



Audit and Governance Committee

A meeting of the Audit and Governance Committee will be held at the The Jeffrey Room, The Guildhall, Northampton on Wednesday 22 June 2022 at 6.00 pm

Agenda

1.	Apologies for Absence and Notification of Substitute Members
2.	Declarations of Interest Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.
3.	Minutes (Pages 5 - 10) To confirm the Minutes of the meeting of the Committee held on 28 th April 2022.
4.	Chair's Announcements To receive communications from the Chair.
5.	Urgent Business The Chair to advise whether they have agreed to any items of urgent business being admitted to the agenda.
6.	Risk Register Deep Dive - Workforce skills and capacity - Risk E04 Update (Pages 11 - 20)
7.	Exclusion of Press and Public The following reports appendix contains exempt information as defined in the following paragraph(s) of Part 1, Schedule 12A of Local Government Act 1972. Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

	<p>Members are reminded that whilst the following item(s) have been marked as exempt, it is for the meeting to decide whether or not to consider each of them in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.</p> <p>Should Members decide not to make a decision in public, they are recommended to resolve as follows:</p> <p>“That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item(s) of business on the grounds that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part I, Paragraph(s) 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”</p>
8.	Housing Benefit and Council Tax Reduction Risk Based Verification (Pages 21 - 26)
9.	Return to Public Session
10.	Internal Audit Annual Report 2021-22 (Pages 27 - 42)
11.	Internal Audit Progress report Verbal Update
12.	Audit and Governance Committee Annual Report (Pages 43 - 58)
13.	External Audit Update - Grant Thornton Verbal Update
14.	Work Programme (Pages 59 - 62)

14 June 2022

Audit and Governance Committee Members:

Councillor Cecile Irving-Swift (Chair)

Councillor Charles Manners (Vice-Chair)

Councillor Jamal Alwahabi

Councillor John Shephard

Councillor Rosie Humphreys

Councillor Stephen Clarke

Councillor Jake Roberts

Councillor Danielle Stone

Councillor Alan Chantler

Information about this Agenda

Apologies for Absence

Apologies for absence and the appointment of substitute Members should be notified to democraticservices@westnorthants.gov.uk prior to the start of the meeting.

Declarations of Interest

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item

Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates

Members are reminded that any member who is two months in arrears with Council Tax must declare that fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

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Queries Regarding this Agenda

If you have any queries about this agenda please contact Sofia Neal-Gonzalez, Democratic Services via the following:

Email: democraticservices@westnorthants.gov.uk

Or by writing to:

West Northamptonshire Council
One Angel Square
Angel Street
Northampton
NN1 1ED



Audit and Governance Committee

Minutes of a meeting of the Audit and Governance Committee held at The Jeffrey Room, The Guildhall on Thursday 28 April 2022 at 6.00 pm.

Present Councillor Cecile Irving-Swift (Chair)
 Councillor John Shephard (Vice-Chair)
 Councillor Alan Chantler
 Councillor Stephen Clarke
 Councillor Rosie Humphreys
 Councillor Charles Manners

Substitute
 Members: Councillor Mark Hughes

Also
 Present: Councillor Malcolm Longley

Apologies
 for
 Absence: Councillor Jamal Alwahabi
 Councillor Jake Roberts
 Councillor Danielle Stone

Officers Joanne Bonham - Governance and Risk Manager
 Sara Essex – Counter Fraud Manager
 Janet Dawson - Partner – Ernst Young
 Paul Harvey - Grant Thornton – Audit Manager
 Martin Henry – Executive Director of Finance
 Ciaran McLaughlin - Director of Public Sector Audit - Grant Thornton
 Sofia Neal-Gonzalez – Democracy Officer (minutes)
 David Riglar - Senior Manager - Ernst Young
 Audra Statham - Assistant Director Finance- Accountancy

46. **Apologies**

47. **Minutes**

RESOLVED That the minutes from the Audit meeting of the 26th of January 2022 will be approved after the following queries are investigated.

- “It was advised that emerging eco strategies had morphed into Covid recovery work”. A councillor advised that they had no memory of this being discussed, the Chair advised that it would be looked at.

Matters arising in the minutes.

Item 37. Risk Register Deep Dive - Corporate Risks Update: Economic Recovery from 26th January 2022 meeting.

