

Agenda



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**Vale
of White Horse**
District Council

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A MEETING OF THE

Joint Audit and Governance Committee

WILL BE HELD ON TUESDAY 15 NOVEMBER 2022 AT 6.30 PM

MEETING ROOM 1, ABBEY HOUSE, ABBEY CLOSE, ABINGDON, OX14 3JE

To watch this virtual meeting, follow this link to the council's [YouTube channel](#).

Members of the Committee:

South Oxfordshire District Council
Mocky Khan (Co-Chair)
Peter Dragonetti
Jane Murphy
George Levy

Vale of White Horse District Council
Andy Foulsham (Co-Chair)
Amos Duveen
Simon Howell
Mike Pighills

Preferred Substitutes:

South Oxfordshire District Council
David Bartholomew
Sam Casey-Rerhaye
Victoria Haval
Alexandrine Kantor
Axel Macdonald
Jo Robb
Alan Thompson
Ian White
Celia Wilson

Vale of White Horse District Council
Nathan Boyd
Andy Cooke
Eric de la Harpe
Alison Jenner
Janet Shelley
Elaine Ware

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1 Apologies for absence

To record apologies for absence and the attendance of substitute members.

2 Minutes (Pages 4 - 6)

To adopt and sign as a correct record the Joint Audit and Governance Committee minutes of the meeting held on 27 September 2022.

3 Declarations of interest

To receive any declarations of disclosable pecuniary interests and any conflicts of interest in respect of items on the agenda for this meeting.

4 Urgent business and chair's announcements

To receive notification of any matters which the chair determines should be considered as urgent business and the special circumstances which have made the matters urgent, and to receive any announcements from the chair.

5 Public participation

To receive any questions or statements from members of the public that have registered to speak.

ITEMS FOR FORMAL DECISION

6 Internal Audit Plan - mid year review (Pages 7 - 26)

To receive a report from the internal audit manager.

7 Appointment of Independent person to Audit Committee and allowances for Independent Remuneration Panel and Independent Persons (Pages 27 - 32)

To receive a report from the head of legal and democratic.

MONITORING REPORTS

8 Code of conduct annual report - 2021/22 (Pages 33 - 39)

To receive a report from the head of legal and democratic.

9 Statement of accounts 2021/22

To receive a verbal update from the head of finance.

10 Treasury Management

To receive a verbal update from the head of finance.

11 Work Programme (Pages 40 - 44)

To review the committees work programme.

12 Exclusion of the public

To consider whether to exclude members of the press and public from the meeting for the following item of business under Part 1 of Schedule 12A Section 100A(4) of the Local Government Act 1972 and as amended by the Local Government (Access to Information) (Variation) Order 2006 on the grounds that:

- (i) it involves the likely disclosure of exempt information as defined in paragraphs 1-7 Part 1 of Schedule 12A of the Act, and
- (ii) the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

13 Corporate landlord project (Pages 45 - 51)

To receive a report from head of development and corporate landlord.

Patrick Arran
Head of Legal and Democratic

Minutes



OF A MEETING OF THE

Joint Audit and Governance Committee

HELD ON TUESDAY 27 SEPTEMBER 2022 AT 6.30 PM
135 EASTERN AVENUE, MILTON PARK, OX14 4SB

Present in the meeting room

Councillors:

South Oxfordshire District Councillors: Mocky Khan (Vice Chair), George Levy, and Jane Murphy

Vale of White Horse District Councillors: Andy Foulsham (Chair), Amos Duveen, Simon Howell, and Mike Pighills

Officers: Steve Culliford (Democratic Services Team Leader) and Simon Hewings (Head of Finance)

Guests: Councillor Andy Crawford (Vale Cabinet Member)

Remote attendance:

Officers: Victoria Dorman-Smith (Internal Audit Manager), Jeremy Lloyd (Broadcasting Officer), Ben Silverthorne (Trainee Democratic Services Officer), and Richard Spraggitt (Accountant)

Guests: Councillor Leigh Rawlins (South Cabinet Member) and Kevin Suter (EY)

23 Apologies for absence

Apologies were received from Councillor Peter Dragonetti.

24 Minutes

Resolved: The minutes of the last meeting on 5 July 2022 were approved by the committee.

25 Declarations of interest

There were no declarations of interest in respect to the items of the agenda

26 Urgent business and chair's announcements

Mentioned that it was the last joint audit committee taking place at Milton Park, thanks were given to officers for their support.

27 Public participation

There was no public participation.

28 External auditor's annual audit letter 2020/21

The committee considered the external audit report, which summarised the auditors' annual reports for both councils for the year ended 31 March 2021. The report focused on two aspects, whether the council's accounts presented a true and fair view of the finances of the organisation and whether the council had appropriate arrangements in place to ensure value for money for its residents. It was stated by the audit letter that there was no reason to report by exception as it was determined that there were no weaknesses in the councils' arrangement to demonstrate value for money. Both councils had very similar reports and there no matter that were wished to be highlighted.

Resolved: Both councils voted unanimously to accept the audit report.

29 Treasury management outturn report - 2021/22

The committee considered the treasury outturn report by the head of finance. The report highlighted that in terms of performance both councils exceeded their budget, however, this is primarily due to the rise in interest rates. Performances exceeded benchmarks across both councils and all counterparty limits were met, with no breaches of potential indicators within the context of the strategy it was set in.

Resolved: Committee voted unanimously to receive the report.

30 Internal audit activity report quarter two 2022/23

The report had no actions to bring to the committee's attention. The committee were given an update on the progress of audits and were informed that nine planned audits and four follow up audits had been completed and that there were no limited assurance audits.

Resolved: Committee voted unanimously to accept the report.

31 Internal audit management report quarter two 2022/23

The report was discussed alongside the previous item in the committee. The internal audit manager confirmed that nine planned audits from the current audit year internal audit plan were in progress and there were no specific concerns to raise to the committee's attention.

Resolve: Committee voted unanimously to accept the report.

32 Internal Audit - Progress Update

The internal audit manager provided a verbal progress update on the internal audit plan for the year. The internal audit manager confirmed that a mid-year review of the internal audit plan is underway, to ensure it remains flexible and reactive to changing risks and events. Any changes to the internal audit plan will be formally presented to the committee at the next meeting.

Resolve: Committee thanked officers for the report

33 Statement of accounts 2021/22 - verbal update

Officer gave an update on the 2021/22 Statement of Accounts. It was noted that less councils had made the 31 July deadline for accounts to be put online, both South and Vale councils' accounts were slightly late on the deadline. The external audit would commence later on this year or early next year.

Resolve: Committee thanked officers for the report.

The meeting closed at 7.05 pm

Chair

Date

Joint Audit and Governance Committee



AGENDA ITEM

Report of Internal Audit Manager

Author: Victoria Dorman-Smith

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SODC cabinet member responsible: Councillor Leigh Rawlins

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VWHDC cabinet member responsible: Councillor Andy Crawford

Telephone: 01235 772134

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To: Joint Audit and Governance Committee

DATE: 15 November 2022

Mid-Year Review of Internal Audit Plan 2022/23

Recommendations

- (a) That members approve the updated internal audit plan 2022/23

Purpose of report

1. The purpose of this report is to:
 - summarise the outcomes of the mid-year review of the annual internal audit plan for 2022/23: and
 - present the updated internal audit plan 2022/23.
2. The contact officer for this report is Victoria Dorman-Smith, Internal Audit Manager for South Oxfordshire District Council (SODC) and Vale of White Horse District Council (VWHDC), email victoria.dorman-smith@southandvale.gov.uk.

