



Audit and Governance Committee

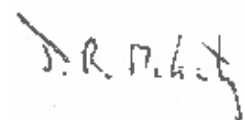
Meeting: Monday, 15th January 2024 at 6.30 pm in Civic Suite, North Warehouse, The Docks, Gloucester, GL1 2EP

Membership:	Cllrs. Wilson (Chair), Gravells MBE (Vice-Chair), Bowkett, Brooker, Durdey, Morgan, Patel, Sawyer and Mr Peter Tervet
Contact:	Democratic and Electoral Services 01452 396127 democratic.services@gloucester.gov.uk

AGENDA

1.	APOLOGIES To receive any apologies for absence.
2.	DECLARATIONS OF INTEREST To receive from Members, declarations of the existence of any disclosable pecuniary, or nonpecuniary, interests and the nature of those interests in relation to any agenda item. Please see Agenda Notes.
3.	MINUTES (Pages 5 - 8) To approve as a correct record the minutes of the meeting held on 13 November 2023.
4.	PUBLIC QUESTION TIME (15 MINUTES) To receive any questions from members of the public provided that a question does not relate to: <ul style="list-style-type: none"> - Matters which are the subject of current or pending legal proceedings or - Matters relating to employees or former employees of the Council or comments in respect of individual Council Officers. To ask a question at this meeting, please submit it to democratic.services@gloucester.gov.uk by 12 noon on Wednesday 10 January 2024 or telephone 01452 396203 for support.
5.	PETITIONS AND DEPUTATIONS (15 MINUTES) To receive any petitions and deputations provided that no such petition or deputation is in relation to: <ul style="list-style-type: none"> - Matters which are the subject of current or pending legal proceedings or - Matters relating to employees or former employees of the Council or comments in

	respect of individual Council Officers.
6.	2021/22 ACCOUNTS - EXTERNAL AUDIT To receive the report of the Council's external auditors. REPORT TO FOLLOW.
7.	INTERNAL AUDIT ACTIVITY QUARTERLY PROGRESS REPORT 2023-24 (Pages 9 - 32) To consider the report of the Head of ARA. Please note that Appendix 2 is exempt from disclosure to the press and public by virtue of Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended (information relating to the financial or business affairs of any particular person including the authority holding that information). If Members wish to discuss Appendix 2 the Cabinet will need to resolve to exclude the press and public before doing so.
8.	STRATEGIC RISK REGISTER (Pages 33 - 38) To consider the report of the Head of Audit, Risk and Assurance providing an update on the Strategic Risk Register.
9.	TREASURY MANAGEMENT - QUARTERLY UPDATE To receive the quarterly update of the Head of Finance and Resources. REPORT TO FOLLOW
10.	REVIEWED WHISTLEBLOWING POLICY (Pages 39 - 54) To consider the report of the Monitoring Officer regarding a revised Whistleblowing Policy.
11.	AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME (Pages 55 - 56) To consider the Committee's Work Programme.
12.	DATE OF NEXT MEETING Monday 4 March at 6.30pm in the Civic Suite, North Warehouse.



Jon McGinty
Managing Director

Date of Publication: Friday, 5 January 2024

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NOTES

Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<u>Interest</u>	<u>Prescribed description</u>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within the previous 12 months (up to and including the date of notification of the interest) in respect of any expenses incurred by you carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between you, your spouse or civil partner or person with whom you are living as a spouse or civil partner (or a body in which you or they have a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the Council's area. For this purpose "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for you, your spouse, civil partner or person with whom you are living as a spouse or civil partner (alone or jointly with another) to occupy the land or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the Council's area for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge) – (a) the landlord is the Council; and (b) the tenant is a body in which you, your spouse or civil partner or a person you are living with as a spouse or civil partner has a beneficial interest
Securities	Any beneficial interest in securities of a body where – (a) that body (to your knowledge) has a place of business or land in the Council's area and (b) either – i. The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, your spouse or civil partner or person with

whom you are living as a spouse or civil partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose, "securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

NOTE: the requirements in respect of the registration and disclosure of Disclosable Pecuniary Interests and withdrawing from participating in respect of any matter where you have a Disclosable Pecuniary Interest apply to your interests and those of your spouse or civil partner or person with whom you are living as a spouse or civil partner where you are aware of their interest.

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- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building; gather at the assembly point in the car park and await further instructions;
- Do not re-enter the building until told by a member of staff or the fire brigade that it is safe to do so.



AUDIT AND GOVERNANCE COMMITTEE

MEETING : Monday, 13th November 2023

PRESENT : Cllrs. Wilson (Chair), Gravells MBE (Vice-Chair), Bowkett, Durdey, Morgan and Patel

Others in Attendance

Monitoring Officer
Head of Finance and Resources
Financial Services Manager
Head of Audit Risk and Assurance (ARA)
Principal Auditor
Democratic and Electoral Services Team Leader

APOLOGIES : Cllrs. Brooker, Sawyer and Mr Tervet

29. DECLARATIONS OF INTEREST

There were no declarations of interest.

30. MINUTES

RESOLVED that:- The minutes of the meeting held on 11 September 2023 be agreed and signed as a correct record by the Chair.

31. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

32. PETITIONS AND DEPUTATIONS (15 MINUTES)

There were no petitions nor deputations.

33. INTERNAL AUDIT ACTIVITY QUARTERLY PROGRESS REPORT

33.1 The Head of Audit, Risk and Assurance (ARA) introduced the report and outlined that four audits had been completed; three of which did not require an assurance level with the one remaining being of reasonable assurance. As part of counter fraud activity, five irregularities had been reported with

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four still active. He also introduced the addition of a recommendation monitoring report which would be further developed in the future.

- 33.2 The Chair noted that additional work had been undertaken in regard to gaining further grant funding from the Arts Council for the Guildhall. It was confirmed that this additional grant funding had been achieved.
- 33.3 In relation to a query regarding the health and safety audit, The Head of Finance and Resources confirmed that a new recording solution was being populated and that progress was being made. The Head of Finance and Resources also confirmed that the process for the return of IT assets was being updated.
- 33.4 Councillor Patel asked what was being done to ensure that Members' queries to officers were being responded to within five days. Councillor Norman (ex-officio) advised that the detail of a protocol was being drawn up and that management had made clear to officers that there was a clear expectation that Members be responded to within five days. System processes were being examined as to what could assist in response monitoring. It was suggested that the Head of Transformation and Commission could advise on what base-line data could be obtained.
- 33.5 **RESOLVED that:-** The Audit and Governance Committee accept the progress against the Internal Audit Plan 2023/24.

34. TREASURY MANAGEMENT PERFORMANCE 2023/24 SIX MONTHLY UPDATE

- 34.1 The Head of Finance and Resources introduced the report which updated Members on treasury management activity in accordance with the CIPFA Code. He noted that the report detailed investments achieved over the period and that they were all close to or below the benchmark detailed. It was noted that there had been interest rate changes throughout the period. The Head of Finance and Resources also advised that no new long term borrowing had been undertaken.
- 34.2 The Chair noted borrowing undertaken from the PWLB and queried under what repayment basis this had been. The Head of Finance and Resources confirmed that this was under a fixed rate interest arrangement and that any future borrowing would have to be undertaken on increased rates.
- 34.3 **RESOLVED that:-** The Audit and Governance Committee **NOTE** the report.

35. S. 106 AGREEMENTS - UPDATE

- 35.1 The Head of Finance and Resources outlined the update and advised that Internal Audit would commenced its follow up audit in January 2024 for reporting to Committee in March 2024.
- 35.2 Officers had reviewed the five agreements in question and all allocated funds had been spent or committed within their individual deadlines. The Chair noted that the use of the new recording and monitoring system to

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reconcile with the finance systems would assist with central oversight alongside a dedicated s. 106 officer.

35.3 Councillor Gravells conveyed his thanks to the finance team and that it had taken time and patience to resolve the matter. He was assured that the final audit would be complete by the end of the financial year.

35.4 In answer to a query from Councillor Morgan as to what constituted funds being committed, the Head of Finance and Resources confirmed that the commitments made and deliver were to specific projects rather than a general commitment to spend the funds.

35.5 It was confirmed to Councillor Patel that the resolution of land charges was to be completed and that there would be a dedicated officer who would have oversight of the operation of s. 106 agreements.

35.6 **RESOLVED that:-** The Audit and Governance Committee **NOTE** the update.

36. 2021/22 ACCOUNTS

36.1 The Head of Finance and Resources provided a verbal update on the 2021/22 accounts. Following a query from the Chair on possible timeframes, he advised that unaudited draft accounts would be published and available by the end of November 2023. The external auditors would then begin their work and it was anticipated that this would be completed by the end of the calendar year ready for consideration by the Committee in January.

36.2 **RESOLVED that:** - The Audit and Governance Committee **NOTE** the update.

37. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME

RESOLVED that:- The Audit and Governance Committee **NOTE** the work programme.

38. DATE OF NEXT MEETING

15 January 2024 at 6.30pm in the Civic Suite, North Warehouse.

Time of commencement: 6.30 pm hours

Time of conclusion: 7.15 pm hours

Chair

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Gloucester City Council

Meeting:	Audit and Governance Committee	Date:	15th January 2024
Subject:	Internal Audit Activity Progress Report 2023-24		
Report Of:	Head of Audit Risk Assurance (ARA)		
Wards Affected:	Not applicable		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Piyush Fatania, Head of ARA		
	Email:	Tel:	
	piyush.fatania@gloucestershire.gov.uk	01452 328883	
Appendices:	A: Internal Audit Activity Progress Report 2023-24		
	B: Exempt Annex to the Internal Audit Activity Progress Report 2023-24		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To inform the Committee of the Internal Audit activity progress in relation to the Internal Audit Plan 2023-24.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to **RESOLVE** to:
- i. Accept the progress against the Internal Audit Plan 2023-24.

3.0 Background and Key Issues

- 3.1 The Committee approved the Internal Audit Plan 2023-24 at the 6th March 2023 Committee meeting. In accordance with the Public Sector Internal Audit Standards 2017 (PSIAS), this report (through **Appendix A**) details the outcomes of Internal Audit work carried out in accordance with the approved Plan.
- 3.2 The Internal Audit Activity Progress Report 2023-24 at **Appendix A** summarises:
- i. The progress and final position on the Internal Audit Plan 2023-24, including the assurance opinions on the effectiveness of risk management and control processes;
 - ii. The outcomes of the delivered Internal Audit Plan 2023-24 activity;
 - iii. The number of recommendations that remain open from 2022-23 and 2023-24 to date; and

iv. Special investigations/counter fraud activity.

3.2 This report is the fourth report in relation to the Internal Audit Plan 2023-24.

4.0 Social Value Considerations

4.1 There are no Social Value implications as a result of the recommendations made in this report.

5.0 Environmental Implications

5.1 There are no Environmental implications as a result of the recommendations made in this report.

6.0 Alternative Options Considered

6.1 No other options have been considered. The purpose of this report is to inform the Committee of the Internal Audit work undertaken to date and the assurance opinions provided. Non-completion of Internal Audit Activity Progress Reports would lead to non-compliance with the PSIAS and the Council Constitution (see report section 7.2 and 7.3).

7.0 Reasons for Recommendations

7.1 The role of the ARA Shared Service is to examine, evaluate and provide an independent, objective opinion on the adequacy and effectiveness of the Council's internal control environment, comprising risk management, control and governance. Where weaknesses have been identified, recommendations have been made to improve the control environment.