A councillor enquired whether there had been any further information received on issues affecting the Rural Community. The Executive Director of Finance advised that he had not and would request some feedback from the service.

48. **Declarations of Interest**

None

49. **Urgent Business**

The Executive Director of Finance provided an update on the new Head of Internal Audit and Risk Management.

50. **Chair's Announcements**

None

51. **Risk Register Deep Dive - Financial Resilience**

At the Chair's invitation The Executive Director of Finance presented the report copies of which had been previously circulated. The committee was advised of the risks and sub-risks that the report set out and how the risk was managed and mitigated. It was noted that the report also set out the positions on contingencies within the budget. The committee was advised that the authority currently had £40 million in the general reserve fund, this was above average but as the authority was still a new organisation there were still risks associated with its age.

Councillors made the following comments.

- The report stated that there was a lack of officers but not too many vacancies. Could this be explained?
- It was queried as to what the appropriate level of reserves were for a unitary council.
- Some of the statements made on financial resilience were surprising.

The Assistant Director of Finance (Accountancy) advised that there were currently 3 vacancies in the Accountancy department and over 20 staff overall.

The Executive Director of Finance made the following comments in response.

- It was advised that there were some vacancies in the finance department these were however not concerning at this time.
- There were 6 vacancies within the Strategic Finance department which has around 40 staff overall.
- It was important to remember that the Unitary was a new one and as such this will impact the amount needed to be kept in reserves. This would be looked at on an annual basis by the Section 151 Officer.
- Staff working from home had been found to be efficient and productive and had adapted well to the new normal.

RESOLVED:

- The Audit and Governance Committee considered the report and determined that no further action was required.
- The Committee concurred with the view of the S151 officer that this risk was being effectively managed based on the content of the report.

52. Internal Audit 2021-22 Update Report

At the Chair's invitation the Executive Director of Finance presented the report, copies of which had been previously circulated. The committee was advised that 98% of the audits had been completed or were in the final stages, more detail could be found in the appendix.

A councillor queried how a person could continue receiving pension payments when deceased, especially due to how many other checks were in place. Further information was requested on the recoverable debt mentioned in the report.

The Executive Director of Finance advised that he would give further details to members on this via email.

RESOLVED: That the report be noted.

53. Draft Internal Audit Plan 2022-23

At the Chair's invitation the Executive Director of Finance presented the report, copies of which had been previously circulated. The committee was advised that the plan had been deliberately labelled as a draft as the new Chief Internal Auditor had yet to see it

RESOLVED:

- a) That the attached draft internal audit plan for 2022-23 was endorsed in order for internal audit resource to begin to be allocated for 2022-23.
- b) That the Chief Internal Auditor reviewed the Audit Plan for 2022-23 in consultation with the S151 officer and reported any changes to the plan back to the Audit and Governance Committee at a future meeting.

54. Northamptonshire County Council External Audit Results Report 2020-21

At the Chair's invitation Janet Dawson, Partner at Ernst and Young presented the report, copies of which had been previously circulated. The committee was advised that that the result would likely be an unqualified opinion and EY were waiting for guidance in order to complete some outstanding areas.

Councillors made the following comments.

- Was there an indication of the numbers involved in the revaluing of One Angel Square?
- It was queried as to what steps were being put into place to improve the working papers.

David Riglar, Senior Manager at EY advised that the report provided more in-depth information on the status of the audit in specific areas. A closing down team had been in place to help complete work.

Audra Statham the Assistant Director of Finance noted that the council was still closing legacy projects.

The Chair advised the working papers had improved significantly.

RESOLVED: The Committee noted and considered the external Audit Results report and recommendations.

55. Approval of Northamptonshire County Council Statement of Accounts 2020-21

At the Chair's invitation the Executive Director of Finance presented the report, copies of which had been previously circulated. The recommendations were put to the committee who were advised that there were no significant issues.

Thanks were given to Debbie Middleton who had been Interim Assistant Director of Finance for the closure of legacy accounts, and her team for all their hard work.

Audra Statham the Assistant Director of Finance advised that outstanding Infrastructure Asset was a national problem and all highways' authorities had been subject to the same delays.

RESOLVED: The Committee.

