

# AUDIT AND STANDARDS COMMITTEE AGENDA

Monday, 28 January 2019 at 10.00 am in the Blaydon Room - Civic Centre

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From the Chief Executive, Sheena Ramsey

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Item	Business
1	<b>Apologies for Absence</b>
2	<b>Minutes</b> (Pages 3 - 8)  The Committee is asked to approve, as a correct record, the minutes of the meeting held on 1 October 2018.
3	<b>Declarations of Interest</b>  Members of the Committee are invited to declare interests in any agenda items.
4	<b>Local Code of Governance</b> (Pages 9 - 22)  Report of the Strategic Director, Corporate Services and Governance
5	<b>Audit and Standards Committee Work Programme</b> (Pages 23 - 24)  Report of the Strategic Director, Corporate Services and Governance
6	<b>Quarterly Standards Update</b> (Pages 25 - 28)  Report of the Strategic Director, Corporate Services and Governance
7	<b>External Auditor: Audit Progress Report</b> (Pages 29 - 40)  Report of the Strategic Director, Corporate Resources
8	<b>External Auditor: Results of Certification Work 2017/18</b> (Pages 41 - 44)  Report of the Strategic Director, Corporate Services
9	<b>External Auditor: 2017/18 Audit - Additional Fee</b> (Pages 45 - 48)  Report of the Strategic Director, Corporate Resources
10	<b>Corporate Risk Management 2018/19 - Quarterly Report to 31 December 2018</b> (Pages 49 - 54)  Report of the Strategic Director, Corporate Resources

**11 Exclusion of the Press and Public**

The Committee may wish to exclude the press and public from the meeting during consideration of the exempt agenda in accordance with paragraphs 7 of Schedule 12A to the Local Government Act 1972.

**12 Internal Audit Plan 2018/19 Quarterly Report to 31 December 2018**  
(Pages 55 - 62)

Report of the Strategic Director, Corporate Resources

**13 Date and time of next meeting**

Monday 4 March 2019 at 5.30 pm in the Blaydon Room

**GATESHEAD METROPOLITAN BOROUGH COUNCIL**  
**AUDIT AND STANDARDS COMMITTEE MEETING**

**Monday, 1 October 2018**

**PRESENT:** Councillor H Haran (Chair)  
Councillor(s): L Green, J McElroy, N Weatherley, Mr Stuart Bell (Independent Member), G Clark and B Jones

**APOLOGIES:** Councillor(s): J Green, J McClurey and J Turnbull

**ASC158 MINUTES**

The minutes were approved as a correct record, with the amendment that Councillor Neil Weatherly was present at the meeting.

**ASC159 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**ASC160 AUDIT AND STANDARDS COMMITTEE WORK PROGRAMME 2017-18**

The Audit and Standards Committee work programme was tabled and noted and it was agreed that all Independent Members will be invited to attend Ethics and Probity Training.

RESOLVED - that the information be noted.

**ASC161 QUARTERLY STANDARDS UPDATE**

The Committee received a report providing the quarterly update highlighting national and local standards issues.

Headlines issues with links to further reading was presented to the Committee, and were summarised as follows:-

- Information Commissioner's Office (ICO): Political Campaigns
- Committee on Standards in Public Life
- National Association of Local Councils
- Civic Society Strategy – "Innovation in Democracy"
- Election integrity pilots May 2019
- Consultation outcome: Access to elections: Call for evidence
- Guidance: Data Ethics Framework
- Centre for Public Scrutiny, and

- Consultation: Protecting the Debate: Intimidation, Influence and Information

- RESOLVED -
- i) That the information be noted
  - ii) That a Standards Update will be provided on a quarterly basis to the Committee

## **ASC162 RESULTS OF 2017/18 CIPFA AUDIT BENCHMARKING**

The Committee received a report informing them of the annual Chartered Institute of Public Finance and Accountancy (CIPFA) Audit Benchmarking results for 2017/18.

The Internal Audit Service is required to objectively examine, evaluate and report upon the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of the Council's resources.

Benchmarking data allows the comparison of the Council's Internal Audit Service with 18 other local authorities (20 in 2016/17).

Appended to the main report was a summary report of the 2017/18 benchmarking results. Overall this continues the trend from previous years and highlights Gateshead Council's Internal Audit Service as being low cost with high productivity; in comparison with other local authorities in the benchmarking data.

The Committee were also advised that the information is based upon 2017/18 actual results taken from the financial ledger and the Internal Audit management system.

RESOLVED - that the information be noted.

## **ASC163 REVIEW OF INTERNAL AUDIT CHARTER**

The Committee received a report advising of the review of the Internal Audit Charter, which was appended to the main report. It was last presented to Committee in October 2017 and the report sought comments on and approval of the Internal Audit Charter in line with best practice.

The Committee were advised that a key element of compliance with the Public Sector Internal Audit Standards (PSIAS) is the periodic review and approval by the Audit and Standards Committee of an Internal Audit Charter

The Chief Internal Auditor has carried out an annual review of the Internal Audit Charter and confirmed that it continues to reflect best practice and no amendments are required.

It is proposed that in future years the timing of the review of the Internal Audit Charter will be revised to April, to be reported with the Internal Audit Strategy Statement and Annual Plan.

- RESOLVED -
- i) That the information be noted
  - ii) The Committee agreed with the opinion that the Internal Audit Charter continues to comply with Public Sector Internal Audit

Standards.

**ASC164 TREASURY MANAGEMENT - PERFORMANCE TO 30 SEPTEMBER 2018**

In accordance with CIPFA's Code of Practice on Treasury Management and the Council's Treasury Policy Statement and Treasury Strategy, the Committee received the six months to 30 September 2018 performance report in respect of the Treasury Management Service, covering investments and borrowing.

The Council operates a balanced approach, and this means broadly that cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations.

The report set out performance in respect of Investments, Rate of Return and Borrowing and an update was provided in respect of Brexit and the Economy.

The summary of the mid-year performance highlighted that the projected net impact of investment and borrowing activity on the revenue budget in 2018/19 is an underspend of £2.307m, comprising of £1.413m General Fund and £0.894m HRA.

Investment returns are likely to remain relatively low during 2018/19 and beyond and interest rates are expected to be below long term borrowing rates therefore value for money considerations indicate that best value can be obtained by delaying new external borrowing and by using internal cash balances to finance new capital expenditure in the short term (this is referred to as internal borrowing)

Internal borrowing does incur an additional element of interest rate risk on the overall treasury management position, but this is being taken into account and mitigated by the monitoring and review of potential borrowing options and overall market conditions.

RESOLVED – that the Treasury Management Performance to 30 September 2018 be noted.

**ASC165 EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED - That the press and public be excluded from the meeting during consideration of the remaining business in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972.

**ASC166 CORPORATE RISK MANAGEMENT 2018/19 - QUARTERLY REPORT TO 30**

## SEPTEMBER 2018

A report was presented on developments in Corporate Risk Management during the period 1 July to 30 September 2018 in compliance with the requirements of good corporate governance.

On the 25 July the Corporate Management Team agreed the draft Strategic Risk Register was an accurate representation of key strategic risks and controls in place to mitigate these risks.

As part of the agreed governance process Committee was asked to consider the draft Strategic Risk Register and satisfy itself that it is an accurate record of risks faced by the Council and the associated controls. The draft Strategic Risk Register was appended to the main report for information and consideration.

The Committee were also advised that work is ongoing to review the Business Continuity Plan template, scoring assessment and the service impact assessment. Discussions have been held with the emergency resilience team and ICT critical services for joint working and joined up approach to BCP.

The Business Continuity Policy is being reviewed, updated and enhanced so that it incorporates a Business Continuity Framework, Policy and Strategy. The updated guidance, template and framework documents will be brought to the Audit and Standards Committee for review in the near future.

The Committee were also advised that the Risk and Resilience Group met on 12 September and the following items were discussed:

- Risk Management and Business Continuity Plans:
  - Update on drafting the revised Strategic Risk Register
  - Updates on Operational Risk
  - Update on business continuity plans and collaborative working with emergency resilience team and ICT
- Critical ICT systems:
  - Prioritisation of applications for scenario planning ongoing
- Resilience and Emergency Updates, which included:
  - Little Mix Concert
  - Great Exhibition of the North
  - Great North Run
  - Great North Games
  - Regent Court

RESOLVED -	i)	That the information be noted
	ii)	That the Committee were satisfied with the effectiveness of the Council's risk management arrangements.
	iii)	That the report be submitted to Cabinet for consideration in due course.