Strategic Objectives

3. Delivery of an effective internal audit function will support the councils in meeting their strategic objectives.

Background

4. The Public Sector Internal Audit Standards (PSIAS) states that the head of internal audit should prepare a risk-based internal audit plan, and for plans to receive input from management. The PSIAS also states that the audit committee should approve the internal audit plan and monitor progress against the plan.
5. It is best practice to continually monitor and assess the internal audit plan throughout the year, to ensure it remains flexible and reactive to changing risks and events. As such, a mid-year review of the internal audit plan was undertaken by the internal audit manager to ensure that it remains relevant and aligns to corporate objectives.

Internal Audit Plan 2022/23: Mid-Year Updates

6. In September 2022, meetings were held between the internal audit manager and the senior management team (SMT) to understand if there have been any changes to the level of risk exposure within each service area across both councils, since the initial discussions in February 2022. Based on the outcome of these meetings, the internal audit manager updated the internal audit plan 2022/23 (**appendix 1**), which has been agreed with the head of finance (S151 officer) and considered by SMT. A summary of updates is outlined as follows:

Service Area	Audit Topic	Comments
Planning	Building Control	Audit deferred, pending requirements of new legislation (Building Safety Act 2022).
Housing & Environment	Mobile Home Parks	New audit added to Q4 to undertake a high-level review of MHP operations.
Finance	Cash Office	New audit added to Q3 to review cash office arrangements, following the move to Abbey House.
Policy & Programmes	Garden Communities	Audit changed from consultancy to assurance review. Revised scope to provide assurance on the compliance of processes to policies and procedures.
	Active Communities	New audit added to Q4 to review management of programme/schedule of work, including allocation of funds.

Climate and ecological impact implications

7. There are no direct climate or ecological implications arising from this report. However, per the climate action plan, for each individual audit in the 2022/23 internal audit plan, we will include risk considerations for the climate emergency in our audit work.

Financial implications

8. The internal audit plan can be delivered from within the approved 2022/23 budget, therefore there are no financial implications attached to this report.

Legal implications

9. None.

Risks

10. Identification of risk is an integral part of all audits.

**Mid-Year Updates to the Internal Audit Plan 2022/2023
Planned Audits (Assurance and Consultancy)**

No.	Service Area	Audit Topic	Risk Score (min. 7, max 21)	April to September (1 st Half)			October to March (2 nd Half)		
				Q1	Q2	Audit Status	Q3	Q4	Audit Status
1	Development & Corporate Landlord	Grounds & Parks Maintenance (incl. ROSPA, Tree Management & Inspections)	17				X		In Progress
2	Planning	Ocella System Functionality (Consultancy)	14		X	Completed			
3	Housing & Environment	Housing Allocations	12		X	Completed			
4		Temporary Accommodation	10					X	Not Started
5		Food Safety	11					X	Not Started
6		Mobile Home Parks (NEW)	12					X	Not Started
7	Finance	Financial Accounting	19		X	Completed			
8		Energy Rebate	17		X	Completed			
9		Leases	13				X		In Progress
10		Discretionary Fund	17				X		Not Started
11		Cash Office (NEW)	17				X		Not Started
12	Legal & Democratic	Gifts & Hospitality (Officers & Councillors)	11	X		Completed			
13		Community Safety	9	X		Completed			
14	Corporate Services	Grievance Policy	12	X		Completed			
15		Information Security	21	X		Completed			
16		ITGC (Council Managed Systems)	20	X		In Progress			
17		Health & Safety (incl. Lone Working)	16		X	Completed			
18		Corporate Consultations	10				X		In Progress
19	Policy & Programmes	Corporate Delivery Framework	14					X	Not Started
20		Business Continuity	17					X	Not Started
21		Risk Management	17					X	Not Started
22		Garden Communities	16					X	Not Started
23		Active Communities (NEW)	8					X	Not Started

Mid-Year Updates to the Internal Audit Plan 2022/2023
Annual Key Financial Audits

No.	Service Area	Audit Topic	Risk Score (min. 7, max 21)	April to September (1 st Half)			October to March (2 nd Half)		
				Q1	Q2	Audit Status	Q3	Q4	Audit Status
24	Corporate Services & Finance	Payroll	21	X		Completed			
25	Finance	Council Tax	19		X	In Progress			
26	Finance	Accounts Receivable	18				X		In Progress
27	Finance	Housing Benefits & Council Tax Reduction Scheme (HB&CTRS)	19				X		In Progress
28	Finance	National Non-Domestic Rates (NNDR)	19				X		In Progress
29	Finance	Accounts Payable	19					X	Not Started
30	Finance	Capital Management & Accounting	15					X	Not Started
31	Finance	General Ledger	18					X	Not Started
32	Finance	Treasury Management	18					X	Not Started

High Level Audit Scope

No.	Service Area	Audit Area	Audit Scope
Planned Audits (Assurance & Consultancy)			
1	Development & Corp. Landlord	Grounds & Parks Maintenance (incl. ROSPA, Trees)	ROSPA inspections and reporting. Tree management and inspections. Grounds and parks maintenance processes, including stock management and procurement.
2	Planning	Ocella System Functionality	Utilisation of Ocella system functionality by planning teams and identification of process efficiencies.
3	Housing & Environment	Housing Allocations	Allocations are performed consistently and fairly, in line with formal procedures.
4		Temporary Accommodation	Accommodation is provided consistently and fairly, in line with formal procedures.
5		Food Safety	Food safety inspections process. Management of individual contractors. Response to Covid-19 regulations.
6		Mobile Home Parks (NEW)	High level review of MHP operations.
7	Finance	Financial Accounting	Accounts preparation process, including adherence to the latest guidance and standards.
8		Leases	Operating and finance leases are accounted for correctly under IFRS16. Readiness for updated IFRS16.
9		Energy Rebate	Energy rebates issued in line with government guidance.
10		Discretionary Fund	Discretionary funds issued in line with government guidance.
11		Cash Office (NEW)	Cash office policy, procedures, and controls at Abbey House.
12	Legal & Democratic	Gifts & Hospitality	Reporting and monitoring of officer and councillor gifts and hospitality.
13		Community Safety	Contents and application of the Community Safety Partnership annual plan.
14	Corporate Services	Corporate Consultations	Consultations are transparent, fair, and documented. Actions are implemented timely.
15		Grievance Policy	Established processes to respond to officer grievances in a consistent and fair manner.
16		Health & Safety	Incident management, risk assessments, lone working procedures, hybrid working, performance reporting.
17		Information Security	IT and data security management in hybrid working arrangement. Preparation and response to cybersecurity incidents. Cybersecurity awareness of officers and councillors.
18		ITGC (Council Managed Systems)	Logical access, change management, IT operations and physical security controls over council managed IT systems.