- a) Delegated authority to the Executive Director of Finance and Chair of the Audit & Governance Committee to approve and sign the letter of representation on behalf of the Council at Appendix C as revised by the resolution of outstanding items set out in the Audit Results Report; and
- b) Delegated authority to the Executive Director of Finance and the Chair of Audit & Governance Committee to approve and sign the final Statement of Accounts for the County Council at Appendix B as revised by the resolution of outstanding items set out in the Audit Results Report.

56. Northampton Borough Council External Audit Results Report 2020-21

At the Chair's invitation Janet Dawson, Partner at Ernst and Young presented the report, copies of which had been previously circulated. The committee was advised that they would be provided with an unqualified opinion within the next month. It was noted that the level of materiality had reduced due to the reduction in gross expenditure. EY did not wish to bring anything else to the attention of the committee.

RESOLVED: The Committee noted and considered the external Provisional Audit Results report and recommendations.

57. Approval of Northampton Borough Council Statement of Accounts 2020-21

At the Chair's invitation the Executive Director of Finance presented the report, copies of which had been previously circulated. The committee was informed that there were no major issues. Thanks were given to Janet Dawson, David Riglar, Debbie Middleton, Audra Statham, and their teams for all the hard work that had been undertaken

The Chair thanked the external auditors (EY) and all of the interim teams that had worked on these audits.

RESOLVED: The Committee:

- a) Delegated authority to the Executive Director of Finance and Chair of the Audit & Governance Committee to approve and sign the letter of representation for 20-21 on behalf of the Council at Appendix C as revised by the resolution of outstanding items set out in the Audit Results Report; **and**
- b) Delegated authority to the Executive Director of Finance and the Chair of Audit & Governance Committee to approve and sign the final Statement of Accounts for the Borough Council for 2020-21 at Appendix B as revised by the resolution of outstanding items set out in the Audit Results Report.

58. **External Audit (Grant Thornton) Progress Report**

At the Chair's invitation Ciaran McLaughlin, the Director of Public Sector Audit at Grant Thornton presented the report, copies of which had been previously circulated. The committee was advised that the audit start date was scheduled for mid-September.

Councillors made the following comments.

- Had there been any issues so far that needed to be brought to the committee's attention.
- It was queried which committee was responsible for overseeing the integration of legacy issues.

Ciaran McLaughlin advised that the creation of a new authority and budget would be looked at in depth. How well the committee worked had been noted, with a good amount of challenge and conversation between members, Auditors and Officers.

The Executive Director of Finance advised that the Audit and Governance Committee was, by exception, responsible for overseeing legacy issues.

RESOLVED: The report was noted.

59. **Strategic Risk Register**

At the Chair's invitation the Executive Director of Finance presented the report, copies of which had been previously circulated. The committee was reminded that the risk register was brought to every Audit meeting as well as Executive Leadership Team.

The committee agreed that the next deep dive should be about the WNC workforce.

RESOLVED: The Committee considered the Strategic Risk Register included as Appendix 1. Due to its size an electronic copy of the risk register was provided.

60. **Work Programme**

At the Chair's invitation the Executive Director of Finance presented the report, copies of which had been previously circulated.

RESOLVED: The Committee considered the work programme.

The meeting closed at 7.45 pm

Chair: _____

Date: _____

WEST NORTHAMPTONSHIRE COUNCIL AUDIT AND GOVERNANCE COMMITTEE

22nd JUNE 2022

COUNCILLOR MIKE HALLAM, LEAD PORTFOLIO HOLDER

Report Title	Workforce skills and capacity – Risk E04 Update
Report Author	Sarah Reed, Executive Director of Corporate Services, sarah.reed@westnorthants.gov.uk Alison Golding, Assistant Director for HR Alison.golding@westnorthants.gov.uk

Contributors/Checkers/Approvers

MO Catherine Whitehead	13 th June 2022
S151 Martin Henry	13 th June 2022

1. Purpose of Report

- 1.1. The Audit and Governance Committee has requested an update in respect of risk **Workforce Skills and Capacity**. The purpose of this report is to provide an update on work being undertaken to mitigate this risk.

2. Recommendations

- 2.1 It is recommended that the committee note the actions that have been taken to mitigate this risk.

3. Report Background

3.1 **Risk EO4 Workforce Skills and Capacity** relates to - Inability to attract or retain staff with the right skills, experience and understanding to deliver outcomes.