## **ASC167 MID YEAR COUNTER FRAUD UPDATE 2018/19**

A report was presented on activity undertaken since 1 April 2018 by the Internal Audit and Risk Service in relation to the work of the Corporate Fraud Team. It also included updates on action taken to raise awareness of the risk of fraud and corruption, details the cases of potential fraud and corruption, details the cases of potential fraud and irregularity, updates on any proactive counter fraud work and progress of the Council's participation in National Fraud Initiative (NFI).

The Corporate Fraud Officers will carry out proactive anti-fraud and corruption work, targeting the areas which have been identified nationally as being at a high risk of fraud, and include:

- Council tax discounts and exemptions
- Council tax benefits
- Non-domestic rates relief
- Blue badge scheme misuse
- Procurement fraud, including links to organised crime
- Tenancy fraud (domestic and commercial)
- Employee corporate fraud
- Direct payments
- Insurance fraud

The Committee received an update on counter fraud communication and development, monitoring and reporting cases of potential fraud and irregularity, and proactive counter fraud work and the National Fraud Initiative (NFI).

The next NFI exercise is due to commence with data being submitted to the Cabinet Office in October 2018. Results from this exercise will be reported to the Audit and Standards Committee in due course.

RESOLVED – that the information be noted.

## **ASC168 INTERNAL AUDIT PLAN 2018/19 QUARTERLY MONITORING REPORT TO 30 SEPTEMBER 2018**

A report was presented outlining the progress made by the Internal Audit & Risk Service against the audit plan for the financial year 2018/19 and summaries the main findings arising from audit activity throughout the period 1 July 2018 to 30 September 2018.

From the reviews carried out to 30 September 2018 audit work was found to be complying with PSIAS and the Audit Manual.

The year to date performance information is as follows:

- 100% of audits were completed within budgeted time against a target of 90%
- Productive or chargeable time was recorded at 68% of overall time against

an annual target of 73% of overall time

- The average score of the customer satisfaction questionnaires returned is 3.73 against a target of 3.4 (85%)
- The target for implementation of audit recommendations due is 100% for high priority recommendations and 90% for medium priority recommendations. The current rate of implementation of all recommendations due is 100%, with 100% of all high priority and 100% of all medium priority recommendations having been implemented. Further information was tabled as an appendix to the main report.

RESOLVED - that the information be noted.

**ASC169 DATE AND TIME OF NEXT MEETING**

The next meeting will be held on Monday 28 January 2019 at 10.00 am in the Blaydon Room.

**Chair.....**



**TITLE OF REPORT:** Local Code of Governance

**REPORT OF:** Mike Barker, Strategic Director, Corporate Services and Governance

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### **Purpose of the Report**

1. This report asks the Audit and Standards Committee to consider and approve an updated version of the Local Code of Governance, based on the CIPFA Delivering Good Governance in Local Government Framework.

### **Background**

2. The Council has prepared a local code of governance since April 2007. The Code is essentially based on the Council's existing constitution, protocols and procedures but is updated to include changes to documents and procedures in the previous year.
3. In 2016 CIPFA reviewed its framework document to ensure that it remained fit for purpose. It issued their new Delivering Good Governance in Local Government: Framework along with comprehensive guidance.
4. The new approach was intended to better assist local authorities, and associated organisations and vehicles through which authorities now work, in reviewing the effectiveness of their own governance arrangements by reference to best practice and using self assessment. The principles of good governance in the framework are:
  - Behaving with integrity
  - Ensuring openness and comprehensive engagement
  - Defining sustainable outcomes
  - Determining interventions
  - Developing capacity
  - Managing risks and performance
  - Implementing good practice in transparency
5. The new Framework required a full re-drafting of the Council's Local Code of Governance. The Committee on 6 March 2017 agreed that an iterative and measured approach be undertaken to develop the new Framework over the following 6-9 months so that the new Code could be fully populated and in place for March 2018.
6. Following this approach, a self assessment document was prepared which the Committee adopted on 29 January 2018 as the Local Code of Governance.

## Proposal

7. As part of this year's annual review of the Local Code of Governance, the Council's senior management have been requested to make any necessary amendments or additions to the document. As a result amendments have been made to the Local Code of Governance as follows:
  - Reference has been included in the column 'We demonstrate this by' to the Council's Thrive Agenda (Principles A&C) , Contracts Procedure Rules (Principles A&F) , Corporate Social Responsibility Pledge (Principles A,B&C), Trade Union Consultation Framework (Principle B), Social Care Commissioning Intentions (Principle B), Joint Strategic Needs Assessment Principle B), and Annual Information Technology Health Check (Principle F).
  - The dates on the Medium Term Financial Strategy (MTFS) have been updated to reflect the current document (Principles C,D&G).
  - The references to the LGA Peer Review 2016 have been deleted given the time since the review was undertaken (Principles E&G).
  - Reference has been made to the Health and Wellbeing Board's remit to recognise the Council's responsibility for public health as this covers the wider determinants such as economic, social and environmental issues (Principle C).
8. The revised Local Code of Governance is attached at Appendix 1.

## Recommendation

9. It is recommended that the Audit and Standards Committee approves the updated Local Code of Governance attached at Appendix 1.

GATESHEAD COUNCIL - LOCAL CODE OF GOVERNANCE

SELF ASSESSMENT

<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law</b>		
<b>Sub principle: Behaving with integrity</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>
<ul style="list-style-type: none"> <li>Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>Code of conduct for members of the Council (consistent with Nolan’s Seven Principles of Public Life); identifying other Registerable Personal Interests</li> <li>Code of conduct for employees (paragraph 2 of Part 2 of the handbook of national conditions of service for local authority employees states “Employees will maintain conduct of the highest standard such that public confidence in their integrity is sustained.”)</li> <li>Declarations of interests at meetings</li> <li>Council Protocols eg Councillor/Officer relations, Development Control – protocol on Good Practice, Regulatory and Licensing Committees – protocols on Good Practice</li> <li>Member Induction programme</li> <li>Corporate induction for employees</li> <li>Annual Governance Statement</li> <li>Gift and Hospitality register</li> <li>Appraisal and Development sessions</li> <li>Whistleblowing Policy - Arrangements for the Public</li> <li>Whistleblowing Policy for employees</li> <li>Contract Procedure Rules</li> </ul>	<ul style="list-style-type: none"> <li>Code is updated as and when required.</li> <li>Annual review of the protocols</li> <li>Annual review of the Constitution and Governance Statement</li> </ul>
<ul style="list-style-type: none"> <li>Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).</li> </ul>		
<ul style="list-style-type: none"> <li>Leading by example and using these standard operating principles or values as a framework for decision making and other actions.</li> </ul>		
<ul style="list-style-type: none"> <li>Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.</li> </ul>		

<b>Sub principle: Demonstrating strong commitment to ethical values</b>		
<ul style="list-style-type: none"> <li>Seeking to establish, monitor and maintain the organisation's ethical standards and performance.</li> </ul>	<ul style="list-style-type: none"> <li>Council's strategic approach of Making Gateshead a Place Where Everyone Thrives is based on tackling inequality across the borough</li> <li>Code of conduct for officers and members</li> <li>Council Protocol 1 – Council's Corporate Values</li> <li>Employee competency framework</li> <li>Member Officer protocol</li> <li>Workforce Strategy &amp; Workforce Plan</li> <li>Equal Opportunities Policy</li> <li>Councillor Development Framework includes appropriate training</li> <li>Strategic Commissioning framework</li> <li>Corporate Social Responsibility Pledge</li> </ul>	<ul style="list-style-type: none"> <li>Annual review of councillor training needs following changes in their roles and remit</li> <li>Review of Equal Opportunities Policy</li> </ul>
<ul style="list-style-type: none"> <li>Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.</li> </ul>		
<ul style="list-style-type: none"> <li>Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.</li> </ul>		
<b>Sub principle: Respecting the rule of law</b>		
<ul style="list-style-type: none"> <li>Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring officer provisions/statutory roles</li> <li>Financial regulations</li> <li>Contracts procedure rules</li> <li>Statement of accounts</li> <li>Council reports including implications from financial and legal officers</li> <li>Audit and Standards Committee – members assurance statements</li> <li>Council's decision making processes eg Planning</li> </ul>	<ul style="list-style-type: none"> <li>Risk management policy to be reviewed</li> </ul>
<ul style="list-style-type: none"> <li>Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.</li> </ul>		
<ul style="list-style-type: none"> <li>Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.</li> </ul>		
<ul style="list-style-type: none"> <li>Dealing with breaches of legal and regulatory provisions effectively.</li> </ul>		