High Level Scope (Continued)

No.	Service Area	Audit Topic	Audit Scope
Planned Audits (Assurance & Consultancy)			
19	Policy & Programmes	Corporate Delivery Framework	Contents and application of the corporate delivery framework.
20		Business Continuity	Contents and application of the councils' business continuity plan.
21		Risk Management	Risk management methodologies follow best practice whilst meeting the needs of the councils.
22		Garden Communities	Compliance of processes to policies and procedures, including non-financial management processes retention of documentation.
23		Active Communities (NEW)	Management of programme/schedule of work, including allocation of funds.
Annual Key Financial Audits			
24	Finance	Accounts Payable	Invoice and refunds processing. Duplicate suppliers and payments. Manual, direct debit and BACS payment transactions.
25	Finance	Accounts Receivable	Invoice processing, including periodic invoices. Recovery, aged debts, cancellations and write offs. Invoice suppressions. Raising invoices by service teams performed in accordance with financial procedures.
26	Finance	Capital Management & Accounting	Capital financial strategy and asset management plan. Capital contracts and budget monitoring. Completeness and accuracy of asset register, including reconciliations.
27	Finance	Council Tax	Liabilities, including discounts and exemptions. Payments, credits, refunds, and suspense transactions. Recovery, enforcement, and write-offs.
28	Finance	General Ledger	Bank reconciliations. Suspense account balances and transactions. Journal transfers, including authorisation and documentation.
29	Finance	Housing Benefits & Council Tax Reduction Scheme	Housing benefits and CTRS payments. Benefits assessments and subsidy claims. Benefit overpayments.
30	Finance	National Non-Domestic Rates (NNDR)	Valuation records for new and amended properties. NNDR billing, payment, and refund transactions. Debt recovery and write offs.
31	Corporate Services & Finance	Payroll	Amendments to standing data (starters, leavers, overtime, variations). Monthly payroll processing. Payroll records, including reconciliations between systems.
	Finance	Treasury Management	Investments and borrowings (including authorisation, counterparty limits, coding). Treasury management performance. Access level controls within treasury management and banking systems.

Joint Audit and Governance Committee



AGENDA ITEM

Report of Internal Audit Manager

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VWHDC cabinet member responsible: Councillor Andy Crawford

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To: Joint Audit and Governance Committee

DATE: 15 November 2022

Internal Audit Follow-Up Process

Purpose of paper

1. To seek approval for the adoption of the revised internal audit follow-up process.

Background

2. In line with the Public Sector Internal Audit Standards (PSIAS), the chief audit executive (in these councils the Internal Audit Manager) must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Responsibility to resolve issues and manage agreed actions lies with management.
3. Internal audit undertake follow-up engagements for all internal audits within six calendar months of the date of issue of the final internal audit report. The purpose of these follow-up engagements is to provide independent confirmation that action is being taken and that risks are being managed effectively. For audits which are performed annually, follow-ups are undertaken as part of the next internal audit review.

4. There is no formal monitoring and reporting of internal audit recommendations which have not been implemented following completion of the six-monthly follow-up engagement. Lack of regular monitoring of recommendations increases the likelihood that actions are not implemented on a timely basis, exposing the councils to risk.

Revised Follow-Up Process

5. It is recommended that the follow-up process outlined below is implemented to formally monitor progress against agreed actions after completion of the six-monthly follow-up engagement:

Step 1: Quarterly (i.e., February, May, August, and November), the internal audit manager shall email the open recommendations tracker to action owners and their service managers and/or heads of service requesting an update of progress against agreed actions (incl. high, medium, and low risk items).

Step 2: Action owners shall provide the internal audit manager with their updates, along with supporting information for actions that have been fully implemented.

Step 3: The internal audit manager shall collate responses and update the recommendations tracker and the internal audit recommendations database.

Step 4: The status of progress against agreed management actions shall be reported by the internal audit manager to the joint audit and governance committee (JAGC) for their consideration (i.e., January, March, July, and September).

Step 5: the internal audit manager shall escalate non-responses to the deputy chief executives, section 151 officer, and/or monitoring officer, as appropriate, and suitable next steps will be taken.

6. Points to note:

- Action owners shall be asked to provide their responses within two weeks of distributing the recommendations tracker.
- The internal audit manager shall issue a reminder to action owners and their service managers and/or heads of service; however, late, or non-responses shall be reported to the JAGC.
- Requests for revised implementation due dates must be reviewed and agreed by the internal audit manager.

7. The roles and responsibilities in the follow-up process are summarised below:

Internal audit manager: track implementation of actions and report progress to the JAGC.

Action owners: implement agreed actions, manage associated risk(s) and provide quarterly status updates to the internal audit manager.

Senior management team: support the internal audit manager in tracking agreed actions and accept the risk of not taking actions.

Deputy chief executives, S151 officer, monitoring officer: support the internal audit manager in responding to non-responses and maintain oversight of open recommendations.

Joint audit and governance committee: monitor progress of agreed actions to ensure that the actions within internal audit reports have been implemented correctly in the timescales originally offered by management, and that controls are managing risk more effectively.

Recommendations

8. It is recommended that the revised follow up process is adopted to provide senior management and the JAGC assurance that the agreed actions within internal audit reports have been implemented correctly in the timescales originally offered by management, and that controls are managing risk more effectively.

Climate and ecological impact implications

9. There are no direct climate or ecological implications arising from this report. However, per the climate action plan, for each individual audit in the 2022/23 internal audit plan, we will include risk considerations for the climate emergency in our audit work.

Financial implications

10. None.

Legal implications

11. None.

Risks

12. Identification of risk is an integral part of all audit work.

Joint Audit and Governance Committee



AGENDA ITEM

Report of Internal Audit Manager

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To: Joint Audit and Governance Committee

DATE: 15 November 2022

Internal audit: untapped potential

Purpose of paper

1. To summarise the key points from the recent Chartered Institute of Public Finance and Accountancy (CIPFA) report titled Internal audit: untapped potential.
2. To seek approval of the proposed actions for internal audit, the senior management team (SMT), and the joint audit and governance committee (JAGC) to undertake to improve the impact of internal audit at South and Vale.

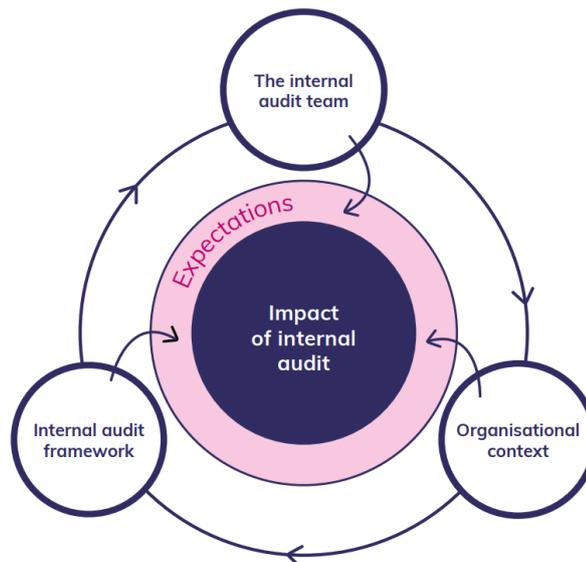
Background

3. In May 2022, CIPFA published a report on the untapped potential of internal audit, entitled as such because CIPFA believes that internal audit has a vital role to play in supporting public service organisations to achieve their goals.
4. CIPFA has conducted UK-wide research, sending an open survey to those in the public services, including those in the internal audit profession, management clients and audit committee members.
5. The report examined how internal audit is currently making an impact, identified where it can do more and what is holding it back, as better internal audit means better public services.

Report highlights

Section 1: Identifying the impact of internal audit

6. The impact of internal audit can be defined as its ability to support the organisation in achieving its strategic objectives and priorities. This will be through an appropriate mix of assurance, consulting activity and advice. The impact of internal audit will vary across organisations based on assurance needs, organisational culture, and capacity for continual improvement. The impact of internal audit is dependent on the quality of the internal audit team, the framework, and the organisation in which internal audit operates. Each of these will shape expectations of what internal audit can and should deliver.



7. There is no 'formula' for assessing or quantifying the impact of internal audit, as many of the indicators of an effective internal audit service are, to some extent, subjective.

Indicators of effective internal audit are:

- Good engagement with senior management and the audit committee, while maintaining independence and objectivity
- Internal audit plans clearly aligned to the topics that are most important for the success of the organisation.
- Timely and meaningful assurance, communicated in a way that is understood by stakeholders.
- The ability to challenge constructively and to help management find solutions.
- The ability to respond to emerging risks or issues and changing priorities for the organisation.
- Ability to demonstrate conformance with internal auditing standards.