3.2 One of the key factors in ensuring the successful delivery of our Corporate Plan and ensuring that everyone THRIVES in West Northants is the workforce on whom we depend on to deliver and commission services to our residents and other stakeholders, including the most vulnerable in society. It is acknowledged that our local service commissioners and providers will need to take the necessary action to ensure that their workforce is sufficient and skilled, actively customer-focused and living the THRIVE values, well led and supported to ensure the delivery of high quality and impactful services.

3.3 Working through Covid has also certainly been a big challenge for all organisations and the need to adapt ways of working to enable safe passage through the pandemic. Nationally the overall workforce situation is a challenge with overall job vacancies at their highest recorded and research indicating that 1 in 4 workers are considering changing their jobs.

3.4 As well as managing the here and now, it is also important to consider future needs and to kept abreast of national and system changes and ensuring we deploy the right interventions and support in line with future training and employment requirements to deliver multi skilled workforce that services of the future will need.

3.5 **Risk EO4 has a residual risk score of 9, which is low risk.** The latest update (presented at Audit and Governance Committee last month – up to December 21) also showed the impacts arising from the Covid response in relation to care and health-based employees.

3.3 Good Controls had been assessed in relation to:

- Resources are aligned to priorities and staff deliver value
- Strong staff engagement and culture of support and development for all staff
- Succession planning for key roles and monthly monitoring of turnover and vacancies.
- Arrangements in place to source appropriate interim resource if needed

3.4 Reasonable controls had been assessed in relation to:

- Recruitment and Retention Plan in place to ensure workforce capacity maintained
- Terms and conditions provide a positive framework for workforce
- Council has good management policies and practices as working towards increasing visibility as a local employer and been seen as an employer of choice
- Terms and conditions are comparable and benchmarked to attract and retain staff
- Permanent transformation team in place and ability to access resources so services can be delivered with minimal disruption to staff and customer
- Manager's forums and engagement in place to support strong and positive workforce plans and approaches
- Working towards ensuring succession planning in place across directorates and teams to ensure that resilience in teams and services
- Staff development programme and graduate development programme as part of workforce plans

- Delegations to Chief Exec and other senior officers agreed to ensure timely decisions

4.0 Update on progress with Risk E04 since December 2021

4.1 Creation of a People Strategy

Statement of Importance – The creation of a Workforce Strategy development helps WNC equip itself with the skills, knowledge, competence and the tools and techniques to lead and develop the organisation. Aligned to the Corporate Plan it sets out the strategic direction of travel for the council and provides a framework to source the new workforce from and what development staff will need to produce the workforce capacity expected.



Actions Taken – this has been a significant undertaking and will provide a robust framework with its clear statement of intent. Our People Strategy is about our workforce. It explains what we will do to make sure that we have the skills to deliver the outcomes for West Northants set out in the Councils Corporate Plan.

To attract and retain those skills, we aim to ensure the Council is a place where:

- people aspire to work,
- there is an opportunity to learn and grow,
- workforce achievements are acknowledged and recognised,
- the work environment is safe, healthy, diverse and engaging

4.2 Work strands under the People Strategy

Statement of Importance – there are 50 key workstreams that allow key actions to be implemented across all the domains of the People Strategy which will help to deliver on the key themes of the strategy.

Actions Taken – below is a summary of the key workstreams outlining year 1 of the implementation.