<ul style="list-style-type: none"> <li>Ensuring corruption and misuse of power are dealt with effectively.</li> </ul>	<p>and Development Committee</p> <ul style="list-style-type: none"> <li>Constitution</li> <li>Partnership arrangements</li> <li>Gateshead Trading Company</li> <li>Risk management policy</li> <li>Whistleblowing policy</li> <li>ICT security policy</li> <li>Complaints procedure</li> <li>Counter Fraud and Bribery policy</li> </ul>	
<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>		
<b>Sub principle: Openness</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>
<ul style="list-style-type: none"> <li>Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.</li> </ul>	<ul style="list-style-type: none"> <li>Transparency agenda eg FOIs, council expenditure over £500, senior officer salaries</li> <li>Constitution (references meetings open to the public)</li> <li>Council papers, agendas and minutes (including Calendar of Meetings)</li> <li>Access to information rules</li> <li>Customer feedback and complaints</li> <li>Equality impact assessments</li> <li>Consultation principles</li> <li>Viewpoint Panel</li> <li>Consultation portal</li> <li>Partnership meetings</li> <li>Trade Union Consultation Framework</li> <li>Employee forums</li> <li>Annual report</li> <li>Use of social media and email eg Gateshead Now</li> <li>Corporate Social Responsibility Pledge</li> </ul>	
<ul style="list-style-type: none"> <li>Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.</li> </ul>		
<ul style="list-style-type: none"> <li>Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.</li> </ul>		
<ul style="list-style-type: none"> <li>Use formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action.</li> </ul>		
<b>Sub principle: Engaging comprehensively with institutional stakeholders</b>		

<ul style="list-style-type: none"> <li>Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.</li> </ul>	<ul style="list-style-type: none"> <li>Partnership arrangements/ agreements/memorandum of understanding</li> <li>Partnership protocol</li> <li>Partnership guidance for officers</li> <li>Partnership Risk Register</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships audited on annual basis</li> <li>Review of Corporate Communications Strategy</li> </ul>
<ul style="list-style-type: none"> <li>Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring that partnerships are based on: <ul style="list-style-type: none"> <li>trust</li> <li>a shared commitment to change</li> <li>a culture that promotes and accepts challenge among partners</li> <li>and that the added value of partnership working is explicit.</li> </ul> </li> </ul>		
<p><b>Sub principle: Engaging stakeholders effectively, including individual citizens and service users</b></p>		
<ul style="list-style-type: none"> <li>Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>Consultation principles</li> <li>Viewpoint panel</li> <li>Service user involvement forums</li> <li>Consultation portal</li> <li>Communications Strategy</li> <li>Social media</li> <li>Members briefing</li> <li>Council News</li> <li>Numerous public surveys held throughout the year</li> <li>Gateshead Now email</li> <li>Have your Say inbox</li> <li>Web feedback</li> <li>Reflect full range of comments in council reports</li> <li>Youth Assembly</li> <li>Corporate Parenting role</li> <li>Social Care Commissioning Intentions</li> <li>Joint Strategic Needs Assessment</li> </ul>	
<ul style="list-style-type: none"> <li>Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.</li> </ul>		
<ul style="list-style-type: none"> <li>Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.</li> </ul>		
<ul style="list-style-type: none"> <li>Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account.</li> </ul>		
<ul style="list-style-type: none"> <li>Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.</li> </ul>		
<ul style="list-style-type: none"> <li>Taking account of the interests of future generations of tax payers and service users.</li> </ul>		
<p><b>Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits</b></p>		

<b>Sub principle: Defining outcomes</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>
<ul style="list-style-type: none"> <li>• Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions.</li> <li>• Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.</li> <li>• Delivering defined outcomes on a sustainable basis within the resources that will be available.</li> <li>• Identifying and managing risks to the achievement of outcomes.</li> <li>• Managing service user expectations effectively with regard to determining priorities and making the best use of the resources available.</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate policy, planning framework</li> <li>• Vision 2030</li> <li>• Making Gateshead a Place Where Everyone Thrives strategic approach</li> <li>• Service Business Plans</li> <li>• Medium Term Financial Strategy 2018-23</li> <li>• Corporate performance management framework - 6 monthly performance reports</li> <li>• Impact assessments</li> <li>• Strategic and Operational Risk Registers</li> <li>• Budget consultation</li> <li>• Corporate Social Responsibility Pledge</li> </ul>	<ul style="list-style-type: none"> <li>• MTFS updated at least annually</li> <li>• Service Business Plans reviewed annually</li> <li>• Operational risk registers are reviewed at least yearly</li> </ul>
<b>Sub principle: Sustainable economic, social and environmental benefits</b>		
<ul style="list-style-type: none"> <li>• Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.</li> <li>• Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s intended outcomes and short-term factors such as the political cycle or financial constraints.</li> <li>• Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.</li> <li>• Ensuring fair access to services.</li> </ul>	<ul style="list-style-type: none"> <li>• Council reports include relevant implications</li> <li>• Medium Term Financial Strategy 2018-23</li> <li>• Capital Programme</li> <li>• Consultation Principles</li> <li>• Records of decision making</li> <li>• Equal opportunities policy</li> <li>• Strategic Risk Register</li> <li>• Corporate Social Responsibility Pledge</li> <li>• The Council’s Thrive Agenda</li> <li>• The Health and Wellbeing Board’s remit as set out in the Council’s Constitution</li> </ul>	<ul style="list-style-type: none"> <li>• MTFS updated at least annually</li> <li>• Development of an Investment Strategy</li> <li>• Annual review of Strategic Risk Register</li> <li>• Annual Review of the Council’s Constitution</li> </ul>

<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>												
<b>Sub principle: Determining interventions</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>										
<ul style="list-style-type: none"> <li>Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.</li> </ul>	<ul style="list-style-type: none"> <li>Medium Term Financial Strategy 2018-23</li> <li>Decision making protocols</li> <li>Outcomes from consultations</li> <li>Council reports including summary of consultation, alternative options, and implications</li> </ul>	<ul style="list-style-type: none"> <li>MTFS updated at least annually</li> </ul>										
<ul style="list-style-type: none"> <li>Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.</li> </ul>			<b>Sub principle: Planning interventions</b>			<ul style="list-style-type: none"> <li>Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.</li> </ul>	<ul style="list-style-type: none"> <li>Policy planning framework</li> <li>Project management</li> <li>Risk management policy</li> <li>Corporate performance management framework</li> <li>Project management</li> <li>Commissioning Strategy - monitoring mechanisms in place</li> <li>Medium Term Financial Strategy 2018-23</li> <li>Budget guidance</li> <li>Budget consultation</li> <li>Budget Report</li> <li>Capital Programme</li> </ul>		<ul style="list-style-type: none"> <li>Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.</li> </ul>	<ul style="list-style-type: none"> <li>Considering and monitoring risks facing each partner when working collaboratively including shared risks.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>Establishing appropriate key performance indicators as part of the planning process in order to identify how the performance of services and projects is to be measured.</li> </ul>
<b>Sub principle: Planning interventions</b>												
<ul style="list-style-type: none"> <li>Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.</li> </ul>	<ul style="list-style-type: none"> <li>Policy planning framework</li> <li>Project management</li> <li>Risk management policy</li> <li>Corporate performance management framework</li> <li>Project management</li> <li>Commissioning Strategy - monitoring mechanisms in place</li> <li>Medium Term Financial Strategy 2018-23</li> <li>Budget guidance</li> <li>Budget consultation</li> <li>Budget Report</li> <li>Capital Programme</li> </ul>											
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<ul style="list-style-type: none"> <li>Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances.</li> </ul>												
<ul style="list-style-type: none"> <li>Establishing appropriate key performance indicators as part of the planning process in order to identify how the performance of services and projects is to be measured.</li> </ul>												
<ul style="list-style-type: none"> <li>Ensuring capacity exists to generate the information required to review service quality regularly.</li> </ul>												
<ul style="list-style-type: none"> <li>Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan.</li> </ul>												

<ul style="list-style-type: none"> <li>Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.</li> </ul>		
<b>Sub principle: Optimising achievement of intended outcomes</b>		
<ul style="list-style-type: none"> <li>Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints.</li> </ul>	<ul style="list-style-type: none"> <li>Budget consultation framework</li> <li>Budget Guidance</li> <li>Medium Term Financial Strategy 2018-23</li> <li>Corporate Commissioning strategy</li> <li>Service Business Planning</li> </ul>	<ul style="list-style-type: none"> <li>Budget guidance issued annually to Leadership Team</li> <li>MTFS updated at least annually</li> </ul>
<ul style="list-style-type: none"> <li>Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring the achievement of 'social value' through service planning and commissioning.</li> </ul>		
<b>Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it</b>		
<b>Sub principle: Developing the entity's capacity</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>
<ul style="list-style-type: none"> <li>Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Roles and responsibilities of the Executive and senior officers</li> <li>Job descriptions for councillor roles</li> <li>Councillor Development framework</li> <li>Annual Pay policy statement</li> <li>Partnership arrangements</li> <li>Workforce Strategy and Workforce Plan</li> </ul>	
<ul style="list-style-type: none"> <li>Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.</li> </ul>		
<ul style="list-style-type: none"> <li>Recognising the benefits of partnerships and collaborative working where added value can be achieved.</li> </ul>		
<ul style="list-style-type: none"> <li>Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.</li> </ul>		
<b>Sub principle: Developing the capability of the entity's leadership and other individuals</b>		
<ul style="list-style-type: none"> <li>Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in</li> </ul>	<ul style="list-style-type: none"> <li>Councillor officer protocol</li> <li>Relevant job profiles</li> </ul>	