8. However effective and impactful internal audit teams may be, CIPFA research shows they are enhanced when operating in an organisation that understands assurance and the role of internal audit and engages with internal audit to obtain the maximum benefit from the function.

Section 2: How internal audit is making an impact

9. **Internal audit's contribution has improved:** In 2008 CIPFA identified an expectation and perception gap between local government internal auditors and their clients. The 2021 research identifies significant progress on closing this gap, which is most notable in terms of the contribution that internal audit makes in supporting the management of the organisation.
10. **Effective communication:** one of the reasons for the improved contribution of internal audit may be better communication between internal auditors and their clients. Effective communication is a core skill required at every stage of the audit process, from explaining the rationale for conducting an audit to exploring options for control improvements with clients. To have impact, internal auditors need to ensure that the communication is consistently of a high standard and meeting client expectations.
11. **Range of services provided:** Internal auditors make an impact through a range of approaches. While most internal audit teams were already offering broad coverage, their clients did not always recognise this. The view of what internal audit delivers:
 - Advisory/consultancy assignments/ad-hoc advice
 - Assurance relating to individual projects
 - Advice on new systems or developments
 - Sharing good practice from, or comparisons with, other departments or organisations
 - Sitting as an independent critical friend on committees or steering groups relating to transformation, projects or major programmes
 - Working with other internal audit teams to provide assurance on partnerships or collaborative ventures

The disparity is most marked in relation to the role of internal audit sitting on project or steering groups and in advice provided on new systems or developments. Heads of audit will have a full understanding of their team's activities, while clients perhaps only recognise those where they have had direct interaction. There is also a difference in perception between management and audit committees, perhaps reflecting that not all advisory work is reported to the audit committee in detail.

Section 3: The potential for internal audit

12. **Expectations and understanding:** There is a range of expectations of internal audit from management and audit committees, as well as a difference in the perception of what internal audit delivers for the organisation. CIPFA believes that higher expectations by management and audit committees will provide both a challenge and support for internal audit.
13. **More strategic coverage:** A key factor of the impact of internal auditing is the nature of the areas in which internal audit invests its time and focus. The top six areas that should be covered to achieve impactful internal audit in the coming three years, as identified by CIPFA research, are as follows (with cybersecurity scoring most highly):
 - Cybersecurity
 - Digitisation and the greater use of data within the organisation
 - Environmental sustainability/climate change
 - Financial viability (e.g., financial resilience, medium-term financial strategies and decisions around commercial strategies)
 - Culture and ethics
 - Supporting improved risk maturity
14. **Going beyond assurance:** The responses to a question on how internal audit currently contributes to an organisation reflect a somewhat traditional view of internal audit activity, with independent and objective assurance being the highest-ranking response. Other activities that would be expected in a high functioning internal audit team such as providing advice, helping to understand the root cause of weaknesses and audit coverage relating to major change receive a much lower ranking.
15. **Supporting improved risk maturity:** There is a difference between views of the heads of internal audit, management, and audit committees on the organisation's risk maturity. Management and audit committee members considered that their risk management arrangements were more mature than the view of internal auditors. There is scope to improve arrangements for managing risk: 31% of respondents believe that the impact of internal audit would be enhanced if there was greater support to help the organisation understand risk and its risk maturity.
16. **Data analysis:** The impact of internal audit also comes from the tools used. Where data analytics are not already being used, 68% of internal auditors and 40% of clients think that adding analytics to the audit toolkit would be beneficial. Internal auditors are seeking to use analytics and to upskill team members, but there are also barriers such as multiple legacy systems and challenges to accessing the organisation's data.
17. **Consultancy role:** The definition of internal auditing recognises that internal audit has both an assurance and consulting role. There are concerns that internal audit undertaking consulting work can impair its independence and objectivity when it needs to later provide assurance in that same area. Internal audit consulting input may not always be a standalone assignment; for many teams, a core element of their advisory role is to attend project or steering groups to act as a critical friend. It is key that internal auditors should not have a decision-making role at any such meeting; however, being present enables internal audit to be aware of progress and make decisions to determine how it can best respond to support the organisation.

Section 4: What is holding internal audit back?

18. The challenges in the report are faced by many public sector organisations. That is not to say that these are faced by all, or that internal audit teams, senior management or audit committees are not seeking solutions or taking action.
19. **Resourcing:** The level of internal audit resourcing is often a difficult one. How much assurance is sufficient? What other assurances exist?
- 43% of internal auditors said that increasing the capacity of internal audit was a priority for improving its impact and effectiveness; however, less than 30% of clients agreed this was a priority.
 - There can be a difference between the levels of assurance an organisation requires (client appetite for assurance) and needs.
 - The assurance needs of organisations are changing and internal audit must be able to respond to this.
 - There are four key factors impairing internal audit's capacity and ability to recruit, retain or procure the right skills (1. continuing development of the internal audit team, 2. attracting people to the audit profession, 3. culture, and 4. behaviours and soft skills).
20. **Managing internal audit independence:** Independence and objectivity are essential to effective internal audit. Some of the barriers may be factors of perception, which can then impair stakeholders' views on the quality of internal audit:
- 60% of respondents in local government have other responsibilities: the most common were risk manager, head of counter fraud, and governance. Safeguards must be in place to limit impairments to independence or objectivity.
 - Heads of internal audit must report functionally to a member of the leadership team.
21. **Audit committees:** Low expectations by audit committees:
- While committees are supportive of the work of internal audit, they are less effective in providing professional oversight and providing challenge.
 - Management needs to be better at responding to internal audit recommendations and that the audit committee has a role to ensure action is taken.
 - Some audit committee chairs and heads of internal audit have regular meetings, and discussions between meetings, along with private sessions. However, this relationship is not in place for all.
 - There is potential for political bias - the 2020 Redmond Review noted that 56% of local authorities had no independent member on the audit committee.
 - While the audit committee should approve the internal audit plan, the plan should ultimately be the work of the head of internal audit setting out their independent view of the assurance priorities for the organisation. The plan should be developed according to the strategic priorities and risks of the organisation, and by consulting key stakeholders such as management and the audit committee.
 - The quality of internal audit must include conforming with relevant professional standards.
 - There is a requirement for an independent external assessment of internal audit to be undertaken at least once every five years.

22. **Lack of understanding of assurance – immature first and second lines:** We asked respondents about the status of an assurance framework or similar mechanism within their organisation. When asked if the organisation has identified how it obtains assurance across the full range of its activities, clients were significantly more positive than heads of internal audit. This may be for a number of reasons, including the understanding of what constitutes an effective assurance map, or that internal auditors may have higher expectations on the formality of such an exercise. Only 48% confirmed that their organisation had identified how it obtains assurance across the full range of its activities. This is surprisingly low, given the concept of assurance maps or frameworks has been in use for over 20 years. There is a need for audit committees to have a key role in overseeing the assurance framework, with internal auditors being integral not only to delivering assurance, but in collecting information and assessing the robustness of other assurance activity to help the committee's understanding of the assurances available to the organisation. Through this approach, the audit committee acts as a sponsor alongside senior management and can help create a culture of seeking assurance, feedback, and continual improvement to support risk management and decision making.
23. **The quantum of internal audit resource and assurance:** 'How much assurance is enough?' is perhaps the million-dollar question, and one to which there is no simple answer. The amount of coverage varies from organisation to organisation and is informed by various factors such as the size and complexity of the organisation, appetite for assurance, and the remit of the internal audit function. This will, in turn, determine the volume and nature of internal audit work and its ability to have an impact.
24. **Challenges in delivering the annual internal audit opinion:** The PSIAS require public sector internal auditors to provide an annual opinion. This should inform the organisation's annual governance statement. In CIPFA's experience of quality assessments, a range of approaches exist to underpin the opinion. The variability identified in the quantum of audits underpinning the annual opinion is concerning.
25. **Organisational culture:** It is important to have a culture where internal audit findings are taken as independent, objective, professional advice to be acted on and taken into consideration. The need for a risk management culture to be embedded was also shared, and the ability for internal audit to have a voice at the top table to be able to engage in new initiatives, change or transformation at an early stage.