Programme / Workstream / Projects	Start Date	End Date	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	2023/24	2024/25
1. Attracting & Retaining Talent	Jun-21	Mar-25																								
1.1 Talent Acquisition & Organisation Orientation	Sep-21	Mar-23																								
1.1.1 Identification and implementation of specialist recruitment activity for hard to fill roles	Oct-21	Apr-22					1	1	1	1	1	1	1													
1.1.2 Procurement and implementation of replacement recruitment system	Sep-21	Dec-22				1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1					
1.1.3 Develop employer brand and define Employer Value Propositions (EVP)	Dec-21	Sep-22							1	1	1	1	1	1	1	1	1									
1.1.4 Development of an advertising strategy ensuring diversity, inclusivity and maximum coverage	Nov-21	Dec-22						1	1	1	1	1	1	1	1	1	1	1	1	1	1					
1.1.5 Development of a work experience, Intern & volunteering policy (Working with our schools and universities to develop work experience, intern and volunteering programmes)	Jan-22	Mar-23								1	1	1	1	1	1	1	1	1	1	1	1	1	1	1		
1.1.6 Research & Design a Three-Tier induction programme: Employee, Manager, Leadership	Nov-21	Aug-22						1	1	1	1	1	1	1	1	1	1									
1.1.7 Development of WNC Employee Welcome Pack, which embeds and reflects who we want to be	Dec-21	Apr-22							1	1	1	1	1													
1.1.8 Production of a induction video outlining key corporate information and WNC values	Jan-22	Jun-22								1	1	1	1	1	1											
1.1.9 Implementation of quarterly senior management 'meet and greet' sessions	Jan-22	May-22								1	1	1	1	1												
1.1.10 Development of internal manager resources to aid effective on-boarding and on-going management	Jan-22	Apr-22								1	1	1	1													
1.1.11 Delivery & Launch and promotion of complete offer	Jun-22	Jun-22													1											
1.1.12 Implementation of a buddy system to ensure a supportive, worry-free induction	Apr-22	Jun-22											1	1	1											
1.2 Talent Management	Dec-21	Mar-25																								
1.2.1 Retention planning - Review exit interview process to create a consistent approach, metrics to inform retention strategy	Dec-21	May-22							1	1	1	1	1	1												
1.2.2 Development of in-house 'West Northamptonshire Futures Development Programme', in addition to NGDP offer	Jun-22	Apr-23													1	1	1	1	1	1	1	1	1	1		
1.2.3 Talent mapping & succession planning, identifying skills / capabilities of existing workforce, aligning to growth strategy	Apr-23	Mar-25																						1	1	
1.2.4 Assurance reviews to ensure Diversity & Inclusion underpins talent management and progression	Apr-23	Mar-25																						1	1	
1.3 Pay, Reward & Recognition	Jun-21	Mar-24																								
1.3.1 Pay & Grading Phase 1 - Delivery & Implementation	Jun-21	May-22	1	1	1	1	1	1	1	1	1	1	1	1												
1.3.2 Pay & Grading Phase 2 - Scoping & Delivery	Jun-22	Sep-22													1	1	1	1								
1.3.3 Pay & Grading Phase 3 - Options Appraisal, Decision Making, Approach Scoping & Delivery	Nov-22	Mar-24																		1	1	1	1	1	1	

4.3 Manager Guide

Statement of Importance: Managers at all levels have a key role to play managing staff and helping to mitigate this risk

Actions Taken – As well as guidance coming out regularly to all managers and more detailed sessions with Assistant Directors and Executive Leadership Team, this summary guidance, the basics of being a good manager at WNC helps clarify all the actions needed by managers and their responsibilities in relation to people, resources, systems and a focus on their management behaviours.

4.4 Ways of Working

Statement of Importance – To retain and attract the best workforce for WNC, good working arrangements help to make us an employer of choice.

Actions Taken – Worker Types have now been established for all employees (Fieldworker, Fixed, Flexible and Fully Flexible) and this builds upon the learning from Covid and living with the restrictions. It allows the focus to be on work is what you do, rather than where you do it. This forms part of a key transformation programme – West Way of Working.

4.5 Employee Survey

Statement of Importance – this has provided detailed insights from all directorates and staffing groups to help shape the current and future organisation

Actions Taken – The insights from the survey have helped to shape our overarching People Strategy. The detailed feedback has been shared with each service area (assistant director level) to enable them to also develop localised action plans.

4.6 Employee Awards/Recognition

Statement of Importance – this aligns with the council coming up to its first birthday and creates a sense of belonging and pride and an opportunity to celebrate those who are visibly living the THRIVE values

Actions Taken – nominations have been received from members of staff and will be judged by a panel of employees from across the directorates with an awards ceremony at the end of March. There has also been a workforce recognition kudo board launched to capture wider workforce achievements and the end of year valuing individual performance conversation is being rolled out during March.

4.7 Employee Benefits

Statement of Importance – this provides a wide set of additional benefits that help to retain and attract staff

Actions Taken – increasing package of employee benefits available for staff (including car leasing, local discounts) alongside a substantial wellbeing offer for all.

4.7 Changes to Recruitment

Statement of Importance – the jobs market has become increasingly competitive and different recruitment techniques are needed

Actions Taken – there is now dedicated recruitment specialism in HR and this has helped to successfully support recruitment and retention areas across the council – e.g. adults care and social worker campaign. Work is also underway to implement an improved recruitment platform alongside digital campaign.