<p>the relationship and that a shared understanding of roles and objectives is maintained.</p>	<ul style="list-style-type: none"> <li>• Constitution – delegated decisions</li> <li>• Induction Programme</li> <li>• Member personal development plans (Councillor support and development group)</li> <li>• Workforce Strategy</li> <li>• Workforce Plan</li> <li>• Learning from Ofsted and CQC Inspections</li> <li>• Scrutiny framework</li> <li>• Staff development plans linked to Appraisal and Development</li> <li>• Health and Safety policy</li> <li>• Wellbeing at work initiatives eg health advocates and mental health first aiders</li> <li>• Viewpoint Residents Panel</li> <li>• Resident’s Survey</li> <li>• Constitution (reference meetings open to public)</li> </ul>	
<ul style="list-style-type: none"> <li>• Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.</li> </ul>		
<ul style="list-style-type: none"> <li>• Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and balance for each other’s authority.</li> </ul>		
<ul style="list-style-type: none"> <li>• Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: <ul style="list-style-type: none"> <li>– ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged</li> <li>– ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</li> <li>– ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.</li> </ul> </li> </ul>		
<ul style="list-style-type: none"> <li>• Ensuring that there are structures in place to encourage public participation.</li> </ul>		
<ul style="list-style-type: none"> <li>• Taking steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.</li> </ul>		
<ul style="list-style-type: none"> <li>• Holding staff to account through regular performance reviews which take account of training or development needs.</li> </ul>		

<ul style="list-style-type: none"> <li>Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.</li> </ul>		
<b>Principle F: Managing risks and performance through robust internal control and strong public financial management</b>		
<b>Sub principle: Managing Risk</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>
<ul style="list-style-type: none"> <li>Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.</li> </ul>	<ul style="list-style-type: none"> <li>Service Operational risk register</li> <li>Strategic Risk Register</li> <li>Corporate Risk and Resilience Group</li> <li>Audit and Standards Committee remit</li> <li>Business Continuity Plans</li> <li>Service Business Plans</li> <li>Corporate Risk Management Policy</li> </ul>	<ul style="list-style-type: none"> <li>Centralisation of risk documents and tools (via the intranet) to enable easier access for councillors and employees</li> </ul>
<ul style="list-style-type: none"> <li>Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring that responsibilities for managing individual risks are clearly allocated.</li> </ul>		
<b>Sub principle: Managing Performance</b>		
<ul style="list-style-type: none"> <li>Monitoring service delivery effectively including planning, specification, execution and independent post implementation review.</li> </ul>	<ul style="list-style-type: none"> <li>Council's Forward Plan/Schedule of Decisions</li> <li>Corporate performance management framework</li> <li>Member development eg scrutiny training</li> <li>Quarterly monitoring updates regarding revenue and capital spend</li> <li>Publication of agendas and minutes of meetings</li> </ul>	<ul style="list-style-type: none"> <li>Annual training update relating to Risk for members of the Audit and Standards Committee</li> </ul>
<ul style="list-style-type: none"> <li>Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible.</li> </ul>		
<ul style="list-style-type: none"> <li>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements).</li> </ul>		

<b>Sub principle: Robust internal control</b>		
<ul style="list-style-type: none"> <li>Aligning the risk management strategy and policies on internal control with achieving the objectives.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Risk Management Policy</li> <li>Internal Audit programme</li> <li>Corporate Risk and Resilience Group</li> <li>Strategic and Operational Risk Registers</li> <li>Audit and Standards Committee – oversight of management processes</li> <li>Counter Fraud and Bribery Policy</li> <li>Anti-money laundering policy</li> <li>Local Code of Governance</li> <li>Internal Audit Charter and Strategy</li> <li>Annual governance statement</li> <li>Audit and Standards Committee, minutes and agendas</li> <li>Overview and Scrutiny Committees</li> </ul>	<ul style="list-style-type: none"> <li>Risk management policy to be reviewed</li> <li>Development of a policy relating to the prevention of the facilitation of tax evasion (Criminal Finances Act 2017)</li> </ul>
<ul style="list-style-type: none"> <li>Evaluating and monitoring the authority’s risk management and internal control on a regular basis.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring effective counter fraud and anti-corruption arrangements are in place.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</li> </ul>		
<ul style="list-style-type: none"> <li>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>Provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>That its recommendations are listened to and acted upon.</li> </ul> </li> </ul>		
<b>Sub principle: Managing data</b>		
<ul style="list-style-type: none"> <li>Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including process to safeguard personal data.</li> </ul>	<ul style="list-style-type: none"> <li>Constitution – Data Protection Statement</li> <li>Data Protection policy</li> <li>Information Security Strategy</li> <li>Provide performance information to scrutiny and senior officer group</li> <li>Data sharing agreements in place regarding Troubled Families programme and health data</li> <li>Internal audit of data quality on strategic outcome indicators</li> <li>Annual information Technology Health Check as part of the Council’s Public Services Network compliance submission</li> </ul>	<ul style="list-style-type: none"> <li>Annual data quality audit undertaken of the strategic outcome indicators</li> </ul>
<ul style="list-style-type: none"> <li>Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.</li> </ul>		
<ul style="list-style-type: none"> <li>Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.</li> </ul>		

<b>Sub principle: Strong public financial management</b>		
<ul style="list-style-type: none"> <li>Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance.</li> </ul>	<ul style="list-style-type: none"> <li>Constitution - Financial regulations, Delegations, Budget and Policy Framework rules and Contracts Procedure rules</li> </ul>	
<ul style="list-style-type: none"> <li>Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.</li> </ul>	<ul style="list-style-type: none"> <li>Budget monitoring reports</li> <li>Strategic Risk Register</li> <li>Assurance Statements</li> <li>Internal and External Audit</li> </ul>	
<b>Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>		
<b>Sub principle: Implementing good practice in transparency</b>	<b>We demonstrate this by:</b>	<b>Action required:</b>
<ul style="list-style-type: none"> <li>Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.</li> </ul>	<ul style="list-style-type: none"> <li>Council's website</li> <li>Council Protocol 3 – Report Formats and Preparing Reports</li> </ul>	<ul style="list-style-type: none"> <li>Council Protocols are reviewed on an annual basis</li> </ul>
<ul style="list-style-type: none"> <li>Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.</li> </ul>	<ul style="list-style-type: none"> <li>Adopting Plain English standards</li> <li>Comply with the local government transparency code and publish all required information in a timely manner</li> <li>Access to information rules</li> <li>Publication of reports on the open part of committee agenda subject to the Access to information rules</li> </ul>	
<b>Sub principle: Implementing good practices in reporting</b>		
<ul style="list-style-type: none"> <li>Reporting at least annually on performance, value for money and the stewardship of its resources.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate performance management framework</li> </ul>	<ul style="list-style-type: none"> <li>Annual review of the Constitution</li> </ul>
<ul style="list-style-type: none"> <li>Ensuring members and senior management own the results.</li> </ul>	<ul style="list-style-type: none"> <li>Roles and responsibilities outlined in Constitution</li> </ul>	<ul style="list-style-type: none"> <li>MTFS updated at least annually</li> </ul>
<ul style="list-style-type: none"> <li>Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement).</li> </ul>	<ul style="list-style-type: none"> <li>Audit and Standards Committee</li> <li>Cabinet agendas</li> <li>Medium Term Financial Strategy 2018-2023</li> </ul>	

<ul style="list-style-type: none"> <li>• Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> <li>• Council’s Annual Report</li> </ul>	
<ul style="list-style-type: none"> <li>• Ensuring the performance information that accompanies the financial statement is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.</li> </ul>		
<p><b>Sub principle: Assurance and effective accountability</b></p>		
<ul style="list-style-type: none"> <li>• Ensuring that recommendations for corrective action made by external audit are acted upon.</li> </ul>	<ul style="list-style-type: none"> <li>• Managed through the Audit and Standards Committee - review of the effectiveness of internal audit</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership arrangements and risk register is reviewed annually by Internal Audit</li> </ul>
<ul style="list-style-type: none"> <li>• Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon.</li> </ul>	<ul style="list-style-type: none"> <li>• Findings from internal audit programme of inspections are reported to Audit and Standards Committee.</li> </ul>	
<ul style="list-style-type: none"> <li>• Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.</li> </ul>	<ul style="list-style-type: none"> <li>• Ofsted and CQC inspections reported through political framework</li> </ul>	
<ul style="list-style-type: none"> <li>• Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual governance statement</li> <li>• Partnership arrangements and risk register</li> </ul>	
<ul style="list-style-type: none"> <li>• Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Audit Letter issued by external auditor</li> </ul>	