7.2 The PSIAS state the Head of ARA should report on the outcomes of Internal Audit work, in sufficient detail to enable the Committee to understand what assurance it can take from that work and what unresolved risks or issues it needs to address.

7.3 Consideration of reports from the Head of ARA on Internal Audit's work and performance during the year is also a requirement of the Audit and Governance Committee's terms of reference (part of the Council Constitution).

8.0 Future Work and Conclusions

8.1 Internal Audit Activity Progress Reports against the 2023-24 Risk Based Internal Audit Plan are scheduled to be presented to the Audit and Governance Committee within 2023-24. This is in accordance with the PSIAS and as reflected within the Audit and Governance Committee work programme.

9.0 Financial Implications

- 9.1 There are no Financial implications as a result of the recommendations made in this report.

Financial Services have been consulted in the preparation this report.

10.0 Legal Implications

- 10.1 Monitoring the implementation of Internal Audit recommendations assists the Council to minimise risk areas and thereby reduce the prospects of legal challenge.

The Monitoring Officer has been consulted in the preparation this report.

11.0 Risk and Opportunity Management Implications

- 11.1 Failure to deliver an effective Internal Audit service will prevent an independent, objective assurance opinion from being provided to those charged with governance. That the key risks associated with the achievement of the Council's objectives are being adequately controlled.

12.0 People Impact Assessment (PIA) and Safeguarding:

- 12.1 The Internal Audit service is delivered by ARA which is an Internal Audit and Risk Management Shared Service between Gloucester City Council, Stroud District Council and Gloucestershire County Council. Equality in service delivery is demonstrated by the team being subject to, and complying with, the Council's equality policies.

- 12.2 A PIA is not necessary.

13.0 Community Safety Implications

- 13.1 There are no Community Safety implications as a result of the recommendations made in this report.

14.0 Staffing and Trade Union Implications

- 14.1 There are no Staffing and Trade Union implications as a result of the recommendations made in this report.

Background Documents:

[PSIAS](#)

CIPFA Local Government Application Note for the UK PSIAS

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PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

January 2024

1. Introduction

- 1.1 The Council’s Internal Audit service is provided by Audit Risk Assurance (ARA) under a Shared Service agreement between Gloucestershire County Council, Stroud District Council and Gloucester City Council.
- 1.2 ARA provides these services in accordance with the Public Sector Internal Audit Standards 2017 (PSIAS) which represent the “proper Internal Audit practices”. The standards define the way in which the Internal Audit service should be established and undertake its operations.
- 1.3 In accordance with the PSIAS, the Head of Internal Audit is required to regularly provide progress reports on Internal Audit activity to management and the Audit and Governance Committee. This report summarises:
- i. The progress against the Internal Audit Plan 2023/24 (Appendix A).
 - ii. The outcomes of the 2023/24 Internal Audit activity delivered up to mid-December 2023 following the previous Committee in November 2023.
 - iii. The number of recommendations that remain open from 2022-23 and 2023-24 to date (Appendix B); and
 - iv. Special investigations and counter fraud activity.
- 1.4 Internal Audit plays a key role in providing independent assurance and advice to the Council that these arrangements are in place and operating effectively. However, it should be emphasised that officers of the Council are responsible for establishing and maintaining appropriate risk management processes, control systems (financial and non-financial) and governance arrangements.

2. Summary of 2023-24 Internal Audit work delivered up to mid-December 2023

- 2.1 Table 1 below summarises the audits delivered up to mid-December 2023, since the previous Committee in November 2023.

Audit	Assurance Level	Supporting Paragraph
Agency Staff	Acceptable	2.2
IR35	Acceptable	2.3
Payroll	Limited	2.4
Blackfriars Priory Turnover Certificate 2023-23	N/A	2.5
Patch Management	Acceptable	Annex 1 (Exempt)

Table 1 – Summary of audits delivered

- 2.2 The following Assurance criteria are applied to Internal Audit reports:
- i. Substantial assurance – all key controls are in place and working effectively with no exceptions or reservations. The Council has a low exposure to business risk;

- ii. Acceptable assurance – all key controls are in place and working but there are some reservations in connection with the operational effectiveness of some key controls. The Council has a low to medium exposure to business risk;
- iii. Limited assurance – not all key controls are in place or are working effectively. The Council has a medium to high exposure to business risk; and
- iv. No assurance – no key controls are in place, or no key controls are working effectively. The Council has a high exposure to business risk.

2.3 **Audit Activity: Agency Staff (Service Area: Policy and Resources)**

- i. Assurance Level for this report: Acceptable;
- ii. Recommendations arising from this review have been prioritised as:

High Priority:	0
Medium Priority:	3
Low Priority:	0
Rejected:	0

2.3.1 **Scope:** This audit reviewed the adequacy and effectiveness of the current procedures and controls in place regarding the use of agency staff, including monitoring and oversight at the Council.

2.3.2 **Key Findings:**

- i. The Council's guidance on the intranet on the use of a neutral vendor for employing agency staff is now out of date, as the contract has expired.

Risk: A lack of understanding of the process may lead to service managers hiring agency staff at higher cost, resulting in a financial loss for the Council.

Recommendation: The HR Business Partner and the Head of Transformation and Commissioning should update the current procedure on the intranet by removing the reference to the neutral vendor, as this contract has now expired. Once a new neutral vendor contract has been agreed, this should be communicated to all staff, together with a reminder on how to recruit agency staff.

- ii. Internal Audit testing identified that approval for recruitment of agency staff and completion of a Vacancy Request Form (VRF) was not always obtained.

Risk: The lack of formal approval when hiring agency staff could lead to erroneous staffing decisions that could result in financial losses for the Council.

Recommendation: The HR Business Partner and the Head of Transformation and Commissioning should send a reminder to hiring staff to use the VRF when requesting engagement of agency staff. A robust process should be introduced to ensure that the VRF is fully completed and approved prior to agency staff being

recruited. The delegation of authorities should be reviewed to reflect the current structure (one Director and four Heads of Service).

- iii. The monitoring of agency staff costs, and length of time in post, is not effective as there is no reporting to the Senior Management Team (SMT). There is, however, a quarterly report produced for Cabinet which highlights spending in each Directorate.

Risk: The use of temporary workers for a prolonged period of time could result in extra financial costs for the Council.

Recommendation: SMT should undertake a review of the existing temporary positions to establish whether they are still required. SMT should also receive a report on agency staff costs on a regular basis to monitor actuals against budget. An end date should be specified on the VRF. The decision to continue with the temporary position past this date should be agreed with the relevant Heads of Service.

2.4 **Audit Activity: IR35 - Off Payroll Working (Service Area: Policy and Resources)**

- i. Assurance Level for this report: Acceptable.
- ii. Recommendations arising from this review have been prioritised as:

High Priority:	0
Medium Priority:	3
Low Priority:	0
Rejected:	0

2.4.1 **Scope:** This audit reviewed the adequacy and effectiveness of the current procedures and controls in place around IR35, including monitoring and oversight at the Council.

2.4.2 **Key Findings:**

- i. The internal IR35 procedures and guidance documents are available to Council staff and describe the managers' roles and responsibilities when determining whether the IR35 rules apply to contractors they hire. However, based on interviews and due to the nature and complexity of the rules, ARA understands that the procedures are not always understood by managers.

Risk: A lack of understanding of the IR35 regulatory requirements may result in the Council being fined by His Majesty's Revenue & Customs (HMRC) if contractors are not assessed or assessed outside the rules incorrectly. This could result in the Council not paying the expected taxes and National Insurance contributions.

Recommendation: The Council should continue to provide IR35 training sessions on a regular basis to all managers involved in hiring contractors to ensure the roles and responsibilities with regards to IR35 HMRC requirements are understood and acknowledged.

- ii. The Council used three Personal Service Companies (PSC) in the last 16 months. ARA was not able to confirm that the assessments had been done timely for two contractors. For the other contractor the assessment had been done in August 2023, several months after the contractor's start date. In addition, the IR35 Council procedure requires the IR35 assessment to be done at the set-up of a new supplier while it should be done for each new contract.

Risk: It was confirmed during the audit by the relevant managers, that the three contractors were outside IR35, therefore there is no risk associated with those workers not having been assessed timely. However, the risk of it happening in the future exists as the current IR35 procedure does not explicitly require this assessment to be done for each new contract with a PSC.

Recommendation: The Council should update the IR35 procedure to add the requirement to perform an assessment for each new contract agreed with a PSC and retain assessments in a central file accessible to Finance. In addition, an annual review of the contractual situation with PSC should be conducted to confirm that the initial assessment is still relevant.

- iii. There is currently no oversight control in place at the Council to ensure that all required IR35 assessments are done timely.

Risk: The current cost benefit analysis does not justify the implementation of an oversight control as the number of workers contracting with the Council using a PSC is limited. However, this analysis is based on the current use of PSC, which may increase in the future.

Recommendation: The implementation of an oversight control should be reassessed and considered on a regular basis based on materiality.

2.5 **Audit Activity: Payroll (Service Area: Transformation and Commissioning)**

- i. Assurance Level for this report: Limited; and
- ii. Recommendations arising from this review have been prioritised as:

High Priority:	3
Medium Priority:	2
Low Priority:	0
Rejected:	0

- 2.5.1 **Scope** – To review the adequacy and effectiveness of the current procedures and controls in place regarding the payroll activities. The scope of this audit did not include:
 - i. The payment of consultants or contractors, which is undertaken by the Gloucester City Council Finance Team;
 - ii. The payroll processes and controls for leavers as this was included in the Leavers audit finalised in October 2023;
 - iii. The payment of the IR35 staff, which was included in the IR35 audit; and

- iv. The payment of expenses, which will be part of a different audit entity and will be considered for the next audit plan based on a risk assessment.

2.5.2 Key findings:

- i. 44 Business Service Centre (BSC) staff from Gloucestershire County Council can amend Gloucester City Council employee bank account details in SAP even though they are not specifically dedicated to process payroll for the Council.

Risk: The access to the sensitive payroll SAP data and transactions by a large number of BSC staff increases the risks of fraud and operational error.

Recommendation: The Payroll and Pensions Manager (BSC) should confirm to the Council at each quarterly liaison committee that user access reviews have been performed. At the same quarterly liaison committees, the Head of Transformation and Commissioning should seek on-going assurance from BSC that the appropriate reviews have been undertaken and have reduced the risks to an acceptable level.

- ii. At different stages of the payroll process, BSC did not implement review controls to ensure the accuracy of the data input in to mitigate the risk of fraud.

Risk: The ability to modify financial data without a system embedded review process increases the risk of operational mistake (erroneous information being entered in SAP) and fraud.

Recommendation: The Payroll and Pensions Manager (BSC) should ensure that the Council's staff payroll information in SAP is verified independently by another member of staff in the Payroll Team. This includes the modification of sensitive data (for example pay scales), and the files manually uploaded to SAP as part of the on-boarding process. At the quarterly liaison committees, the Head of Transformation and Commissioning should seek on-going assurance from BSC that the appropriate controls have been undertaken and have reduced the risks to an acceptable level.

- iii. BSC Payroll does not authenticate GCC staff bank account change requests before amending the details in SAP.

Risk: The lack of authentication control may result in fraudulent attempts not being detected on a timely basis and possible financial losses.

Recommendation: BSC should formalise the authentication procedure to follow when Council staff request bank account details to be changed. This procedure should promote the use of the employee portal (self-service) for Council staff to change their personal details. BSC should then distribute the procedure to the BSC Payroll Team in charge of staff details modifications in SAP.

- iv. The establishment list of staff on Gloucester City Council payroll in SAP is not reviewed on a regular basis to ensure accuracy and completeness.