4.8 Pay and Grading

Statement of Importance – the current market conditions and buoyancy of market for certain role make this a critical issue for recruitment and retention

Actions Taken – the council has been working on a full Pay and Grading transformation as well as ensuring the council pays the Living Wage.

5. Implications (including financial implications)

a. Resources and Financial

The financial implications relating to HR pressures have already been flagged as part of revenue reporting and proposals are being developed for the medium-term financial plan.

b. Legal

There are no legal implications arising from the proposals.

c. Risk

The Council's strategic risks include the one risk covered within this report

6. Background Papers (with links)

Please email Sofia Neal-Gonzalez at democraticservices@westnorthants.gov.uk for a copy of the documents listed below.



People Strategy.pdf

a. People Strategy



People Strategy On
A Page

b. People Strategy on A Page



Portfolio Plan

c. People Strategy Action Plan



West Ways of
Working - Defining



One to one
guidance.pdf



V.I.P End of Year
Conversation Form,



1-1 Form.pdf

d. Manager Checklist



Worker Types.pdf

e. West Way of Working and Worker Types

f. Example of recruitment campaigns: [West Northamptonshire Council | Recruitment in care \(allinadayswork.co.uk\)](#)

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WEST NORTHAMPTONSHIRE COUNCIL AUDIT AND GOVERNANCE COMMITTEE

22 June 2022

Report Title	Housing Benefit and Council Tax Reduction Risk Based Verification
Report Author	Martin Henry, Executive Director, Finance

Contributors/Checkers/Approvers

MO (for West and joint papers)	Catherine Whitehead	13 th July 2022
S151 (for West and joint papers)	Martin Henry	13 th July 2022

List of Appendices

Exempt Appendix A - Risk Based Verification Policy 2022 - 2023

1. Purpose of Report

1.1 The purpose of this report is to ask members of this Committee to consider the report and Risk Based Verification policy for Housing Benefit and Council Tax Reduction new claims and to recommend the policy to Cabinet for approval.

2. Executive Summary

2.1 Risk Based Verification (RBV) is a method of applying different levels of evidence checks to new claims for Housing Benefit and Council Tax Reduction based on the risk associated with those claims. Local Authorities are still required to comply with evidence required for identity and National Insurance numbers, but RBV allows the

authority to target more extensive verification activity at those claims considered to be high risk.

- 2.2 Local Authorities adopting Risk Based verification are required to have a policy in place detailing the risk profiles and the verification standards. This policy must be considered by members of Audit Committee each year with a covering report confirming the recommendation to Cabinet and S151 Officer.
- 2.3 RBV was introduced in the former area of South Northants in 2014 along with an online claim form for new claims. The impact was carefully monitored and has had a positive impact on both performance and on customers who can apply online and are clear on the level of evidence required to support their claim.
- 2.4 The West Northants Revenues and Benefits service has undergone a complete restructure to introduce a single in-house service from November 2021. However, there are still separate software systems in place at present pending a proposal to harmonise the systems and to introduce one single software systems for West Northants. The proposal is to retain RBV for claims in the former South Northants area and then to introduce RBV incrementally across the other sites as the software systems are harmonised.

3. Recommendation

3.1 it is recommended that the meeting;

- 1) Note the contents of the report and the related appendix.
- 2) Considers the West Northamptonshire's Risk Based Verification policy for Housing Benefit and Council Tax Reduction new claims, which is currently in use in the former South Northants area and that will be introduced incrementally across the former Daventry and Northampton areas as software systems are harmonised.
- 3) Recommends the Policy to cabinet for approval.

4. Reason for Recommendations

4.1 To enable a Risk Based Verification policy for Housing Benefit and Council Tax Reduction new claims to be approved for the financial year 2022- 2023.

5. Report Background

5.1 The Verification Framework Policy (VF) was introduced by the Department for Work and Pensions (DWP) as guidance, in line with the Social Security Administrative Act 1992, for administering Housing Benefit and Council Tax Benefit claims. Under the VF framework Local Authorities are required to obtain a substantial amount of evidence

from customers before determining a claim for benefit. This is difficult for both customers and the administration of Housing Benefit.