Report conclusion:

- 26. When internal audit provides support, it does so in a unique way. It provides independent assurance. Achieving this requires a resource base of trained internal auditors supported by modern approaches and professional standards. It needs both capacity and capability.
 - 27. Internal audit also needs to work in conjunction with an organisation’s governance, risk, control, and assurance frameworks. A professional team of internal auditors will not have the desired impact in an organisation that doesn’t understand its assurance requirements or have good governance arrangements.
 - 28. Assurance requirements are constantly evolving, and internal audit must keep up with the pace of change to stay relevant. Concerns that organisations face such as climate change and increased cyber security and financial risks are areas where internal audit can have a great impact.
27. The report concluded that things need to change and recommended the following:

<p>1</p> <p>Successful organisations need to have robust and effective management and governance, including an understanding of assurance.</p> <p>Improving this understanding will enable the most effective use of internal audit.</p>	<p>3</p> <p>Internal audit must be kept independent to achieve its maximum impact in an organisation. Auditors frequently take on additional roles, which may compromise their independence.</p> <p>They must have a sole focus and a direct reporting line to the leadership team as required by the Public Sector Internal Audit Standards (PSIAS).</p>
<p>2</p> <p>Internal audit is often not allowed to unleash its full potential. The importance of its contribution must be fully understood and appreciated by clients – management and audit committees.</p> <p>Internal audit managers must become greater advocates in promoting the function within organisations.</p>	<p>4</p> <p>Discussions on public sector policy issues, be they social care, financial resilience or technological change, should acknowledge the importance of assurance and highlight internal audit’s contribution.</p> <p>This would help raise the expectations of internal audit’s clients.</p>

Next steps

- 29. Based on the recommendations raised in the report, an action plan has been developed, outlining the proposed actions for internal audit, SMT and the JAGC to undertake to improve the impact of internal audit (see **appendix 1**).

Climate and ecological impact implications

30. There are no direct climate or ecological implications arising from this report. However, per the climate action plan, for each individual audit in the 2022/23 internal audit plan, we will include risk considerations for the climate emergency in our audit work.

Financial implications

31. The proposed action plan can be delivered from within the approved 2022/23 budget, therefore there are no financial implications attached to this report.

Legal implications

32. None.

Risks

33. Identification of risk is an integral part of all audits.

Appendix 1: Action Plan

Impact area	Ref	Actions(s)	Responsible		
			Internal Audit	SMT	JAGC
Effective communication	1.	Promote awareness of internal audit (i.e., what we do, why we do it, and how we do it) across the councils. Options could include: <ul style="list-style-type: none"> Attending service team meetings to conduct briefings/Q&A sessions. Holding an 'internal audit awareness week' via Jarvis and comms emails - perhaps in conjunction with the councils' second lines of assurance (e.g., legal, risk management, health & safety). 	X		
	2.	Seek feedback from the senior management team on what improvements they would like to see in relation to internal audit communication.	X	X	
More strategic coverage	3.	Review the annual internal audit plan for the following: <ul style="list-style-type: none"> Reconcile the internal audit plan to the South and Vale corporate risk registers, to ensure that strategic and/or top risks are audited regularly. Audit the councils highest risk areas (e.g., information security, risk management, health & safety) on an annual basis. 	X		
Supporting improved risk maturity	4.	Review and update the 2022/23 annual internal audit report to ensure that internal audit's annual opinion on risk management provides clarity over aspects for improvement and identifies opportunities for support.	X		
Data analysis	5.	Provide excel training to the internal audit team on data analytics tools and techniques via: <ul style="list-style-type: none"> Internal knowledge sharing sessions (at team meetings). Encourage the internal auditors to undertake regular independent learning and research (numerous excel training sessions are freely available online). Externally provided training course(s) on more advanced data analysis topics. 	X		
	6.	Increase data accessibility for individual audits: <ul style="list-style-type: none"> Where feasible, internal auditors should access data directly from the system on individual audits. Develop 'internal audit workspaces' in Unit4 for easy access to data, especially for key financial audits. 	X		
Consultancy role	7.	Establish a process for the internal audit manager to receive copies of SMT papers on a timely basis. This is to support the internal team in expanding on the projects they get involved in, and the meetings we attend in the capacity of a critical friend.	X	X	
Audit committees	8.	Undertake an external quality assessment to assess compliance with PSIAS.	X		X
	9.	Check compliance to updated CIPFA 'strengthened guidance on audit committees' report and communicate actions to JAGC.	X		X

Impact area	Ref	Actions(s)	Responsible		
			Internal Audit	SMT	JAGC
Audit committees	10.	Review JAGC governance arrangements and consider appointing at least one suitably qualified, independent member to the committee.	X		X
Lack of understanding of assurance	11.	Review latest CIPFA guidance to review and improve assurance arrangements.	X		
	12.	Review and update the 2023/24 internal audit plan to ensure that it sets out what other assurances are available and any work internal audit has undertaken to consider the reliability/scope of those assurances. If internal audit has not undertaken any such assessment, this should also be noted. For example, the internal audit plan could include a different aspect of the second line each year to provide assurance on those functions.	X		
	13.	Review compliance to the CIPFA requirement for assurance frameworks: <ul style="list-style-type: none"> Review the latest CIPFA guidance (CIPFA will be publishing guidance on assurance frameworks in). Develop a plan to establish an assurance framework, in collaboration with the assurance team and seek SMT approval. 	X	X	
Quantum of internal audit resource and assurance	14.	Review and update the 2023/24 internal audit plan to ensure that it provides information on any areas not included within the plan and where the head of internal audit believes that assurance may be required. This should include an explanation of the rationale for non-inclusion, which can be used to inform discussions around prioritisation of the use of internal audit resources to facilitate a meaningful discussion with the JAGC.	X		
Annual internal audit opinion	15.	Review and update the annual internal audit opinion on risk management to ensure it complies with PSIAS.	X		
	16.	Update internal audit's approach to supporting risk maturity by benchmarking against other authorities, to leverage best practices.	X		
Organisational culture	17.	Establish a formal process for monitoring progress against internal audit recommendations.	X	X	X
Maximising the impact of internal audit	18.	Complete the ten suggested questions that senior management and audit committees should be asking to obtain the maximum impact from internal audit and compare with internal audit manager responses (see appendix 2).	X	X	X
	19.	Review and update the internal audit strategy, to ensure it complies with PSIAS (i.e., Internal audit functions should develop not only a plan of the audit work they will undertake, but also a strategy for their function's development and how it will flex to meet the future needs of the organisation. This is likely to include the nature of the work, the tools and skills required to undertake it and resources. This should be agreed with top management and the audit committee and progress reported on as part of the quality and improvement programme of the function.)	X		

Appendix 2: Maximising the impact of internal audit

Suggested questions that senior management and audit committees should be asking to obtain the maximum impact from internal audit. Comparing views on these questions with the head of internal audit may also lead to some useful discussions.