Risk: Having an inaccurate payroll list increases the risk of erroneous payment.

Recommendation: The Finance and Resources Team should review the current establishment list to remove staff who are no longer working for the Council. In addition, the establishment check will also ensure that SAP matches the current City Council structure following recent changes. Thereafter, the Finance and Resources Team should review this establishment list on a regular basis to ensure accuracy and completeness.

- v. General Ledger (GL) reconciliations for 2022/2023 childcare vouchers are yet to be performed as payment transactions are yet to be manually processed back into the system. However, it is not considered as material.

Risk: An ineffective incomplete reconciliation process can have an impact on GL accounts.

Recommendation: Finance should finalise the 2022-23 reconciliations for childcare vouchers.

2.6 **Audit Activity: Blackfriars Priory Turnover Certificate 2022-23 (Service Area: Culture)**

- i. Assurance Level for this report: An assurance level is not required for this activity; and
- ii. No recommendations arose from this review.

2.6.1 **Scope** – The Council is required to provide English Heritage with a Turnover Certificate, signed by a professionally competent Auditor, certifying the amount of gross turnover for the relevant year. The aim of the audit was to provide assurance that, in all significant respects, the 2022-23 gross turnover values were accurate and in accordance with the lease agreement requirements.

2.6.2 **Key Findings**

- i. The provisional gross turnover figure for the financial year 2022-23 included the hire income taken directly from the general ledger (GL) and the bar income taken from the Electronic Cash Register (ECR) system.
- ii. For several days in 2022-2023, bar sales were processed while there was no internet at the venue. As a result, the corresponding income data (£8,612.93 excluding VAT) was not uploaded into ECR and has therefore been added to the provisional gross turnover figure.
- iii. A total of 11 duplicate invoices were identified as part of the testing and should therefore not have been included in the turnover figure. The corresponding adjustment required to the turnover calculation was £4,396.10. The duplication was due to invoices being entered manually in the system in addition to the standard process, as a consequence of the cyber incident.
- iv. In addition, Audit reviewed a sample of invoices issued at the end of February and in March 2023, to confirm that these had been paid before 31st March 2023,

(otherwise these would have had to be deducted from 2022-23 turnover figure). There was one instance where the invoice was issued at the end of March and paid in April 2023, therefore the corresponding amount (£167.05) was deducted from the turnover figure.

- v. Based on discussions with officers and a review of records maintained by the Council, Internal Audit gained appropriate assurance that the conditions of the lease agreement had been met. Therefore, the declaration was signed and submitted to English Heritage for the updated 2022-23 gross turnover amount of £203,427.89.

3. Recommendation Monitoring - Open Audit Recommendations

- i. For all recommendations, updates are requested from action owners following the agreed implementation date, to establish progress in implementing the recommendations. For any recommendations that continue to be progressed, further updates are obtained based on any revised implementation dates.
- ii. Table 2 below summarises the current open recommendations from 2022-23 and 2023-24 (to date) per audit and risk priority. Full details of all the open recommendations can be seen at Appendix B.

Ref.	Audit Activity	Date Report Issued	No. of Open Recommendations	Risk Priority		
				High	Medium	Low
1.	Health & Safety Limited Assurance 2 nd Follow Up	April 2022	1	1	0	0
2.	Gloucestershire Airport	June 2022	2	0	2	0
3.	Recycling Commodities	October 2022	1	1	0	0
4.	Section 106	December 2022	8	4	4	0
5.	Housing Strategy	June 2023	1	1	0	0
6.	Procurement	June 2023	5	3	2	0
7.	Leavers Process – Off-Boarding	October 2023	3	0	3	0
	Total		21	10	11	0

Table 2 – Open Recommendations

4. Counter Fraud Update – Summary of Counter Fraud Activities

Current Year Counter Fraud Activities

- 4.1 To date in 2023-24 there have been seven new referrals made to the ARA Counter Fraud Team (CFT).

- 4.2 After initial triage by the CFT, four of the referrals were converted to cases. Of the four, one has now been closed. Details were reported previously.
- 4.3 The remaining three cases are ongoing and will be reported to the Committee on their completion.
- 4.4 Of the remaining three referrals, one was closed and reported to the last Committee. The remaining two referrals are currently going through the triage process to determine what action is required.
- 4.5 Not all investigations (for example conduct, non-compliance and ethics issues) can have an assessed value attached to them or result in the recovery of monies. CFT investigations, analytics and consultative work may add value in other ways such as providing assurance to members and residents, reducing Council vulnerabilities and mitigating risk.
- 4.6 It should be noted that many of the cases referred to the CFT involve intricate detail and, sometimes, police referral. This invariably results in a delay before the investigation can be classed as closed and the summary outcome reported to Committee.
- 4.7 In addition to the above, counter fraud advice and alerts are routinely provided outside of the creation of referrals and cases.

National Fraud Initiative (NFI)

- 4.8 The CFT continues to support the NFI which is a biennial data matching exercise administered by the Cabinet Office. The data matching reports for the 2022-23 exercise have been released for review.
- 4.9 Council Tax and Electoral data is due to be uploaded between 30th November 2023 and no later than 19th January 2024. The CFT will continue to liaise with the relevant teams to ensure that the set deadlines are met.
- 4.10 Full details of the NFI timetables can be found using the link available on GOV.UK website – www.gov.uk/government/publications/national-fraud-initiative-timetables.
- 4.11 Examples of NFI data sets uploaded to NFI includes housing, insurance, payroll, creditors, council tax, electoral register and licences for market trader or operator, taxi drivers and personal licences to supply alcohol.
- 4.12 Not all matches are investigated. Where possible, all recommended or high fraud risk matches are reviewed by either the CFT or the appropriate service area within the Council.

Fraud Awareness

- 4.13 During International Fraud Awareness Week (12-18th November 2023) fraud awareness messages and information on the latest fraud trends and scams together with advice on how to prevent becoming a victim were shared with staff.

- 4.14 Following on from this the CFT will be signposting staff to the intranet again, this time to share the 12 Fraud Risks of Christmas. This is a 'seasonal 'way of reminding staff to remain vigilant and alert.

Whistle Blowing

- 4.15 The Senior Management are currently reviewing and updating the Council's Whistle Blowing policy. The CFT are working with the Monitoring Officer to review and update the Whistle Blowing policy and reporting process. The new process will include a more streamlined way of reporting and monitoring referrals.

National Anti-Fraud Network (NAFN)

- 4.16 NAFN is a public sector organisation which exists to support its members in protecting the public interest. It is one of the largest shared services in the country managed by, and for the benefit of its members. NAFN is currently hosted by Tameside Metropolitan Borough Council.
- 4.17 Membership is open to any organisation that has responsibility for managing public funds or assets. Use of NAFN services is voluntary, which ensures delivery of value for money. Currently, almost 90% of councils are members and there are a rapidly growing number of affiliated wider public sector bodies including social housing providers.
- 4.18 Many potential attempted frauds are intercepted. This is due to a combination of local knowledge together with credible national communications, including those from the NAFN. Fraud risk areas are swiftly cascaded to teams by the CFT for the purpose of prevention, for example national targeted frauds.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Gloucester City Council 2023-24 Internal Audit Progress Report - January 2024

Ref	Plan Quarter	Actual Quarter	Dept.	Audit	Comment	Risk	Status Now	Status Last Quarter	Comments
Completion of 2022-23 Work									
1	2	2	Policy and Resources	Agency Staff	Assurance	Medium	Final Report Issued	Draft Report Issued	Final report issued November 2023.
2	2	3	Communities	Housing Strategy	Assurance	High	Final Report Issued	Final Report Issued	Final report issued June 2023.
3	3	3	Council Wide	Procurement	Assurance	High	Final Report Issued	Final Report Issued	Final report issued June 2023.
4	NEW	4	Policy and Resources	Test and Trace Support Payment Scheme	Assurance	High	Final Report Issued	Final Report Issued	Final report issued June 2023
5	NEW	1	Place	Section 31 Biodiversity Net Gain	Assurance	High	Final Report Issued	Final Report Issued	Grant audit. Notification of audit requirement received March 2023.
Work Planned for 2023-24									
6	1	N/A	Communities	High Street Heritage Action Zone	Assurance	Medium	Replaced by UK Shared Prosperity Fund audit		This audit was completed in 2022. It has been replaced by the UK Shared Prosperity Fund audit (added below) as agreed with management.
7	NEW	2	Place	UK Shared Prosperity Fund	Assurance	High	Field Work Completed	Field Work Started	<u>Update December 2023:</u> Audit added to the plan (Q2) as agreed with management. Fieldwork has been completed and the draft report is being produced.
8	NEW	2	ICT	Patch Management	Assurance	High	Final Report Issued	Field Work Started	Final report issued December 2023.
9	4	2	Council Wide	Leavers Processes (Off-Boarding)	Assurance	Medium	Final Report Issued	Draft Report Issued	Final report issued October 2023.
10	4	2	Policy and Resources	IR35 (Off Payroll Working)	Assurance	Medium	Final Report Issued	Draft Report Issued	Final report issued December 2023.
11	3	2	Policy and Resources	Payroll	Assurance	Financial audit	Final Report Issued	Draft Report Issued	Final report issued November 2023.
12	NEW	2	Council Wide	Assurance mapping	Consultancy	Medium	Final Report Issued	Final Report Issued	Final report issued September 2023.
13	2	2	Culture	Blackfriars Turnover Certificate	Assurance	Sign-off	Final Report Issued	Field Work Started	Final report issued December 2023.
14	2	3	Communities	Health and Safety Follow-up	Assurance	High	Final Report Issued	Final Report Issued	This audit has been completed and was reported to Committee in November 2023.
15	2	N/A	Place	City Growth Strategies	Consultancy	Consultancy	Deferred to 2024-25	Field Work Started	<u>Update December 2023</u> Following discussions with management this has been deferred to 2024-25.
16	2	2	Council Wide	Employee Wellbeing and Retention	Consultancy	Consultancy	Draft Report Issued	Field Work Started	<u>Update December 2023</u> The draft report was issued to management in November 2023.
17	NEW	3	ICT	Back-ups	Assurance	High	Field Work Started	Planned	<u>Update December 2023:</u> Field work has commenced in December 2023.
18	NEW	3	Culture	Guildhall Galvanise Project	Assurance	Grant	Final Report Issued	Final Report Issued	This audit has been completed and was reported to Committee in November 2023.
19	NEW	2	Policy and Resources	Free Hospital Trust	Assurance	Sign-off	Field Work Completed	Field Work Started	To review the statement of accounts for 2022-23 as per the Charity Commission's requirement for an annual independent examination of the accounts. <u>Update December 2023</u> Independent examination of the accounts has been completed.
20	3	3	Policy and Resources	Treasury Management	Assurance	Financial audit	Field Work Started	Field Work Started	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023:</u> Fieldwork is on-going.
21	3	3	Policy and Resources	Housing Benefits & Council Tax Reduction	Assurance	Financial audit	Field Work Started	Planned	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023</u> Fieldwork has commenced.
22	3	3	Policy and Resources	National Non Domestic Rates (NNDR)	Assurance	Financial audit	Field Work Started	Planned	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023</u> Fieldwork has commenced.
23	3	N/A	Place	Planning Performance and Income	Assurance	Medium	Deferred to 2024-25	Planned	<u>Update December 2023</u> Following discussions with management this has been deferred to 2024-25.

