excluding external work) during the period from 1st March 2022 to 31st May 2022.
- 4.2 Depending on the type of audit review undertaken, an assurance opinion may be assigned for the control environment, compliance, and organisational impact. The control environment opinion is the result of an assessment of the controls in

place to mitigate the risk of the objectives of the system under review not being achieved. A compliance opinion provides assurance on the extent to which the controls are being complied with. Assurance opinion levels for the control environment and compliance are categorised as follows: substantial (highest level); good; acceptable; limited and no assurance.

- 4.3 Organisational impact is reported as either: major, moderate, or minor depending on the severity of the issues identified within the audit. Any reports issued with a major organisational impact will be reported to the Corporate Leadership Team along with the relevant directorate’s agreed action plan.
- 4.4 The following table provides a summary of the reports issued during the period from 1st March 2022 to 31st May 2022 along with the assurances provided where applicable.

Report Title	Audit Opinion			Assurance Themes
	Control Environment Assurance	Compliance Assurance	Organisational Impact	
Adults & Health				
CIS Payments 2021-22	Substantial	Substantial	Minor	Financial Management, Anti-Fraud & Corruption, Information Governance, Safeguarding
Payments to Providers of Home Care Follow Up	Acceptable	N/A	Minor	Financial Management, Contracts & Procurement / Commissioning, Anti-Fraud & Corruption
Deprivation of Liberties Safeguards 21-22 – Follow Up	Substantial	N/A	Minor	Legislative / Regulatory Compliance, Risk Management, Governance & Decision Making, Safeguarding
Review of counter fraud controls within the Direct Payments Audit Team 2021/22	Good	Good	Minor	Financial Management, Value for Money, Legislative / Regulatory Compliance, Anti-Fraud & Corruption
Directorate Risks – Communities, Environment & Housing				

Report Title	Audit Opinion			Assurance Themes
	Control Environment Assurance	Compliance Assurance	Organisational Impact	
Anti-Money Laundering arrangements for the Home Ownership Team	N/A Memo Issued			Anti-Fraud & Corruption, Financial Management, Legislative / Regulatory Compliance, Ethics & Culture, Human Resource Management
Asbestos Management	Substantial	Substantial	Minor	Legislative / Regulatory Compliance, Safeguarding, Risk Management, Performance Management, Asset Management
Schools				
Primary School Audit	Limited	Limited	N/A	Financial management, Anti-Fraud & Corruption, Risk Management, Governance & Decision-Making Information Governance
School Voluntary Fund audits x 2	N/A certification of account balances			Legislative / Regulatory Compliance, Financial Management, Governance & Decision Making
School Grant Claim x 2	N/A certification of grant claim			Legislative / Regulatory Compliance, Financial Management, Governance & Decision Making

5 Summary of Audit Activity and Key Issues

5.1 During the reporting period, there have been no limitations to the scope, and nothing has arisen to compromise our independence.

Limited or No Assurance Opinions

5.2 Of the audit reviews finalised during the period, no weaknesses have been identified that would result in “major” organisational impact. However, one audit received a limited control environment and compliance assurance opinion.

Primary School Audit

- 5.3 During the period a primary school audit was completed where limited assurance was provided for both the control environment and compliance opinion. This audit was requested by the Schools Finance Team due to the deficit position at the school. The audit highlighted gaps in the Governing Body's ability to provide effective challenge during budget setting and budget monitoring. All recommendations have been agreed with the Headteacher and the Chair of Governors, with some recommendations already being implemented to improve the financial governance arrangements.

Follow Up Reviews

- 5.4 Our protocols specify that we undertake a follow up review where we have previously reported "limited" or "no" assurance for the audited area.

Deprivation of Liberty Safeguards (DoLS) follow up

- 5.5 A follow up review has been undertaken of the Deprivation of Liberty Safeguards (DoLS). The key findings of the previous review were that the control environment is not configured in a way to meet the timescales required by the DoLS legislation and that there is limited performance monitoring in relation to DoLS.
- 5.6 Having completed our follow up we can now provide a Substantial Assurance opinion for the Control Environment. We have been able to determine that improvements have been made to the DoLS processes and necessary administrative stages. As the DoLS caseload has increased year on year, our follow up audit has confirmed that these improvements have contributed to the reduction in the number of days between DoLS phases and has contributed to the delivery of a more streamlined administrative service.

Payment to Providers of Home Care follow up

- 5.7 We undertook a review of Payments to Providers of Home Care that identified control weaknesses in relation to the brokering of home care for mental health service users as there was no framework contract in place to select providers from and no or minimal documentation to support the selection of a provider and the agreed rates for the provision of care.
- 5.8 We can now provide Acceptable Assurance for the control environment in relation to payments made for services provided to mental health service users. A framework contract has been procured for all providers of services to working age adults which is expected to be introduced imminently. However, during the period up to review, control weaknesses remain in the

availability of documentation to support the decision process to broker a care package to providers of mental health care detailing both the agreed hours to be provided and rate of pay for the service.

6 Other Audit Work

Audit Work Completed	Details	Contribution to assurance
Children and Families – Families First Grant Validation	Grant claim validation work carried out to support the Directorate.	We were able to confirm the validity of the claim. The work contributes to assurances in respect of financial management and governance.
Anti-Money Laundering (AML) arrangements for the Home Ownership Team	A review of the anti-money laundering arrangements in place for the Home Ownership Team.	We were able to provide assurance that there are appropriate and proportionate anti money laundering arrangements in place. The work contributes to assurances in respect of anti-fraud & corruption and legislative / regulatory compliance.
Annex G grant	Grant claim validation work carried out in respect of funding for teaching school programme activity for a primary school.	We were able to confirm the validity of the claim. Assurances were provided that confirmed all expenditure was spent in line with the grant funding agreement.
Core Business Transformation – Work Packages	Provision of support to various work streams within Financial Services that have been set up to ensure that working practices are fit for purpose and in preparation for the introduction of the new core system.	We have worked alongside financial services on the development of a range of budget monitoring dashboards. The work contributes across a range of assurances including financial management and control, risk management, governance and decision making and business innovation.
Core Business Transformation – Programme Assurance	Ongoing work to provide review, advice and challenge to the Programme Board including oversight and advice around the procurement process.	We have continued to provide assurance in respect of the procurement and risk management process including the provision of regular reports to the Programme Board. The work contributes across a range of assurances

Audit Work Completed	Details	Contribution to assurance
		including financial management and control, risk management, governance and decision making, programme management and contracts and procurement.
Contracts Procedure Rules Review	Contribution to the regular review of the council's Contracts Procedure Rules.	The work helps to ensure that the council's Contract Procedure Rules remain up to date and fit for purpose. This has continued to focus on the way in which CPRs can facilitate commercial activity and empower decision making at the appropriate level.
Financial Regulations Review	Contribution to the review of the council's Financial Regulations	The work helps to ensure that the council's Financial Regulations remain up to date and fit for purpose. This has included strengthening the message around outside interests, and bringing other references up to date.
Community Cloud Executive Steering Committee	Ongoing work to provide review, advice, and challenge to the Microsoft 365 transitional projects.	We provide review and challenge to the committee. The work contributes across a range of assurances including governance and decision making, value for money and information security.
General audit queries and advice issued	Over the course of the year, we have received and responded to a number of queries and requests for advice from departments and service areas. These have covered a range of themes and areas, with a significant number relating to financial controls and decisions in schools.	The work contributes to assurance in a range of areas, in particular governance and decision making and financial control. The dialogue with service areas demonstrates how respected and valued the Internal Audit service is. It also provides a level of procedural oversight and a source of intelligence to feed into the audit planning process.
Treasury Management – Data Analytics	We have undertaken the initial work to establish an on-going audit programme to provide timely assurance over the accuracy	Where information was available for the period under review, we can provide assurance that treasury transactions have been correctly

Audit Work Completed	Details	Contribution to assurance
	<p>and completeness of treasury transactions. This tranche of work has included transactions which have occurred since the last audit, March 2020, to January 2022.</p> <p>Once the audit programme is embedded, we will be providing regular reporting of outcomes to the service.</p>	<p>received or paid, including that interest amounts have been calculated correctly.</p> <p>We continue to work towards completion of a wider audit and will be undertaking sample testing where it is not possible to incorporate data analysis to provide assurance on the whole population of transactions.</p>
£150 Energy Bill Support Scheme	Attendance at Project Board set up to oversee the administration of the £150 energy bill support payment to eligible properties, including the discretionary grant component.	Our place on the Project Board enables us to provide advice around the controls in place and to ensure that these are designed to meet government guidance and mitigate the risk of fraud. This has also enabled us to review lessons learned in real time.
Income Recovery Board	Attendance at the Adults & Health Programme Board overseeing various ongoing developments looking at maximising client contributions.	We provide a check and challenge role to support the service and ensure that potential risks and control weaknesses are highlighted and considered in the service redesign.
Adults & Health Budget Review Group	Attendance at a group within Adults & Health that has been set up to monitor progress in the achievement of Budget Action Plans.	This provides us with valuable oversight of progress against Budget Action Plans within the directorate, including the agreement of actions taken where risks to delivery are identified.
Information Governance Policy Review Group	Attendance at a group set up to review existing information governance policies and protocols.	This enables us to provide support and advice around the policies under review, also offering valuable oversight around the risk management process.
Homes for Ukraine	Attendance across various groups to oversee the administration of payments to both sponsors and families under the Homes for Ukraine scheme.	This enables us to provide support and advice around the security and integrity of the payments process, ensuring that controls are

Audit Work Completed	Details	Contribution to assurance
		designed to meet the government guidance and mitigate the risk of fraud or error.
Pre-Payment Cards	Review of alternative arrangements to cash withdrawals on purchasing cards for providing emergency funding to social care clients. This was undertaken at the request of the Chief Officer, Financial Services.	We have made recommendations in relation to changing corporate processes. The work contributes to assurances in respect of financial management and governance.
Adults & Health Transformation Programme	Attendance at a groups within Adults & Health that have been set up to deliver a key area of transformation for the service.	We provide a check and challenge role to support the service and ensure that potential risks and control weaknesses are highlighted and considered in the service redesign.
Decision Making Assurances	A regular review of a sample of decisions made to ensure the correct categorisation and the adequacy of supporting information.	This enables to provide assurance that the decision making process is working effectively. Where issues have been identified, these are fed back to the Governance Support Teams where appropriate.

7 Other Audit Activities

Audit Activity	Description
Client Liaison Activities	Provision of professional advice to officers, including client liaison activities that promote the work of Internal Audit, and to reinforce the importance of robust controls and good governance.
Board, committee and working group attendance	Attendance at various boards, committees and working groups including Directorate and Service Leadership Teams.
Corporate Governance and Audit Committee support	Drafting reports and attending meetings of the Corporate Governance and Audit Committee. Responding to member queries.

Audit Activity	Description
Audit and Risk Updates	Regular meetings between the Head of Audit and the Intelligence and Policy Service to share information around a number of areas that contribute to the risk management process.

8 Work in Progress

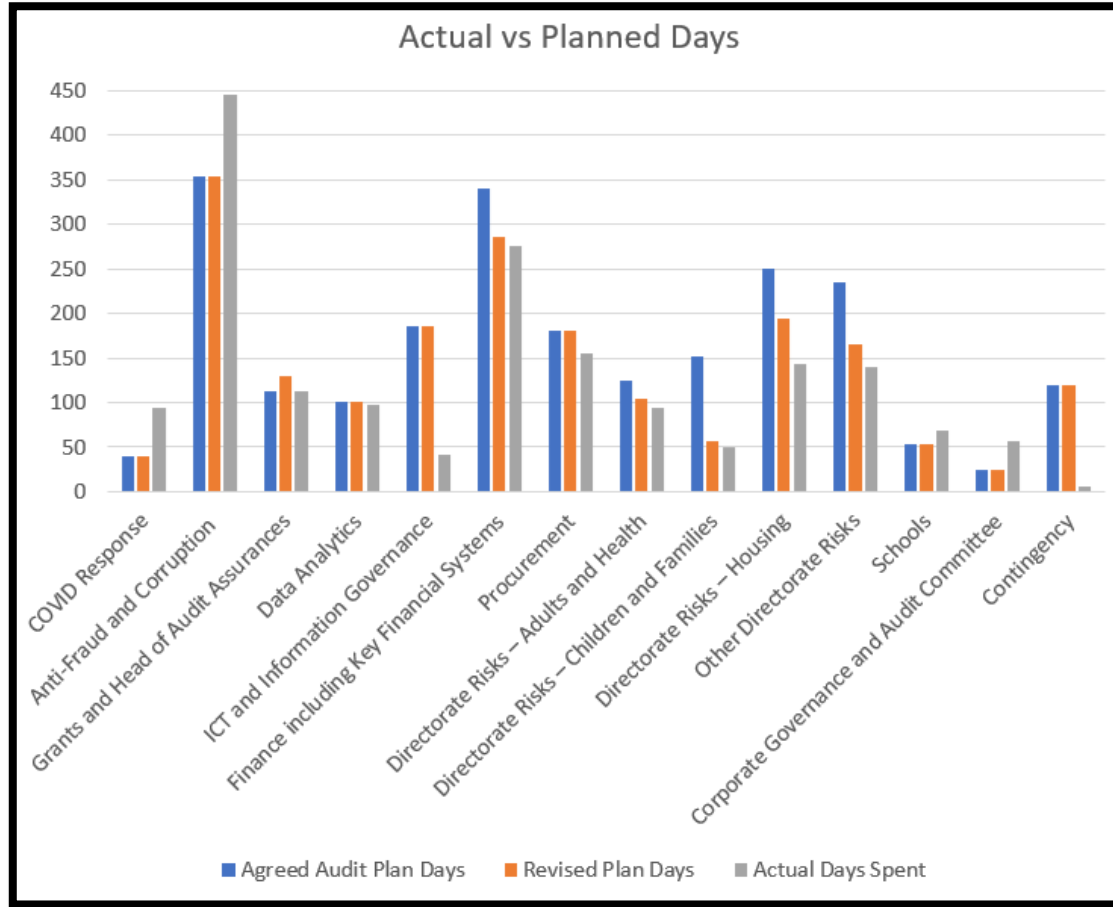
8.1 The following table provides a summary of audits in progress at the time of producing this report:

Assurance Block/ Audit Assignment	Fieldwork in Progress	Draft Report	Finalisation
Procurement – Temporary Staff Vetting Contract Review		✓	
Procurement – Management of Off-Contract Expenditure in Parks and Countryside		✓	
Procurement – Semi-Independent Living Contract Review	✓		
Housing – Rents	✓		
Other Directorate Risks – High Value Stock Management			✓
Other Directorate Risks – Employee Outside Interests			✓
Other Directorate Risks – Management of post-covid service backlogs	✓		
Other Directorate Risks – Application of HR Policies – Organisational Culture	✓		
Finance and Key Financial Systems – Capital Programme Central Controls	✓		
Finance and Key Financial Systems – FMS Creditor Purchase and Payment; Central and Directorate Processes		✓	

Assurance Block/ Audit Assignment	Fieldwork in Progress	Draft Report	Finalisation
Finance and Key Financial Systems – Treasury Management			✓
Covid-19 Business Grants	✓		
LTP Block Funding Grant Claim 2022/23	✓		
Contain Outbreak Management Fund Grant 2022/23	✓		

9 Internal Audit Productivity

- 9.1 We are currently on schedule to complete the work identified as a priority for inclusion in the 2021/22 Internal Audit Plan to enable us to deliver the Head of Audit Annual Opinion.
- 9.2 The following bar chart provides a comparison of agreed audit plan days against the days that have been used so far in the 2021/22 Internal Audit plan.



10 Internal Audit Performance

Feedback

- 10.1 We actively monitor our performance in a number of areas and encourage feedback. A customer satisfaction questionnaire (CSQ) is issued with every audit report. The questionnaires ask for the auditee's opinion on a range of issues and asks for an assessment ranging from 5 (for excellent) to 1 (for poor). The results are presented as an average of the scores received for each question.
- 10.2 The results of the questionnaires are reported to the Audit Leadership Team and used to determine areas for improvement and inform the continuing personal development training programme for Internal Audit staff.
- 10.3 We have continued to look at ways of maximising our CSQ feedback, and the Chair of the Committee has recently written to the Chief Executive and the Director of Resources, who have asked for the support of the council's leadership team in helping to ensure all service areas provide feedback where requested. This message has also been circulated through the Best Council Leadership Team. Standard wording has been agreed amongst the Internal Audit team to emphasise and consistently promote the requirement of responding to CSQ's to enable continuous improvement within the Internal Audit process.
- 10.4 We encourage honest feedback and welcome the opportunity to identify areas where we can improve our service. Whilst the scores received during this timeframe are particularly high, we are confident that these are completed independently and objectively and are an accurate reflection of the perception of our service during the period.
- 10.5 For the period from 1st March 2022 to 31st May 2022 we have issued a total of 13 Customer Satisfaction Questionnaires and received 9 completed returns at a response rate of 69% in the period. A summary of the scores is presented in the table below. We have also included a graph that shows the response rate by Directorate.