## AUDIT AND STANDARDS COMMITTEE

### WORK PROGRAMME

Committee Meeting Date and Time	Items to be considered
28 January 2019 10.00am	<ul style="list-style-type: none"> <li>• Work Programme 2018/19</li> <li>• Standards Update</li> <li>• Annual Audit Letter</li> <li>• Mazars Audit Progress Report</li> <li>• Corporate Risk Management 2018/19 – Quarterly Report to 31 December 2018</li> <li>• Local Code of Governance</li> <li>• Internal Audit Plan 2018/19 – Quarterly Monitoring Report to 31 December 2018 (Exempt Item)</li> </ul>
4 March 2019 5.30pm	<ul style="list-style-type: none"> <li>• Work Programme 2018/19</li> <li>• Mazars – Audit Strategy Memorandum Year Ending 31 March 2019</li> <li>• Treasury Policy Statement and Treasury Strategy</li> <li>• Annual Governance Statement (Assurance Framework)</li> <li>• Internal Audit Update</li> </ul>
29 April 2019 10.00am	<ul style="list-style-type: none"> <li>• Work Programme 2019/20</li> <li>• Standards Update</li> <li>• Mazars Audit Progress Report</li> <li>• Internal Audit Strategy Statement and Annual Plan 2018/19</li> <li>• Corporate Risk Management 2018/19 – Quarterly Report to 31 March 2019</li> <li>• Internal Audit Plan 2018/19 – Quarterly Monitoring Report to 31 March 2019 (Exempt Item)</li> <li>• Counter Fraud and Corruption Arrangements Annual Report (Exempt Item)</li> </ul>
June 2019	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Role and Remit</li> <li>• Work Programme 2019/20</li> <li>• Treasury Annual Report 2018/19</li> <li>• Mazars Audit Progress Report</li> <li>• Oversight of Management Processes</li> <li>• Members’ Assurance Statements 2018/19</li> <li>• Managers’ Assurance Statements 2018/19</li> <li>• Review of the Effectiveness of Internal Audit 2018/19</li> <li>• Corporate Risk Management – Annual Report 2018/19</li> <li>• Internal Audit Annual Report 2018/19 (exempt item)</li> <li>• Annual Governance Statement 2018/19</li> </ul>

<p style="text-align: center;">July 2019</p>	<ul style="list-style-type: none"> <li>• Work Programme 2019/20</li> <li>• Standards Update</li> <li>• Audit Completion Report Year Ended 31 March 2019 and Gateshead Council Statement of Accounts 2018/19</li> <li>• Annual Report to Cabinet and Council 2018/19</li> <li>• Corporate Risk Management 2018/19 – Quarterly Report to 30 June 2019</li> <li>• Internal Audit Plan 2019/20 – Quarterly Monitoring Report to 30 June 2019 (Exempt Item)</li> </ul>
<p style="text-align: center;">October 2019</p>	<ul style="list-style-type: none"> <li>• Work Programme 2019/20</li> <li>• Standards Update</li> <li>• Results of the 2018/19 CIPFA Audit Benchmarking</li> <li>• Corporate Risk Management 2019/20 - Quarterly Report to 30 September 2019</li> <li>• Treasury Management – Performance to 30 September 2019</li> <li>• Internal Audit Plan 2019/20 – Quarterly Monitoring Report to 30 September 2019 (Exempt Item)</li> <li>• Counter Fraud and Corruption Arrangements Update Report (Exempt Item)</li> </ul>

## **Training**

Ethics and Probity training sessions were held on 17 and 29 September 2018 and 3 October 2018. A session has also been arranged for 28 January 2019.

Further Ethics and Probity session will be arranged later in the year after the local elections have been held.

The Chair attended a CIPFA event (Development Day for Local Authority Audit Committees) on 16 January 2019.

**TITLE OF REPORT:**            **Quarterly Standards Update**

**REPORT OF:**                **Mike Barker, Strategic Director, Corporate  
Services and Governance**

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### **Purpose of the Report**

1. To provide a quarterly update to the Audit and Standards Committee highlighting national and local standards issues.
  2. To ensure Members are aware of national reviews and consultations which may be relevant to their role.
  3. To identify whether further training is required for Members.
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### **Committee on Standards in Public Life**

Blog by Jane Ramsey (Committee Member) discusses progress on the important recommendations made by the Committee last December in its report on Intimidation in Public Life: (4 October):

1. The Committee published a major report in December 2017 making a number of recommendations in respect of the intimidation of public officials. In particular the Committee called on:
  - Government to bring forward legislation to shift the liability of illegal content online towards social media companies
  - Social media companies to ensure they are able to make decisions quickly and consistently on the takedown of intimidatory content online;
  - Government to consult on the introduction of a new offence in electoral law of intimidating Parliamentary candidates and party campaigners;
  - The political parties to work together to develop a joint code of conduct on intimidatory behaviour during election campaigns by December 2018. The code should be jointly enforced by the political parties; and
  - The National Police Chiefs Council to ensure that local police forces have sufficient training to enable them to effectively investigate offences committed through social media.
2. It is noted that whilst progress has been made, the Committee will continue to closely monitor what is being done to tackle intimidation and to do what it can to foster a political culture which supports healthy public discourse.

Minutes of Committee meeting on 20 September 2018 (published 9 November 2018)

3. The Committee noted the progress on the review of local government ethical standards: the breadth of evidence received to-date; the proposed structure of the report; and commented on draft conclusions and recommendations. It was suggested that a sub-committee of members might be formed to aid drafting of the report. The publication date and format of the launch event was discussed.
4. The agenda and minutes of the meeting can be found at:  
<https://www.gov.uk/government/publications/committee-on-standards-in-public-life-259th-meeting-thursday-20-september-2018-agenda-and-minutes>

Minutes of Committee meeting on 18 October 2018 (published 19 December 2018)

5. The Committee discussed the first full draft of the report regarding local government ethical standards. The Committee was grateful for the excellent first draft and the work that had gone into the report to-date. The publication date would be confirmed outside the meeting.
6. The Committee noted progress following up the December 2017 report on intimidation in public life. It was noted that the Conservative Party had not yet responded to the invitation to the meeting to political parties to discuss a joint code of conduct. This would be pursued.
7. The agenda and minutes of the meeting can be found at:  
<https://www.gov.uk/government/publications/committee-on-standards-in-public-life-260th-meeting-thursday-18-october-2018-agenda-and-minutes>

Minutes of Committee meeting on 15 November 2018 (published 19 December 2018)

8. The Committee discussed the final draft of the review report on local government ethical standards. The Committee was grateful for the report which all agreed was a substantive piece of work which had captured the nuances and complexities of the subject.  
\* The report will be published on 30 January 2019.
9. The Committee noted a meeting with Facebook in which Facebook had updated the Committee on action they had taken following publication of Intimidation in Public Life. It was also noted that plans for the meeting with political parties to follow up recommendations directed against political parties had been finalised.
10. The agenda and minutes of the meeting can be found at:  
<https://www.gov.uk/government/publications/committee-on-standards-in-public-life-261st-meeting-thursday-15-november-2018-agenda-and-minutes>

Blog by Dr Jane Martin (Committee Member) discusses the Local Government review – clarifying conflicts of interests: (16 October 2018):

11. In this blog post, Dr Jane Martin discusses the ongoing evidence gathered for the Committee's review of local government standards and the concerns being raised around the legal framework governing councillors' declaration of conflicts of interest.
12. The blog can be found at:  
<https://cspl.blog.gov.uk/2018/10/16/local-government-review-clarifying-conflicts-of-interest/>

Intimidation in Public Life: political parties meeting transcript

13. As a follow up to the report on Intimidation in Public Life, the Committee held a meeting with the political parties on 20 November 2018 to discuss their recommendation that the parties must work together to develop a joint code of conduct on intimidatory behaviour during election campaigns.
14. The transcript of the meeting can be found at:  
<https://www.gov.uk/government/publications/intimidation-in-public-life-political-parties-meeting-transcript>