Ref	Plan Quarter	Actual Quarter	Dept.	Audit	Comment	Risk	Status Now	Status Last Quarter	Comments
24	3	N/A	Place	First Homes	Assurance	Medium	Deferred to 2024-26	Planned	<u>Update December 2023</u> Following discussions with management this has been deferred to 2024-25.
25	NEW	3	Policy and Resources	Facilities Management	Assurance	High	Field Work Started	N/A	<u>Update December 2023</u> New request from management following a counter-fraud investigation.
26	3	N/A	Communities	Homeless Pathway	Assurance	Medium	Planned	Planned	Review the effectiveness of the systems for processing applications and monitoring homelessness cases <u>Update December 2023:</u> Planning meeting arranged for early January 2024.
27	3	N/A	Culture	Culture Grants (Guildhall and Museum)	Assurance	Medium	Planned	Planned	<u>Update December 2023:</u> This audit has been moved from Q2 to Q3 as agreed with Management.
28	3	N/A	Culture	Statues and Monuments	Consultancy	Consultancy	Planned	Planned	Support on the Cultural Strategy and Statues and Monuments consultancy. Deferred at management's request and the updated risk position. <u>Update December 2023:</u> This consultancy piece of work has been moved from Q1 to Q3 as agreed with management.
29	3	3	Policy and Resources	Sickness Absence	Assurance	Medium	Field Work Started	Planned	<u>Update December 2024</u> Terms of Reference issued.
30	NEW	N/A	ICT	Third Party Hosting	Assurance	High	Planned	Planned	<u>Update December 2023:</u> This ICT audit is planned for Q3 as agreed with management.
31	4	3	Communities	Section 106 Agreements - Follow Up	Assurance	Follow-up	Field Work Started	Planned	<u>Update December 2023:</u> The scope will be a follow-up of the actions agreed in the previous S106 audit report (CIL will not be in scope) as agreed with Management.
32	4	N/A	Policy and Resources	Creditors	Assurance	Financial audit	Planned	Planned	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023:</u> This audit has been moved from Q3 to Q4 at Management's request.
33	4	N/A	Policy and Resources	Debtors	Assurance	Financial audit	Planned	Planned	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023:</u> This audit has been moved from Q3 to Q4 at Management's request.
34	4	N/A	Policy and Resources	Main Accounting Systems, Budgetary Control and Bank Reconciliations	Assurance	Financial audit	Planned	Planned	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023:</u> This audit has been moved from Q3 to Q4 at Management's request.
35	4	N/A	Climate	Climate and Carbon Reduction	Assurance	High	Deferred to 2024/25	Planned	Audit scope to focus on governance arrangements. <u>Update December 2023:</u> This audit has been deferred at the request of management to 2024/25 as the new climate strategy is planned to be in place by the end of Q4.
36	4	N/A	Council Wide	Contract Management	Assurance	High	Planned	Planned	Procurement review to be prioritised. Contract management risk assessment and review need to be updated. <u>Update December 2023:</u> This audit has been moved from Q2 to Q4 at Management's request.
37	4	N/A	Culture	Cultural Recovery Fund	Assurance	Medium	N/A	Replaced by Risk Management audit follow-up	<u>Update December 2023:</u> 3 audits were completed in 21/22 for the Cultural recovery fund (covering the 3 rounds). The fund is now closed. The audit has been replaced by the Risk management follow-up audit (added below) as agreed with management.

Ref	Plan Quarter	Actual Quarter	Dept.	Audit	Comment	Risk	Status Now	Status Last Quarter	Comments
38	NEW	N/A	Council Wide	Risk Management audit - Follow-up	Assurance	High	Planned	Planned	<u>Update December 2023:</u> Audit added to the plan (Q4) as agreed with management.
39	4	N/A	Policy and Resources	Asset Management Strategy	Assurance	High	Deferred to 2024/25	Planned	<u>Update December 2023</u> This has been replaced by Facilities Management (above) following a request from management.
40	NEW	N/A	ICT	Tiering of Administrator Accounts	Assurance	High	Planned	Planned	<u>Update December 2023:</u> This ICT audit is planned for Q4 as agreed with management.
41	4	N/A	Policy and Resources	Fixed Assets & Capital Accounting	Assurance	High	Planned	Planned	Following the cyber incident in 2021-22, assess veracity of internal control in this area. <u>Update December 2023:</u> This audit has been moved from Q3 to Q4 as agreed with Management.
42	4	N/A	Culture	Tourism Strategy	Consultancy	Consultancy	Deferred to 2024/25	Planned	<u>Update December 2023:</u> This audit has been deferred at the request of management to 2024/25 as the new tourism strategy is being developed.
43	4	N/A	Communities	Home Improvement Agency	Consultancy	Consultancy	Replaced by ICT audits		The 12 days allocated to this consultancy piece of work will be transferred to ICT assurance assignments.
Work Planned for Throughout 2023-24									
44	2	3	ICT	ICT Audits	Assurance	High	Field Work Started	Field Work Started	The Information Governance Board (IGB) has requested ARA advice on draft ICT policies. This work is in progress.
45			Council Wide	ICT Audits	Assurance	High	On-going	Ongoing	To be completed across 2023-24. <u>Update October 2023:</u> 4 ICT audits will be delivered: - Patch management - Back-ups - Tiering of Administrator Accounts - Third Party hosting This will replace the change management and ICT Benefits realisation as agreed with management. These 4 ICT audits represent 32 days versus 20 days budgeted in 23/24 for ICT audits. It is agreed to deliver those 4 ICT assurance work and remove the 12 days for the consultancy piece of work on "Home improvement agency" initially planned.
46			Counter Fraud	Counter Fraud	Assurance	High	On-going	Ongoing	Counter Fraud activity progresses throughout the year and is reported at each Committee.
47			Risk Management	Risk Management Support	Assurance		On-going	Ongoing	Advise on the improvements to risk management including but not limited to the Strategic Risk Register, Risk Management Strategy, Risk Appetite and assurance mapping to identify the key sources of assurance. <u>Update October 2023:</u> Assurance mapping has been reported.
48	1	N/A	ICT	ICT Cyber Incident Support	Assurance	High	On-going	Ongoing	Support from ARA on this area is available and accessible. Area discussed at each ARA and Section 151 Officer monthly meeting. Draw down not required as at June 2023.

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Key

	The audit has started or will start on time.
	The audit commencement has been or is likely to be delayed.
	The audit is not likely to be undertaken in this financial year.

TBC
N/A

To be confirmed.
Not applicable.

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Directorate	Year	Audit	Rating	Date Final Report Issued	Target Implementation Date	Revised Implementation Date	Action Owner	Recommendation	Management Response	Management Updates	ARA Comments
Council Wide	2022-23	Health and Safety Limited Assurance Second Follow Up	High	04/04/22	31/07/2022	30/11/2022 31/01/2023 31/03/2023 30/06/2024	Property Commissioning Manager New Officer Responsible Senior Building Works Surveyor	The Property and Commissioning Manager should provide clarity to building managers on where the division of responsibilities lay regarding premise related health and safety issues.	Prior to the Audit we had commenced a gap analysis of our records, although inspections have been carried out jointly by Property Management and Community Wellbeing officers the records were incomplete. To complete this process, we are now on site carrying out property compliance inspections and will have finished this exercise by the end of March, steps are in place following this to close any gaps in our records and ensure that actions are picked up and all timescales complied with. We will also assist in drafting a manual for service managers and also one for Property Management officers. Any outstanding tests in the examples above have either been completed or contractors have been instructed. For the sake of clarity, it should be noted that there is no requirement for further asbestos testing at our properties unless work is being carried out.	<u>Update September 2019:</u> We are liaising with building managers direct and through the Strategic Health and Safety Management Group to provide clarity on the division of responsibility for compliance. When time allows, we hope to draft building manuals for the operational properties that will record the split. Any gaps in our records have now been filled in and any outstanding test revealed have been completed. We have an inspection regime in place, and we are also starting to inspect and check the compliance of any of our leased-out properties. <u>Update April 2022:</u> Subject to the accessibility of IT systems being restored, the project will identify staff resourcing needs and milestones for buildings health and safety issues which is integral to the Techforge project. This process is expected to be implemented by July 2022. <u>October 2023</u> The Council decided to implement a new system called Techforge back in 2020 and to write and embed building manuals, including the roles and responsibilities with regards to Health and Safety. However, following the Cyber incident and a lack of available resources, the project of implementing Techforge was paused. Property Services has relaunched the project and meetings have been agreed with Techforge in November 2023 to redesign the project plan.	Following the update received in October 2023 this recommendation is on-going a further update will be obtained in July 2024.
Policy and Resources	2022-23	Gloucestershire Airport	Medium	30/06/22	31/07/2022		Director of Policy and Resources.	GAL should report the detail of any outstanding governance action plan issues with the indicative timescales for implementation, as part of their quarterly reporting to the Shareholders Forum. In addition, GAL report to the Shareholders Forum, progress on reviewing the airport's non-safety management policies and procedures.	Agreed. GAL will be contacted and requested to review and implement this recommendation.		The initial action owner has left the Council, this recommendation has recently been reallocated to the Head of Finance & Resources.
Policy and Resources	2022-23	Gloucestershire Airport	Medium	30/06/22	31/07/2022		Director of Policy and Resources.	The Airport to undertake annual Board effectiveness reviews with the outcome being reported to Shareholders.	GAL will be contacted and requested to review and implement this recommendation.		The initial action owner has left the Council, this recommendation has recently been reallocated to the Head of Finance & Resources.
Place	2022-23	Recycling Commodities	High	11/10/22	31/03/2023	31/12/2023	Waste, Recycling and Environment Manager	Senior management should continue to engage with Gloucestershire County Council to table for consideration of the procurement of a contract to recycle street and road sweepings for all Gloucestershire councils.	This is something I have pressed for since 2015, but it is out of the district authority control. The WDA is responsible for this waste and is already in a contract with Urbaser through Javelin Park. Gloucester City Council will continue to look for opportunities with Gloucestershire County Council to recycle road sweepings and raise in the joint waste partnership meetings for discussion.	<u>Update March 2023</u> I continue to raise this at every meeting and I have been assured it is on County's agenda for this year, they are currently in conversation with processors. As you are aware this is something not in my control, but I am told each district are equally keen to see this waste stream recycled, as our the County Council, it is just a matter of time and priorities for them <u>October 2023</u> This is an ongoing action which is happening and was happening at the time of the audit. There has been no progress as the decision making sits with the county council and this is not being prioritised by them. <u>December 2023</u> This is outside of our control and down to county. We can keep raising it, which we will, but its not up to us. Lets keep it open for a few more months and then take a view.	A further update will be obtained in February 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	High	14/12/22	31/03/2023	30/06/2023	Director of Communities	Exacom should be nominated the priority system for the administration of S106 agreements and fully utilised. The use of spreadsheets, which can be manually intensive and have a heightened risk of data inaccuracy including a lack of an effective audit trail, should be stopped. Work should be undertaken to identify all operating S106 agreements (both financial and non-financial) and to update the appropriate information into the Exacom system.	Agreed- prior to the cyber incident work had begun to use Exacom for this process. This is the preferred system for managing all of S106 and work is being planned to move to this as the sole system asap.	<u>October 2023</u> All new agreements and some old agreements are already on Exacom. Those that have been concluded and not put on the system will not be as resource will be focused on open agreements not yet concluded.)	A Limited Assurance Follow Up on Section 106 is due to commence January 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	High	14/12/22	31/03/2023	30/06/2023 31/12/2023	Director of Communities	As a minimum, quarterly reconciliations should be completed between Exacom, Uniform and the general ledger to confirm all records agree. The reconciliations should be subject to management review and sign off.	Agreed. The review is incorporating the need for cross team reconciliation and regular overview to ensure effective monitoring of the breadth of S106.	<u>April 2023</u> The Director of Communities advised Internal Audit on 26th April that the external review of the S106 process has been completed and she is now in the process of creating the action plan off the back of the recommendations. <u>July 2023</u> Senior Service Area management provided a status update to the recommendations raised by Internal Audit at the 17th July 2023 Audit and Governance Committee. Details are as follows: Now that the finance system is back up and running, we will look at opportunities to link to Exacom - Completion date September - December 2023. <u>October 2023</u> Once all the information is on Exacom, reconciliations will be possible. This cannot happen until the Exacom work is completed.	A Limited Assurance Follow Up on Section 106 is due to commence January 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	High	14/12/22	31/03/2023	30/06/2023 31/12/2023	Director of Communities	Once the planning and document management systems have been successfully restored, management should provide Internal Audit with details of the developer contributions calculations and figures (including the monitoring fee). Documentary evidence of management review and approval should also be provided.	This will be considered as part of the review and stored and managed via Exacom.	<u>April 2023</u> The Director of Communities advised Internal Audit on 26th April that the external review of the S106 process has been completed and she is now in the process of creating the action plan off the back of the recommendations. <u>July 2023</u> Senior Service Area management provided a status update to the Internal Audit recommendations to the 17th July 2023 Audit and Governance Committee. Details are as follows: Agreed, and this information will be included in reporting to SMT and Committee - Completion date December 2023.	A Limited Assurance Follow Up on Section 106 is due to commence January 2024.