Question	Average Score (out of 5)	Max Value	Min Value
Sufficient notice was given	5.00	5.00	5.00
Level of consultation on scope	5.00	5.00	5.00

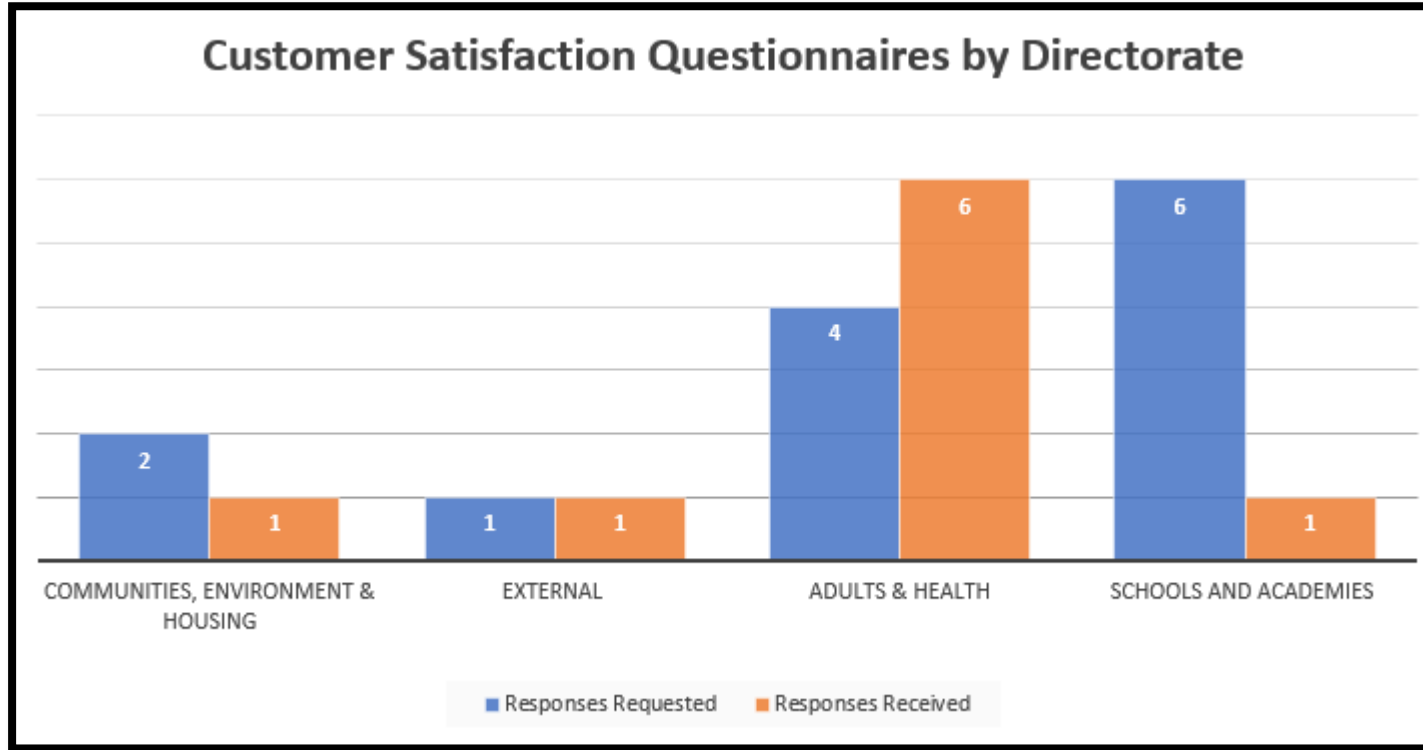
Question	Average Score (out of 5)	Max Value	Min Value
Auditor's understanding of systems	5.00	5.00	5.00
Audit was undertaken efficiently	5.00	5.00	5.00
Level of consultation during the audit	5.00	5.00	5.00
Audit carried out professionally and objectively	5.00	5.00	5.00
Accuracy of draft report	5.00	5.00	5.00
Opportunity to comment on audit findings	5.00	5.00	5.00
Clarity and conciseness of final report	5.00	5.00	5.00
Prompt issue of final report	4.89	5.00	4.00
Audit recommendations will improve control	5.00	5.00	5.00
The audit was constructive and added value	5.00	5.00	5.00
Overall Average Score	4.99		

“Audits are essential to ensure the correct policies and practices are in place and adhered to”

“Leeds have a really robust system for audit which is transparent, and objectives are clear”

“Alice asked important questions and seemed to grasp what can be complex processes and multiple systems really quickly which really helped us in being able to respond and evidence without having to provide lots of context as she already had a grip of the topic”

“The manner in which the auditor communicated, and feedback was excellent”



11 Quality Assurance

- 11.1 The PSIAS require a Quality Assurance Improvement Programme (QAIP) to be in place that brings together our commitment to continually review and improve the way in which we deliver our internal audit service and embed our quality system into working practices. Over the last year there has been a considerable impetus across the team to identify areas for improvement that can be considered for inclusion in the QAIP. As a result, we now have a number of actions that are in the process of being addressed. The Action Plan is provided below.

Action	Timescale and Status
Assurance mapping will continue to be developed to support the annual audit planning process.	Ongoing – this work is being taken forward through our participation in a CIPFA assurance framework working group ahead of being rolled out across the teams.
Internal development of counter-fraud training for use on the Performance and Learning (PAL) system.	Complete – the counter fraud training has been developed and has now been published on the council's Performance and Learning System.
A communications plan will be developed to roll out the counter-fraud training on a risk basis and further promote the council's whistleblowing processes.	Substantially complete – the communications plan has been developed and communication will be going out to council staff on the counter-fraud training within the coming weeks.
Internal Audit Counter-Fraud Insite Page – To update the counter-fraud information available internally through the intranet.	Complete – this has been refreshed in conjunction with the development of the Counter-Fraud Strategy and updates to the Whistleblowing Policy and the external Reporting Fraud, Bribery and Corruption web page.
Internal Audit Performance Monitoring – internal performance measures, including KPIs, have been reviewed to support and drive completion of the annual audit plan.	Ongoing – Further work is being undertaken with the aim of producing additional performance monitoring information for the committee.
Internal Audit Reporting Protocols – to update and streamline directorate reporting protocols to drive timely completion of audit reports.	Ongoing – Revised protocols have been drafted and are currently at consultation stage ahead of being rolled out for the start of 2022/23.

Action	Timescale and Status
<p>Internal Audit Reporting – to review and refresh the way in which our audit work is reported, with a view to identifying and implementing the most efficient and effective means and reflecting the needs of Members.</p> <p>Currently the Internal Audit team report on compliance with the PSIAS through the Annual Report and large Opinion. The external assessment recommended that compliance is referenced on a more regular basis, for example within each audit report.</p>	<p>Complete – The new Internal Audit Report template has now been completed. This new template will be used as standard for all future audits.</p>
<p>Internal Audit Technical Manual – to review and update the technical manual as a means of promoting auditing best practice across the team.</p>	<p>Substantially Complete – The technical manual has now been reviewed and the points raised will be discussed at our Quality Operational Review Group.</p>
<p>SharePoint Online Working Platform and Internal Audit Workflows – to review our usage of SharePoint Online in conjunction with the transition to the cloud, and to determine the most effective means of storing and accessing electronic information. This works alongside an effort to promote streamlined and standardised workflows in accordance with the section's Quality Procedures.</p>	<p>Complete – The Internal Audit Hub has been created on SharePoint Online and all relevant data migrated across. A process flowchart has also been developed in accordance with the Quality Procedures, and this has been shared with the team and published on the Internal Audit Hub.</p>
<p>Internal Training Programme – to identify and address relevant training areas across the team.</p>	<p>Ongoing – The team has been consulted on areas in which additional training is required. To date this has resulted in:</p> <ul style="list-style-type: none"> • SharePoint Online Training – now completed. • Power BI Training – is currently being developed. • Trainee Skills Matrix – introduced to support the development of trainees.

Action	Timescale and Status
The external assessment highlighted that the Head of Audit should have regular scheduled meetings with the Chief Executive.	Complete – Formal meetings are scheduled with the Chief Executive every quarter. This will provide an opportunity to brief the Chief Executive on key audit activity and obtain information on any emerging areas of risk or concern.
Whilst the Internal Audit Plan is kept under review and changes made as required throughout the year, the external assessment highlighted a need to formally document changes to the plan and ensure that these are reported to the Corporate Governance and Audit Committee.	Complete – changes to the Internal Audit Plan are now being reported within the quarterly update reports provided to the Corporate Governance and Audit Committee.
Recommendation Tracking (New Action) – to develop a process for reviewing and reporting on the implementation of audit recommendations.	Complete – The process for recommendation tracking has now been completed and access has been provided to all Chief Officer's and Service Leads.

Performance

- 11.2 We continue to manage our available resources to direct these towards the highest areas of risk to ensure that an evidence-based Head of Internal Audit opinion can be provided on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control in accordance with the PSIAS.
- 11.3 As we continue to develop and refine our key performance indicators over the year, we will look to incorporate further performance information to demonstrate the effective use of our resources.

12 Head of Internal Audit Opinion

- 12.1 The Head of Internal Audit must deliver an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- 12.2 Based on the audit work undertaken in the period, an overall adequate assurance opinion is considered to be appropriate. A summary of our quarterly opinions for the year to date is as follows:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Assurance Opinion	Adequate	Adequate	Adequate	Adequate

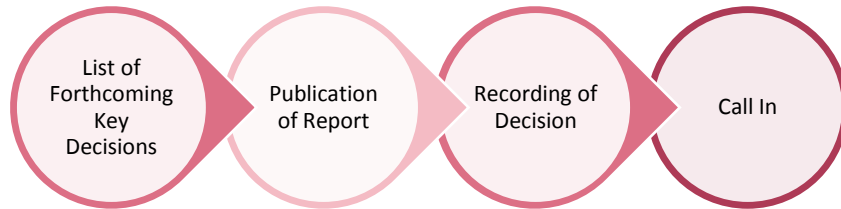
- 12.3 Consideration of our overall opinion takes the following into account:
- results from the substantive audit assignments we have completed during the period;
 - outcomes from our audit work not producing an assurance opinion;
 - an assessment as to the timely implementation of internal audit report management actions.

13 Counter Fraud and Investigations

- 13.1 The Corporate Governance and Audit Committee receives a separate report summarising the general activities and work plan of the Internal Audit Counter Fraud Team, including both proactive work and fraud and irregularity investigations undertaken.

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Appendix B - Monitoring of Urgent Decisions



The information below updates Corporate Governance and Audit Committee on the ongoing monitoring of the decision making framework and will support the assurances set out in the annual assurance report on the decision making framework.

The List of Forthcoming Key Decisions (LOFKD)

1. This is the mechanism by which publicity is provided in connection with key decisions in accordance with the requirements set out in the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. (“The Executive Arrangements Regulations”)
2. In line with requirements the Executive and Decision Making Procedure Rules provide that all potential key decisions must be published to the LOFKD (and a link circulated to all Members) not less than 28 days before the decision is taken unless:
 - The decision fits the statutory General Exception (GE) – in which case notice will be published 5 clear days in advance of the decision being taken (and circulated to all Members); or
 - The decision fits the statutory criteria for Special Urgency (SU) – in which case the relevant Scrutiny Chair will be asked to agree that the decision is urgent and cannot be delayed.
3. Reflecting the statutory exemptions, a performance indicator of 95% of all key decisions should be published to the LOFKD not less than 28 clear calendar days before the decision is taken.

In the period from March to May 2022, 51 of 57 or 89% of all key decisions were included in the LOFKD.

47 of 53 (89%) key decisions taken by officers in the reporting period were included in the LOFKD.

4 of 4 (100%) key decisions taken by Executive Board were included in the LOFKD.

2 decisions not included in the LOFKD were treated as General Exception and 4 decisions were treated as Special Urgency.

4. Each key decision not included in the LOFKD for the required 28 day period, was taken under the appropriate conditions for either the general exception or special urgency. The reasons for treating these decisions as general exception or special urgency are set out in the table below.

Publication of Report

5. Publication of a decision report enables both elected Members and the public to see and consider the rationale for a key decision before that decision is taken.
6. There is no statutory requirement to publish reports in relation to officer decisions in advance of those decisions being taken. However, the Executive and Decision Making Procedure Rules provide for a local (non-statutory) requirement that a report in support of a key decision is published five clear working days before that decision is taken by an officer.
7. The rules allow for the late publication of reports in relation to key decisions with the approval of the relevant Executive Member.
8. Corporate Governance and Audit Committee must receive an annual report giving details of any officer key decisions taken at short notice in this way.

In the period from March to May 22, 53 of 53 key decisions taken by officers (100%) were supported by reports which were published five clear working days in advance of the decision being taken.

Recording of Decision

9. Recording of decisions ensures that those decisions are open and transparent and that the relevant decision maker can be held to account.
10. Regulation 13 of the Executive Arrangements Regulations, and (in relation to non-executive functions) Regulation 7 of the Openness of Local Government Bodies Regulations 2014 require a written record to be published in respect of decisions taken by officers. Arrangements set out in the Executive and Decision Making Procedure Rules, and Access to Information Procedure Rules respectively, require publication of key and significant operational decisions as soon as reasonably practicable after those decisions are taken.

In the period from March to May 2022, 297 decisions were published with the following distribution:

	Executive Board	Officers	Total
Key	4	53	57
SOD	10	230	240
Total	14	283	297

Call In

11. Section 9F of the Local Government Act 2000 requires that executive arrangements by a local authority include the provision for appointment of one or more Overview and Scrutiny Committees with, inter alia, power to review or scrutinise decisions which have been taken by the executive but not yet implemented. These are known as Call In arrangements and are set locally.
12. Part 5 of the Executive and Decision Making Procedure Rules sets out the call in arrangements adopted by Leeds City Council. Rule 5.1.2 sets out details of those decisions which are eligible for call in, and rule 5.1.3 provides that eligible decisions may be exempted from call in where the decision is urgent because any delay would seriously prejudice the Council's or the public's interests.
13. A performance indicator has been set with a target of 95% of all eligible decisions to be available for Call In.

In the period from March to May 2022, 94% of all eligible decisions were available for Call In.

Officer Decisions: - All of the 53 key decisions taken in the reporting period were eligible for call in; of which 4 (8%) were exempted from Call In. A total of 49 (92%) eligible decisions taken by officers were available for Call In.

Executive Board Decisions: 14 of 14 decisions taken in the reporting period were eligible for call in; of which 0 (0%) were exempted from Call In. A total of 14 (100%) eligible decisions were available for Call In.

14. Each eligible decision not available for call in was subject to a decision to exempt it taken by the relevant decision maker. Reasons for exemption are set out in the tables below.

Use of Call In

15. No decisions were subject to Call In proceedings during the period.

Decisions Not Treated as Key

16. Regulation 18 of the Executive Arrangements Regulations requires that a relevant Scrutiny committee may require the executive to report to Council if a key decision has not been treated as key.

During the reporting period 0 decisions have been referred to a Scrutiny Board as wrongly treated.

Decisions Taken Under Urgency Provisions

17. Decisions taken under urgency provisions (general exception or special urgency; short notice reporting; and exemption from call in) are both lawful and constitutional providing they meet the requirements in relation to approvals and notice set out in the relevant Executive and Decision Making Procedure Rule. Having reviewed each of the decisions taken under urgency provisions during the reporting period the Chief Officer Financial Services is satisfied that all decisions have been taken in accordance with the relevant requirements.

18. The tables below set out details of each of those key decisions taken at short notice, or which have been exempted from Call In, together with a summary of the reason for urgency in each case.

Meaningfully Monitor : Officer Key decisions taken under urgency procedures					
Month	DDN	Director	GE / SU	Call In	Title of decision Reason for urgency
March 2022	D55091	Director of Resources	GE	Exempt	Request for approval to award a Call-off order via the council's Software Framework for a new IT Service Management Tool Any delay would create a contractual gap which would seriously impact the systems in place for the supporting the maintenance of the Council's IT infrastructure, creating a significant impact to IDS service ability to provide support for staff requesting new software and hardware, and in logging and managing the approval of all change.
March 2022	D55091	Director of City Development	SU	Exempt	Arts Council England Museum Estate and Development Fund (MEND) Award - Leeds Industrial Museum Arts Council England advised of funding availability on 17 th March and timetable required decision to accept funding before 25/03/2022.
March 2022	D55133	Director of Communities, Housing and Environment	SU		Waking Watch Replacement Grant To delay the decision may mean loss of the funding.
April 2022	D55137	Chief Officer (Financial Services)	SU	Exempt	Prepayment of Employers Pension Contributions 2022/23 Calculation of the potential savings received from the West Yorkshire Pension Fund on 30th March 2022. In order to take advantage of the potential saving to the Authority, a decision is required in order to confirm our intention to progress and to make required payment on 1st April 2022.
April 2022	D55154	Director of Adults and Health	SU	Exempt	Funding for the Social Care Workforce Decision is urgent, so that it enables the release of funding to social care providers as soon as possible to allow them to administrate the winter bonus payment.
April 2022	D55203	Director of Children and Families	GE		One Adoption West Yorkshire to enter into an agreement with and accept grant funding of £19.5m from the Department for Education (DfE) The decision to make the funding available was not made formally by DfE until April and the decision will need to be implemented rapidly if it is to be spent in time.
Meaningfully Monitor - Executive Board decisions taken under urgency procedures					
Month	Minute	Director	GE / SU	Call In	Title of decision Reason for urgency
N/A	N/A	N/A	N/A	N/A	N/A

Counter Fraud update report

Date: 24th June 2022

Report of: Chief Officer Financial Services

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

This report includes information on the counter fraud activities undertaken by the Internal Audit service between the period October 2021 and March 2022.

Recommendations

Members are requested to consider and note the assurances set out in this report.

Why is the proposal being put forward?

- 1 This is a bi-annual update report providing assurance as to the control environment in respect of counter fraud and corruption activity.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 2 The assurance set out in this report will inform the annual audit opinion given by the Head of Internal Audit, and provide evidence of the ongoing review of the Council's arrangements for internal control supporting the Council's Annual Governance Statement.

What consultation and engagement has taken place?

- 3 The suite of work undertaken within counter fraud forms part of the consultation which takes place in developing the risk based Internal Audit plan.

What are the resource implications?

- 4 The work undertaken to satisfy the counter fraud and corruption requirements of the internal audit plan do so from within existing resources.

- 5 The two update reports to be received by committee each year provides assurance that effective arrangements are in place to combat the risk of fraud and corruption within the council.

What are the legal implications?

- 6 The Local Government Act 1972 (s. 151) requires local authorities to make arrangements for the proper administration of their financial affairs.

What are the key risks and how are they being managed?

- 7 Please see the report at Appendix 1 for further details.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Zero carbon

- 8 Arrangements in respect of counter fraud and corruption support the ongoing delivery of the council's key objectives.

Options, timescales and measuring success

What other options were considered?

- 9 Details of the consideration and development of the Council's arrangements are included in the attached appendix.

How will success be measured?

- 10 A successful counter fraud and corruption environment will protect the Council's resources, underpin the successful delivery of the Council's strategic objectives, and contribute to the value for money conclusion of the Council's external auditor when reviewing the statutory statement of accounts.

What is the timetable for implementation?

- 11 Work is ongoing as set out in the appendix attached.

Appendices

- 12 Appendix 1 Counter Fraud update report.

Background papers

- 13 None.

Background

1. Local authorities have responsibilities for the effective stewardship of public money and for safeguarding against losses due to fraud and corruption. The CIPFA 2018 Guidance on Audit Committees sets out the role of the audit committee regarding 'countering fraud and corruption'. In summary, the committee should understand the level of fraud risk to which the authority is exposed, and the implications for the wider control environment. This can be undertaken by having oversight of counter fraud plans, resources and their effectiveness. Effective counter fraud arrangements also link to the ethical standards for members and officers that the public expects.
2. This report is the third individual report designed to help meet this duty. Previously the counter fraud update was included in the Internal Audit update report. This report is designed to give assurances to committee members surrounding the counter fraud activities undertaken during the period October 2021 –March 2022 as part of the counter fraud and corruption assurance block within the Internal Audit Plan. This includes both the reactive and proactive approaches to the Council's zero tolerance to fraud and corruption.
3. Within the audit plan time is set aside to undertake investigations, or reactive work, to look into identified instances of fraud or theft, and to investigate concerns raised by staff or members of the public. In order to help to ensure controls are in place to prevent fraud from occurring, we also undertake targeted proactive reviews. These are developed from our understanding of the control environment, in addition to our awareness of new and emerging fraud risks.
4. The Public Sector Internal Audit Standards (PSIAS) set out that the primary responsibility for the prevention and detection of fraud lies with management. Auditors should have sufficient knowledge to recognise the indicators of possible fraud. This is addressed by having experienced auditors with a variety of qualifications, continuing professional development and attendance at targeted counter fraud training. We can never be complacent, as fraud risks continually evolve. We therefore regularly enhance and develop our counter fraud capability by reviewing the tools and techniques that we use to detect and prevent fraud from occurring in the first place.

Reactive Anti-Fraud Work

5. Internal Audit are the corporate owners of the Councils' counter fraud policies. Following discussion at the November Corporate Governance and Audit Committee, the Whistleblowing Policy was updated so that members of the public can now raise their concerns through this route, consequently the Raising Concerns Policy was discontinued. The channels where concerns can be raised include the provision of a dedicated inbox, telephone line, post, and a 'do it online' form for members of staff. The table below illustrates the referrals received by directorate by the type of the concern raised between October 2021 and March 2022.