## Electoral integrity pilots May 2019

15. Eleven local authorities across England will be taking part in Voter ID pilots for the 2019 local elections. The pilots will provide further insight into how best to ensure the security of the voting process and reduce the risk of voter fraud.
16. The Electoral Commission is responsible for carrying out an independent evaluation of the pilot schemes, with findings due in the summer of 2019 following the May elections.
17. A press release from the Cabinet Office can be viewed at:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/735413/Electoral\\_Integrity\\_Pilots\\_Prospectus\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/735413/Electoral_Integrity_Pilots_Prospectus_2018.pdf)

## Electoral Commission: Digital Campaigning

18. Over the past 12 months the Electoral Commission has undertaken work looking at online communications and in particular how digital campaigning was used in the EU referendum and the 2017 General Election.
19. The report sets out a series of recommendations for immediate action to improve election rules and strengthen financial regulations, particularly around who is spending what, where and how as well as there being bigger sanctions for those who break the rules.
20. The key recommendations will increase transparency of digital campaigns and help prevent foreign funding of elections and referendum campaigns. They are also intended to give the Electoral Commission the power to impose higher fines for those who break the rules which should act as a deterrent.
21. The key recommendations are as follows:
  - Each of the UK's governments and legislatures should change the law so that digital material must have an imprint saying who is behind the campaign and who created it.
  - Each of the UK's governments and legislatures should amend the rules for reporting spending. They should make campaigners sub-divide their spending returns into different types of spending. These categories should give more information about the money spent on digital campaigns.
  - Campaigners should be required to provide more detailed and meaningful invoices from their digital suppliers to improve transparency.
  - Social media companies should work with us to improve their policies on campaign material and advertising for elections and referendums in the UK.
  - UK election and referendum adverts on social media platforms should be labelled to make the source clear. Their online databases of political adverts should follow the UK's rules for elections and referendums.
  - Each of the UK's governments and legislatures should clarify that spending on election or referendum campaigns by foreign organisations or individuals is not allowed. They would need to consider how it could be enforced and the impact on free speech.
  - We will make proposals to campaigners and each of the UK's governments about how to improve the rules and deadlines for reporting spending. We want information to be available to voters and us more quickly after a campaign, or during.
  - Each of the UK's governments and legislatures should increase the maximum fine we can sanction campaigners for breaking the rules, and strengthen our powers to obtain information outside of an investigation.

22. The report can be found at:

<https://www.electoralcommission.org.uk/find-information-by-subject/political-parties-campaigning-and-donations/digital-campaigning>

## **Ministry of Housing, Communities and Local Government**

### New rules banning those found guilty of serious crimes from councils

23. In response to the 2017 consultation “Disqualification criteria for councillors and mayors”, the Government is to introduce new disqualification rules to prevent people found guilty of serious crimes from serving as councillors and mayors
24. The new rules will mean any person who is subject to an Anti-Social Behaviour Injunction, a Criminal Behaviour Order, a Sexual Risk Order or who is on the Sex Offenders’ Register, will no longer be able to stand for elected office in their community.
25. This will bring the rules in line with modern sentencing practice.
26. The Governments response to the consultation can be viewed at:  
<https://www.gov.uk/government/consultations/disqualification-criteria-for-councillors-and-mayors>
27. The press release containing a summary of the details can be found at:  
<https://www.gov.uk/government/news/government-toughens-rules-banning-sex-offenders-from-councils>

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## **Future Updates**

A Standards Update will be provided on a quarterly basis to the Standards and Audit Committee.

It is noted that the content of the Update will vary depending on the local and national picture that that time.

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Contact: Angela Simmons-Mather

Ext: 2662

**Title of Report: External Auditor: Audit Progress Report**

**Report of: Darren Collins, Strategic Director, Corporate Resources**

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### **Purpose of the Report**

- 1 This report updates the Audit and Standards Committee on Mazars progress in delivering their responsibilities as external auditor.

### **Background**

- 2 The report outlines:
  - 2018/19 audit
  - National publications
- 3 The external auditor's report is attached at Appendix A.

### **Recommendation**

- 4 The Committee is requested to note the contents of the external auditor's report.

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# Audit progress report

Gateshead Council

January 2019





## CONTENTS

- 1. Audit progress**
- 2. National publications**

This document is to be regarded as confidential to Gateshead Council. It has been prepared for the sole use of the Audit and Standards Committee. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

# 1. AUDIT PROGRESS

## Purpose of this report

This report provides the Audit and Standards Committee with an update on progress in delivering our responsibilities as your external auditor.

## Audit progress

This is our first progress report in respect of the 2018/19 audit year.

Since the Committee last met, we have:

- held update meetings with finance officers in respect of planning for the 2018/19 audit; and
- continued with our regular meetings with senior management and review of agenda papers and minutes, to inform our risk assessments for our 2018/19 audit.

We will present our Audit Strategy Memorandum to the Committee for discussion at its next meeting in March 2019.

Our planning work is on track, and there are no significant matters arising from our work that we are required to report to you at this stage.

## 2. NATIONAL PUBLICATIONS

	Publication/update	Key points
<b>National Audit Office (NAO)</b>		
1.	<b>Exiting the EU</b>	The NAO has published a number of reports on the exit from the EU during 2018.
2.	<b>Departmental overview – Ministry of Housing, Communities and Local Government</b>	Focus on three key areas: financial sustainability; housing and homelessness; and devolution and reorganisation.
3.	<b>Departmental overview – Local authorities</b>	The main body of the report covers: financial sustainability, housing and homelessness, and adult social care.
<b>Chartered Institute of Public Finance and Accountancy (CIPFA)</b>		
4.	<b>Statement expressing concerns with Councils funding commercial investment through borrowing</b>	CIPFA statement and link to article.
5.	<b>Local Authority Leasing Briefing 3</b>	Key issue for local authorities and statement of accounts.
<b>Public Sector Audit Appointments Ltd (PSAA)</b>		
6.	<b>Report on the results of auditors' work 2017/18: Principal local government and police bodies</b>	Gateshead Council met the deadline. Report notes encouraging results across the country.
7.	<b>Consultation on 2019/20 scale of fees for opted-in bodies</b>	2019/20 fees proposed to remain the same as 2018/19 for Gateshead Council.
8.	<b>Oversight of audit quality, quarterly compliance reports</b>	No significant issues.

## 2. NATIONAL PUBLICATIONS

### 1. Exiting the EU, National Audit Office

The National Audit Office has produced a number of publications on the UK's exit from the EU, including:

- The UK border: preparedness for EU exit;
- Department for Environment, Food and Rural Affairs;
- Department for Transport;
- Consumer protection, competition and state aid; and
- Exiting the EU: the financial settlement.

[https://www.nao.org.uk/search/pi\\_area/exiting-the-eu/type/report](https://www.nao.org.uk/search/pi_area/exiting-the-eu/type/report)

### 2. Departmental overview: Ministry of Housing, Communities and Local Government (MHCLG), National Audit Office

The Departmental Overview is designed to provide a quick and accessible overview of the Department and its performance over the last year. The report focuses on the Department's responsibilities setting out how it is structured, how it spends its money, and its major programmes. It also covers key developments in its areas of work, including exiting the European Union, and findings from recent NAO reports.

The main body of the report focuses on three key areas: financial sustainability; housing and homelessness; and devolution and reorganisation. The report concludes by setting out future developments, risks and challenges impacting on MHCLG.

The report also includes a section on the Department for Exiting the EU (pdf page 8).

<https://www.nao.org.uk/report/departmental-overview-ministry-of-housing-communities-and-local-government-2017-18/>

### 3. Departmental overview: local authorities

The report summarises the work of local authorities, including:

- what they do and how they are organised;
- the system of accountability;
- where they get their funding and how they spend their money; and
- major programmes and developments across local authorities' main business areas and services.

The main body of the report covers: financial sustainability; housing and homelessness; and adult social care.

The overview addresses further developments in the sector, including those on 'fair funding', empty homes and the government's new Rough Sleeping Strategy will be driven by local authorities. It draws attention to the synergies required across local authorities and with MHCLG for the successful implementation of these programmes.

<https://www.nao.org.uk/report/departmental-overview-local-authorities-2017-18/>

## 2. NATIONAL PUBLICATIONS

### 4. Statement expressing concerns with Councils funding commercial investment through borrowing, CIPFA

The Committee may be interested to note the CIPFA statement issued recently expressing concerns around commercial investment. The statement raises concerns with potential practices related to borrowing to fund commercial investment. CIPFA confirm in the statement that they will be issuing further guidance on the issue shortly.

<https://www.cipfa.org/about-cipfa/press-office/latest-press-releases/statement-from-cipfa-on-borrowing-in-advance-of-need-and-investments-in-commercial-properties>

<https://www.publicfinance.co.uk/news/2018/10/cipfa-warns-councils-over-serious-commercial-activity-concerns>

### 5. Local Authority Leasing Briefing 3, CIPFA

This briefing focuses on discount rates, lessor accounting, disclosure requirements, concessionary leases – lessees and the measurement of the service concession arrangement (PFI/PPP) liability.