Directorate	Year	Audit	Rating	Date Final Report Issued	Target Implementation Date	Revised Implementation Date	Action Owner	Recommendation	Management Response	Management Updates	ARA Comments
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	High	14/12/22	31/03/2023	30/06/2023 31/12/2023	Director of Communities	<p>Management should at least quarterly obtain summary information of the status and position of all operating S106 agreements to confirm effective monitoring and that developer obligations are being fulfilled.</p> <p>In addition, a review of developer contributions spend should be undertaken to confirm deadlines are being met, there are no overspends and, where appropriate, developer money is returned.</p> <p>Consideration should be given to providing the Planning Committee with a half yearly report of the status of all S106 agreements.</p>	<p>Managing funds consistently through Exacom as the central system will support these improvements and reduce the risk of contributions not being paid.</p>	<p><u>April 2023</u> The Director of Communities advised Internal Audit on 26th April that the external review of the S106 process has been completed and she is now in the process of creating the action plan off the back of the recommendations.</p> <p><u>July 2023</u> Senior Service Area management provided a status update to the Internal Audit recommendations at the 17th July 2023 Audit and Governance Committee. Details are as follows: A S106 report template will be developed which will include current and outstanding S106 agreements and funds to ensure that deadlines are being met, there are no overspends and that underspends are identified quickly - Completion date September 2023. The Senior Management Team will receive and discuss quarterly S106 reports - Completion date October 2023. The Head of Place will prepare 6 monthly reports to the Planning Committee initially. This may then become annual in line with other reporting - Completion date December 2023.</p> <p><u>October 2023</u> Once all the information is on Exacom, reports will be shared with SMT on a regular basis. The review of developer contributions where there have been questions raised, is nearly complete.</p>	A Limited Assurance Follow Up on Section 106 is due to commence January 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	Medium	14/12/22	31/12/2022		CIL Manager	<p>The Council should clearly record the value of monitoring fees collected from developers on the 2021-22 IFS and subsequently thereafter.</p> <p>The Council should ensure for future IFS, carried, and brought forward figures are correct and agree.</p>	Accepted.	<p><u>August 2023</u> Part of the work is complete and part is on-going and will be fully achieved with the publication of the Infrastructure. Section 106 (S106) Action Plan also includes this as an action.</p> <p>The action on carried and brought forward figures relates only to S106 contributions and is being implemented, and should also be addressed with the publication of the IFS in December 2023.</p>	A Limited Assurance Follow Up on Section 106 is due to commence January 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	Medium	14/12/22	31/03/2023		Financial Services Manager	The Council should undertake the appropriate accounting adjustments from the S106 balance sheet general ledger account for monitoring fees.	Monitoring fees will be credited against the appropriate revenue budget. Completed as part of 2021/22 year end.		A Limited Assurance Follow Up on Section 106 is due to commence January 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	Medium	14/12/22	31/03/2023		Director of Communities	<p>The Council should update the Land Charges register to reflect the discharge of a developer's obligations following agreement from management that they have successfully completed the requirements of the S106 agreement.</p> <p>This should then be maintained going forward and as a minimum, a quarterly reconciliation should be undertaken between the two systems to confirm agreement.</p> <p>The completed reconciliations should be subject to management review and formal approval.</p>	Exacom will support this process and it will be considered as part of the review of the role of the Officer.	<u>October 2023</u> Waiting for all data to be updated to Exacom.	A Limited Assurance Follow Up on Section 106 is due to commence January 2024.
Place	2023-24	Community Infrastructure Levy (CIL) and Section 106	Medium	14/12/22	28/02/2023		Director of Communities	Monitoring fees and design and management fees (if proven to be applied) should be recorded on the Council's Fees and Charges schedule and subject to annual review and approval by Members.	Monitoring Fees will be added to the Fees and Charges book. 2023-24 Council Approval Feb 2023.	<u>October 2023</u> These charges will be set as part of the policy which is being developed.	A Limited Assurance Follow Up on Section 106 has commenced.
Communities	2023-24	Housing Strategy	High	06/06/23	03/05/2023	30/09/2023	Director of Communities	Formally document the linkage between the actions and outcomes against the four key performance measures in the HH&RS Strategy and to those in the Housing Service Plan.	This is a 5-year high level strategy which was developed with a wide range of partners, some of whom deliver the activity detailed. The outcomes and actions are mainly qualitative, with the more detailed activity being shown in service plans, personal performance plans and measured via a range of indicators on Pentana. We do not agree that there is no golden thread as the strategy was specifically designed to ensure it was a meaningful document which would be delivered on. When preparing the next report for Cabinet, Officers will ensure it is clear how activity links to the strategy and will also consider this in planning for the new strategy for 2025.	<p><u>July 2023</u> Response back from Housing Innovation Manager. As set out in the management comments we intend to include this action in our next report for Cabinet which I don't believe has been programmed as yet.</p> <p><u>October 2023</u> The next cabinet report is due around April 2024 and the new strategy is due by April 2026.</p>	A further update will be obtained in April 2024 following the revised implementation date.
Council Wide	2023-24	Procurement	High	21/06/23	31/07/2023	31/12/2023	Head of Finance & Resources	<p>Procurement training should be recommenced and provided to all authorised officers and new starters as part of their mandatory induction training.</p> <p>Contract management and procurement guidance should then form part of the Council's mandatory programme of regular officer training.</p>	Agree – procurement training will be reinstated asap		
Council Wide	2023-24	Procurement	High	21/06/23	31/07/2023	31/10/2023	Head of Finance & Resources	<p>Regular monitoring of expenditure by the Interim Procurement Advisor should be reintroduced to:</p> <ul style="list-style-type: none"> i. Identify non-compliance with Contract Rules and provide appropriate training or escalate to senior management; ii. Explore opportunities where a composite corporate contract could be established; and iii. Ensure an accurate contracts register is maintained to record all contracts for goods and services with a value that exceeds £5,000. <p>A quarterly review of ProContract procurement activity should be undertaken to confirm that all events are promptly and properly completed and that no events have been deleted.</p> <p>Consideration should be given to providing an annual report to the Audit and Governance Committee of identified procurement issues.</p> 	Agree – quarterly reviews to be reintroduced		

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July 2023

A further update will be

Directorate	Year	Audit	Rating	Date Final Report Issued	Target Implementation Date	Revised Implementation Date	Action Owner	Recommendation	Management Response	Management Updates	ARA Comments
Council Wide	2023-24	Procurement	High	21/06/23	31/07/2023	31/10/2023	Head of Finance & Resources	<p>A review of the Council's requirements for the procurement advisory, oversight and monitoring role should be undertaken to confirm it is still appropriate and effective.</p> <p>As part of the above assessment the Council's risk appetite to procurement should be determined, documented, and used to help inform the review.</p> <p>The results should then be implemented.</p>	Agree – Review of the procurement provision to be undertaken to ensure it remains appropriate.	JULY 2023 Interim Procurement Advisor has recently resigned. Revised target date agreed between Activity Manager and Head of Finance and Resources.	obtained in November 2024 following the revised implementation date.
Council Wide	2023-24	Procurement	Medium	21/06/23	31/07/2023	31/10/2023	Head of Finance & Resources	<p>Contract Rules should be promptly updated to reflect current procurement regulation changes.</p> <p>Officers should be promptly made aware of any new procurement regulations and changes to the Contract Rules.</p>	Agree – contract rules to be reviewed and updated as required.		
Council Wide	2023-24	Procurement	Medium	21/06/23	31/07/2023	31/10/2023	Head of Finance & Resources	<p>A review of user access should be undertaken by the Interim Procurement Advisor to identify and remove officers that do not require or should not have access to the procurement system.</p> <p>At a minimum a six-monthly review of user access should then be undertaken. Users that have not signed into the procurement system for more than four months should be contacted to confirm their access is still required or removed.</p>	Agree – user access to be reviewed as part of the Councils wider IT strategy		
Policy and Resources	2023-24	Leavers Process - Off-Boarding	Medium	20/10/23	31/12/2023		HR Business partner	HR should cease sending leaver information relating to GCIC to the Appointments and People Sourcing Team at Gloucestershire County Council. This information should be sent across to the custodians at GCIC to facilitate in their reconciliation of leavers and outstanding ID badges.	Agree – HR Business partner to HR process		An update will be requested from management in January 2024 in line with the target implementation date.
Policy and Resources	2023-24	Leavers Process - Off-Boarding	Medium	20/10/23	31/12/2023		Head of Transformation and Commissioning	The leavers checklist available on the staff intranet page should be amended/removed to reflect the updated arrangements regarding leavers for GCIC. This should then be communicated to managers for awareness.	Agree – Head of Transformation and Commissioning and HR Business Partner to update checklist and communicate with managers		
Policy and Resources	2023-24	Leavers Process - Off-Boarding	Medium	20/10/23	31/12/2023		Head of Transformation and Commissioning	Managers should be reminded of their responsibilities in ensuring that GCIC assets are returned to IT when an employee leaves as part of the wider leaver process.	Agree – Head of Transformation and Commissioning to remind managers		

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Gloucester City Council

Meeting:	Audit and Governance Committee	Date:	15th January 2024
Subject:	Strategic Risk Register Update		
Report Of:	Head of Audit Risk Assurance (ARA)		
Wards Affected:	Not applicable		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Piyush Fatania, Head of Audit Risk Assurance		
	Email:	Tel:	
	piyush.fatania@gloucestershire.gov.uk	01452 328883	
Appendices:	1. Strategic Risk Register as of 31st October 2023		

FOR GENERAL RELEASE

1. Purpose of Report

- 1.1 To present the Gloucester City Council Strategic Risk Register (SRR) as agreed by Senior Management Team (SMT) on 31st October 2023 to Members for their awareness and consideration.

2. Recommendations

- 2.1 Audit and Governance Committee are asked to **RESOLVE** to note and endorse the Strategic Risk Register.