Referral type	Directorate					Total
	Adults & Health	Children & Families	City Development	Communities, Housing & Environment	Resources	
Payroll fraud					2	2
Economic and voluntary sector support fraud (Covid and other grants)	1			2	1	4
Staff conduct				2	2	4
Health and Safety				1		1
Corruption/maladministration				1	1	2
Theft		1				1
Mandate fraud	1			1		2
Non compliance with policies and procedures		1		1	2	4
Cheque fraud		1				1
Safeguarding		1				1
Value for money					1	1
Total	2	4	0	8	9	23

Open Investigations

6. As at the 1st April 2022, 21 referrals were being investigated. Investigations are undertaken by either Internal Audit, Human Resources, staff within directorates or a combination of these. In all cases Internal Audit undertake a risk assessment upon receipt of the referral and determine the most appropriate investigative route.

Closed Investigations

7. A total of 13 referrals were closed during the period. The outcomes are shown in the table below by directorate. Where appropriate, the investigation report included recommendations for improvement.

Referral type	Adults & Health	Children & Families	City Development	Communities, Housing & Environment	Resources	Total
Economic and voluntary sector support fraud (Covid and other grants)					1 not proven 1 proven ongoing recovery £40k	2
Staff conduct		1 not proven			1 proven No disciplinary action required ¹	2
Corruption/maladministration					1 not proven	1
Theft		1 not proven				1
Mandate fraud	1 referred to external body			1 proven £23k being recovered.		2
Non compliance with policies and procedures		1 not proven		1 not proven	1 not proven	3
Safeguarding		1 not proven				1
Value for money				1 (part proven)		1
Total	1	4	0	3	5	13

¹ Allegations not relevant to role undertaken within the council

8. The table below compares the number of referrals received by financial year. The referrals received during 2020-21 were higher than those in previous years, most notably due to concerns being raised regarding covid business grants. There are no trends in terms of specific fraud risks to draw members attention to.

2019-20	2020-2021	2021-2022
46	74	45

Proactive Anti-Fraud Work

9. To help ensure that there is an effective counter fraud culture in place within the council, we have included time in the counter fraud block of the Internal Audit Plan to undertake proactive fraud reviews. These reviews consider areas identified through various methods, including the use of best practice publications and our internal risk assessments.

National Fraud Initiative (NFI)

10. The NFI is an exercise conducted by the Cabinet Office every two years that matches electronic data within and between public and private sector bodies to prevent and detect fraud and error. Relevant teams within the Council (for example, Internal Audit, Benefits, Housing and Tenancy Fraud) have been working through the matches on a risk basis.
11. Internal audit has overall responsibility for monitoring the progress of this exercise and ensuring that the NFI system is updated. 17,205 matches have been received and 14,848 have been closed. Nineteen errors have been identified resulting in the recovery of £35,465²

² The errors relate to Housing Benefit and Council Tax Reduction Scheme overpayments

Covid 19 Business Grants and Council Tax Rebate scheme

12. We have continued to undertake post payment assurance on the Covid business grants. This work is being undertaken in accordance with government requirements. Various data streams are being used to inform our post payment testing. This includes information from a number of different sources comprising NFI bank account and company status validation checks, data provided through the Government's 'Spotlight' system, and data on grant payments identified as higher risk through our analysis. We are investigating those businesses deemed to be higher risk and we are liaising with colleagues, partners and relevant external bodies where the legitimacy of grant payments is unclear. A separate paper has been produced on this work for members.

13. We have attended the project board for the Council Tax Rebate scheme to provide advice on counter fraud controls. This has included liaison with the Cabinet Office on the use of Spotlight for bank verification checks and attending government webinars on the use of this tool.

Direct Payment review

14. Direct payment fraud is a recognised fraud risk, with CIPFA estimating that £4.9m was lost nationally to direct payment fraud in 2019/20. The council has a Direct Payment Audit Team within the Adults and Health Directorate, who are responsible for the audit of both adults and children's direct payments. The fraud prevention and detection controls falling under the remit of the Direct Payments Audit team were reviewed and found to be robust and operating well in practice. Recommendations were made to further strengthen the control environment, including working with other authorities to share data (where permitted by legislation) due to the cessation of the National Fraud Initiative mandatory data match.

Awareness Raising

15. Included in our counter fraud arrangements are the regular communications to staff of current fraud risks, and the signposting of where to report any concerns. During November we raised awareness of fraud risks to staff via Insite. This promotion was timed to coincide with International Fraud Awareness Week and reminded staff of our counter fraud policies and how to raise concerns.

16. The 'Tackling Fraud and Corruption' toolkit on Insite has been refreshed to coincide with the launch of the Counter Fraud and Corruption Strategy and Fraud Response Plan, and the revised Whistleblowing Policy. This includes a foreword from Cllr Kamila Maqsood in the role of Counter Fraud Champion as we explore how we engage and increase awareness around the counter fraud arrangements. The 'Reporting Fraud, Bribery and Corruption' page on the public facing website was also updated.

17. We have developed a counter fraud training package for inclusion on the Performance and Learning System. This aims to provide staff with an understanding of the importance of tackling fraud, bribery and corruption and includes information on the key fraud risks to the authority, indicators of fraud, our counter fraud policies, and how to raise any concerns. The training includes key fraud facts/figures, and scenarios that are relevant to staff and their roles within the council. Prior to this being launched, key staff within the council were able to complete this within a test environment and provide feedback which was fed into the training. The training is now available for all staff to complete, and this was communicated through the Best Council Leadership Team and the Manager Communications email issued to appraising managers on a weekly basis.

Counter fraud policy framework

18. As part of our refresh programme of the suite of counter fraud policies, we have undertaken a review of the Anti Money Laundering Policy against legislation, in conjunction with the Money Laundering Awareness Officer in Legal Services. Alongside the policy review we have examined controls within higher risk areas to assess their adequacy. This work is continuing and an update will be provided in the next counter fraud report together with the updated policy.

Regulation of Investigatory Powers Act 2000

19. In the most recent inspection report issued by the Office of Surveillance Commissioners, it was recommended that Members should receive regular reports about the use of the Council's surveillance powers under RIPA.

20. The Head of Service (Legal) has confirmed that there have been no applications for directed surveillance or covert human intelligence source (CHIS) authorisations since the previous update was provided (which covered the period to September 2021). In addition, there has been no use of the powers to obtain communications data over the same period.

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Decision Making Statement of Internal Control

Date: 24th June 2022

Report of: Chief Officer Financial Services

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This is the annual report to the Committee concerning the Council's decision making arrangements and provides assurances that the Council's arrangements are up to date, fit for purpose, effectively communicated and routinely complied with.
- This report forms part of the Council's review of the effectiveness of its arrangements for Internal Control and will be taken into account in preparing the Annual Governance Statement which the Committee will be asked to approve.
- The arrangements set out provide a framework for transparent and accountable decision making in accordance with the Council's Corporate Governance Code and Framework.

Recommendations

- a) Members are requested to:
- i. consider and note the positive assurances set out in the Decision Making Statement of Internal Control attached as Appendix A to this report;

Why is the proposal being put forward?

- 1 This is the annual report to the Committee concerning the Council's decision making arrangements.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 2 The report provides one of the sources of assurance as to the effectiveness of the Council's arrangements for internal control which the Committee is able to take into account when considering the approval of the Annual Governance Statement.

- 3 The report constitutes the Leader's statutory notification of special urgency decision making to Council, as the committee's terms of reference include the Council's corporate governance arrangements (including matters such as internal control and risk management).

What consultation and engagement has taken place?

- 4 The recent survey of internal control has enabled the council's managers to reflect on their experience of the controls relating to decision making, to identify strengths and weaknesses, and to recommend solutions and draw attention to potential opportunities to improve arrangements. Details are set out in the review and refine section of the appendix to this report.

What are the resource implications?

- 5 The systems and processes in place to meet the requirements of the decision making framework do so from within existing resources.
- 6 The Statement of Internal Control confirms that arrangements ensure proportionate use of resource to secure open and accountable decision making.

What are the legal implications?

- 7 The Council's decision making framework meets the statutory requirements in relation to decision making and monitoring of relevant performance indicators ensures compliance.
- 8 The Statement of Internal Control confirms that arrangements have been correctly applied and meet the statutory and constitutional framework.

What are the key risks and how are they being managed?

- 9 The positive assurances set out in the Statement of Internal Control show that the Council's decision making framework is fit for purpose, embedded and routinely complied with so there are no risks identified by this report in need of action over and above the described control framework.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Zero Carbon

- 10 Arrangements for the publication of decisions ensure that the Council is open and transparent in its consideration of the councils three Key Pillars.

Options, timescales and measuring success

What other options were considered?

- 11 The Statement of Internal Control is a valuable source of assurance for the Committee and enables democratic oversight of arrangements. No other option was therefore considered.

How will success be measured?

- 12 Relevant performance indicators are set out in the Statement of Internal Control.

What is the timetable for implementation?

- 13 The decision making framework is already in place and will remain so.

Appendices

14 A – Decision Making Statement of Internal Control

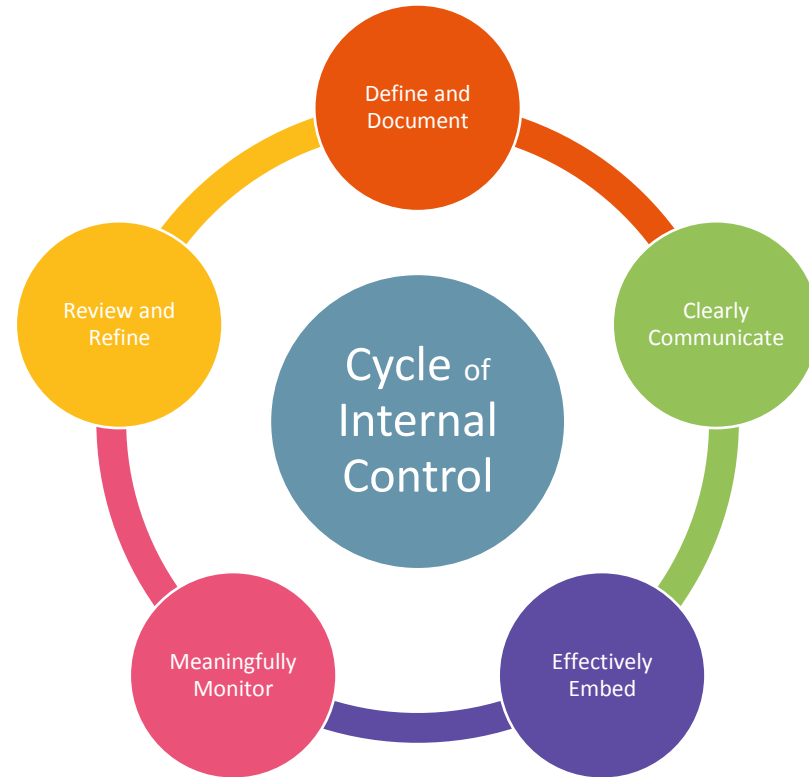
Background papers

15 None

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Introduction

1. This statement of internal control provides assurance in respect of the Council's decision making framework; that it is up to date, fit for purpose, embedded and routinely applied.
2. The decision making framework is comprised of the documents, systems and processes which guide and control the way in which decisions are taken by Members and officers in relation to both council and executive functions.
3. In accordance with the principles and commitments set out in the Local Code of corporate Governance and the Council's values, the framework seeks to promote open, accountable decision making in addition to ensuring compliance with relevant statutory provision in respect of transparency.
4. The statement sets out the standing arrangements for the internal control of decision making and provides evidence of compliance over the reporting period from April 2021 to March 2022.
5. The statement includes opportunities that have been identified to improve these arrangements.



Define and Document

7. The Council’s decision making framework is clearly defined and documented within the Constitution. The Constitution is published each municipal year and therefore available to Elected Members, and officers together with the press and public, in the ‘[library](#)’ on the Council’s website.
8. **Systems and Processes** through which the Council ensures that decision making is lawful and compliant, open and transparent, furthers the Council’s strategic objectives, and takes account of available resources are set out in the Articles of the Constitution and further detailed in Rules of Procedure, and Codes and Protocols which guide and frame the culture in which decisions are taken.

<u>Decision Making Framework: Documents which together establish the Council's decision making framework, providing for open and transparent decision making by Members and officers</u>	<u>Details of amendments made during reporting period if any.</u>
<ul style="list-style-type: none"> • Article 4 The Full Council - defines the Council's budget and policy framework • Article 13 Decision Making - defines each category of decision and sets out the principles of decision making • Executive and Decision making Procedure Rules - provide for open, transparent and accountable decision making in relation to Executive functions • Access to Information Procedure Rules - provide for open, transparent and accountable decision making in relation to Council functions. • Budget and Policy Framework Procedure Rules - provide for open and inclusive development of budget and policy framework, setting parameters for executive decision making. 	
<u>Rules of Procedure: Documents which set out rules of procedure for democratic decision making bodies, and those with oversight of decision making</u>	
<ul style="list-style-type: none"> • Council Procedure Rules • Executive and Decision Making Procedure Rules • Scrutiny Board Procedure Rules • Community Committee Procedure Rules • Access to Information Procedure Rules • Licensing Procedure Rules • Protocol for Public Speaking at Plans Panels 	<p>Community Committee Procedure Rules amended May 2021 to reflect changes in directorate alignments</p>

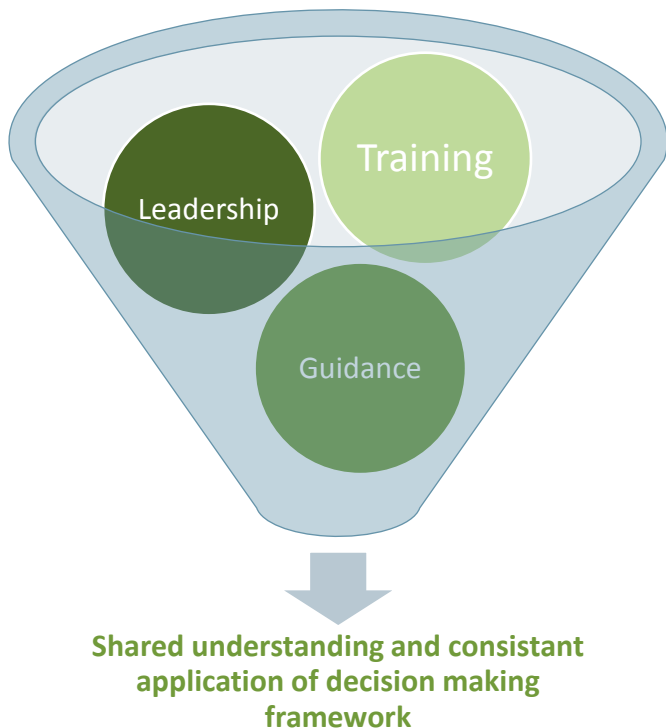
<p>Ethical Framework for Decision Making: Codes and Protocols which together establish the ethical framework within which decisions are taken</p>	
<ul style="list-style-type: none"> • Members’ Code of Conduct • Officers’ Code of Conduct • Roles of members and officers in decision making • Planning Code of Good Practice • Code of Practice for the Determination of Licensing matters 	<ul style="list-style-type: none"> • Members’ Code of Conduct updated to reflect Local Government Association Model Councillor Code of Conduct March 2021 with minor amendments for clarification May 2021. Further amendments made May 2022 reflecting amendments to model code. • A review of the Protocol on the Role of Members And Officers In Decision Making is underway.

9. **Roles and Responsibilities** are delineated with clear terms of reference for Council and Executive Committees, and comprehensive arrangements for delegation of functions to officers as set out below. Full Council determine responsibility in respect of Council functions; the Leader of Council determines their Executive Arrangements and presents these to full Council. Again, all arrangements are published in the ‘[library](#)’ on the Council’s website.

<p><u>Democratic Oversight: Arrangements for Member's oversight of decision making</u></p>	<p><u>Arrangements approved</u></p>
<ul style="list-style-type: none"> • Executive Portfolios - 8 executive portfolios described and aligned to officer delegations at Part 3, Section 3B(a and b) supported by Deputy and Support Executive Members. • Community Committee Champions - to provide local lead and facilitate local democratic accountability - defined at Part 3, Section 3D(b) • Scrutiny Board alignment - 5 overview and scrutiny committees aligned to officer delegations in Part 2, Article 6, Annex 2 	<ul style="list-style-type: none"> • Leader’s Executive arrangements amended April, May and November 2021. Executive arrangements for 2022/23 Municipal Year approved on 24th May 2022 and reported to the Annual Council Meeting on 26th May.

<p><u>Democratic Decision Making: Arrangements for decision making by elected members in committee</u></p>	
<ul style="list-style-type: none"> • Functions reserved to full Council - defined in Functions of the Full Council at Part 3, Section 2A • Council Committee membership and terms of reference - set out at Part 3, Section 2B • Executive Committee terms of reference - set out at Part 3, Section 3C • Community Committee Executive Delegations - set out at part 3, Section 3Da 	<p>Council Committees appointed at Annual Council Meeting May 2021, and again May 2022</p>
<p><u>External Delegations and Joint Working Arrangements: Arrangements with other authorities for the discharge of functions</u></p>	
<ul style="list-style-type: none"> • Delegations to and from other authorities in respect of Council functions - set out at Part 3, Section 2D • Joint Arrangements in respect of Council and Executive functions - set out at Part 3, Section 4 	
<p><u>Officer Delegations: Arrangements for the discharge of functions by officers</u></p>	
<ul style="list-style-type: none"> • Delegations from Council to Directors include general delegations shared by all Directors and functions delegated specifically to each Director - set out at Part 3 Section 2C • Delegations to Directors from the Leader of Council in respect of the discharge of executive functions include general delegations shared by all Directors and functions specifically delegated to each Director - set out at Part 3, Section 3E Each delegation is made for all relevant matters within the Director’s remit, subject to a saving that should the relevant Executive Member require it, or the Director consider it appropriate, the matter shall be referred to Executive Board for determination. 	<p>Council Delegations to officers approved at Annual Council Meeting May 2021, and again May 2022</p> <p>Leader’s Executive arrangements amended April, and May 2021. Executive arrangements for 2022/23 Municipal Year approved on 24th May 2022 and reported to the Annual Council Meeting on 26th May.</p>
<p><u>Sub-delegations: Arrangements for the delegation of functions from Directors to officers of suitable experience and seniority</u></p>	
<ul style="list-style-type: none"> • Each Director is responsible for making maintaining their own scheme of delegation which is published on the Council's website. Authority set out in sub-delegations is bounded by such terms and conditions as are necessary and appropriate in the view of the Director who remains accountable for each function. 	

Clearly Communicate



10. In addition to publication of the Council’s constitution the decision making framework is communicated to Members and officers through a combination of training, guidance and leadership. Together these ensure the communication of both the rules and processes required in formal decision making to ensure that decisions are lawful and compliant with both statutory and local processes; and establish the culture of open and transparent decision making, which is outcome focussed and based on quality and timely information.

Training

I somewhat enjoyed (in a strange way) the Council Structures and Decision Making course this morning and it has given me a better insight in how and why things are done the way they are. It has also given me a greater appreciation for the actual work the Councillors do for the constituents they represent and what they can bring to the schemes I work on and City of Leeds.