<https://www.cipfa.org/policy-and-guidance/technical-panels-and-boards/cipfa-lasaac-local-authority-code-board/local-authority-leasing-briefings>

## 2. NATIONAL PUBLICATIONS

### 6. Report on the results of auditors' work 2017/18: Principal local government and police bodies, Public Sector Audit Appointments Limited

The report covers the timeliness and quality of financial reporting, auditors' local value for money work, and the extent to which auditors used their statutory reporting powers at 495 principal local government and police bodies for 2017/18.

For 2017/18, the statutory accounts publication deadline came forward by two months to 31 July 2018. This was challenging for bodies and auditors and it is encouraging that 87 per cent of audited bodies received an audit opinion by the new deadline.

The number of qualified conclusions on value for money arrangements looks set to remain relatively constant. It currently stands at 7 per cent (32 councils, 1 fire and rescue authority, 1 police body and 2 other local government bodies) compared to 8 per cent for 2016/17, with a further 30 conclusions for 2017/18 still to be issued.

All the opinions issued to date in relation to bodies' financial statements are unqualified, as was the case for the 2016/17 accounts. Auditors have made statutory recommendations to three bodies, compared to two such cases in respect of 2016/17, and issued an advisory notice to one body.

The most common reasons for auditors issuing non-standard conclusions for 2017/18 were:

- the impact of issues identified in the reports of statutory inspectorates – 16 bodies;
- corporate governance issues – 12 bodies;
- financial sustainability concerns – 6 bodies; and
- procurement/contract management issues – 5 bodies.

<https://www.psa.co.uk/audit-quality/reports-on-the-results-of-auditors-work/>

### 7. Consultation on 2019/20 scale of fees for opted-in bodies, Public Sector Audit Appointments Ltd

Public Sector Audit Appointments (PSAA) has published its consultation on the 2019/20 scale of fees for principal local government bodies that have opted into the appointing person arrangements.

The consultation proposes that scale audit fees for 2019/20, the second year of the five-year appointing period, should remain the same as the fees applicable for 2018/19. PSAA will review and update its assumptions and estimates each year, and consult on scale fees for the following year.

<https://www.psa.co.uk/audit-fees/2019-2020scaleoffees/>

### 8. Oversight of audit quality, quarterly compliance reports 2017/18 Public Sector Audit Appointments Ltd

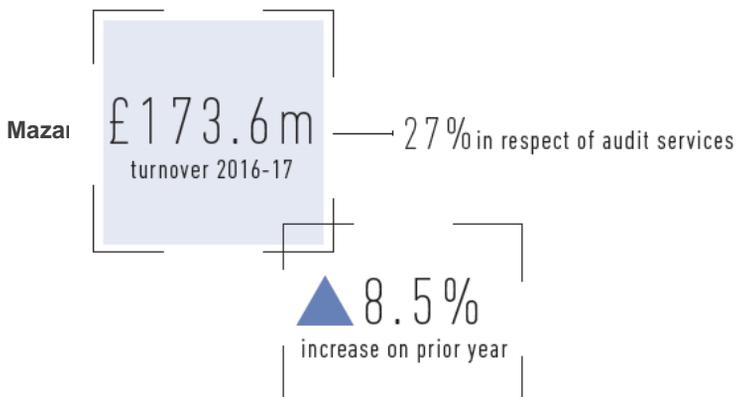
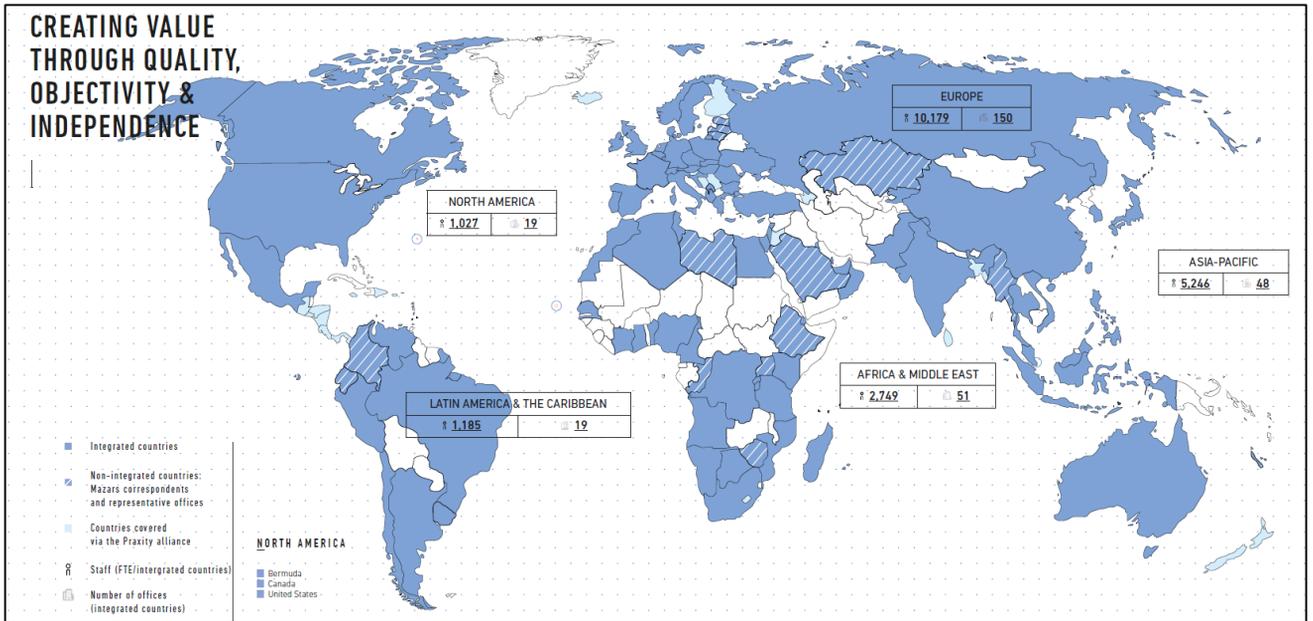
There are no significant issues arising in the latest quarterly compliance report issued by PSAA.

<https://www.psa.co.uk/audit-quality/contract-compliance-monitoring/principal-audits/mazars-audit-quality>

# MAZARS AT A GLANCE

## Mazars LLP

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- Over 300 locations
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As at 31 August 2017

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**Title of Report: External Auditor: Results of Certification Work 2017/18**

**Report of: Darren Collins, Strategic Director, Corporate Resources**

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### **Purpose of the Report**

- 1 This report updates the Audit and Standards Committee on the results of Mazars certification work for 2017/18.

### **Background**

- 2 As the Council's appointed auditor, Mazars acted as an agent of Public Sector Audit Appointments (PSAA) who have responsibilities to make certification arrangements for specified claims and returns. In 2017/18 the only claim or return within this regime was the Housing Benefit Subsidy return.
- 3 The outcome of the Auditor's work in this area along with the final fee for the work is set out in the Auditor's report attached at Appendix A.

### **Recommendation**

- 4 The Committee is requested to note the contents of the external auditor's report.

**Contact name: Craig Oakes Ext - 3711**

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Members of the Audit and Standards Committee  
 Gateshead Council  
 Civic Centre  
 Regent Street  
 Gateshead  
 NE8 1HH

15 January 2019

Dear Members

### Results of certification work 2017-18

As the Council's appointed auditor, we acted as an agent of Public Sector Audit Appointments (PSAA) who have responsibilities to make certification arrangements for specified claims and returns. For 2017/18 the only claim or return within this regime was the Housing benefit subsidy return. This letter reports the findings from this work.

In 2017/18 the prescribed tests for our Housing benefits work were set out in the HBCOUNT module and BEN01 Certification Instructions issued by PSAA. For the Housing benefit subsidy return, on completion of the specified work we issue a certificate. The certificate states whether the claim has been certified either without qualification; without qualification following amendment by the Council; or with a qualification letter. Where we issue a qualification letter or the claim or return is amended by the Council, the grant paying body may withhold or claw-back grant funding.

The 2017/18 Housing benefits return was amended but was not subject to a qualification letter. We issued our certificate on 28 November 2018, in line with PSAA's certification instructions.

The table below details our findings.