3. Background and Key Issues

Risk Management - Taking Managed Risks and Maximising Opportunities

- 3.1 It has always been important for Councils to identify and manage their risks. Public sector legislation has reinforced this view. The Accounts and Audit (Amendment) Regulations 2022 state *'A relevant authority must ensure that it has 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.'*
- 3.2 In addition, the Delivering Good Governance in Local Government: Framework (CIPFA/SOLACE 2016) notes seven key principles to enable the development of good governance within public services. One of which states that good governance is *'managing risks and performance through robust internal control and strong public financial management.'*

Strategic Risk Register

- 3.3 The Council's Risk Management Policy Statement and Strategy provides the framework for the effective management of risks and opportunities within the Council. It supports decision making at all levels and aids delivery of the Council Plan values, key actions and projects. The Strategy also includes the process for monitoring and reporting of strategic risks. Members reviewed the Risk Management Policy Statement and Strategy 2020/23 on 20th January 2020, with Cabinet endorsing the Strategy on 12th February 2020.
- 3.4 The Risk Management Policy Statement and Strategy requires the Council to assess risks at a strategic level through documentation and management of the Strategic Risk Register. SMT owns the Strategic Risk Register and strategic risk owners are at SMT level. The SRR is reviewed and updated quarterly by SMT.
- 3.5 Audit and Governance Committee endorsement of the SRR is completed twice a year and by Cabinet at year end. This is to enable Member awareness of the strategic risks, the mitigation measures put in place to manage them and the impact on decisions facing the Council.
- 3.6 This report is the first Strategic Risk Register update to Members within 2023/24, presenting the Strategic Risk Register as reviewed and agreed by SMT on 31st October 2023.
- 3.7 As of 31st October 2023, two of the strategic risks has a high current risk score. This relates to adverse public and media relations and failure to effectively manage contracts and SLAs with key partners. SMT closely monitor this risk, given its strategic importance to the Council, have confirmed it is now a high-risk area.
- 3.8 The table below confirms the risk score direction of travel within 2023/24 for the high current risk score strategic risk.

Risk No.	Risk Description	Original Risk Score	Risk Score Quarter 1 2023/24	Current Risk Score Quarter 2 2023/24
1.2	Adverse public and media relations	9	9	9
1.4	Failure to effectively manage contracts and SLAs with key partners / other significant bodies, including: Ubico, Civica, Aspire, Gloucestershire Airport, VCS organisations, Gloucestershire County Council shared services	9	6	8

Risk No.	Risk Description	Original Risk Score	Risk Score Quarter 1 2023/24	Current Risk Score Quarter 2 2023/24
1.10	Council services loss for a significant period, due to failure and limited capacity of IT infrastructure (leading to other financial, reputational and information governance risks)	16	16	6
1.14	Negative financial implications due to inappropriate delivery and management of the Property Investment Strategy; and a risk of political priorities diluting commercial considerations around hedging	16	8	6

- 3.8 Audit Risk Assurance (ARA) engaged in a strategic risk benchmarking exercise within 2023/24, against several neighbouring, similar local authorities and national and global arising risk areas. The main aim of the benchmarking analysis was to review the categories and types of risk recorded within the strategic risk registers. To evaluate whether Gloucester City Council had considered and captured all relevant key risks associated with delivering the Council’s objectives.
- 3.9 SMT scrutiny and consideration of the benchmarking information concluded that the strategic risks identified and assessed by Gloucester City Council were in line with expectations of the Council’s areas of business and other similar authorities.
- 3.10 At the request of SMT, this benchmarking exercise will be undertaken annually at the first quarter of the financial year.

4. Social Value Considerations

- 4.1 There are no ‘Social Value’ considerations arising out of the recommendations in this report.

5. Environmental Implications

- 5.1 There are no ‘Environmental’ implications arising out of the recommendations in this report.

6. Alternative Options Considered

- 6.1 The alternative option is not to present the Strategic Risk Register to Members. This option is not compliant with the CIPFA: Audit Committees: Practical Guidance for Local Authorities and Police (2018 Edition) and does not support strategic risk awareness or informed prudent decision making.

7. Reasons for Recommendations

- 7.1 The CIPFA: Audit Committees Practical Guidance for Local Authorities and Police (2022) confirms that the role of an Audit Committee includes keeping up to date with the risk profile of a Council through regular review of the risk profile and areas of strategic risk.
- 7.2 The Gloucester City Council Constitution confirms the role of the Audit and Governance Committee. This includes the function to 'monitor the adequacy and effectiveness of the Council's governance arrangements' including 'monitoring the arrangements for the identification, monitoring and control of strategic and operational risk within the Council.'

8. Future Work and Conclusions

- 8.1 An embedded risk management approach helps to support the challenges that the Council may face. Allowing it to react dynamically to changing circumstances by enabling the Council to oversee risk effectively and deliver successful outcomes.
- 8.2 Findings of the recent Council's Risk Management Framework is currently being developed by ARA and will include a re-evaluation of the Strategic Risk Register.
- 8.3 The Strategic Risk Register will continue to be formally reviewed and updated quarterly by SMT, being presented to the Audit and Governance Committee twice a year and Cabinet at financial year-end.

9. Financial Implications

- 9.1 There are no direct financial implications arising from the report recommendations. However, there are several risks within the Strategic Risk Register which, if not managed, have the potential to expose the Council to financial costs not provided for within existing budgets. The documented current controls and mitigating actions aim to manage the risk of Council exposure to these costs.
- 9.2 Financial Services were consulted during the preparation of this report.

10. Legal Implications

- 10.1 None specifically arising from the report recommendations.
- 10.2 It is fundamental that the Council has an embedded risk management framework (including a Risk Management Policy Statement and Strategy). This considers the identification, recording and management of risks to the Council in the delivery of its priorities and objectives.
- 10.3 The existence and application of an effective Risk Management Policy Statement and Strategy (including Member review of the Strategic Risk Register and awareness of strategic risks) assists prudent decision making. Failure to identify and manage strategic risks could lead to inappropriate decision making, unnecessary liability and costly legal challenge.
- 10.4 The Monitoring Officer was consulted during the preparation of this report.

11. Risk and Opportunity Management Implications

- 11.1 Failure to deliver on effective risk management, particularly during periods of significant change, may have a detrimental effect on the achievement of the potential opportunities and adverse effects that challenge the assets, reputation and objectives of the Council, strategic decision making and the wellbeing of our stakeholders.

12. People Impact Assessment (PIA) and Safeguarding

- 12.1 A requirement of the Accounts and Audit Regulations 2015 is for the Council to *'ensure that it has 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.'*
- 12.2 Adoption of the Risk Management Policy Statement and Strategy and the associated framework support and ensure compliance with the Council's equality policies.
- 12.3 The PIA Screening Stage was completed and did not identify any potential or actual negative impact. Therefore, a full PIA was not required.

13. Community Safety Implications

- 13.1 There are no 'Community Safety' implications arising out of the recommendations in this report.

14. Staffing and Trade Union Implications

- 14.1 There are no 'Staffing and Trade Union' implications arising out of the recommendations in this report.

Background Documents:

- i. The Accounts and Audit (Amendment) Regulations 2022;
- ii. Delivering Good Governance in Local Government: Framework 2016 (CIPFA/SOLACE);
- iii. Risk Management Policy Statement and Strategy 2020-2023; and
- iv. CIPFA: Audit Committees Practical Guidance for Local Authorities and Police (2022).



Meeting:	Audit and Governance Committee	Date:	15 January 2024
Subject:	Updated Whistleblowing Policy		
Report Of:	Monitoring Officer		
Wards Affected:	All Wards		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Alice McAlpine, Monitoring Officer		
	Email: alice.mcalpine@gloucester.gov.uk		
Appendices:	1. Draft updated Whistleblowing Policy 2. Comparison current Whistleblowing Policy and updated Whistleblowing Policy		

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 To consider the updated Whistleblowing Policy and subject to agreement with Trade Unions approve the updated Whistleblowing Policy.

2.0 Recommendations

2.1 Audit and Governance Committee is asked to **RESOLVE** to agree the updated Whistleblowing Policy as set out at Appendix 1.

3.0 Background and Key Issues

3.1 The Council's Whistleblowing Policy applies to all employees, Members, apprentices, consultants, contractors, volunteers, interns, casual workers, partner organisations and agency workers. It sets out the arrangements for anyone, including the public, to express and report any concerns they have about illegal or illegitimate practices involving the Council in the knowledge that their concerns will be taken seriously and investigated as appropriate and that their confidentiality will be respected. It is therefore good practice and indeed the current Whistleblowing Policy requires that the policy is review on an annual basis.

3.2 ARA's review of the Council's confidential reporting processes dated 15 April 2021 recommended that the Monitoring Officer consider best practice as set out in Appendix B of the report and consider improvements and the development of the Council's confidential reporting procedures. This action has been delayed for a number of reasons but the recommendation has been considered by the current Monitoring Officer and following a review of the current Whistleblowing Policy the Monitoring Officer was of the view that the policy should be updated to reflect experience in operating the policy and to ensure that it was fit for purpose.

- 3.3 The changes to the policy are shown as track changes in Appendix 2.
- 3.4 The proposed changes are believed to make the policy clearer for both those who may wish to raise a whistleblowing concern and managers to whom such concerns may be raised.
- 3.5 It is further proposed that a new mechanism to raise concerns is introduced to allow those who do not want to raise concerns with their manager, the s151 Officer, the Monitoring Officer or internal audit directly. The new route allows concerns to be raised through an intranet form rather than by telephone or email.
- 3.6 As the Whistleblowing Policy affects staff it is necessary for the Council to provide a copy of the updated policy to the trade union for comments which will need to be considered in the final version of the updated policy. A copy of the updated Whistleblowing Policy was provided to the trade unions on [] 2024 and their comments are to be provided by [] 2024.

4.0 Social Value Considerations

- 4.1 There are no Social Value implications as a result of the recommendations made in this report.

5.0 Environmental Implications

- 5.1 There are no Environmental implications arising from the recommendation made in this report.

6.0 Alternative Options Considered

- 6.1 Not to agree the updated Whistleblowing Policy. This is not recommended as the updates to the Whistleblowing Policy are supported by both an internal audit report on the Council's confidential reporting procedure and the Monitoring Officer having reviewed the operation of the current policy.

7.0 Reasons for Recommendations

- 7.1 The updated Whistleblowing Report will ensure that the Council's Whistleblowing Policy is up to date and well understood ensuring that anyone with a concern understands the process and procedure for raising such a concern and the action that will be taken following a concern being raised.

8.0 Future Work and Conclusions

- 8.1 An annual report on the operation of the Council's Whistleblowing Policy will be brought to the Committee is proposed that is scheduled for the March meeting of the Committee.

9.0 Financial Implications

- 9.1 There are no further financial implications arising from this report.

(Financial Services have been consulted in the preparation this report.)

10.0 Legal Implications

10.1 There is no legal requirement for the Council to have a whistleblowing policy but under the Public Interest Disclosure Act 1998 does require that whistleblowers are protected from unfair dismissal and detriment and this principal is included in the updated Whistleblowing Policy.

(The Monitoring Officer has been consulted in the preparation this report.)

11.0 Risk & Opportunity Management Implications

11.1 Failure to have a suitable Whistleblowing Policy in place could leave the Council open to challenge with associated financial penalties and result in legal and reputation risks for the Council.

12.0 People Impact Assessment (PIA) and Safeguarding:

12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact; therefore a full PIA was not required.