Officers:

11. Remote training sessions have been made available for officers to attend through MS Teams. Any officer can book a session via the performance and learning system, and sessions have been attended by over 320 members of staff. Feedback has been positive.
12. Separate video training sessions are being developed which split the decision making framework into bitesize sections for officers to learn or refresh their knowledge on individual areas. Proposed modules will include categorisation of decisions; controls on decision making; and practicalities of decision making.
13. In addition to the generalised training offer 121 briefing sessions are offered to all officers appointed to posts at Chief Officer level and above. These are tailored to the individual to reflect their public sector and local authority experience.

Members:

14. The induction material for newly elected Members of Council includes a short (at a glance) guide to the role of elected Members in decision making. This introduces Members to the ways in which they are able to exercise democratic oversight of decision making in addition to any direct contribution they may make as an appointed member of a relevant committee. This written material was supported with the offer of further advice or assistance should those Members require.
15. A further, more detailed, guide to decision making has been developed and is available for all Members.
16. It is intended that a remote briefing session will be offered to all Members in the autumn to supplement this written material and provide guidance on the roles of Members and officers in relation to delegated decision making.

Guidance

17. The Decision Making Toolkit, available to officers on Insite, is regularly updated with advice and guidance which can be accessed at officers' convenience, including guidance in relation to:
 - How to take a decision
 - How to record a delegated decision
 - Decision making in climate emergency
 - Guidance for writing reports for committee and officer decisions
18. In addition, a matrix of officers provide advice and guidance to those engaged in operational decision making to ensure that our decision making arrangements are fully embedded and result in decisions which comply with statutory requirements and are both transparent and robust.
19. Governance Support Managers act as gate-keepers for governance arrangements in directorates and are able to:
 - provide advice and guidance in relation to practice and procedure for officer decision making both corporately and within directorates;
 - arrange for the publication of relevant notices and documents in line with statutory and Constitutional requirements;
 - maintain the directorate record of administrative officer decisions;
 - liaise with staff in Democratic Services in relation to Committee agendas, reports and minutes;
 - provide check and challenge in relation to the use of corporate templates and sufficiency of information.
20. Colleagues with expertise from legal, human resources, finance and procurement and commercial services provide a further network of support and are able to:
 - give advice and guidance; and
 - provide timely check and challenge in relation to matters within their remit.
21. It is recognised that the value to be added to the governance of decision making through the provision of advice is dependent on report authors engaging with the relevant professionals in a timely manner. In order to best benefit from the expertise available, work continues

to ensure a culture in which advice is sought early, with decision makers engaging during the development of ideas to ensure opportunities are not missed (e.g. in relation to consultation; equalities, climate emergency) as well as being incorporated into the routine sign off of reports for Committee or officer decision making.

Leadership

22. Arrangements for Executive Board allow for the detailed consideration of reports to ensure that they support and enable open, transparent and robust decisions to be taken in accordance with the principles of decision making set out in Article 13 of the Constitution, including due regard to the need for consultation; appropriate consideration of the impact of proposals on equalities; and implications for performance and risk.
23. Similarly, officers with delegated authority are able to review decisions prior to approval to ensure appropriate controls are met. Arrangements for officer decision making are established by each Director accountable for decision making. Some directorates use decision making panels to support the officers with delegated authority, sharing ownership of decisions in this way, in others the officer with authority takes the decisions alone. In all cases the officer taking the decision can seek further information if not satisfied that the report provides sufficient detail.

Effectively Embed

Establish Expectation

Facilitate Compliance

Observe Outcomes

Establish Expectation: Establish arrangements that are proportionate, practicable and compliant

25. Regular reviews take place to ensure that the arrangements for recording and publication for officer decisions are proportionate, practicable and compliant with relevant legislation and constitutional provision. These ensure that the council is agile and responsive in its decision making whilst also remaining open and transparent.
26. Arrangements are set out in clear, accessible guidance, and published to the Decision Making Toolkit.
27. Communications have focussed both on the need to meet both statutory and local controls and to engage in open and transparent decision making in order to develop a culture of compliance.

Facilitate Compliance: Ensure appropriate tools and sufficient resource to enable compliance

28. The decision making framework requires that all key and significant operational decisions are published on the Council's website as soon as reasonably practicable after the decision is taken.
29. In order to assist officers preparing information and to ensure consistency of information available to decision makers, the following templates are maintained on the Decision Making Toolkit, together with clear guides to assist completion:
 - a. requests to add a Key Decision to the List of Forthcoming Key Decisions;
 - b. reports (to support decisions taken by committees or officers), and
 - c. delegated decision notices (for the recording of key and significant operational decisions taken by officers)
30. The Corporate Report Template supports clear articulation of the information necessary to take relevant decisions; provides focus on the strategic objectives of the council (inclusive growth, health and wellbeing and the climate emergency), and to avoid unnecessary duplication. The new template was introduced in April 2021, allowing officers opportunity to draft reports in preparation for decisions to be taken by officers to be recorded on the new template from the commencement of the municipal year. The template was available for committee use from May 2021 made compulsory from September 2021.
31. The Delegated Decision Notice (DDN) template was amended in February 2022, to ensure that decision notices record consultation and engagement with the Integrated Digital Service in relation to decisions impacting the Council's use of digital technology; and with the estate management team in relation to all matters relating to the Council's land and buildings.

32. When completed and approved relevant documents are published to the Council's website through Governance Support for each directorate, enabling Governance Support Managers to provide advice, check and challenge in relation to compliance with decision making controls.

Observe Outcomes: Provide ongoing assurance that practice and procedure reflect expectation

33. All published key decisions taken by officers are monitored to ensure that they comply with the requirements of the decision making framework. Where anomalies are identified these are escalated through directorate Governance Support Managers who are able to respond quickly to ensure compliance with relevant procedures or to correct administrative errors where these arise.

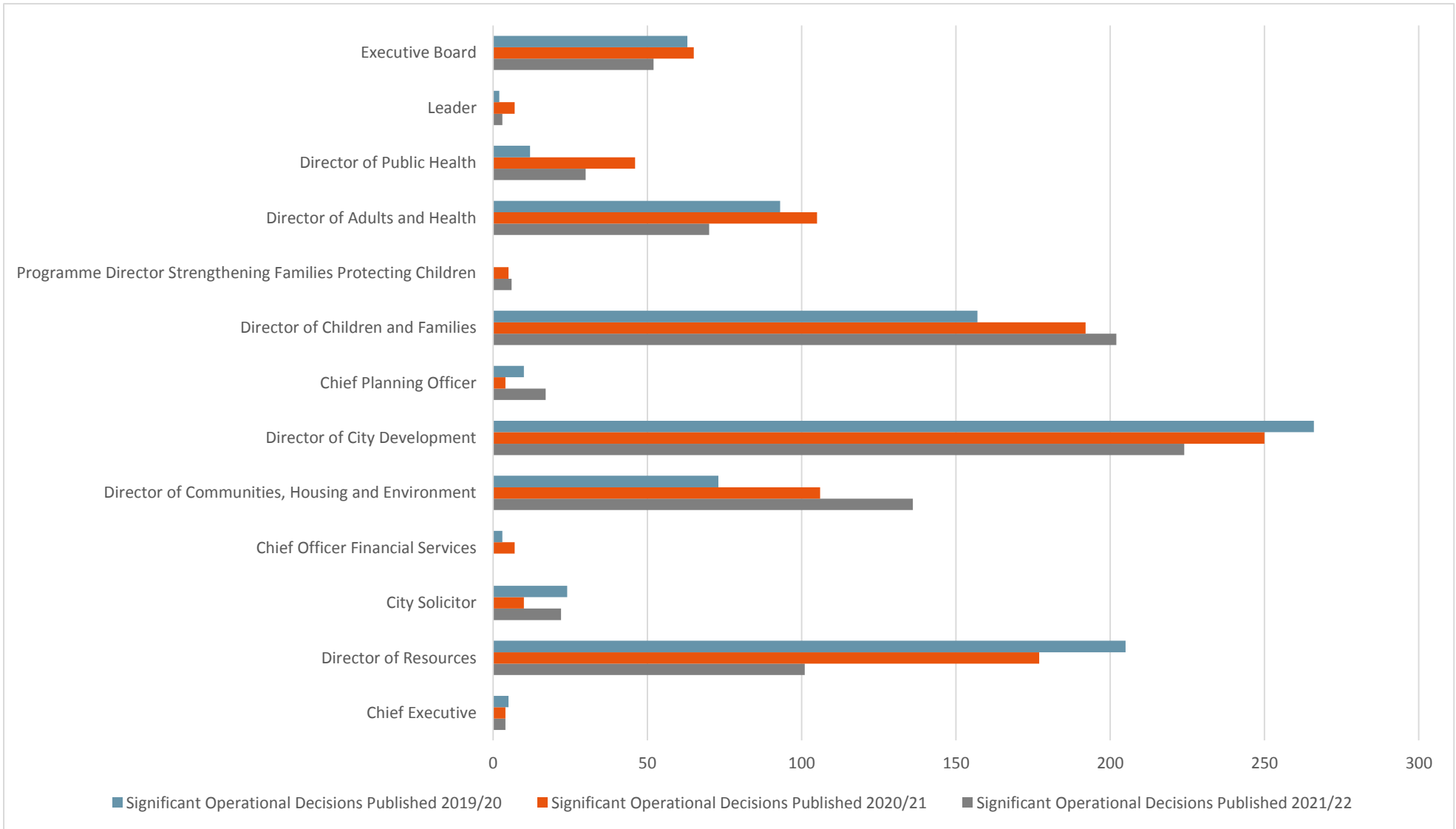
34. In addition, a weekly review of decisions published is compiled and shared with colleagues in financial services, procurement and governance support, allowing a comparison of decisions taken against financial recording and procurement activity to ensure that arrangements are consistently embedded within Directorates.

35. Decision Monitoring enables the tracking of decisions published in each directorate to identify any emerging trends in the number or scale of decisions taken when compared year on year.

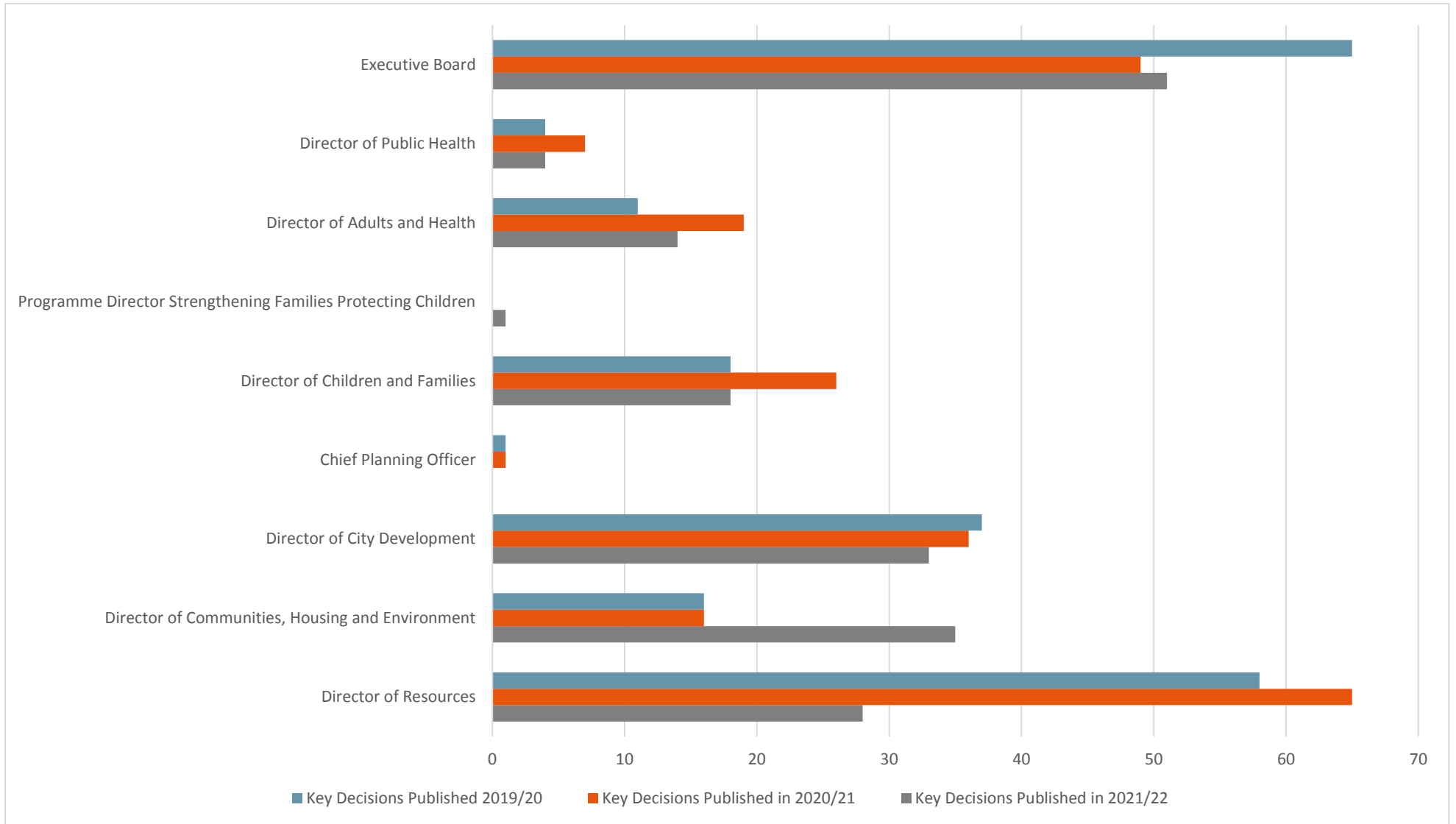
36. It can be seen from the data set out below that while there has been some variation in the quantity of decisions taken the distribution has remained in line with previous years. Members will note in particular that there has been:

- a. An increase in the number decisions taken by the Directors of Communities, Housing and Environments and a decrease in the number of decisions taken by the Director of Resources. This is due to the realignment of the housing functions from the Resources directorate to the Communities & Environment directorate.
- b. A decrease in the number of decisions taken by the Director of Public Health, Director of Adults and Health and Director of Resources. This is due to a reduction in the number of decisions necessary in response to the Covid-19 pandemic.

Effectively Embed: Comparison of Distribution of Significant Operational Decisions Published 19/20, 20/21 v 21/22



Effectively Embed: Comparison of Key Decisions Published 19/20, 20/21 & 21/22

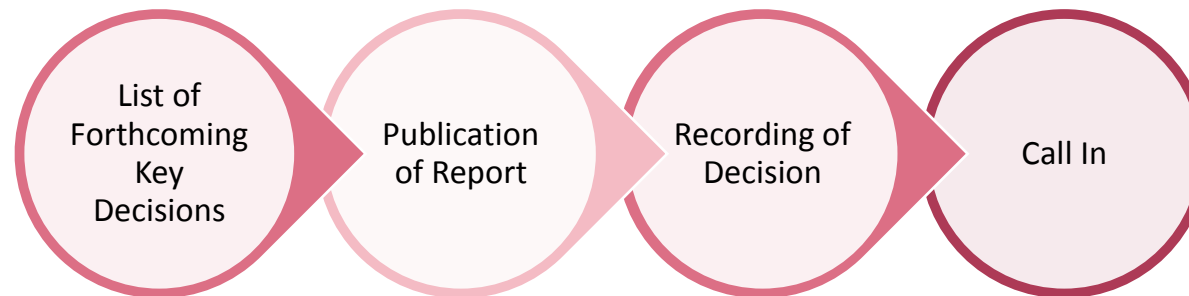


Effectively Embed –**Table of Comparative Data for Key and Significant Operational Decisions Published Over Three Reporting Periods**

	Significant Operational Decisions published			Key Decisions published			Total Decisions published		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Chief Executive	5	4	4	0	0	0	5	4	4
Director of Resources and Housing	205	177	101	58	65	28	263	242	129
City Solicitor	24	10	22	0	0	0	24	10	22
Chief Officer Financial Services	3	7	0	0	0	0	3	7	0
Director of Communities and Environment	73	106	136	16	16	35	89	122	171
Director of City Development	266	250	224	37	36	33	303	286	257
Chief Planning Officer	10	4	17	1	1	0	11	5	17
Director of Children and Families	157	192	202	18	26	18	175	218	220
Programme Director Strengthening Families Protecting Children	0	5	6	0	0	1	0	5	7
Director of Adults and Health	93	105	70	11	19	14	104	124	84
Director of Public Health	12	46	30	4	7	4	16	53	34
Leader of Council	2	7	3	0	0	0	2	7	3
Executive Board	63	65	52	65	49	51	128	114	103
Total	913	978	867	210	219	184	1123	1197	1051

Meaningfully Monitor

37. There are a series of established controls in place to support open and transparent decision making in relation to both executive functions. These blend statutory requirements with local arrangements to ensure accountability and democratic oversight.



The List of Forthcoming Key Decisions (LOFKD)

38. This is the mechanism by which publicity is provided in connection with key decisions in accordance with the requirements set out in the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. (“The Executive Arrangements Regulations”)
39. In line with requirements the Executive and Decision Making Procedure Rules provide that all potential key decisions must be published to the LOFKD (and a link circulated to all Members) not less than 28 days before the decision is taken unless:
- The decision fits the statutory General Exception (GE) – in which case notice will be published 5 clear days in advance of the decision being taken (and circulated to all Members); or
 - The decision fits the statutory criteria for Special Urgency (SU) – in which case the relevant Scrutiny Chair will be asked to agree that the decision is urgent and cannot be delayed.

41. Reflecting the statutory exemptions, a performance indicator of 95% of all key decisions should be published to the LOFKD not less than 28 clear calendar days before the decision is taken.

During the reporting period 172 of 184 or 93% of all key decisions were included in the LOFKD.

124 of 133 (93%) key decisions taken by officers in the reporting period were included in the LOFKD.

48 of 51 (94%) key decisions taken by Executive Board were included in the LOFKD.

Of the 12 decisions not included in the LOFKD, 6 were treated as a General Exception and 6 as Special Urgency.

42. The target for Key decisions included in the List of Forthcoming Key Decisions was increased from 89% to 95% by Corporate Governance and Audit Committee in June 2020, having considered performance over the preceding four reporting periods, which had not fallen below 95%. Members noted at the time that the Covid-19 pandemic response would increase the number of urgent decisions taken. As anticipated, there was an increased requirement for use of the General Exception and Special Urgency provisions, with the performance indicator showing that only 83% key decisions taken during the 2020/21 reporting period were included on the LOFKD. However, it is noted that there has been considerable improvement in the performance indicator for the current year, and it is considered that the 95% target remains appropriate and achievable and it is not therefore proposed that this should be amended further at this time.

43. Each key decision not included in the LOFKD for the required 28 day period, was taken under the appropriate conditions for either the general exception or special urgency. Reasons for treating each of these decisions as general exception or special urgency have been detailed in quarterly update reports provided to Corporate Governance and Audit Committee.

Publication of Report

44. Publication of a decision report enables both elected Members and the public to see and consider the rationale for a key decision before that decision is taken.

45. There is no statutory requirement to publish reports in relation to officer decisions in advance of those decisions being taken. However, the committee will recall that the Executive and Decision Making Procedure Rules provide for a local (non-statutory) requirement that a report in support of a key decision is published five clear working days before that decision is taken by an officer. In 2018 the rules were amended to allow for the late publication of reports in relation to key decisions with the approval of the relevant Executive Member.