No.	Question	Response
Engagement with the organisation		
1.	Does internal audit receive the right level of support and engagement from the audit committee?	
2.	Does internal audit get good engagement from across the organisation when it plans and conducts audits?	
3.	Do managers within the organisation seek advice or assurance from internal audit? What are the drivers of or obstacles to this?	
4.	Has the head of internal audit indicated that resources (capability or capacity) need to increase? What steps are being taken to address this?	
Quality, impact and continual improvement		
5.	Does internal audit conform to PSIAS as demonstrated by an independent external quality assessment undertaken within	
6.	What action is internal audit taking to continually improve its quality, engagement and impact for the organisation? Is internal audit considering the skills and competencies it will need in the future as well as now?	
Assurance		
7.	Is there a clear view of the assurance that internal audit does, and does not, provide? What assurance is provided by other functions or parties? Are there gaps in the assurance that management or the audit committee require?	
8.	How do internal audit plans map to the organisation's strategic priorities and risks?	
9.	How is internal audit developing its approach to providing assurance – for example, making greater use of data or undertaking audits with a more strategic focus?	
Strategy		
10.	What factors currently determine our internal audit strategy? Are we confident that the strategy will deliver our internal audit needs in the future?	

Joint Audit and Governance Committee



Report of Patrick Arran, Monitoring Officer
Author: Steven Corrigan
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DATE: 15 November 2022

Appointment of an independent member to the Joint Audit and Governance Committee

Recommendation

That the committee:

1. Approve the principle of co-opting an Independent Person onto the Joint Audit and Governance Committee on a non-voting basis.
2. Approve the person specification attached at appendix 1.
3. Recommend that each Council:
 - a) agrees to co-opt one independent person on to the Joint Audit and Governance Committee on a non-voting basis;
 - b) approves the person specification attached at appendix 1;
 - c) authorises the head of legal and democratic and monitoring officer and the section 151 officer, in consultation with the Joint Audit and Governance Committee co-chairs, to undertake the recruitment process and appoint an independent person to the Joint Audit and Governance Committee for a period of four years until May 2027;
 - d) authorises the head of legal and democratic to make changes to the councils' constitution to reflect the appointment;
 - e) asks the Independent Remuneration Panel to consider an appropriate level of remuneration for the role of independent person to the Joint Audit and Governance Committee and the independent persons dealing with code of conduct matters if the committee consider that the roles should be remunerated.

Purpose of Report

1. To invite the committee to agree the principle of the appointment of an independent person to the Joint Audit and Governance Committee, agree a person specification and recommend each Council to appoint an independent person to the Joint Audit and Governance Committee.

Corporate Objectives

2. High standards of conduct underpin all of the councils' work and the achievement of both councils' corporate objectives and assist with ensuring effective governance.

Background

3. 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. 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. The Council's audit committee should adopt a model that establishes the committee as independent and effective.

Independent Person appointment

4. Many local authorities include independent persons on their audit committees (or similar) as this is seen as strengthening the internal control and governance of the authority. Independent persons with appropriate skills and experience can supplement those of elected members and improve the effectiveness of such committees.
5. Guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) encourages local authorities to include independent persons on their audit committees which is seen to bring positive benefits and be a mark of good practice to demonstrate good governance principles and independence from the executive and other political allegiances. It is a requirement for police audit committees, English combined authorities and for local authorities in Wales, and it is usual practice for non-executives to be committee members in health and central government audit committees. The injection of an external view can often bring a new approach to committee discussions.
6. Independent persons are non-councillors who are suitably qualified with experience in the area of audit/governance and bring specialist knowledge and insight to the workings and deliberations of the committee to amongst other things provide:
 - An effective independent assurance of the adequacy of the risk management framework.
 - Bring additional knowledge and expertise to the committee.
 - Independent review of the Council's financial and non-financial performance.
 - Independent challenge to, and assurance over, the Council's internal control framework and wider governance processes.
 - Reinforcement of the political neutrality and independence of the committee.
 - Maintain continuity of committee membership where the membership is affected by the electoral cycle.
7. The independent person would not have a vote in the same way as members of the committee and will be part of the committee in an advisory and consultative manner.
8. While operating as a member of the audit committee, the independent person is required to follow the councils' Constitution and Code of Conduct for elected members. They should also register any interests. It is usual for co-opted persons not to have voting rights, and this is the position being proposed here.
9. The primary considerations when considering audit committee membership

should be maximising the committee's knowledge base and skills, being able to demonstrate objectivity and independence, and having a membership that will work together.

10. A job specification is attached at appendix 1 and is based on similar positions at other councils. Officers propose that the arrangements for the recruitment and advertising of the role are delegated to the head of legal and democratic and monitoring officer and section 151 officer, in consultation with the Joint Audit and Governance Committee co-chairs. Both the section 151 officer and monitoring officer support the appointment of an independent person.

Remuneration

11. The committee is asked to consider whether remuneration should be offered given the need for quite specialised experience in audit, otherwise the position would be advertised as a voluntary position. Officers consider that the particular level of specialist knowledge and the limited pool of possible appointees supports the need for a small allowance. In order to attract suitably qualified and experienced applicants and to recognise the time commitment and resources required. If the committee agrees that a payment is appropriate, Council will be recommended to ask the Independent Remuneration Panel to consider an appropriate level of allowance, to be recommended to each Council.
12. Currently the independent persons assisting the monitoring officer with code of conduct matters are not paid an allowance. Officers are of the view that these positions provide valuable assistance to the monitoring officer and that there should be provision for an allowance in recognition of the role. If the committee agrees, Council will be recommended to invite the Independent Remuneration Panel to consider the payment of an allowance for the independent persons dealing with code of conduct matters.

Financial Implications

13. Any costs associated with the recruitment, selection, appointment and subsequent disbursements to any Independent Person will be contained from within existing revenue service budgets. There is currently no budgetary provision for the payment of allowances for independent persons. Any allowances, should it be agreed that they be payable, would be built into the budget setting process for future financial years.

Legal Implications

14. A council's audit committee is established further to the Local Government Acts 1972 and 2000 and its purpose is to give assurance to members and the public about the governance, financial reporting and performance of the council. The appointment of a non-voting Independent Person on the committee will assist and promote good governance and scrutiny of the committee. Section 102(3) of the Local Government Act 1972 allows a council to include persons who are not members of the authority on a committee. Section 104 of the Act sets out disqualifications from membership, which is the same as those for being elected or being a member of a local authority. These requirements will be reflected in the recruitment pack.

Risks

15. Subject to adequate vetting procedures and adherence to the Person Specification, this initiative should augment the Joint Audit and Governance Committee's independence, provide additional expertise, and provide an opportunity for the community to play an enhanced role in the governance of the council.

Other Implications

16. None.

Conclusion

17. To enhance the effectiveness of the Joint Audit and Governance Committee, and in line with the principles set out by CIPFA, it is proposed that the councils appoint an independent person who is not a member, or an officer of the councils, to the committee to contribute to the important role of promoting good governance and accountability.