13.0 Community Safety Implications

13.1 There are no Community Safety implication as a result of recommendations made in this report.

14.0 Staffing & Trade Union Implications

14.1 There are no Staffing implications as a result of the recommendation made in this report. Trade Unions will be consulted on the updated Whistleblowing Policy and any comments raised will be considered and addressed.

Background Documents:

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Whistleblowing Policy

Summary

The Council is committed to conducting its business with honesty and integrity, and the Council expects all staff to maintain high standards in accordance with Gloucester City Council's published policies and procedures. This policy is intended to cover concerns that fall outside the scope of other procedures for raising concerns or if you have reasons that you cannot use other procedures and there is a public interest aspect. All concerns raised under this policy will be taken seriously and investigated as appropriate and that the confidentiality of anyone raising a concern will be respected. The policy seeks to reassure all those who raise genuine concerns that they are able to do so without fear of reprisal, even if they turn out to be mistaken, providing they have reasonable belief that they have raised a concern in the public interest.

Everyone should ensure that they take the time to read and understand the content of this policy and procedure and act in accordance with its aims and objectives.

All staff must ensure that they are familiar with and comply with and support the Council's policies, procedures and guidance.

About this policy

The Council is committed to conducting its business with honesty and integrity, and the Council expects all staff to maintain high standards in accordance with Gloucester City Council's Officer and Member Codes of Conduct. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.

All of us at one time or another have a concern about what is happening at work. Usually these are easily resolved. However, when the concern feels serious because it is about a possible fraud, danger, corruption or malpractice or maladministration (the term used when the council has done something wrong which affects a member of the public) that might affect others or the Council itself, it can be difficult to know what to do.

You may be worried about raising such a concern and may think it best to keep it to yourself, perhaps feeling it's none of your business or that it's only a suspicion. You may feel that raising the matter would be disloyal to colleagues, managers or to the Council. You may decide to say something but find that you have spoken to the wrong person or raised the issue in the wrong way and are not sure what to do next.

Elected Members and senior managers of the Council are committed to running the organisation in the best way possible and to do so the Council needs your help. The Council has updated this policy to reassure you that it is safe and acceptable to speak up and to enable you to raise any concern you may have about malpractice at an early stage and in the right way. Any reported concern will be taken seriously. Rather than wait for proof, the Council would prefer you to raise the matter when it is still a concern.

If something is troubling you which you think the Council should know about or look into, if you are not sure which is the right route, or if you want to speak to someone in confidence, please read on.

If in doubt - raise it!

Please note that the Whistleblowing Policy is primarily for concerns where you witness or become aware of something which affects other people – groups of colleagues, service users, members of the public or the organisation itself.

If, you wish to make a complaint about your own employment or how you personally have been treated, please use the Grievance Procedure or the Dignity and Respect at Work (Anti-Bullying) Policy available on the intranet. For any HR advice in respect of which policy to use, please contact the HR Advice line via 01452 425888 (option 2, option 4) where a professionally qualified HR Adviser will be able to assist you.

Concerns about Safeguarding- Adults and Children

Any such concerns should be raised under the Council's Safeguarding Policy available on the intranet with the Safeguarding Lead (Cherry Foster) and Operational Safeguarding Lead (Emily Bolland) being notified immediately.

Aims of this policy

The aims of this policy are:

- To encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected;
- To provide staff with guidance on how to raise those concerns; and
- To reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken, providing they have reasonable belief that they have raised a concern in the public interest.
- This policy covers all employees, Members, apprentices, consultants, contractors, volunteers, interns, casual workers, partner organisations and agency workers.

This policy takes account of the Whistleblowing Arrangements Code of Practice issued by the British Standards Institute and Protect (UK's whistleblowing charity).

Responsibility for the policy

The Monitoring Officer has overall responsibility for this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy.

The Monitoring Officer has day-to-day operational responsibility for this policy, and must ensure that all managers and other staff who may deal with concerns or investigations under this policy receive regular and appropriate training.

The Monitoring Officer, in conjunction with the Audit and Governance Committee should review this policy from a legal and operational perspective at least once a year.

All staff are responsible for the success of this policy and should ensure that they use it to disclose any suspected irregularity, danger or wrongdoing.

What is whistleblowing?

Whistleblowing is the disclosure of information which relates to suspected irregularity, wrongdoing or dangers at work. This may include:

- Criminal activity;

- Failure to comply with any legal or professional obligation or regulatory requirements;
- Miscarriages of justice;
- Danger to health and safety;
- Damage to the environment;
- Bribery;
- Financial fraud or mismanagement;
- Negligence;
- Breach of our internal policies and procedures including our Code of Conduct;
- Conduct and/or inappropriate behaviour likely to damage our reputation;
- Unauthorised disclosure of confidential information;
- The deliberate concealment of any of the above.

A whistleblower is a person who raises a genuine concern relating to any of the above. If you have any genuine concerns related to suspected irregularity affecting any of our activities (a whistleblowing concern) you should report it under this policy.

If you are uncertain whether something is within the scope of this policy you should seek advice from the Monitoring Officer whose contact details are at the end of this policy.

Raising a whistleblowing concern

The Council hopes that in many cases you will be able to raise any concerns with your line manager. You may tell them in person or put the matter in writing if you prefer. They may be able to agree a way of resolving your concern quickly and effectively. In some cases they may refer the matter to the Monitoring Officer.

However, where the matter is more serious, or you feel that your line manager has not addressed your concern, or you prefer not to raise it with them for any reason, you should contact one of the following:

- a) The Monitoring Officer;
- b) Head of Finance (Section 151 Officer);
- c) Chief Internal Auditor;
- d) Head of Service.
- e) Through the Whistleblowing Service

Contact details for a), b), c) and e) are set out at the end of this policy. If you do not know who the relevant Head of Service is for your role this can be obtained from the Monitoring Officer.

Internal Audit also provide a 24 hour Whistleblowing hotline answerphone service available on 01452 427052 for individuals to report any concerns.

Employees who wish to make a written statement/report are invited to set out:

- the background and history of the concern;
- relevant dates, person/s involved; and
- details of supporting evidence.

Although employees are not expected to prove an allegation they will need to demonstrate that the disclosure is in the public interest.

How the Council will respond

Once you have raised a concern, an initial assessment will be carried out to determine the scope of any investigation. The Council will inform you of the outcome of the assessment.

You may be required to attend additional meetings in order to provide further information.

In some cases the Council may appoint an investigator or team of investigators including staff with relevant experience of investigations or specialist knowledge of the subject matter. The investigator(s) may make recommendations for change to enable us to minimise the risk of future wrongdoing. The overriding principle which the Council will take into account is public interest; however, the Council has a zero tolerance attitude to any fraudulent activity.

The Council will aim to keep you informed of the progress of the investigation and its likely timescale. However, sometimes the need for confidentiality may prevent us giving you specific details of the investigation or any disciplinary action taken as a result. You should treat any information about the investigation as confidential.

Within 10 working days of a concern being raised, the Council will write to the person raising a whistleblowing complaint:

- acknowledging that the concern has been received;
- indicating how the Council proposes to deal with the matter;
- confirming whether any initial enquiries have been made; and
- confirming whether further investigations will take place and, if not, why not.

A representative of a trade union recognised by the Council or a work place colleague may accompany you during any stage of an investigation conducted under this Procedure. Your companion must respect the confidentiality of the disclosure and any subsequent investigation.

The Council will take steps to minimise any difficulties which may be experienced as a result of raising a concern. For instance, where the person raising a whistleblowing concern is required to give evidence in criminal or disciplinary proceedings the Council will arrange for them to receive advice about the procedures involved.

The Council accepts that employees need to be assured that matters of concern have been properly addressed and therefore, subject to legal constraints, employees will be informed of the outcome of any investigation.

If the Council concludes that a whistleblower has made false allegations maliciously or with a view to personal gain, the whistleblower may be subject to disciplinary action.

The Monitoring Officer will keep a record of reported whistleblowing concerns (whistleblowing record) under their obligations. All line managers, persons listed on the back of this policy and investigator(s) are responsible for updating the Monitoring Officer with the necessary details for maintaining the whistleblowing record.

Confidentiality

The Council hopes that staff will feel able to voice whistleblowing concerns openly under this policy.

However, if you want to raise your concern confidentially, The Council will make every effort to keep your identity secret.

If it is necessary for anyone investigating your concern to know your identity, the Council will discuss this with you.

The Council does not encourage staff to make disclosures anonymously. Proper investigation may be more difficult or impossible if the Council cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible. Whistleblowers who are concerned about possible reprisals if their identity is revealed should come forward to the Monitoring Officer or one of the other contact points listed at the end of this policy, and appropriate measures can then be taken to preserve confidentiality.

If you are not satisfied

While the Council cannot always guarantee the outcome you are seeking, the Council will try to deal with your concern fairly and in an appropriate way. By using this policy you can help us to achieve this.

If you are not happy with the way in which your concern has been handled, you can raise it with one of the other key contacts in the contacts section. Alternatively, you may contact our external auditors (who may liaise with officers of the Council). Contact details are set out at the end of this policy.

External disclosures

The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases you should not find it necessary to alert anyone externally.

The law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as a regulator. It will very rarely, if ever, be appropriate to alert the media. The Council strongly encourages you to seek advice before reporting a concern to anyone external. The independent whistleblowing charity, Protect (www.protectadvice.org.uk), operates a confidential helpline via 020 3117 2520. They also have a list of prescribed regulators for reporting certain types of concern, such as health and safety, financial conduct, etc. Their contact details are also listed at the end of this policy.

Whistleblowing concerns usually relate to the conduct of our staff, but they may sometimes relate to the actions of a third party, such as a customer, supplier or service provider. In some circumstances the law will protect you if you raise the matter with the third party directly.

However, the Council encourages you to report such concerns internally first. You should contact your line manager or one of the other individuals set out in the contacts section for guidance.

Protection and support for whistleblowers

It is understandable that whistleblowers are sometimes worried about possible repercussions. The Council aims to encourage openness and will support staff that raise genuine concerns under this policy, even if they turn out to be mistaken.

Whistleblowers must not suffer any detrimental treatment as a result of raising a concern.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If at any stage you experience reprisal, harassment or victimisation for raising a genuine concern please contact the HR Advice Line via Contact Us on 01452 425888. Choose the HR option which is staffed by HR professionals. You may also wish to contact your trade union representative (if you are a trade union member).

If you believe that you have suffered any such treatment, you should also inform the Monitoring Officer immediately. If the matter is not remedied you should raise it formally using our Grievance Procedure.

Staff must not threaten or retaliate against whistleblowers in any way. If you are involved in such conduct you may be subject to disciplinary action.

Contacts

Monitoring Officer: monitoringofficer@gloucester.gov.uk

Head of Finance (Section 151 Officer): section151@gloucester.gov.uk

Chief Internal Auditor: Piyush.fatania@gloucestershire.gov.uk

Whistleblowing direct reporting service: [URL to be included]

Internal Audit 24 hour Whistleblowing hotline answerphone: 01452 427052

Whistleblowing Policy

Summary

The Council is committed to conducting its business with honesty and integrity, and the Council expects all staff to maintain high standards in accordance with Gloucester City Council's published policies and procedures. This policy is intended to cover concerns that fall outside the scope of other procedures for raising concerns or if you have reasons that you cannot use other procedures and there is a public interest aspect. All concerns raised under this policy will be taken seriously and investigated as appropriate and that the confidentiality of anyone raising a concern will be respected. The policy seeks to reassure all those who raise genuine concerns that they are able to do so without fear of reprisal, even if they turn out to be mistaken, providing they have reasonable belief that they have raised a concern in the public interest.