46. Rule 3.1.4 of the Executive and Decision Making Procedure Rules requires an annual report to this Committee giving details of any key decisions taken in accordance with this provision which provides for the late publication of the report supporting an officer decision.

Of 133 key decisions taken by officers in the reporting period 132 (99%) were supported by reports which were published five clear working days in advance of the decision being taken. The relevant Executive member provided consent to the late publication of one report.

Recording of Decision

47. Recording of decisions ensures that those decisions are open and transparent and that the relevant decision maker can be held to account.
48. Regulation 13 of the Executive Arrangements Regulations, and (in relation to non-executive functions) Regulation 7 of the Openness of Local Government Bodies Regulations 2014 require a written record to be published in respect of decisions taken by officers. Arrangements set out in the Executive and Decision Making Procedure Rules, and Access to Information Procedure Rules respectively, require publication of key and significant operational decisions as soon as reasonably practicable after those decisions are taken.

184 key and 867 significant operational decisions were published during the reporting period.

Call In

49. Section 9F of the Local Government Act 2000 requires that executive arrangements by a local authority include the provision for appointment of one or more Overview and Scrutiny Committees with, inter alia, power to review or scrutinise decisions which have been taken by the executive but not yet implemented. These are known as Call In arrangements and are set locally.
50. Part 5 of the Executive and Decision Making Procedure Rules sets out the call in arrangements adopted by Leeds City Council. Rule 5.1.2 sets out details of those decisions which are eligible for call in¹. Rule 5.1.3 provides that eligible decisions may be exempted from call in where the decision is urgent because any delay would seriously prejudice the Council's or the public's interests.
51. A performance indicator has been set with a target of 95% of all eligible decisions to be available for Call In.

During the reporting period 92% of all eligible decisions were available for Call In.

133 of 133 key decisions taken by officers in the reporting period were eligible for call in; of which 11 (8%) were exempted from Call In. A total of 122 (92%) of eligible decisions taken by officers were available for Call In.

95 of 103 decisions (51 key and 52 significant operational decisions) taken by Executive Board in the reporting period were eligible for call in; of which 7 (7%) were exempted from Call In. A total of 88 (93%) of eligible decisions were available for Call In.

52. Again, it was anticipated that given the need to respond quickly to the Covid-19 pandemic, there would be a need to exempt a greater than usual proportion of decisions from Call In. Again, monitoring undertaken during the current year indicates that use of the exemption is returning to pre-pandemic levels.
53. Each eligible decision not available for call in was subject to a decision to exempt it taken by the relevant decision maker. Reasons for exemption have been detailed in quarterly decision making update reports included with the Internal Audit Update reports.

¹ In brief, and subject to limited exceptions – key decisions taken by officers; all decisions taken by Executive Board; and executive decisions taken by the Health and Wellbeing Board.

Decisions Taken Under Urgency Provisions

54. Decisions taken under urgency provisions (general exception or special urgency; short notice reporting; and exemption from call in) are both lawful and constitutional providing they meet the requirements in relation to approvals and notice set out in the relevant Executive and Decision Making Procedure Rule. Having reviewed each of the decisions taken under urgency provisions during the reporting period the Chief Officer Financial Services is satisfied that all decisions have been taken in accordance with the relevant requirements.
55. Regulation 19 of the Executive Arrangements Regulations require that the executive Leader reports to the local authority details of those decisions agreed as urgent in accordance with Regulation 11 (Special Urgency)². This requirement has been satisfied by the provision of regular updates in relation to urgent decision making included within Internal Audit update reports. In summary, of the 6 decisions treated as Special Urgency:
- 2 related to grant payments where a delay in the response could have led to a loss in funding.
 - 3 related to other types of funding, where a delay in response could lead to a reduction in funds or delays in receiving the funding, resulting in delays providing services.
 - 1 related to a Government requirement that all 5 West Yorkshire Councils to agree to the proposal by the deadline.

Use of Call In

56. One decision was subject to Call In proceedings during the reporting period. as detailed in the table below.

Decision	Subject	Scrutiny Board	Call In Meeting	Outcome
Minute 25, Executive Board June 2021	Adults & Health service review 6 -care delivery: care homes, post consultation recommendations report.	Adults, Health & Active Lifestyles	9 th July 2021	Released for implementation

Decisions Not Treated as Key

57. Regulation 18 of the Executive Arrangements Regulations requires that a relevant Scrutiny committee may require the executive to report to Council if a key decision has not been treated as key.

During the reporting period 0 decisions have been referred to a Scrutiny Board as wrongly treated.

² As the Committee charged with reviewing the adequacy of the Council’s Corporate Governance arrangements (including matters such as internal control and risk management), Corporate Governance and Audit Committee receives this information within the reporting of arrangements for the control of decision making.

Comparative Data

58. The following table sets out comparative data for the last three reporting periods in relation to each of the relevant controls in relation to executive decision making.

Reporting Period	Target	2019/20	2020/21	2021/22
Number of key decisions on LOFKD		208	181	172
Percentage key decisions on LOFKD	95%	98%	83%	93%
Number of key decisions taken under general exception		1	13	6
Number of key decisions taken under special urgency		2	25	6
Percentage reports for officer decisions published in time		98% ³	99%	99%
Number of executive decisions eligible for call in		268	282	228
Number of executive decisions available for call in		257	235	210
Percentage eligible executive decisions available for call in	95%	96%	83%	92%
Number of executive decisions called in		0	4	1
Decisions released for implementation following call in		NA	4	1
Recommendations made following call in		NA	0	0

³ Figure not including reports published late due to administrative error.

Decision making by Committees**Publication of Agendas**

60. Section 100B of the Local Government Act 1972 in respect of meetings of the Council and its committees, and Regulation 7 of the Executive Arrangements Regulations in respect of meetings of Executive board and its committees, require that reports are published alongside the agenda for five clear days before relevant business is considered by a meeting of the committee.
61. A performance indicator has been set with a target of 99% of agendas to be issued and published within the five day statutory deadline set out above. This target reflects the council's minimal use of the short notice provisions referred to above.

161 of 162 (99%) agendas were published five clear working days in advance of the meeting.

Publication of Minutes

62. Schedule 12 Local Government Act 1972 requires that minutes of the proceedings of a meeting of a local authority must be prepared and signed at the same or next suitable meeting of the authority by the person presiding at the meeting. Section 100C of the Act requires that minutes are available for inspection for a period of six years following the meeting, although there is no statutory provision as to the time period for the publication of Committee minutes. Regulation 12 of the Executive Arrangements Regulations requires that notice of executive decisions made at meetings of decision making bodies is published as soon as reasonably practicable after the meeting takes place.
63. In order to make decisions of Leeds City Council and its executive accessible and transparent a local target has been established of 90% of draft minutes to be published on the Council's internet site within ten working days.

188 of 196 (96%) minutes were published within ten clear working days of the meeting.

64. In addition, the Executive and Decision Making Procedure Rules require that minutes for all meetings of Executive Board are published within two working days of the meeting. This permits prompt availability of Executive Board decisions for call-in and minimises the delay to implementation necessary to allow for the call-in process.

10 of 10 (100%) Executive Board minutes were published within two working days of the meeting.

Review and Refine

Adequacy and Resilience of Internal Controls

66. The documents, systems and processes which together form the Council's decision making framework have been under continuous review during the course of this reporting period.
67. A new sample testing regime has been established to examine the adequacy of reporting in relation to key and significant operational officer decisions. The testing strategy developed supports consideration of:
- categorisation of decisions - to ensure that they are subject to appropriate controls
 - authority – to ensure that decisions are taken by authorised officers under relevant delegations from accountable directors
 - transparency – to ensure that any restriction of access to information is appropriately recorded
 - supporting information – to ensure that report templates are correctly completed and information provided to support the decision taken (including aims and objectives, impact, alternative options, consultation and engagement, legal and resource implications, risks, and how the decision supports the Council's strategic pillars.)
68. Monthly review meetings are held to discuss the decisions sampled, if these meetings reveal any concerns with the quality of decision making those concerns will be escalated appropriately through directorate leadership teams.

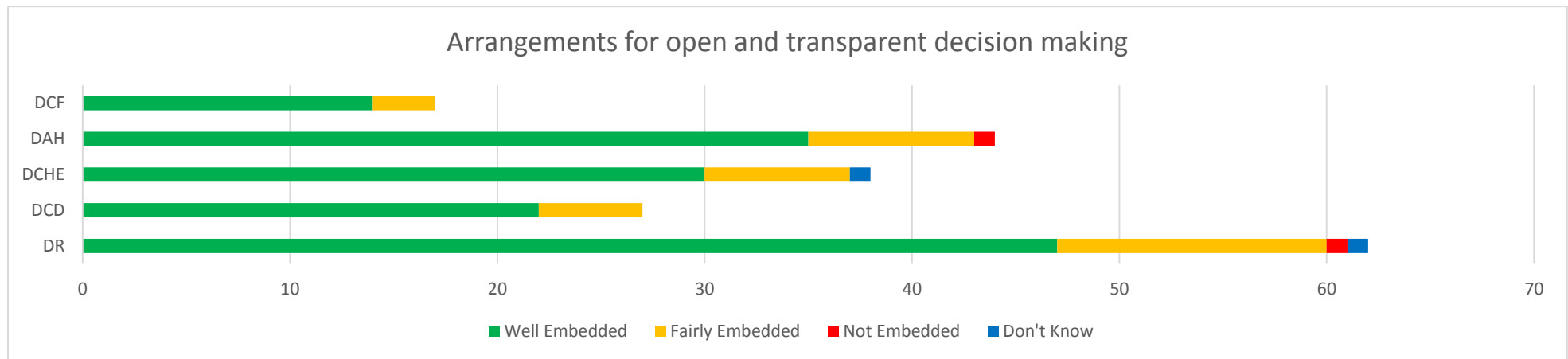
Benchmarking

69. Having undertaken a benchmarking exercise in the Spring of 2021⁴, which indicated that arrangements in Leeds are broadly in line with comparable authorities no further benchmarking has been undertaken during the current reporting period.
70. Given that the majority of decisions taken under urgency procedures related to the receipt of income from grants and other sources, we will undertake benchmarking in the coming year to assess whether our arrangements are sufficiently agile and responsive in this regard.

⁴ Reported in the decision making statement of internal control for 2020/21

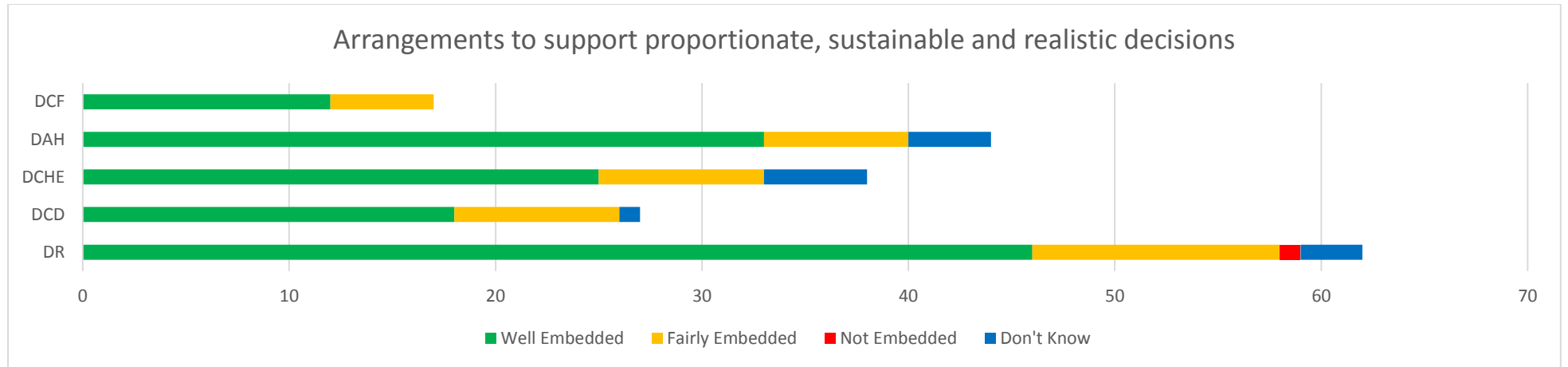
Survey of Internal Control

- 71. The Survey of Internal Control⁵ has again been conducted to provide first line assurance in relation to all key systems of internal control by seeking an assessment from operational managers as to how the arrangements underpinning the Local Code of Corporate Governance Code are embedded on the ground.
- 72. The survey received 188 responses spread across all five directorates and asked whether, in the view of respondents, controls are embedded and applied in their service. Respondents were invited to identify any weaknesses in the governance arrangements, and how those could be improved.
- 73. Responses are set out in the graphs below for the questions relating to the decision making framework as they relate to relevant principles of the Local Code of Corporate Governance.
- 74. In relation to Principle 2, Ensuring Openness and Engagement, the survey asked about arrangements for the open and transparent decision making including arrangements for the consideration of exempt and confidential information); publication of key decisions to the List of Forthcoming Key Decisions; publication of Reports in advance of key decisions; recording of key and significant operational decisions, and availability of decisions for call in.

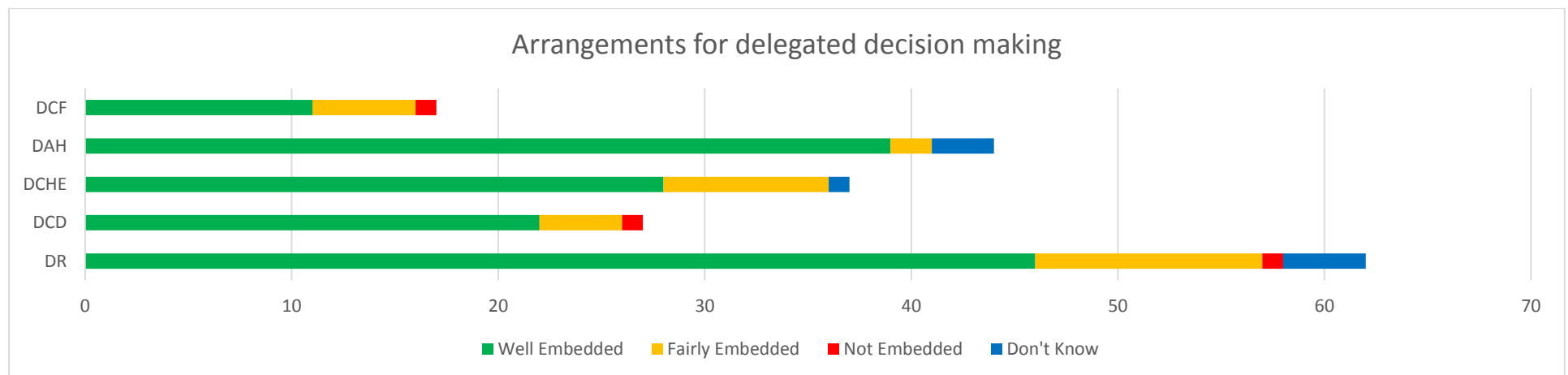


⁵ A smart survey conducted amongst senior officers to support the review of internal control underpinning the Council's Annual Governance Statement

75. In relation to Principle 4, Determining effective interventions, the survey asked about arrangements to support proportionate, sustainable and realistic decisions including the principles of decision making (set out in Article 13 of the Constitution); and report writing templates and guidance.



76. In relation to Principle 6, Developing Capacity, the survey asked about arrangements for delegated decision making including: The Protocol on Member Officer Relations and Protocol for the Role of Members and Officers in Decision Making; Officer delegation scheme and the Director’s Sub-delegation Scheme; internal governance arrangements within the directorate (boards, panels & other forum that control and influence service delivery although not formal decision making bodies); arrangements for briefing / consulting relevant elected Members (ward Members, portfolio holders etc.) as necessary and appropriate and; and arrangements for the referral of appropriate matters to Executive Board



77. Overall results (set out below) show that arrangements are substantially embedded with less than 10% of respondents indicating that arrangements are not embedded or that they do not know in each case.:

<u>Controls</u>	Well Embedded	Fairly Embedded	Not Embedded	Don't know
<u>Arrangements for open and transparent decision making</u>	148	36	2	2
	<u>79%</u>	<u>19%</u>	<u>1%</u>	<u>1%</u>
<u>Arrangements to support proportionate, sustainable and realistic decisions</u>	134	40	1	13
	<u>71%</u>	<u>21%</u>	<u>1%</u>	<u>7%</u>
<u>Arrangements for delegated decision making</u>	146	30	3	8
	<u>78%</u>	<u>16%</u>	<u>2%</u>	<u>4%</u>

Learning from the survey

78. The comments made by survey respondents fall into two broad categories:

Complexity of arrangements

confusing and overly bureaucratic

79. The review of decision making thresholds which took place in 2019 sought to simplify arrangements by reducing the number of thresholds, whilst continuing to meet the demands of relevant legislation, and the requirements of Members in order to ensure effective operation of the democratic mandate.

80. Internal Audit and Corporate Governance officers are seeking to ensure that those involved in significant transformation programmes are able to seek advice and guidance during the course of delivery to ensure that the programme complies with the regulatory framework in an efficient and effective way.

81. Similarly, partnership working takes place between colleagues with governance and procurement expertise and those working in services to identify compliant solutions to perceived and identified issues with the control environment to ensure that decisions are compliant with the framework of statutory and local requirements, and yet efficient and effective, in order that services are delivered to the citizens and communities of Leeds in line with the council's strategic ambition.

the speed of transformation is increasing, and officers need to ensure that governance and control does not diminish as a result

Advice and Guidance

We are well supported by Directorate Support, Governance and Legal in these matters, so when advice is needed, it is received

82. It is recognised that there is an ongoing need to provide training and support, especially given significant recent staffing changes with many people having new responsibilities with associated learning needs. The information set out above in the Clearly Communicate section of this statement shows how this is delivered.

83. Ongoing consideration is given to the availability of advice, guidance and training to ensure that all officers are supported appropriately to their roles and responsibilities. It is pleasing therefore to note that the advice and support available from a range of disciplines is recognised.

84. Those same disciplines seek to work with services across the council to understand the

requirements of the service in order that decision making can be undertaken in a timely, efficient and effective way, whilst maintaining compliance with the regulatory environment, and providing transparency and accountability through the arrangements as implemented.

the governance requires a large resource commitment which seems disproportionate and cumbersome

Statement of Assurance

85. Having undertaken the review of the system of internal control for Decision Making outlined in this statement the Chief Officer Financial Services is satisfied that the arrangements are up to date and fit for purpose, that they are communicated and embedded and that they are routinely complied with.
86. The Chief Officer Financial Services has identified the following opportunities for enhancement of the system of internal control for decision making and will implement these over the course of the 2021/22 municipal year.

Opportunities for improvement

Define and Document	We will complete the review of the Protocol on the roles of Members and officers in decision making.
Clearly Communicate	We will review the training provided in the light of feedback and seek to embed within the council’s development offer for leaders and managers. We will continue to develop bite-size online learning content to support officers in their decision making activity.
Effectively Embed	We will continue to work in partnership with officers in the procurement and commercial service, internal audit, and in services to ensure that decisions are taken in a way which is compliant yet agile and responsive to the demands of the service.
Meaningfully Monitor	We will embed arrangements for the sample testing of key and significant operational decisions taken by officers.
Review and Refine	We will review arrangements for decisions in relation to the receipt of income.