Background Papers

None

Appendices

Appendix 1: Person specification

Appendix 1

Person Specification

Requirements	Where identified*	Essential	Desirable
A broad range of experience, preferably in public, private, voluntary and charitable sector employment or service including self-employed, employed and voluntary positions.	A	✓	
Understanding of the wider local government environment and accountability structures.	A		✓
Strategic/financial management responsibilities.	A		✓
Qualification in accountancy, finance, risk management, business management or internal audit.	A		✓
Good understanding of corporate governance and risk management and the key elements of audit, value for money and external scrutiny. The ability to formulate and evaluate solutions to the issues identified.	A		✓
Good understanding of the roles of internal and external audit.	I		✓
Ability to understand complex issues and make objective, evidence-based decisions.	I	✓	
Strong interpersonal and communication skills.	I	✓	
Willingness to participate in meetings and ask searching questions in order to challenge and hold to account council officers and the representatives of internal and external audit.	I	✓	
Attend and prepare for each meeting of the Joint Audit and Governance Committee.	I	✓	
Ability/willingness to attend any relevant training or development activities associated with the role.	I	✓	
Independence of mind, objectivity and impartiality.	I	✓	

* **A is application form** **I is interview**

Joint Audit and Governance Committee



Report of Patrick Arran, Monitoring Officer
Author: Steven Corrigan
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DATE: 15 November 2022

Annual Report on the Councillors' Code of Conduct Complaints for 2021-22

Recommendation

To note the annual report on the councillors' Code of Conduct for the 2021-22 municipal year.

Purpose of Report

1. This report provides a summary of the complaints determined in the 2021-22 municipal year which were made against district and parish councillors for alleged breaches of the Code of Conduct and covers developments in respect of the adoption of a new code, revised code of conduct complaints procedures and the training delivered to district councillors, parish councillors and parish clerks.

Corporate Objectives

2. High standards of conduct underpin all of the councils' work and the achievement of both councils' corporate objectives.

Background

3. District and parish councils have responsibility for promoting and maintaining standards in public life. The Monitoring Officer is responsible for dealing with allegations that councillors have failed to comply with the members' Code of Conduct and the councils have responsibility for providing arrangements for the consideration of allegations of a breach of the Code.
4. All councils must adopt a code of conduct dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity. At its meeting on 29 March 2022 this committee considered a report recommending the adoption of a revised Oxfordshire Code of Conduct based on the

Local Government Association (LGA) Model Code. The revised Code provides for definitions of bullying and harassment, a requirement to treat other councillors, officers and members of the public with respect and includes other “registrable” interests and non-registrable interests. The Code, which is intended to be adopted by all three tiers of local government in Oxfordshire, has been adopted by all of the district councils and the county council. All the parish councils across both districts have been recommended to adopt the revised Code.

5. All codes of conduct must be underpinned by the seven principles of public life, or “Nolan” principles, which are:
 - Selflessness
 - Integrity
 - Objectivity
 - Accountability
 - Openness
 - Honesty
 - Leadership.
6. At its meeting on 30 November 2021 this committee considered a report on revised arrangements for investigating complaints under the Code of Conduct to replace those in existence since March 2016. The revised arrangements, agreed by the committee and subsequently by each Council, provide a more detailed description of the process for the consideration of allegations of a breach of the Code, manage expectations for the public and councillors in respect of how complaints will be dealt with, include provision for an informal resolution of complaints where there is a breach of the Code, but which is not considered serious enough to investigate, and introduced a Public Interest Test. These arrangements for dealing with complaints have introduced an element of rigour to the process and has enabled the Monitoring Officer to robustly deal with complaints at an early stage.
7. Although the councils have the responsibility for maintaining these standards, there are currently very limited options in terms of sanctions. This, together with the cost of investigating complaints and the fact that a number of parish complaints are generally interpersonal disputes between councillors means that the Monitoring Officer will seek to resolve complaints informally where possible and appropriate.
8. All councillors should be encouraged to play an active role and take responsibility for promoting high standards of conduct. During October and November of 2021 refresher training was offered to all district and parish councillors within the districts, including the use of social media. Training on the new Code was provided for district councillors in June, parish clerks in August and parish councillors in September and October.
9. Administering the complaints process is a high resource activity and therefore parish councils are encouraged to make every effort to reduce complaints arising in the first instance. Officers will seek to deal with complaints in a pragmatic way and this includes:

- giving advice to councillors / clerks to seek to enable them to resolve their own difficulties or to use an alternative form of dispute resolution
 - requiring evidence of an attempt to resolve the matter informally or a reasonable explanation of why this has not been explored before a formal complaint is progressed
 - imposing a “high bar” when it comes to interpersonal disputes
 - being clear when an issue is not a code of conduct matter and referring complainants to the relevant organisation’s complaints process or the Oxfordshire Association of Local Councils
 - offering alternative forms of dealing with conflict such as mediation or training
 - Where possible, alternative interventions or advice are offered before a formal complaint is received
10. As mentioned above, much of the code of conduct work (apart from registers of interests) is done informally and consists of giving advice over the telephone or by email. Officers do not routinely record this work, but it is reasonably significant and is often valuable in avoiding more substantial problems later on.
11. The councils retain the services of six “independent persons” to assist in maintaining and promoting high ethical standards in the district councils and the parish councils in South and Vale. The role of “independent person” was created by the Localism Act 2011. The independent persons provide overview of the process and are available to advise the subject councillor and to consult with the Monitoring Officer. The six independent persons (previously each council had only two) were appointed by each Council at the annual meetings in May 2021 for terms of office until May 2026.
12. Complaints submitted formally are recorded and where possible, officers require complainants to ensure that they use the pro-forma provided for that purpose.
13. A short summary of the formal complaints concluded in the 2021-22 municipal year is included in the appendix to this report. One complaint resulted in a finding of a breach of the Code of Conduct.

Register of Interests

14. All councillors and co-optees at both district and parish level, are legally required to submit a register of their interests to the Monitoring Officer which is publicly available. Following the adoption of the revised Code all district councillors are required to submit revised register of interest forms to take account of the requirement to register other interests. Those parish councils which have adopted the revised Code are also provided revised register of interest forms to take account of this change. All of these registers are signed off and published by the district council. Councillors and co-optees are also required to keep their registers up to date. The Democratic Services team receives these documents from parish clerks (on behalf of their councillors) as well as from district councillors after election / co-option. Reminders are sent for amendments to be registered.
15. There is an option for councillors / co-optees to request that their addresses and similar identifiers are removed from the public register if these are “sensitive interests”. This is where the councillor believes that disclosure of that information could lead to the member or co-opted member, or a person connected with them

being subject to violence or intimidation. Over the past year the Monitoring Officer has continued to receive a number of these requests. The Monitoring Officer has taken a sympathetic approach and granted all requests in order to reduce potential risks to both the councils and to individual councillors.

Financial Implications

16. Code of conduct work and the administration of code of conduct complaints is met from existing budgets. The independent persons currently undertake their role voluntarily although occasional expenses and training costs are met. No external investigators were engaged during 2021-22.

Legal Implications

17. All legal implications are set out in the body of the report.

Risks

18. If the councils fail to adopt and maintain a code of conduct and processes for the investigation of complaints, they will fail to comply with the statutory requirements. In turn, this could impact on the councils' reputation and the integrity of corporate governance and decision-making processes.
19. Using alternative methods of dispute resolution reduces the cost of dealing with formal complaints, reduces the stress impact for the complainant and subject member and often provides a more satisfactory outcome for all parties involved.

Other Implications

20. None.

Conclusion

21. This report is for the Joint Audit and Governance Committee to note and to be aware of the work of the Monitoring Officer in respect of the administration of code of conduct complaints.