Everyone should ensure that they take the time to read and understand the content of this policy and procedure and act in accordance with its aims and objectives.

All staff must ensure that they are familiar with and comply with and support the Council's policies, procedures and guidance.

About this policy

The Council is committed to conducting its business with honesty and integrity, and the Council expects all staff to maintain high standards in accordance with Gloucester City Council's Officer and Member Codes of Conduct. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.

All of us at one time or another have a concern about what is happening at work. Usually these are easily resolved. However, when the concern feels serious because it is about a possible fraud, danger, corruption or malpractice or maladministration (the term used when the council has done something wrong which affects a member of the public) that might affect others or the Council itself, it can be difficult to know what to do.

You may be worried about raising such a concern and may think it best to keep it to yourself, perhaps feeling it's none of your business or that it's only a suspicion. You may feel that raising the matter would be disloyal to colleagues, managers or to the Council. You may decide to say something but find that you have spoken to the wrong person or raised the issue in the wrong way and are not sure what to do next.

Elected Members and senior managers of the Council are committed to running the organisation in the best way possible and to do so the Council needs your help. The Council has updated this policy to reassure you that it is safe and acceptable to speak up and to enable you to raise any concern you may have about malpractice at an early stage and in the right way. Any reported concern will be taken seriously. Rather than wait for proof, the Council would prefer you to raise the matter when it is still a concern.

If something is troubling you which you think the Council should know about or look into, if you are not sure which is the right route, or if you want to speak to someone in confidence, please read on.

If in doubt - raise it!

Please note that the Whistleblowing Policy is primarily for concerns where you witness or become aware of something which affects other people – groups of colleagues, service users, members of the public or the organisation itself.

If, you wish to make a complaint about your own employment or how you personally have been treated, please use the Grievance Procedure or the Dignity and Respect at Work (Anti-Bullying) Policy available on the intranet. For any HR advice in respect of which policy to use, please contact the HR Advice line via 01452 425888 (option 2, option 4) where a professionally qualified HR Adviser will be able to assist you.

Concerns about Safeguarding- Adults and Children

Any such concerns should be raised under the Council's Safeguarding Policy available on the intranet with the Safeguarding Lead (Cherry Foster) and Operational Safeguarding Lead (Emily Bolland) being notified immediately.

Aims of this policy

The aims of this policy are:

- To encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected;
- To provide staff with guidance on how to raise those concerns; and
- To reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken, providing they have reasonable belief that they have raised a concern in the public interest.
- This policy covers all employees, Members, apprentices, consultants, contractors, volunteers, interns, casual workers, partner organisations and agency workers.

This policy takes account of the Whistleblowing Arrangements Code of Practice issued by the British Standards Institute and Protect (UK's whistleblowing charity).

Responsibility for the policy

The Monitoring Officer has overall responsibility for this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy.

The Monitoring Officer has day-to-day operational responsibility for this policy, and must ensure that all managers and other staff who may deal with concerns or investigations under this policy receive regular and appropriate training.

The Monitoring Officer, in conjunction with the Audit and Governance Committee should review this policy from a legal and operational perspective at least once a year.

All staff are responsible for the success of this policy and should ensure that they use it to disclose any suspected irregularity, danger or wrongdoing.

What is whistleblowing?

Whistleblowing is the disclosure of information which relates to suspected irregularity, wrongdoing or dangers at work. This may include:

- Criminal activity;

- Failure to comply with any legal or professional obligation or regulatory requirements;
- Miscarriages of justice;
- Danger to health and safety;
- Damage to the environment;
- Bribery;
- Financial fraud or mismanagement;
- Negligence;
- Breach of our internal policies and procedures including our Code of Conduct;
- Conduct and/or inappropriate behaviour likely to damage our reputation;
- Unauthorised disclosure of confidential information;
- The deliberate concealment of any of the above.

A whistleblower is a person who raises a genuine concern relating to any of the above. If you have any genuine concerns related to suspected irregularity affecting any of our activities (a whistleblowing concern) you should report it under this policy.

If you are uncertain whether something is within the scope of this policy you should seek advice from the Monitoring Officer whose contact details are at the end of this policy.

Raising a whistleblowing concern

The Council hopes that in many cases you will be able to raise any concerns with your line manager. You may tell them in person or put the matter in writing if you prefer. They may be able to agree a way of resolving your concern quickly and effectively. In some cases they may refer the matter to the Monitoring Officer.

However, where the matter is more serious, or you feel that your line manager has not addressed your concern, or you prefer not to raise it with them for any reason, you should contact one of the following:

- a) The Monitoring Officer;
- b) Head of Finance (Section 151 Officer);
- c) Chief Internal Auditor;
- d) Head of Service.
- e) Through the Whistleblowing Service

Contact details for a), b), c) and e) are set out at the end of this policy. If you do not know who the relevant Head of Service is for your role this can be obtained from the Monitoring Officer.

Internal Audit also provide a 24 hour Whistleblowing hotline answerphone service available on 01452 427052 for individuals to report any concerns.

Employees who wish to make a written statement/report are invited to set out:

- the background and history of the concern;
- relevant dates, person/s involved; and
- details of supporting evidence.

Although employees are not expected to prove an allegation they will need to demonstrate that the disclosure is in the public interest.

How the Council will respond

Once you have raised a concern, an initial assessment will be carried out to determine the scope of any investigation. The Council will inform you of the outcome of the assessment.

You may be required to attend additional meetings in order to provide further information.

In some cases the Council may appoint an investigator or team of investigators including staff with relevant experience of investigations or specialist knowledge of the subject matter. The investigator(s) may make recommendations for change to enable us to minimise the risk of future wrongdoing. The overriding principle which the Council will take into account is public interest; however, the Council has a zero tolerance attitude to any fraudulent activity.

The Council will aim to keep you informed of the progress of the investigation and its likely timescale. However, sometimes the need for confidentiality may prevent us giving you specific details of the investigation or any disciplinary action taken as a result. You should treat any information about the investigation as confidential.

Within 10 working days of a concern being raised, the Council will write to the person raising a whistleblowing complaint:

- acknowledging that the concern has been received;
- indicating how the Council proposes to deal with the matter;
- confirming whether any initial enquiries have been made; and
- confirming whether further investigations will take place and, if not, why not.

A representative of a trade union recognised by the Council or a work place colleague may accompany you during any stage of an investigation conducted under this Procedure. Your companion must respect the confidentiality of the disclosure and any subsequent investigation.

The Council will take steps to minimise any difficulties which may be experienced as a result of raising a concern. For instance, where the person raising a whistleblowing concern is required to give evidence in criminal or disciplinary proceedings the Council will arrange for them to receive advice about the procedures involved.

The Council accepts that employees need to be assured that matters of concern have been properly addressed and therefore, subject to legal constraints, employees will be informed of the outcome of any investigation.

If the Council concludes that a whistleblower has made false allegations maliciously or with a view to personal gain, the whistleblower may be subject to disciplinary action.

The Monitoring Officer will keep a record of reported whistleblowing concerns (whistleblowing record) under their obligations. All line managers, persons listed on the back of this policy and investigator(s) are responsible for updating the Monitoring Officer with the necessary details for maintaining the whistleblowing record.

Confidentiality

The Council hopes that staff will feel able to voice whistleblowing concerns openly under this policy.

However, if you want to raise your concern confidentially, The Council will make every effort to keep your identity secret.

If it is necessary for anyone investigating your concern to know your identity, the Council will discuss this with you.

The Council does not encourage staff to make disclosures anonymously. Proper investigation may be more difficult or impossible if the Council cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible. Whistleblowers who are concerned about possible reprisals if their identity is revealed should come forward to the Monitoring Officer or one of the other contact points listed at the end of this policy, and appropriate measures can then be taken to preserve confidentiality.

If you are not satisfied

While the Council cannot always guarantee the outcome you are seeking, the Council will try to deal with your concern fairly and in an appropriate way. By using this policy you can help us to achieve this.

If you are not happy with the way in which your concern has been handled, you can raise it with one of the other key contacts in the contacts section. Alternatively, you may contact our external auditors (who may liaise with officers of the Council). Contact details are set out at the end of this policy.

External disclosures

The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases you should not find it necessary to alert anyone externally.

The law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as a regulator. It will very rarely, if ever, be appropriate to alert the media. The Council strongly encourages you to seek advice before reporting a concern to anyone external. The independent whistleblowing charity, Protect (www.protectadvice.org.uk), operates a confidential helpline via 020 3117 2520. They also have a list of prescribed regulators for reporting certain types of concern, such as health and safety, financial conduct, etc. Their contact details are also listed at the end of this policy.

Whistleblowing concerns usually relate to the conduct of our staff, but they may sometimes relate to the actions of a third party, such as a customer, supplier or service provider. In some circumstances the law will protect you if you raise the matter with the third party directly.

However, the Council encourages you to report such concerns internally first. You should contact your line manager or one of the other individuals set out in the contacts section for guidance.

Protection and support for whistleblowers

It is understandable that whistleblowers are sometimes worried about possible repercussions. The Council aims to encourage openness and will support staff that raise genuine concerns under this policy, even if they turn out to be mistaken.

Whistleblowers must not suffer any detrimental treatment as a result of raising a concern.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If at any stage you experience reprisal, harassment or victimisation for raising a genuine concern please contact the HR Advice Line via Contact Us on 01452 425888. Choose the HR option which is staffed by HR professionals. You may also wish to contact your trade union representative (if you are a trade union member).

If you believe that you have suffered any such treatment, you should also inform the Monitoring Officer immediately. If the matter is not remedied you should raise it formally using our Grievance Procedure.

Staff must not threaten or retaliate against whistleblowers in any way. If you are involved in such conduct you may be subject to disciplinary action.

Contacts

Monitoring Officer: monitoringofficer@gloucester.gov.uk

Head of Finance (Section 151 Officer): section151@gloucester.gov.uk

Chief Internal Auditor: Piyush.fatania@gloucestershire.gov.uk

Whistleblowing direct reporting service: [URL to be included]

Internal Audit 24 hour Whistleblowing hotline answerphone: 01452 427052

Gloucester City Council
Audit and Governance Committee Work Programme 2023-24
Updated 28 December 2023

Item	Format	Committees	Lead Officer	Notes
15th January 2024				
1. 2021/22 Accounts – External Audit	Written Report	Audit and Gov	Deloitte	
2. Internal Audit Activity Progress Report 2023-24	Written Report	Audit and Gov	Head of IA&RM Shared Service	Part of the Committee’s annual programme of work
3. Strategic Risk Register	Written Report	Audit and Gov	Head of IA&RM Shared Service	Part of the Committee’s standing work programme
4. Treasury Management – Quarterly Update	Written Report	Audit and Gov	Head of Finance and Resources	Part of the Committee’s standing work programme
5. Audit and Governance Committee Work Programme	Timetable	-----	-----	Standing Agenda Item
4th March 2024				
1. Internal Audit Activity 202324 – progress report.	Written Report	Audit and Gov	Head of IA&RM Shared Service	Part of the Committee’s annual programme of work
2. Draft Internal Audit Plan 2024-25	Written Report	Audit and Gov	Head of IA&RM Shared Service	Part of the Committee’s annual programme of work

3. S 106 agreements – final audit report	Update	Audit and Gov	Head of IA&RM Shared Service	Requested
4. Strategic Risk Register	Written Report	Audit and Gov	Head of IA&RM Shared Service	Part of the Committee's annual programme of work
5. Audit and Governance Committee Work Programme	Timetable	-----	-----	Standing Agenda Item