Governance arrangements for implementation of the Leeds Best City Ambition

Date: 24 June 2022

Report of: Chief Officer Strategy and Improvement

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- A report has been requested by the Corporate Governance and Audit Committee to set out the proposed governance arrangements for implementation of the Best City Ambition.
- The Best City Ambition was adopted by Full Council in February 2022 and replaces the Best Council Plan in Article 4 of the council's constitution – the budget and policy framework. It sets out the outcomes we want to see for the city, recognising these cannot be achieved by the council alone and that everyone has a part to play – the council, city partners across sectors, citizens, communities, and Government too.
- The Ambition is centred on the city's mission to tackle poverty and inequality and improve quality of life for everyone, driven by a focus on our three pillars of health and wellbeing, inclusive growth and zero carbon. It seeks to better reflect the importance of partnership working and a renewed relationship with the citizen – our Team Leeds approach – in achieving the city's shared goals, learning from Leeds' experiences through the Covid-19 pandemic.
- Using the cycle of internal control framework, elected members will be provided with an overview of how governance will be managed in relation to the Best City Ambition. As agreed by Full Council on adoption of the Ambition, 2022/23 is a transitional year as arrangements are reviewed and revised as needed in moving from Best Council Plan to Best City Ambition.

Recommendations

- a) The committee is asked to consider the governance arrangements outlined in relation to the Best City Ambition.

Why is the proposal being put forward?

- 1 The Best City Ambition offers the opportunity to bring together in one place the key priorities we have for the city – articulated as our three pillars of health and wellbeing, inclusive growth and zero carbon. It is geared towards our overall longstanding mission to tackle poverty and inequality, while improving quality of life for everyone in Leeds.
- 2 Each pillar is underpinned by a range of important work to make Leeds the best it can be, the best place to live, work and visit, the best city in the UK, and crucially to deliver meaningful improvements in quality of life so everyone in Leeds can thrive. Many of the city's greatest challenges and opportunities sit at the point where our three pillars meet in the middle.
- 3 Leeds has an opportunity to drive toward the goals the Ambition sets out by embracing the platform it provides to review the council's wider strategic framework and the city's partnership and delivery infrastructure, maximising opportunities to align activity, reduce duplication and strengthen our focus on a set of cross-cutting key priorities in a way that makes the most of limited resources and ensures progress is being made. Effective evidence and progress monitoring are key to achieving this – with the Ambition providing an overarching direction and an increasingly shared evidence base led by the Leeds Joint Strategic Assessment underpinning the work that we do.

What impact will this proposal have?

Wards affected: n/a

Have ward members been consulted? Yes No

- 4 The report will provide elected members with an oversight of the approach being taken to governance around the Ambition.
- 5 In short that is to embrace the council's convening role in sharing and promoting the strategic intent the Ambition outlines. As agreed by Full Council, we are pursuing a flexible and inclusive approach to governance which works through and builds upon the arrangements which are already in place, avoiding creating new structures when we can work effectively without them. Instead, it is our Team Leeds approach and the principles and values which underpin it which make partnership working and our relationship with citizens successful in Leeds.
- 6 Appendix 1 expands in more detail how arrangements align to the cycle of internal control. It is important to state that while this addresses the council's approach, the Best City Ambition is by its very nature focused on the role everyone plays with large parts of the delivery being the responsibility of other organisations. While the council is stepping into its convening role, the Ambition is not entirely within our control – and that is a strength rather than a weakness.
- 7 In headline terms the approach being proposed will result in:
 - A refreshed and simplified strategic framework, which more clearly communicates key priorities underneath the three pillars and the actions being pursued to deliver improved outcomes.
 - A clearer view about the partnerships and delivery mechanisms through which city partners are working, including the relationships between different forums.

- A stronger connection between overall city ambitions and delivery on the ground in neighbourhoods and communities – being facilitated by the ongoing strategic review.
- A refreshed performance framework aligned to the Best City Ambition, including read across to the Leeds Social Progress Index due to be published in the coming months.
- A short, operational account pulling together key internal priorities and programmes supporting the council to be an efficient, enterprising and healthy organisation.

What consultation and engagement has taken place?

- 8 Extensive engagement took place with citizens and city partners – both in person and online – to inform development of the Best City Ambition. Full Council approved the broad approach to governance arrangements outlined in this report when it agreed to adopt the Ambition.
- 9 The information in this report is presented for information and comment.

What are the resource implications?

- 10 In proposing the governance arrangements outlined in this report, every effort has been made to maximise resources – working within existing arrangements wherever possible and exploring opportunities to further simplify these. This is in-keeping with the overall approach to developing and delivering the Best City Ambition, which aside from officer time has been achieved at close to nil cost to the council.
- 11 As a result, there are no specific resource implications arising from this report. All decisions made to enable activity to take place in support of the Ambition will be informed by their own decision making reports, which all detail and relevant resource implications.

What are the legal implications?

- 12 There are no legal implications arising from this report.
- 13 This report is not eligible for call in.

What are the key risks and how are they being managed?

- 14 Ensuring progress towards towards the Best City Ambition will form part of the council’s risk management approach and corporate risks. Regular review of corporate risks takes place through directorate management teams and CLT, alongside review by elected members through the appropriate committee arrangements.

Does this proposal support the council’s three Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 15 The Best City Ambition further develops and embeds the council’s three key pillars as a framework – including developing revised ‘mission statements’ for each and highlighting key areas of focus for Team Leeds under each pillar.
- 16 Governance arrangements – including revising the strategic framework and designing new performance measures – take the pillars as a general structure through which to work.

Options, timescales and measuring success

What other options were considered?

- 17 Not applicable.

How will success be measured?

18 The council's established approach to performance management will continue, albeit with a new performance framework and set of KPIs and highlighted above and outlined in more detail in Appendix 1. The success of these governance arrangements can be in part evidence by positive progression against these KPIs, and the Leeds Social Progress Index, over the coming years.

What is the timetable for implementation?

19 As stated earlier in this report, Full Council has agreed 2022/23 will be a transitional year allowing time for further development work on supporting performance, strategy, partnership etc. arrangements to be undertaken. This will be complete by the end of the financial year and confirmed alongside the next version on the Best City Ambition in February 2023.

Appendices

Appendix 1 – Governance arrangements for the Best City Ambition

Background papers

None.

Define and Document

Context

1. In accordance with the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, the council has determined that the Best City Ambition is of such significance that it should be included in the budget and policy framework in Article 4 of the council's constitution, therefore being subject to adoption by Full Council.
2. The Ambition highlights the council's mission to tackle poverty and inequality, and the document also sets out the three pillars approach which flows through the council's wider strategic framework including through the Health and Wellbeing Strategy, Inclusive Growth Strategy and forthcoming Climate Mitigation and Adaptation Strategy (details tbc but will build upon the council's existing Climate Emergency Declaration) – each of which is subject to its own governance and control arrangements.
3. This document provides a high-level account of how the Best City Ambition will be implemented from the council's perspective. This is the business of everyone, and as such the information in this report will not be exhaustive but does include details of all the main aspects. As outlined in the cover report, the Ambition focuses on our overall shared objectives and outcomes for Leeds not all of which are in the council's control (e.g. health arrangements). Working in partnership as Team Leeds is therefore front and centre in the Ambition itself.

Strategic Framework

4. Implementing the Best City Ambition relies strongly on establishing a broader strategic framework which effectively influences priority setting, investment decisions and delivery on the ground. Therefore, following a successful mapping exercise a process is now ongoing to review all the council's strategies with the aim of removing duplication and arriving at a much-simplified set of key strategies which are easier to digest and communicate. Executive Members have been kept fully informed as this work has progressed and have contributed their views to shape the outcome.
5. In the future, the objective is to document this framework in a more coherent way on the council's external website, and revisit it regularly through the Best City Ambition review schedule.
6. NB Many strategies the council produces are subject to their own governance and control arrangements – some of these are statutory.

Partnership arrangements

7. Similarly, a mapping exercise is ongoing to enable a review of partnership infrastructure across the city to be undertaken. Through development of the Ambition we have been clear there is no desire to re-create an overarching city partnership board or similar. Instead, we want to work through and build upon existing forums. Nevertheless, it is clear there are areas where they may be an opportunity to bring groups together to improve collaboration and realise two-way benefits while also making better use of the limited resources we share.

APPENDIX 1 – Governance arrangements for the Best City Ambition

8. Any moves to make changes to partnership structures in the city will be subject to their own appropriate decision-making processes as they arise.
9. Following completion of this work we will have documented the partnership landscape which exists in the city for the first time in several years.

Roles and Responsibilities

Officer accountability

10. The Director of Resources has delegated responsibility for the council's corporate planning and policy development services, including co-ordination of the Best Council Plan which preceded the Best City Ambition – the delegation is currently being updated to reflect this change. He also has responsibility for the Leeds Joint Strategic Assessment which was produced prior to the Ambition and acted as a large part of the evidence based to inform its development.
11. Separate officer arrangements are in place to provide leadership and oversight of each of the three pillars – health and wellbeing, inclusive growth and zero carbon – including their strategies and partnerships some of which are statutory. Details of these responsibilities are set out in the relevant delegation schemes.
12. The council's Intelligence and Policy team play a co-ordination and facilitation role to progress Ambition activity including around breakthrough priorities. In addition to this the team leads on risk and performance monitoring against the Ambition and holds practical responsibility for the review schedule – both for the Ambition itself and its supporting evidence base.

Democratic Oversight

Leader of Council	Portfolio responsibility for the Best City Ambition and policy development
Executive Member for Resources	Oversight of performance and communications which are relevant for Ambition implementation
Full Council	Responsibility for adoption of the Best City Ambition
Scrutiny Boards	All receive performance monitoring information on a regular basis which will report on progress towards the Best City Ambition for their relevant areas
Health and Wellbeing Board	Statutory responsibility for the Leeds Joint Strategic Assessment – the evidence base of the Best City Ambition

Clearly Communicate

13. The Best City Ambition is being communicated to council staff, elected members, partners and citizens in a variety of ways to reach the broadest audience. These include:

APPENDIX 1 – Governance arrangements for the Best City Ambition

- **Staff intranet (InSite)** – description of the aims of the ambition and how it will be monitored, links to the document, provision of supporting resources to help share knowledge and promote the Ambition through our work, and key contacts for further information or support. Insite also provides guidance and pointers on how members of staff can use the Ambition in their day-to-day work.
- **External website** – contains both an accessible (html) version of the Ambition and the pdf version alongside links to supporting strategies, performance and risk monitoring information. There are plans to enhance this web presence to make it more engaging when the council moves to its new website.
- **Plans on a page** – being developed to cover the three pillars of the ambition and the Team Leeds approach – offering a shorter, more visual way to access the most important information. These will be distributed throughout the council.
- **New city branding** – produced so future strategies, plans and strategic communications are marketed in a way that is easily identifiable with Team Leeds and the Best City Ambition. This is already feeding through into the first major new strategies including Housing and Better Lives and was used for the marketing around Leeds hosting the inaugural UK REiiF forum in May 2022.
- **Physical marketing** – in buildings and at events through pull-up banners, noticeboard posters etc. promoting the Ambition and signposting to the online resources where more information is available.

Leadership

14. Executive Members remain fully briefed and actively engaged in work outlined throughout this report on enabling and implementing the Ambition. The Ambition itself has been drafted in a way that helps clear concise communication about our goals, and we will continue to look for further opportunities to strengthen this aspect in future versions.
15. In addition to the roles that senior elected members and CLT play, key messages are channelled primarily through Best Council Leadership Team (BCLT) and the Leeds Policy Network with an expectation that colleagues will cascade information in the most appropriate way for their teams. Regular partner messages from the Leader and Chief Executive also include information about the Ambition, and it is used up front as context for events like State of the City and Anchor partnership forums.
16. City partners share key messages about the Ambition with their networks too – in recognition it is collectively owned by the city as a whole and not just the council. This ethos will be increasingly visible through the branding noted above too, which we anticipate will be used very widely including as for partnership working and partnership documents.

Engagement

17. Regular engagement takes place with external partners – through Third Sector Leeds, anchor institutions, health and wellbeing board etc. – and there is open dialogue on further developing the Ambition and strengthening it for future versions.
18. Intelligence and Policy directly deliver or support an ad hoc but regular programme of presentations at staff forums and away days – encouraging teams across the council to consider how they contribute to achieving the Ambition. These are organised

directly with services upon request, with efforts made to support all requests as far as possible within the limited officer capacity Intelligence and Policy have available.

Effectively Embed

Decision making

19. All decision making reports include a section where report writers should address whether and how their proposal support the three pillars and the Best City Ambition – being specific about which pillar(s) are relevant. Detailed report writing guidance is available on InSite and shared through training available to all staff to help colleagues to do this effectively. The council’s report template is currently being updated to reflect the Best City Ambition and further strengthen how officers are required to account for the contribution their proposal makes. This follows the new report template and introduction of a significantly different approach to report writing which was rolled out in 2021 and has been widely well-received.
20. Decision makers are expected to consider, using information provided in reports, whether proposals are in-keeping with the strategic direction set out in the Best City Ambition and responsibility to provide challenge back where this might not be the case sits with the decision maker(s).

Working with communities

21. We are taking a new approach to ensure the Ambition is effectively embedded in work on the ground in neighbourhoods and communities through the development of local area plans. These will provide a local ‘translation’ of the Ambition for each part of the city which plans cover, supporting priority setting, investment decisions and new ways of working with citizens which meet the specific needs of an area, within the overall context of our city-wide goals.
22. Development of these plans is at an early scoping stage, but they will be produced working closely with elected members through community committees and will help to shape the next phase of the council’s locality working agenda.

Values and behaviours

23. The Team Leeds approach set out in the Best City Ambition provides an important set of principles for partnership working in the city, to be shared across organisations. It defines some important characteristics of a team Leeds way of working – including being evidence-led, working with strengths and asset-based models, and adopting co-production and co-design with the citizen as standard. The approach is already well understood but provides useful check and challenge to ensure we are applying it consistently and going further where we can.
24. Managers are encouraged to share information and updates about the Ambition in their 121s, team meetings and appraisals with staff, providing a context for objective setting and ensuring everyone understands where their role fits in the council’s and city’s overall goals. Managers receive support on undertaking effective proposals and an expanded leadership and management offer is building on that support.

Meaningfully Monitor

Regular reporting

25. As has been the case with the Best Council Plan, regular performance reporting against the Best City Ambition will continue. Key performance indicators results are reported to directorate management teams and the Corporate Leadership Team four times a year. Scrutiny Boards will continue to receive twice-yearly performance reports and Executive Board will receive an annual performance report in the summer each year.
26. A revised performance framework and set of KPIs is in development to align with the Ambition and it is this which will be used for the reporting noted above. Scrutiny Chairs will be consulted as part of the development of this new framework in the coming weeks and months. Through development of this, consideration is also being given on how best to incorporate the new Leeds Social Progress Index which is a comprehensive measure of real quality of life, independent of economic indicators, focused on the domains of basic human needs, foundations of wellbeing, and opportunity.
27. The Leeds Observatory will continue to provide a vast range of data and performance metrics organised by policy theme, updated regularly and new data becomes available.
28. The council's approach to risk management is unchanged from previously and remains robust. The council's corporate risks were reviewed earlier in 2022 to check that the risks are aligned to the Best City Ambition and its three pillars. The corporate risks linked to the Ambition will continue to be reviewed four times a year and be reported to directorate management teams and the Corporate Leadership Team for review and comment. Executive Board will continue to receive an annual corporate risk report.
29. Benchmarking with other comparable cities takes places regularly across policy areas – and the new performance framework is likely to include more benchmarking on some of the highest-level indicators which will move in very small increments within the city – e.g. overall life expectancy

Escalation

30. Escalation processes are in place through regular monitoring of risk and performance at CLT and departmental leadership teams.

Review and Refine

Approach to reviewing the Ambition

31. The Best City Ambition will undergo a light touch review every year, with the intention being for Full Council to consider small adjustments and updates alongside the budget in February.

APPENDIX 1 – Governance arrangements for the Best City Ambition

32. A full review and revision will take place every three years, with the first scheduled for February 2025, following on from the new Leeds Joint Strategic Assessment. This schedule maintains the link between the JSA as an evidence base and the Ambition as a response, ensuring we continue to be responsive to the latest data and analysis when setting priorities.

Opportunities to strengthen

33. As agreed by Full Council when the Ambition was adopted, we recognise this first version is the start not the end of a process. There will continue to be opportunities to strengthen our approach in the future.
34. On monitoring, we will continue to seek to improve data maturity and develop new indicators where not currently exist as information becomes available, including working with academic partners to do this.
35. The Ambition's Team Leeds approach injects new energy into our way of working with citizens, building on the civic enterprise approach we established over ten years ago through the Commission on the Future of Local Government. Through more embedded co-production and co-design as standard, alongside expanding the use of asset-based approaches, we will be in a stronger position to bring greater lived experience into future reviews of the Best City Ambition.

External review

36. The Best City Ambition will be subject to external review, benchmarking and peer challenge through the LGA Peer Review of Leeds City Council due to take place later this year.

Annual Report of Corporate Governance and Audit Committee

Date: 24th June 2022

Report of: Chief Officer Financial Services

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report sets out the draft annual report of The Corporate Governance and Audit Committee for the 2021/22 municipal year.
- In accordance with best practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA), the report demonstrates how the committee has discharged its responsibilities.
- The report demonstrates how the committee supports the council's governance arrangements, and in doing so supports the council in achieving its Best City Ambition and the three pillars of Inclusive Growth, Health and Wellbeing, and Zero Carbon.

Recommendations

Corporate Governance and Audit Committee are requested to:

- a) Note the assurance set out in this report that the Committee complies with CIPFA's Position Statement: Audit Committees in Local Authorities and Police; and
- b) Approve the draft annual report attached at Appendix A to this report and to authorise the Chair of Committee to sign on their behalf.

Why is the proposal being put forward?

- 1 This is the Annual Report of Corporate Governance and Audit Committee.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 2 The Annual Report of Corporate Governance and Audit Committee reflects the work undertaken by the committee in the 2021/22 municipal year.
- 3 The report notes the assurances received to support the committee in carrying out the functions delegated to it in respect of approval of the Annual Governance Statement and Statement of Accounts.
- 4 The report further notes those areas in which the work of the committee has, through robust challenge and critical consideration, added value to the council's arrangements for governance, audit and risk.
- 5 Following consideration of the Committee's work programme in March 2022, Members asked for further information in relation to CIPFA's Position Statement: Audit Committees in Local Authorities and Police. Appendix B to this report sets out the way in which the Committee meets the requirements of the position statement.

What consultation and engagement has taken place?

- 6 The Monitoring Officer and S151 Officer have been sighted on this draft report, which has been compiled in consultation with members of the committee.

What are the resource implications?

- 7 The committee's work contributes directly by providing assurance that arrangements in respect of resources, procurement and value for money are fit for purpose, embedded and routinely applied.
- 8 The report provides information to Council on the work undertaken to ensure the sustainable use of the council's resources to deliver the strategic ambitions of the council.

What are the legal implications?

- 9 S151 Local Government Act 1972 requires local authorities to "make arrangements for the proper administration of its financial affairs". The Accounts and Audit (England) Regulations 2015 provide that the local authority is responsible for ensuring "a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk".
- 10 The report will provide assurance to Full Council, as the body charged with governance, that arrangements in place are up to date, fit for purpose, communicated and embedded, monitored and routinely complied with.