Claim or return	Value of claim or return	Amended (1)	Qualified
Housing benefit subsidy	£77,746,007	Yes	No

(1) Where an error was identified and it was possible to quantify the impact of the error across the whole population, the Council amended its return. Three amendments in 2017/18 related to misclassifications of individual cases between cells of subsidy claimed by the Council. In two of these cases the appropriate corrections resulted in an increase to the subsidy claimed. This was because some of the amounts misclassified had been put in a cell attracting zero subsidy. In addition, there was one incidence of an amount paid outside of the Capita system which was omitted from the claim. Adjustment of this resulted in a small increase to subsidy claimed. The value of the claim prior to audit was £77,744,388. The revised figure shown in the table above thus represents an increase of claimable subsidy of £1,619 as a result of audit.

## Fees

PSAA set an indicative fee for our work on the Council's Housing benefit subsidy return. This indicative fee, and the final fee charged for 2016/17, is detailed in the table below:

Claim or return	2017/18 indicative fee	2017/18 final fee	2016/17 final fee
Housing benefit subsidy	£10,615	£10,615	£12,405

Yours faithfully



Cameron Waddell

Partner

For and on behalf of Mazars LLP

*This letter is prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' issued by Public Sector Audit Appointments Ltd. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of Gateshead Council and we take no responsibility to any member or officer in their individual capacity or to any third party.*

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**Title of Report: External Auditor: 2017/18 Audit – Additional Fee**

**Report of: Darren Collins, Strategic Director, Corporate Resources**

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### **Purpose of the Report**

- 1 This report updates the Audit and Standards Committee on the fee resulting from additional audit work in relation to the audit of the financial statements.

### **Background**

- 2 The consolidation of The Gateshead Housing Company into the Council's group accounts for 2017/18 necessitated additional external audit work in order for the opinion on the Accounts to be given by the deadline of 31 July 2018.
- 3 The Auditor's letter in relation to this along with notification of the additional fee to be charged for the work is set out in the Auditor's letter attached at Appendix A.

### **Recommendation**

- 4 The Committee is requested to note the contents of the external auditor's letter.

**Contact name: Craig Oakes Ext - 3711**

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Audit & Standards Committee  
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16 November 2018

### **Gateshead Council 2017/2018 Audit – Additional Fee**

In our audit Annual Audit Letter, we highlighted that on receipt of the most up to date information from the Gateshead Housing Company (TGHC) in relation to pension liability figures in late May 2018, officers assessed that the production of Group Accounts was required.

In light of this, the Council consolidated Gateshead Housing Company into group accounts for 2017/18. This resulted in a considerable amount of additional audit work being required in order for the opinion on the Accounts to be given by the deadline of 31 July 2018.

The additional work carried out by us has resulted in an additional fee of £9,716 being charged.

If you wish to discuss this further then please do not hesitate to contact me.

Yours sincerely



Cameron Waddell, Partner  
For and on behalf of Mazars LLP

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**Title of Report: Corporate Risk Management 2018/19  
Quarterly Report to 31 December 2018**

**Report of: Darren Collins, Strategic Director, Corporate Resources**

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### **Purpose of the Report**

1. This report updates the Committee on developments in Corporate Risk Management during the period 1 October to 31 December 2018 in compliance with the requirements of good corporate governance.

### **Background**

2. Quarterly reporting to those with the responsibility for the oversight of risk management issues complies with the principles of good corporate governance. It is also embodied in the Corporate Risk Management Policy approved by Council on 21 May 2013.
3. The report covers progress against the Corporate Risk Management Developmental Objectives for 2018/19 as cited in the Corporate Risk Management Annual Report 2017/18 and any other risk management issues emerging within the quarter under consideration.

### **Development Objectives**

4. The Action Plan for the delivery of the Developmental Objectives for 2018/19 incorporating progress to date is shown at Appendix 1, work is progressing as per the plan.

### **Strategic Risk Management**

5. In November 2018 Cabinet and Council approved the revised Strategic Risk Register which had been presented to Audit and Standards Committee on 1 October 2018.
6. As part of the iterative nature of the register, risk owners have been asked to provide updates any updates as part of the quarterly review. Currently there are now changes to the register but all updates will be reported to Committee as part of the quarterly updates.
7. In addition, as part of the ongoing works, officers are assessing emerging risks to ascertain how these will be incorporated within the Risk Registers. The areas currently being reviewed are: ICT cyber security, the potential impact of the wider rollout of universal credit and Britain's withdrawal from the European Union (Brexit) on Council services. If any of these are assessed as posing a strategic risk to the achievement of the Council's objectives, they will be brought into the Strategic Register.

## **Operational Risk**

8. As part of the ongoing work to refresh the operational risk management framework additional guidance was prepared and circulated to support officers in the identification and assessment of operational risks and focus risk management activity on key areas within a service.
9. The Corporate Risk Management Team has been working with officers from a number of Service areas to strengthen their risk management arrangements and provided additional training where required.

## **Business Continuity**

10. The Business Continuity Plan template, scoring assessment and the service impact assessment have all been reviewed and updated to ensure CIPFA best practice recommendations are incorporated within Council processes.
11. These new templates have been shared at the Risk and Resilience Group in September and will be used in the 2018/19 annual review.

## **Benchmarking**

12. In order to enable comparison with other public sector organisations, the Council participated in the 2018 ALARM/CIPFA Risk Management Benchmarking Club.
13. Membership of the club provides access to a performance measurement tool designed to test the organisation's performance against the major risk management standards, expectations of inspection bodies and criteria that inform the risk management element of the Annual Governance Statement.
14. The benchmarking question set is based on ALARM's National Performance Model for Risk Management in Public Services published in 2009. The model breaks down risk management activity into seven strands and aims to provide an in-depth picture of the maturity of risk management within the organisation.
15. Scores of levels 1 to 5 are awarded for each strand to identify the level of maturity that the organisation has reached with level 5 being the highest possible score. The categories are as follows:
  - 1 Awareness
  - 2 Happening
  - 3 Working
  - 4 Embedded and Integrated
  - 5 Driving
16. The benchmarking results for Gateshead over the seven strands are as follows:
  - Leadership and Management 4
  - Policy and Strategy 4
  - People 4
  - Partnerships and Resources 5

- Processes 4
- Risk Handling and Assurance 4
- Outcomes and Delivery 3

17. The Council has maintained the same scores as the last assessment for six of the seven strands, with the score for the Processes strand increasing from 3 (working) to 4 (embedded and integrated).
18. The improved score for the Processes strand reflects work undertaken by Corporate Risk Officers to assist managers with the operational risk management process, which has included the production and circulation of improved guidance to managers.

### **Risk and Resilience Group**

19. The Risk and Resilience Group meeting in January discussed the work which has taken place during the previous quarter, including the revised Risk Management and Business Continuity guidance.

### **Recommendation**

20. It is recommended that the Committee note the report and consider the effectiveness of the Council's risk management arrangements.

---

**CONTACT:** Jane Wright extension: 3617

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### Corporate Risk Management: Developmental Objectives 2018/19

Ref:	Objective	Target Implementation Date	Progress to date
1	Business Continuity Plans will be updated, enhanced and, where appropriate, formal testing against incident scenarios and best practice requirements will be carried out.	April 2019	The Business Continuity Plan template, scoring assessment and the service impact assessment have all been reviewed and updated to ensure all requirements necessary to deliver a Service in the event of an incident occurring are included.
2	The review of the Strategic Risk Register will be completed and the revised register agreed.	Completed November 2018, however It is a continuous process and the register will continue to evolve over time.	In November 2018 Cabinet and Council approved the revised Strategic Risk Register
3	The Operational Risk Register will be refreshed to ensure consistency with the revised Strategic Risk Register.	April 2019	The annual review of the risk registers with refreshed guidance will commence January 2019.
4	The Council's Risk Management and Business Continuity Policies will be reviewed and updated to ensure they comply with best practice and are responsive to the challenges facing the Council	February 2019	The annual review has commenced and is ongoing.

Ref:	Objective	Target Implementation Date	Progress to date
5	The provision of further Risk Management training to Councillors and officers appropriate to their responsibilities.	March 2019	<p>Risk management training delivered to Early Health, Public Health and Grove House and as a result new operational guidance produced.</p> <p>Induction training to be delivered in January to new employees.</p> <p>Other training on request.</p>
6	Assess the risk management performance indicators obtained through the participation in the ALARM/CIPFA benchmarking club to identify any areas of best practice that can be incorporated into the Council's Risk Management arrangements.	February 2019	The benchmarking questionnaire was submitted within the September deadline and the final report was released 21 <sup>st</sup> December. The results are summarised in the risk report.
7	Review and update the Tackling Tax Evasion and the Money Laundering Risk Assessments for any new or emerging risks	April 2019	Ongoing with annual review due April 2019.

By virtue of paragraph(s) 7 of Part 1 of Schedule 12A of the Local Government Act 1972.

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