Background Papers

None

APPENDIX

SOUTH

Case Reference	District or Parish	Nature of Complaint	Decision	Comments
2021/2022 MUNICIPAL YEAR				
202122.01	Parish	Complaint about alleged bullying arising from requests for information, questioning of decisions and ignoring advice and information.	Rejected at stage one.	Complaint was of an interpersonal nature revolving around reactions to a difference of opinion/approach relating to a matter that would more properly be dealt with in the first instance by referring the matter to the Chair of the parish council for informal resolution. Offered to provide assistance to the parish clerk.
202122.02	Parish	Complaint alleging a parish councillor had shown bias/failed to declare a disclosable pecuniary interest in consideration of a neighbourhood planning matter and a planning application.	No further action	In respect of the neighbourhood planning matter the parish councillor concerned had declared an interest, following advice provided by the district council's monitoring officer. In respect of the planning application, the parish councillor was not acting in their official capacity when objection to the planning application.
202122.03	N/A	Complaint regarding the behaviour of the	Rejected at stage one	Code of conduct does not apply to parish meetings.

		chair of a parish meeting.		
202122.04	Parish	Complaint regarding behaviour of a councillor	Rejected at stage one	Not acting in official capacity therefore not a code of conduct matter.
202122.05	District	Allegation of a failure to treat others with respect and bullying.	Evidence of a breach of the Code of Conduct but decision not to commence a formal investigation.	No further complaints received once the matter brought to the attention of the councillor. Having regard to treating Code matters on a preventative rather than punitive basis considered that further action required.
202122.06	District	Allegation of predetermination of a planning application and misuse of position at a meeting of the Planning Committee.	No breach. Other action.	No evidence of predetermination. Democratic Services to review conduct of Planning Committee meetings. Effective chairing of meetings training to be provided.
202122.07	District	Allegations of various breaches of the Code including non-disclosure of an interest and failure to declare an interest at a meeting.	Breach of the Code due to a conflict of interest.	Councillor was in breach of the Code of Conduct in relation to the principles of: <ul style="list-style-type: none"> • Selflessness (Paragraph 3) • Objectivity (Paragraph 4) • Openness (Paragraph 6) for failing to declare an interest at a Council meeting and taking part in the debate and voting.

VALE

Case Reference	District or Parish	Nature of Complaint	Decision	Comments
2021/2022 MUNICIPAL YEAR				
V202122/01	Parish	Misuse of planning process.	No further action	<p>Aspects of the complaint related to parish council procedure or should be addressed by other organisation's processes. Complaint reflected friction between members of the public and the parish council</p> <p>Matter not significant enough to justify public money/time on an investigation.</p>
V202122	Parish	Abuse of power in respect of decision making.	No further action	<p>No evidence of a breach of the Code of Conduct.</p> <p>Matter not significant enough to justify public money/time on an investigation.</p> <p>In addition, complaints regarding Freedom of Information requests are a matter for the Information Commissioner and allegations of planning breaches are matters for the local planning authority.</p>

Audit and Governance Work Programme

containing Joint Audit and Governance
Committee work to be undertaken
FROM NOVEMBER 2022



What is the work programme?

The Audit and Governance Work Programme belongs to South Oxfordshire District Council's and Vale of White Horse District Council's Joint Audit and Governance Committee and sets out a schedule of work for the period shown above. It is a rolling plan, subject to change at each committee meeting; however, the councils may allocate additional work without notice.

Item title	Meeting date	Lead officer	Why is it here?	Scope	Notes
Treasury Management verbal update	Joint Audit and Governance Committee 15 Nov 2022	Simon Hewings, Head of Finance simon.hewings@southandvale.gov.uk	Due to the treasury management mid-year monitoring report going to the JAGC meeting in January, it was agreed that a verbal update would be provided at the meeting in November.		

Item title	Meeting date	Lead officer	Why is it here?	Scope	Notes
Appointment of an independent member to the Joint Audit and Governance Committee	Joint Audit and Governance Committee 15 Nov 2022	Steven Corrigan, Democratic Services Manager steven.corrigan@southandvale.gov.uk	To invite the committee to agree the principle of the appointment of an independent person to the Joint Audit and Governance Committee, agree a person specification, and recommend each Council to appoint an independent person to the Joint Audit and Governance Committee.		
Statement of accounts 2021/22 - verbal update	Joint Audit and Governance Committee 15 Nov 2022	Simon Hewings, Head of Finance simon.hewings@southandvale.gov.uk	To receive an update on the progress of the 2021/22 statement of accounts.		
Code of conduct annual report - 2021/22	Joint Audit and Governance Committee 15 Nov 2022	Patrick Arran, Head of Legal and Democratic patrick.arran@southandvale.gov.uk	The committee has responsibility for having an overview of the standards of conduct framework for councillors, any co-opted members and parish councillors.	To review operation of the code of conduct.	

Item title	Meeting date	Lead officer	Why is it here?	Scope	Notes
Corporate landlord project - update	Joint Audit and Governance Committee 15 Nov 2022	James Carpenter, Head of Development and Corporate Landlord james.carpenter@southandvale.gov.uk	The committee agreed to receive a progress update on the corporate landlord project.	To consider the update and provide any comments to officers.	
Internal Audit Plan - mid year review	Joint Audit and Governance Committee 15 Nov 2022	Victoria Dorman-Smith, Internal Audit Manager victoria.dorman-smith@southandvale.gov.uk	The committee is responsible for setting the internal audit plan and ensuring it remains up to date.	To review the revised internal audit plan and update accordingly.	
Treasury management mid-year monitoring report 2022/23	Joint Audit and Governance Committee 24 Jan 2023	Simon Hewings, Head of Finance simon.hewings@southandvale.gov.uk	The committee is responsible for the scrutiny of the councils' treasury management activity.	To review the councils' mid-year treasury management mid-year report.	
Treasury Management Strategy 2023/24	Joint Audit and Governance Committee 24 Jan 2023	Simon Hewings, Head of Finance Treasury Management Strategy 2023/24 simon.hewings@southandvale.gov.uk			

Item title	Meeting date	Lead officer	Why is it here?	Scope	Notes
Internal audit activity report - third quarter 2022/23	Joint Audit and Governance Committee 24 Jan 2023	Victoria Dorman-Smith, Internal Audit Manager victoria.dorman-smith@southandvale.gov.uk	The council audits its services through the internal audit service in line with the approved internal audit plan 2022/3. The report will summarise the outcomes of recent internal audit activity for the committee to consider.	The committee is asked to review the report and the main issues arising and seek assurance that action has been or will be taken where necessary.	
Internal audit management report - third quarter 2022/23	Joint Audit and Governance Committee 24 Jan 2023	Victoria Dorman-Smith, Internal Audit Manager victoria.dorman-smith@southandvale.gov.uk	The committee monitors the effectiveness of internal audit each quarter against the approved audit plan.	To report on management issues, summarise progress against the internal audit plan, and summarise priorities.	
Corporate risk review	Joint Audit and Governance Committee 24 Jan 2023	Harry Barrington-Mountford, Interim Head of Policy and Programmes harry.barrington-mountford@southandvale.gov.uk	The committee agreed to receive regular progress reports on the implementation of the risk management framework.	To review and comment on progress.	
Health and safety	Joint Audit and Governance Committee 24 Jan 2023	Deborah Porter Deborah.Porter@southandvale.gov.uk	The committee agreed to receive regular reports on health and safety.	To review and comment on progress.	

Item title	Meeting date	Lead officer	Why is it here?	Scope	Notes
Annual complaints report - 2021/22	Joint Audit and Governance Committee 24 Jan 2023	Sally Truman, Customer Services Manager sally.truman@southandvale.gov.uk	The committee is responsible for reviewing the formal complaints received and performance in responding to complaints against timescales set out in the corporate complaints policy.	To review the complaints and performance in responding within the timescales set in the corporate complaints policy.	
Statement of accounts 2021/22	Joint Audit and Governance Committee	Simon Hewings, Head of Finance simon.hewings@southandvale.gov.uk	Each year the committee must approve each council's statement of accounts and ensure they comply with the requirements of accounting practice.	The committee is asked to approve each council's statement of accounts and supporting documents for final sign-off by the committee's co-chairs and the councils' external auditor.	

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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