What are the key risks and how are they being managed?

- 11 The work undertaken by the committee provides assurance that there are arrangements in place for the management of risks which are appropriate, proportionate, monitored and effective.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Zero Carbon

- 12 The work undertaken by the committee provides assurance that arrangements for internal control support the delivery of the council's strategic objectives.

Options, timescales and measuring success

What other options were considered?

13 None.

How will success be measured?

14 The Annual Report of Corporate Governance and Audit Committee will be received by Full Council

What is the timetable for implementation?

15 The Annual Report of Corporate Governance and Audit Committee reflects work undertaken in the 2021-22 municipal year.

Appendices

16 Appendices are attached as follows:

- A. Annual Report of Corporate Governance and Audit Committee
- B. Compliance with CIPFA Audit Committees Position Statement

Background papers

17 None

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Annual Report to Full Council

Corporate Governance and Audit Committee

2021/22

Annual Report of the Corporate Governance and Audit Committee 2021/22

Foreword by Councillor Paul Wray - Chair

I am delighted to introduce the annual report of Corporate Governance and Audit Committee, summarising the contribution the committee made during the 2021/22 Municipal Year to the achievement of good governance, effective internal control and strong public financial management within the Council.

All Members of the committee bring a balanced, independent and objective approach to business of the committee and I thank them for the contributions they have made. The committee has provided robust challenge and meaningful review of the Council's arrangements for risk, governance and audit, and in particular has:

- Overseen the production of the Annual Governance Statement;
- Reviewed and approved the Council's statutory accounts subject to completion of the external audit;
- Received regular updates and formal reports from the Council's External Auditor;
- Received and reviewed regular Counter Fraud Update Reports;
- Received and reviewed in detail assurance reports on the key aspects of the Council's internal control arrangements, including risk management, information governance and performance management, providing robust challenge to our arrangements and monitoring for areas in need of improvement; and
- Provided oversight to the Council's internal audit function, receiving the annual report and opinion alongside regular updates on progress against the internal audit plan, including follow up in relation to limited assurance reviews.

The committee continues to work hard with officers to understand and strengthen governance arrangements across the Council, and to ensure that risks are escalated appropriately.

During the year the committee has built upon the cycle of internal control approach to officer reporting introduced in the 20/21 municipal year, with a continued focus on ensuring that governance arrangements are robust and that there is appropriate democratic oversight.

The committee continues to adopt a varied work programme, continuing to receive annual assurance reports to provide routine oversight of arrangements, but taking a flexible and agile approach, adapting to emerging issues and concerns.

ADD SIGNATURE

Chair Corporate Governance and Audit Committee

1. INTRODUCTION

This annual report to full council demonstrates the importance the Council places on the authority's governance arrangements.

The Chartered Institute for Public Finance and Accountancy (CIPFA) describes the overall aim of good governance as:

'to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities'

CIPFA Delivering Good Governance in Local Government Framework 2016 Edition (the Good Governance Framework)

Good governance is ultimately the responsibility of Full Council as the governing body of Leeds City Council. This report provides assurance as to the way in which Corporate Governance and Audit Committee has discharged its role to support Full Council in this responsibility. In addition, the report underpins the Annual Governance Statement, which is approved by the committee, and is provided to all Members.

In particular, the report on the work of the Council's Corporate Governance and Audit Committee demonstrates how the committee has:

- Fulfilled its terms of reference;
- Complied with national guidance relating to audit committees;
- Contributed to strengthening risk management, internal control and governance arrangements.

2. COMMITTEE INFORMATION

Role of Corporate Governance and Audit Committee

The audit committee is appointed by Council to support the discharge of its functions in relation to good governance by providing a high-level focus on audit, assurance and reporting.

CIPFA defines the purpose of an audit committee as follows:

1. Audit committees are a key component of an authority's governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management.
2. The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes.

Audit Committees – Practical Guidance for Local Authorities and Police (2018)

The Terms of Reference for the Corporate Governance and Audit Committee are reviewed regularly against current regulations, CIPFA position statement and guidance for audit committees and best practice in comparable authorities.

The core functions of the committee, reflected in its Terms of Reference, are to:

- Consider the Council's arrangements relating to the Accounts;
- Consider the Council's arrangements relating to external audit requirements;
- Review the adequacy of policies and practices to ensure compliance with statutory and other guidance;
- Review the adequacy of the Council's Corporate Governance arrangements (including matters such as internal control and risk management);
- Consider the Council's arrangements relating to internal audit requirements.

Membership

The committee has seen a significant change in membership for the 2021/22 municipal year, with 4 elected members new to the committee along with the independent member appointed for the final meeting of the previous year.

For the 2021/22 municipal year there were nine elected members and one non-voting independent member appointed to the committee:

- Councillor Kamila Maqsood (Labour) (Chair)
- Councillor Gohar Almass (Labour)
- Councillor Jonathan Bentley (Liberal Democrat)
- Councillor Mike Foster (Conservative)
- Councillor Pauleen Grahame (Labour)
- Councillor Peter Harrand (Conservative)
- Councillor John Illingworth (Labour)
- Councillor Jackie Shemilt (Conservative)
- Councillor Paul Truswell (Labour)
- Linda Wild (Independent Member)

Independence of the committee.

As a Council appointed committee, Corporate Governance and Audit Committee is appointed in accordance with the requirements for proportionality but, in line with CIPFA guidance and best practice, strives for political neutrality.

Linda Wild was appointed by Council in February 2021 as a non-voting Independent Member to the committee. The introduction of an independent member to the committee has enhanced the independence of the committee as it discharges its functions. In addition, the professional audit experience and knowledge of its independent member, give depth and insight to the robust challenge the committee provides in considering the assurances received.

Knowledge and Skills Framework

Members bring with them a range of knowledge and skills from their working life and elected representative roles to the work of the committee. The skills and knowledge of the committee are further complemented by those of the Independent Member, who has brought with her a wealth of knowledge and experience in an audit setting and applies this knowledge, skill and experience to Leeds City Council.

A programme of development has been undertaken during the year to ensure that new members of the committee have the necessary knowledge and skills to discharge the functions of the committee. In view of the significant change in membership an introductory session was provided on the role and functions of the audit committee prior to the first meeting of the Municipal Year.

Further briefings have been provided to the committee to ensure that all Members remain up to date and informed to enable fulfilment of the committee's role.

As in previous years, the Chief Finance Officer provided training to the committee in preparation for their examination of the Accounts. The committee also participated in workshops around counter fraud, and risk management.

The External Auditor routinely provides briefing notes providing sector updates and presented an in depth briefing in relation to the role of external audit in Local Government, the Redmond Review of local authority financial reporting and external audit, and the external audit requirements arising from the new Value for Money arrangements.

The committee looks forward to participating in further development opportunities over the 2022/23 municipal year, particularly the e-learning sessions on Information Management and Governance.

Operation of the committee

The committee has met on seven occasions during the year with meeting dates structured around the receipt of annual assurance reports, external and internal audit reporting cycles, and the statutory requirements for production of the Accounts and Annual Governance Statement.

This frequency of meetings ensures the committee can fulfil its responsibilities in an efficient and effective way and has been benchmarked¹ against the CIPFA recommended practice and arrangements in other local authorities.

Following the easing of social distancing restrictions, arrangements were made to return to a full programme of in person meetings in the 2021/22 municipal year, ensuring that all meetings were covid safe and following government guidance. Live streamed webcasts of each meeting allowed members of the press and public to continue accessing meetings remotely. The reintroduction of work from home guidance at the time of the December meeting led to arrangements being made for a remote consultative meeting, with notes and recommendations received and formally approved by committee at the next in person meeting in February 2022.

The committee is supported by several officers who attend regularly and bring expertise in relation to corporate governance, internal audit, finance, legal compliance, risk and resilience and information governance.

¹ Benchmarking took place during the 2018/19 municipal year.

3. COMMITTEE BUSINESS

The work undertaken by the committee to support their approval of the Annual Governance Statement and Accounts, and in furtherance of the core functions of audit committees identified by CIPFA, is summarised in this section. (A complete list of the reports considered by the committee can be found at the end of this report.)

The Accounts and Annual Governance Statement

Council has delegated to the committee the authority to approve the Council's Annual Governance Statement and the audited Statement of Accounts on behalf of the Council.

The committee considered the interim Annual Governance Statement in July 2021 prior to its publication for the formal period of public consultation, and went on to approve the Council's Annual Governance Statement for 2020/21 in November 2021 following receipt of the Head of Audit's Opinion.

As a result of consideration of the Annual Governance Statement the Committee requested a review of the Corporate Governance Code and Framework. Following receipt of a report in March 2022, the committee approved a new Local Code of Corporate Governance, reflecting the seven principles of good governance set out in CIPFA Good Governance Framework. The committee noted that a Corporate Governance Framework which articulates the arrangements in place to meet the principles and commitments set out in the Code, will be received together with an assurance map prior to approval of the Annual Governance Statement for 2022.

The committee considered the draft Statement of Accounts in July 2021 prior to the period of public deposit. Further consideration followed in February 2022, and the committee approved the Audited Statement of Accounts and management representation letter, subject to no material adjustments arising from remaining external audit work. Should any material adjustment arise a further, final version of the statement of accounts will be presented to the committee for approval prior to publication.

During consideration of the accounts the committee sought assurance from officers on matters including the Council's MRP Annuity method for paying debt and received confirmation that the method is recognised in statutory guidance and in line with the majority of authorities. Members also sought and received assurance that an identified valuation error could not be replicated elsewhere.

External Audit

The committee plays a significant role in overseeing the Council's relationship with its external auditors, and takes an active role in reviewing the external audit plan, progress reports and annual report setting out the findings of the Value for money Review.

Grant Thornton is the Council's current appointed auditor, and will continue to audit the 2021/22 accounts, after which the appointment will come to an end. Following consideration of other options, the committee concluded that participation in the national audit appointment scheme for appointing the external auditor from 2023/24² would produce better outcomes for the council. On the committee's recommendation, the Council has accepted the invitation to opt in to the appointment scheme.

In June 2021 the committee received the formal Annual Audit Letter from Grant Thornton setting out an unqualified opinion on the Council's financial statements for 2019/20 and an 'except for' opinion on the council's arrangements to secure value for money for 2019/20 identifying that the council's level of general fund reserves had been insufficient

² The body currently designated to undertake this role is PSAA (Public Sector Audit Appointments Limited)

to manage the financial impact of an event on the scale of the covid pandemic without taking unplanned short-term measures. The committee received assurance from the Chief Officer Financial Services that an analysis of budget risks and the requirement to achieve a sustainable budget forms part of the Council's Medium-Term Financial Strategy, and that it is recognised that the council needs to build up its reserves, but that this must be done in balance with the need to deliver front line services.

In preparation for the audit of the 2020/21 accounts, the committee responded to the Grant Thornton Risk Assessment Enquiries, which informs the audit risk assessment. This contributed to effective two-way communication between the committee and the external auditors, and also allowed the committee to identify the potential need for further training, such as counter fraud training.

During the year, the committee has received regular reports and verbal updates from the external auditor setting out progress against the external audit plan for the 2020/21 accounts, including receipt of the interim ISA 260 report in February 2022 based on which the committee was able to approve the accounts subject to successful completion of the audit. It is anticipated that the final audit report, incorporating the Value for Money review, will be received in July 2022.

It is anticipated that the committee will formally receive the external audit plan for the 2021/22 accounts in September 2022. The committee looks forward to continuing to work with the external auditors; considering the responses of management to audit recommendations and ensuring that appropriate actions are agreed and implemented.

Internal Control

The committee has responsibility for monitoring the effectiveness of the Council's system of internal control and management of corporate risks.

Through robust consideration of annual assurance reports³ in relation to a wide range of internal controls the committee has obtained assurance that relevant systems and processes are documented and defined; clearly communicated; effectively embedded; meaningfully monitored; and reviewed and refined. For example, the committee

- Received assurance in relation to progress made embedding the Council's social value arrangements;
- Received assurance through the reporting of the LGA Peer Review of the council's procurement function;
- Received assurance in relation to management and control mechanisms supporting the successful delivery of Integrated Digital Services;
- Noted the work being undertaken by Scrutiny Board (Strategy and Resources) in relation to the customer contact centre and communicated the Committee's concerns to the Chair of the Board.

In addition to the receipt of regular update, and routine assurance reports, the committee seeks assurance in relation to significant matters relating to governance, audit and risk. Reports have been received providing assurance in relation to:

- Climate Emergency Governance & Controls - allowing the committee to raise questions and receive further assurance around the levels of government funding available and the arrangements underpinning the Council's progress toward net zero emissions by 2030.

³ Detailed in Appendix A

- Procurement Review Update Report - giving details on the action plan and progress made in relation to the council's P2P (procure to pay) review and recommendations made from the LGA Peer Review. Members noted the review's intention to ensure efficient and effective P2P processes to deliver compliant procurement activity and value for money in relation to external spend.
- Public Service Network (PSN) compliance including the Council's Access project – the committee monitored progress against the action plan, noting how the formation of the Cyber Team resulted in the council making a successful PSN submission during the year.

Internal Audit

The committee works closely with the internal audit function, both overseeing the independence and effectiveness of the service, and receiving assurance from the service as to the adequacy and effectiveness of the Council's internal control environment.

The committee were pleased to receive the external independent review of the Internal Audit Service, undertaken by Glasgow City Council, providing assurance that the service conforms with the requirements of the Public Sector Internal Audit Standards (PSIAS).

The committee has received and considered regular reports from the Head of Audit throughout the year providing updates on progress against the 2020/21 Internal Audit Plan, together with information relating to the wider work of the Internal Audit section.

The committee are advised of the outcomes of every internal audit review, with greater depth, and follow up reviews, provided in relation to reviews resulting in limited assurance.

During the course of the 2021/22 municipal year the committee has considered two reviews identifying limited assurance overall:

- No Recourse to Public Funds - the purpose of this review was to ensure that only families with identified needs are assessed as requiring support and that payments are made in line with legislation and guidance. Limited assurance was provided on the control environment as a result of issues identified with the accuracy of some payments. Management have responded positively by agreeing all recommendations and a follow up audit will be completed.
- Data Protection Impact Assessments – the objective was to provide assurance that there are appropriate controls in place to ensure DPIAs are completed where required. Limited assurance was provided on the control environment due to weaknesses identified in relation to DPIAs not being progressed appropriately, not being signed off and insufficient monitoring to ensure this is being completed. Management have agreed to all recommendations and a follow up audit will be completed.

In addition to regular audit updates, the committee now receives focussed bi-annual update reports in relation to anti-fraud and corruption controls. During the year, these reports have presented details on both proactive and reactive work undertaken by the service. Following receipt and consideration of the November update report the committee:

- Endorsed the Counter Fraud and Corruption Strategy and Response Plan;
- Endorsed the Whistleblowing Policy
- Endorsed the role of a Counter Fraud and Corruption Champion to which Cllr Maqsood has been nominated.

The committee also receives a wide range of assurance in relation to the soundness of the council's arrangements through the reporting of Internal Audit work in addition to the formal reviews undertaken, for example

- work to support the Council's Covid-19 response, providing assurance that internal controls are in place and good governance is adhered to (e.g. in relation to self-isolation payments and volunteer expenses.)
- work supporting the core business transformation programme, providing expertise in data analytics in addition to challenge and advice in relation to relevant systems and processes.

In November 2021, the committee received and considered the Internal Audit Annual Report and noted a satisfactory overall opinion for 2020/21. The committee was satisfied that the work undertaken to support the opinion has been conducted in accordance with an established methodology that promotes quality and conformance with the International Standards for the Professional Practice of Internal Auditing.

The committee reviewed and agreed the annual risk based audit plan for the 2022/23 year in March 2022.

4. LOOKING FORWARD

The committee has approved the work programme for the 2022/23 municipal year setting out the receipt of regular update reports and annual assurance reports.

Through the continuing receipt of regular reports Corporate Governance and Audit Committee will provide the usual level of robust challenge to corporate governance and audit practice and procedure across the authority to ensure that our arrangements are up to date and fit for purpose, communicated, embedded and routinely complied with.

In addition to the routine business the committee have requested specialised assurance reports in relation to:

- the governance arrangements for implementation of Best City Ambition and review of strategic framework – allowing the committee to consider assurance that governance arrangements underpinning the implementation of the Best City Ambition, ensure that the Council is focussed on delivering its strategic plan; and
- the Council's estate management arrangements - providing assurance to the committee on governance arrangements to manage, maintain and make best use of council land and buildings.

The work programme will be the subject of regular review, and the committee will remain flexible in its approach, to accommodate additional items within its remit as they emerge. As in the last municipal year, the committee will request and consider reports in relation to relevant matters which come to our attention during the year.

CORPORATE GOVERNANCE AND AUDIT COMMITTEE ACTIVITY – 2021/22	June 2021	July 2021	Sept 2021	Nov 2021	Dec 2021	Feb 2022	Mar 2022
Statutory business							
Statement of accounts		Draft					
Annual Governance Statement		Interim		Approval			
Internal Audit Annual Report and Opinion							
Approval of Audited Statement of Accounts and Grant Thornton Audit Report							
Annual Audit Letter and External Audit Plan (planned June 2021)	Annual Audit Letter	External Audit Plan					
Annual operational and specialist assurance reports							
Annual Decision Making Statement of Internal Control							
Annual Procurement Assurance Report							
Annual assurance report on employment policies and procedures and employee conduct							
Annual assurance report on corporate risk management arrangements							
Annual Assurance Report on Planning Decision Making and Enforcement Arrangements							
Annual Business Continuity Report							
Annual assurance report on corporate performance management arrangements							
Annual Assurance Report on Customer Contact							
External audit – certification of housing benefit grant claims							
Annual financial management assurance report (incorporating capital)							
Annual treasury management assurance report			Governance				
Information governance annual assurance report							
Annual Assurance Report on Integrated Digital Services Controls							

CORPORATE GOVERNANCE AND AUDIT COMMITTEE ACTIVITY – 2021/22	June 2021	July 2021	Sept 2021	Nov 2021	Dec 2021	Feb 2022	Mar 2022
Independent Assurance							
Internal Audit Update Report							
Internal Audit Plan							
External audit progress report and sector update							
Counter Fraud Update Report							
Additional reports received in accordance with terms of reference							
PSN Certification – Update Report							
Report on Climate Emergency Governance and Controls							
External Audit Risk Assessment Enquiries 2020/21							
Procurement of External Auditor							
Procurement Review Update Report							
Public Sector Internal Audit Standards – External Quality Assessment							
Approval of Local Code of Corporate Governance							
Work Programme							

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CIPFA’s Position Statement: Audit Committees in Local Authorities and Police¹	LCC CGAC compliance
<p>1. Audit committees are a key component of an authority’s governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management.</p>	<p>Annual report of committee provides confirmation for Full Council that committee fulfils this role</p>
<p>2. The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing both internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.</p>	<p>Committee has oversight of both internal and external audit and receives regular update reports which provide assurance as to the effectiveness of each.</p>
<p>3. Authorities audit committees should adopt a model that establishes the committee as independent and effective. The committee should:</p> <ul style="list-style-type: none"> • act as the principal non-executive, advisory function supporting those charged with governance • in local authorities, be independent of both the executive and the scrutiny functions and include an independent member where not already required to do so by legislation • have clear rights of access to other committees/functions, for example, scrutiny and service committees, corporate risk management boards and other strategic groups • be directly accountable to the authority’s governing body. 	<p>The committee is appointed by Council to fulfil terms of reference and is accountable to Council.</p> <p>Although complying with requirement for proportionality, the committee strives for political neutrality. A non-voting Independent Member has been appointed and takes an active role.</p> <p>The committee has historically received referrals from Executive Board and has engaged with Scrutiny Boards where appropriate.</p>
<p>4. The core functions of an audit committee are to:</p> <ul style="list-style-type: none"> • be satisfied that the authority’s assurance statements, including the annual governance statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievement of the authority’s objectives 	<p>The committee’s work programme provides a broad assurance base for the committee to consider and challenge. The committee will receive information setting out the corporate governance framework and assurance map prior to consideration of the interim annual governance statements.</p>

¹ As incorporated into Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA 2018 Edition)

CIPFA's Position Statement: Audit Committees in Local Authorities and Police ¹	LCC CGAC compliance
<ul style="list-style-type: none"> • in relation to the authority's internal audit functions: <ul style="list-style-type: none"> ○ oversee its independence, objectivity, performance and professionalism ○ support the effectiveness of the internal audit process ○ promote the effective use of internal audit within the assurance framework 	<p>The committee</p> <ul style="list-style-type: none"> • receives and reviews the annual internal audit opinion along with receiving regular update reports and approving the annual internal audit plan. • provides robust questioning of matters discussed in the annual report and update reports with further details provided where necessary. • reviewed an External Quality Assessment undertaken by Glasgow City Council providing independent assurances from another relevant body that the service complies with the requirements of the Public Sector Internal Audit Standards. • Corresponded with the Director of Resources to seek CLT support for the CSQ process
<ul style="list-style-type: none"> • consider the effectiveness of the authority's risk management arrangements and the control environment, reviewing the risk profile of the organisation and assurances that action is being taken on risk-related issues, including partnerships and collaborations with other organisations 	<p>The committee</p> <ul style="list-style-type: none"> • receives and reviews an annual assurance report on corporate risk and resilience arrangements incorporating arrangements in relation to partnership risk; and • Receives and considers bi annual counter fraud update reports.
<ul style="list-style-type: none"> • monitor the effectiveness of the control environment, including arrangements for ensuring value for money, supporting standards and ethics and for managing the authority's exposure to the risks of fraud and corruption 	<p>The committee has received and reviewed various assurance reports, e.g.:</p> <ul style="list-style-type: none"> • Annual Assurance report on corporate risk management arrangements • Annual procurement assurance report and external audit annual report including findings of the value for money review • Annual assurance report on employment policies and procedures and employee conduct • Annual assurance report on financial management arrangements <p>NB – The Standards and Conduct Committee discharges functions in relation to the promotion and maintenance of high standards of conduct amongst Members.</p>
<ul style="list-style-type: none"> • consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control 	<p>The committee</p> <ul style="list-style-type: none"> • receives regular reports and verbal updates from the external auditor setting out progress against the external audit plan for the annual accounts. In the current year this has included receipt of the interim ISA 260 report which allowed the Committee to approve the accounts subject to successful completion of the audit. • considers the responses of management to audit recommendations and ensures that appropriate actions are agreed and implemented.

CIPFA's Position Statement: Audit Committees in Local Authorities and Police ¹	LCC CGAC compliance
	<ul style="list-style-type: none"> Has opportunity to consider any external inspection report raising issues within the committee's remit.
<ul style="list-style-type: none"> support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process. 	Both internal and external audit attend each committee meeting with the opportunity to join discussions on reports presented.
<ul style="list-style-type: none"> review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit. 	The committee reviews and approves the statement of accounts, audited statement of accounts and the annual audit letter.
<p>5. An audit committee can also support its authority by undertaking a wider role in other areas including:</p> <ul style="list-style-type: none"> considering governance, risk or control matters at the request of other committees or statutory officers working with local standards and ethics committees to support ethical values reviewing and monitoring treasury management arrangements in accordance with Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (CIPFA, 2017) providing oversight of other public reports, such as the annual report. 	<p>The committee</p> <ul style="list-style-type: none"> receives the Annual Assurance report on treasury management systems and processes is available to review other areas at the request of other committees. is able to liaise with Standards and Conduct Committee as necessary.
<p>6. Good audit committees are characterised by:</p> <ul style="list-style-type: none"> a membership that is balanced, objective, independent of mind, knowledgeable and properly trained to fulfil their role. The political balance of a formal committee of a council will reflect the political balance of the council, however, it is important to achieve the right mix of apolitical expertise a membership that is supportive of good governance principles and their practical application towards the achievement of organisational objectives 	<p>The committee is made up of a total of 11 members²: 6 Labour members; 3 Conservative members; 1 Liberal Democrat member; and one independent non-voting member to ensure it is balanced and objective.</p> <p>Development programmes are in place to provide support to committee members on specific areas enhancing their knowledge. During the 21/22 municipal year this included:</p> <ul style="list-style-type: none"> an introductory session to new members of the committee on the role and functions of the committee, counter fraud workshops, training from the Chief Financial Officer in preparation for the examination of the accounts.

² In 2021/22 the committee comprised 10 members: 5 Labour; 3 Conservative; 1 Liberal Democrat; and 1 independent non-voting member.

CIPFA's Position Statement: Audit Committees in Local Authorities and Police ¹	LCC CGAC compliance
<ul style="list-style-type: none"> • a strong independently minded chair – displaying a depth of knowledge, skills and interest. There are many personal qualities needed to be an effective chair, but key to these are: <ul style="list-style-type: none"> ○ promoting apolitical open discussion ○ managing meetings to cover all business and encouraging a candid approach from all participants ○ an interest in and knowledge of financial and risk management, audit, accounting concepts and standards, and the regulatory regime • unbiased attitudes – treating auditors, the executive and management fairly • the ability to challenge the executive and senior managers when required. 	<ul style="list-style-type: none"> • External auditor briefings on the Redmond Review, the role of external audit in Local Government and the requirements arising from the Value for Money review. <p>The annual report of the committee shows how it is supportive of good governance principles and their application towards the achievement of organisational objectives. The Committee chair promotes open discussion by members of the committee and manages meetings while encouraging participation from all members and officers in attendance</p> <p>The Committee provides robust questioning to officers attending meetings and presenting assurance reports including auditors and management while understanding the importance of receiving these reports.</p>
<p>7. To discharge its responsibilities effectively the committee should:</p> <ul style="list-style-type: none"> • meet regularly – at least four times a year, and have a clear policy on those items to be considered in private and those to be considered in public • be able to meet privately and separately with the external auditor and with the head of internal audit • include, as regular attendees, the CFO(s), the chief executive, the head of internal audit and the appointed external auditor. Other attendees may include the monitoring officer (for standards issues) and the head of resources (where such a post exists). These officers should also be able to access the committee, or the chair, as required • have the right to call any other officers or agencies of the authority as required, while recognising the independence of the chief constable in relation to operational policing matters • report regularly on its work to those charged with governance, and at least annually report an assessment of their performance. An annual public report should demonstrate how the committee has discharged its responsibilities. 	<p>The Committee met 7 times during the 21/22 year receiving both annual assurance reports and additional items to provide assurance on specific areas. Where necessary items are considered in private by the Committee in accordance with usual arrangements for consideration of exempt and confidential information.</p> <p>The opportunity to meet with external and internal audit privately is available where necessary.</p> <p>The Chief Finance Officer, Head of Internal Audit, and External Audit representatives are in attendance at all committee meetings together with officers able to advise in relation to</p> <ul style="list-style-type: none"> • Risk and performance • Information governance • Legal compliance <p>Other officers are requested to attend the committee as and when necessary.</p> <p>The committee produces an annual report, presented to full council and published publicly detailing how the Committee has performed throughout the previous year.</p>

Corporate Governance and Audit Committee Work Programme 2022-23

Date: 24th June 2022

Report of: Chief Officer Financial Services

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report presents
 - the work programme for the Corporate Governance and Audit Committee, setting out future business for the Committee's agenda, together with details of when items will be presented
 - A development plan setting out arrangements to develop and extend the committee's skills and knowledge in relation to core areas identified by CIPFA

Recommendations

- a) Members are requested to
- i.) consider and approve the work programme and meeting dates at Appendix A.
 - ii.) consider and approve the development plan attached at Appendix B

Why is the proposal being put forward?

- 1 Development and regular review of the work programme enables the Committee to manage the business appropriately in line with the risks currently facing the Council.
- 2 The development plan is designed to support the work of the Committee by building on existing skills, knowledge and experience of the committee.

What impact will this proposal have?

Wards affected: None

Have ward members been consulted? Yes No

- 3 The work undertaken by the committee throughout the year will support the understanding of the internal control and risk environment and support the committee's approval of the statutory Statement of Accounts and Annual Governance Statement (the AGS).

- 4 The development programme set out is designed to support the Committee’s robust examination of the assurance provided to ensure an accurate reflection of the internal control and risk environment in the AGS.

What consultation and engagement has taken place?

- 5 The Work programme was approved by the Committee at its meeting in March 2022 and is presented at each meeting for the committee to consider and amend as appropriate. Amendments are proposed following consultation with Grant Thornton in relation to the timetable for external audit of the accounts.
- 6 Members are invited to comment on the proposed development plan which has been developed in consultation with the Chair.

What are the resource implications?

- 7 The work undertaken by the committee will provide assurance as to the appropriate use of resources to deliver the council’s strategic objectives.

What are the legal implications?

- 8 S151 Local Government Act 1972 requires local authorities to “make arrangements for the proper administration of its financial affairs”. The Accounts and Audit (England) Regulations 2015 provide that the local authority is responsible for ensuring “a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk”.
- 9 The work undertaken by the committee enables it to advise Council (the body charged with governance) that arrangements in place are up to date, fit for purpose, communicated and embedded, monitored and routinely complied with.
- 10 CIPFA’s Audit Committees: Practical Guidance for Local Authorities and Police (2018) is proper practice for audit committees in the sector. The guidance sets out core knowledge required for an effective audit committee.

What are the key risks and how are they being managed?

- 11 The work undertaken by the committee will provide assurance that there are arrangements in place for the management of risk which are appropriate, proportionate, monitored and effective.

Does this proposal support the council’s three Key Pillars?

Inclusive Growth Health and Wellbeing Zero Carbon

- 12 The work undertaken by the committee will provide assurance that arrangements for internal control support the delivery of the council’s strategic objectives.

Options, timescales and measuring success

What other options were considered?

- 13 Members are invited to recommend the inclusion of further business in the work programme as necessary.

How will success be measured?

- 14 The Committee will provide an annual report to Council detailing how the committee has discharged its responsibilities.

What is the timetable for implementation?

- 15 As set out at Appendix A and B

Appendices

- 16 Appendix A – Work Programme of Corporate Governance and Audit Committee 2022/23

Background papers

18 None

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CORPORATE GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME FOR 2022-23

The schedule of meetings set out below is proposed but the committee reserve the right to review and amend the work programme content and meeting dates throughout the year.

Date	Work Item
24th June 2022	1 Internal Audit update report
	2 Counter Fraud and Corruption update report
	3 Annual assurance report on decision making
	4 Governance arrangements for implementation of Best City Ambition and review of strategic framework
	5 Draft annual report 2021/22 of CGAC to Council
29th July 2022	1 Annual assurance report on procurement policies and practices
	2 Interim Annual Governance Statement
	3 Draft statement of accounts 2021/22
30th September 2022	1 Internal Audit update report
	2 Annual assurance report on planning regulation and enforcement arrangements
	3 Internal Audit annual report and opinion (including assurance in respect of RIPA)
	4 Final statement of accounts 2020/21 and updated Audit Findings Report
	5 Receipt of External Auditor's Annual Report for 2020/21 setting out findings of Value for Money Review
	6 Approval of Annual Governance Statement 2021/22
	7 Receipt of External Auditor's Audit Plan for 2021/22
	8 Informing the Audit Risk Assessment
25th November 2022	1 Annual report on financial planning and management arrangements (to include Treasury Management)
	2 Counter Fraud and Corruption update report
	3 Annual assurance report on corporate performance management arrangements
	4 Annual assurance report on corporate risk and resilience arrangements
	5 Update report on Information and Digital Services Governance
3rd February 2023	1 Joint annual report on information governance from Data Protection Officer and Caldicott Guardian
	2 Annual assurance report on employment policies and procedures and employee conduct
	3 Internal Audit update report
	4 Final statement of accounts 2021/22 and updated Audit Findings Report
	5 Receipt of External Auditor's Annual Report for 2021/22 setting out findings of Value for Money Review
24th March 2023	1 Receipt of Internal Audit Plan
	2 Annual assurance report on customer contact and satisfaction
	3 Assurance report on estate management arrangements
	4 Proposed Work Programme

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Corporate Governance and Audit Committee – Development Plan 2022/23

The Development Plan set out below is designed to enable Members to develop and extend their knowledge in relation to the role and remit of the Corporate Governance and Audit Committee

Part A responds to CIPFA Audit Committees: Practical Guidance for local Authorities and the Police (2018) and provides development opportunities in relation to core areas set out at Appendix C of that guidance.

Part B provides for additional development opportunities to support Members in their role.

Part A – Core knowledge						
Core area of knowledge	Details of core knowledge required	Content	Lead officer	Delivery method	Delivered	Update required
Organisational knowledge	<ul style="list-style-type: none"> An overview of the governance structures of the authority and decision-making processes 	<ul style="list-style-type: none"> Introduction to Exercising the Democratic mandate (description of Council structures) Members guide to decision making 	Kate Sadler	Written material	TBA	New Members to committee
	<ul style="list-style-type: none"> Knowledge of the organisational objectives and major functions of the authority 	<ul style="list-style-type: none"> Best Council Ambition 	Mike Eakins	Report to Full Council	Feb 2022	All Members
Audit Committee Role and Functions	<ul style="list-style-type: none"> An understanding of the audit committee’s role and place within the governance structures. Familiarity with the committee’s terms of reference and accountability arrangements Knowledge of the purpose and role of the audit committee 	Introductory workshop: An effective audit committee (CIPFA Guidance) <ul style="list-style-type: none"> purpose functions resources independence skills 	Kate Sadler	Remote meeting	21st June 2022	New Members to committee
		Report to Committee supporting annual report to Council, reflecting compliance with CIPFA position statement		Written material & Committee discussion	24 th June 2022	All Members

Part A – Core knowledge						
Core area of knowledge	Details of core knowledge required	Content	Lead officer	Delivery method	Delivered	Update required
Governance	<ul style="list-style-type: none"> Knowledge of the seven principles of the CIPFA/Solace Framework Knowledge of the requirements of the AGS 	AGS & covering report	Kate Sadler	Written material & Committee discussion	29 th July 2022	All Members
	<ul style="list-style-type: none"> Knowledge of the local code of governance 	Review of Corporate Governance Framework and Assurance Map	Kate Sadler	Written material & Committee discussion	25 th March 2022	
Values of good governance	<ul style="list-style-type: none"> Knowledge of the Seven Principles of Public Life Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff 	Members' Code of Conduct	Monitoring Officer	Member Development Plan / New Members Induction		
		Annual Assurance Report on Employment Policies and Employee Conduct	Jess Dolphin	Written material & Committee discussion	3 rd Feb 2023	All Members
		AGS & covering report	Kate Sadler	Written material & Committee discussion	29 th July; 30 th Sept 2022	
	<ul style="list-style-type: none"> Knowledge of the whistleblowing arrangements in the authority 	Fraud and corruption workshop	Louise Ivens	Remote meeting	TBA	New Members to committee
Internal Audit	<ul style="list-style-type: none"> An awareness of the key principles of the PSIAS and the LGAN 	Regular Internal Audit update reports	Louise Booth	Written material & Committee discussion	24 th June; 30 th Sept 2022; 3 rd Feb 2023	All members

Part A – Core knowledge						
Core area of knowledge	Details of core knowledge required	Content	Lead officer	Delivery method	Delivered	Update required
	<ul style="list-style-type: none"> Knowledge of the arrangements for delivery of the internal audit service in the authority and how the role of the head of internal audit is fulfilled 	Annual Audit Opinion			30 th Sept 2022	
External Audit	<ul style="list-style-type: none"> Knowledge of the role and functions of the external auditor and who currently undertakes this role Knowledge of the key reports and assurances that external audit will provide Knowledge about arrangements for the appointment of auditors and quality monitoring undertaken 	External Audit Workshop <ul style="list-style-type: none"> Introduction Role Independence Redmond NAO VfM 	Gareth Mills	Remote meeting	TBA	New Members to committee
		<ul style="list-style-type: none"> Regular update briefings Annual Report Contribution to committee meetings 		Written material & Committee discussion	30 th Sept 2022; 3 rd Feb 2023	All Members
Financial Management and Accounting	<ul style="list-style-type: none"> Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them 	Introduction to Local Government Finance	Richard Ellis	Remote meeting	TBA	All Members
		Accounts Briefing	Mary Hasnip	Remote meeting	TBA	All Members
	<ul style="list-style-type: none"> Understanding of good financial management principles Knowledge of how the organisation meets the requirements of the role of the CFO, as required by The Role of the Chief Financial Officer in Local Government (CIPFA, 2016) and the CIPFA Statement on the Role of Chief Financial Officers in Policing (2018) 	Annual assurance report on arrangements for financial management and planning	Richard Ellis	Written material & Committee discussion	25 th Nov 2022	All Members

Part A – Core knowledge						
Core area of knowledge	Details of core knowledge required	Content	Lead officer	Delivery method	Delivered	Update required
Counter fraud	<ul style="list-style-type: none"> • An understanding of the fundamental areas of fraud and corruption risk to which the organisation is exposed • Knowledge of the principles of good fraud risk management practice in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014) • Knowledge of the organisation's arrangements for tackling fraud 	Fraud and Corruption Workshop	Louise Ivens	Remote meeting	TBA	New Members to committee
Risk Management	<ul style="list-style-type: none"> • Understanding of the principles of risk management, including linkage to good governance and decision making • Knowledge of the risk management policy and strategy of the organisation • Understanding of risk governance arrangements, including the role of members and of the audit committee 	Risk management workshop	Tim Rollett	Remote meeting	TBA	New Members to committee
Treasury	<ul style="list-style-type: none"> • Effective Scrutiny of Treasury Management is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management. The key knowledge areas identified are: <ul style="list-style-type: none"> ○ regulatory requirements ○ treasury risks ○ the organisation's treasury • management strategy <ul style="list-style-type: none"> ○ the organisation's policies and • procedures in relation to treasury management 	Annual assurance report on arrangements for financial management and planning	Mary Hasnip / Richard Ellis	Written material & Committee discussion	25 th Nov 2022	All Members

Part B – Supporting Development

Area of development	Details of development offered	Content	Lead officer	Delivery method
Information Management and Governance	<ul style="list-style-type: none"> • Mandatory IMG training 	IG related legislation, local policies, and information security	Aaron Linden	E-learning (PAL)
	<ul style="list-style-type: none"> • Cyber Sentinel 	Newsletter to increase awareness around: <ul style="list-style-type: none"> • Importance of Cyber. • Cyber security & protection • Cyber developments Leeds and worldwide • Jargon buster. 		E-newsletter

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