- 5.2 In 2011, the DWP allowed a limited number of Councils to pilot a scheme to reduce the cost of the claim verification process and, at the same time, reduce fraud and error based on risk-based verification principles. It was an approach used by Job Centres and now underpins Universal Credit.
- 5.3 The pilots were successful and the DWP allowed Councils to adopt the new approach on a voluntary basis. Department for Works and Pensions (DWP) Circular S11/2011 sets out guidance for Local Authorities operating Risk Based Verification for Housing Benefit and Council Tax Benefit.
- 5.4 Risk Based Verification is a method of applying different level of checks to benefit claims according to the risk associated with those claims. Local Authorities are still required to comply with legislation around evidence of National Insurance Numbers to verify identity while making use of intelligence to target more extensive verification activity on those claims shown to be at more risk of fraud and error.
- 5.5 Risk Based Verification assigns a risk category to each claim: Low, Medium or High Risk. Only minimal essential checks would be made to Low-risk claims, whereas High risk claims would be subject to more extensive verification.
- 5.6 While Risk Based Verification is voluntary, Local Authorities opting to adopt it are required to have a policy in place detailing risk profiles and verification standards. The policy must be submitted for Member approval along with a covering report providing the recommendation / approval of the Section 151 officer.
- 5.7 The Policy should be reviewed annually and the impact on fraud and error is monitored against a robust baseline figure which measures the detection of fraud and error on claims found after assessment.
- 5.8 Due to the COVID-19 pandemic, the DWP issued guidance to Local Authorities in April 2020, and again in May 2021, that the requirement to request verification and to undertake an annual review of the Risk Based Verification policy was suspended until March 2022.

6. Issues and choices

- 6.1 The Risk Based Verification Policy for the financial year 2022/23 must be considered by members of Audit and Governance Committee and by the S151 Officer.
- 6.2 As previously highlighted in this report currently only the former South Northants area currently offers a Risk Based Verification approach to new claims. An online

application form is also available for new claims and this offers our customers the option of applying for Housing Benefit and Council Tax Reduction online and have immediate confirmation of the verification required to support their new claim. For customers who cannot apply online there are hard copy forms available.

6.3 Each new claim received is allocated a risk score in real time based on low, medium, or high risk. The evidence requirements will differ based on the risk score assigned with high risk requiring greater evidence to support claims. The evidence requirements are set out in the RBV Policy. Around 68% of claims in the former South Northants area are classed as low risk, 21% medium risk and 11% high risk.

6.4 The performance in benefits is measured in part, by two national indicators. The performance indicator for new claims is based on the number of new claims assessed and average number of days taken to assess the new claims. The performance data contained in the table at 6.6 of this report indicates that RBV continues to have a positive impact on performance in the former South Northants area.

6.5 The former Daventry and Northampton areas do not currently operate a Risk Based Verification approach to new claims and currently request levels of verification based on the DWP VF Framework. If approved RBV and the related policy will be rolled out across all areas as soon as the system harmonisation allows. This approach has been discussed with our external auditors who complete the Housing Benefit subsidy audit process.

6.6 The table below shows the average number of days taken to process a new claim for Housing Benefit and Council Tax Reduction by former area and compares the data to the national average time taken to assess new claims. Performance in the former South Northants area has been consistently strong and well below the national average and indicates that RBV continues to have a positive impact on performance and our customers.

	Daventry	Northampton	South Northants	National average
2016/17	27.37 days	23.91 days	13.24 days	21 days
2017/18	28.20 days	27.52 days	10.34 days	22 days
2018/19	25.44 days	26.59 days	9.30 days	19 days
2019/20	25.26 days	20.11 days	6.83 days	17 days
2020/21	21 days	24.99 days	12.73 days	19 days
2021/22	22.71 days	42.83 days	11 days	19 days

6.7 Members are asked to consider the Policy shown at the exempt Appendix A of this report. RBV will remain in place for any new claims received from customers living in the former South Northants area and will be introduced incrementally to the former

Daventry and Northampton areas. Until this is done Daventry and Northampton customers will be asked to provide evidence as prescribed by the DWP Performance Framework.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 RBV has a positive impact on resources as a reduced level of verification is required.

7.1.2 There are no immediate financial implications directly related to this report.

7.2 Legal

7.2.1 There is a requirement for the RBV Policy to be considered by Audit and Governance Committee and members of this Committee are asked to recommend it to Cabinet for approval. Section 151 Officer must also agree the recommendation and Policy. The information held in the Policy, which includes the risk categories, should not be made public due to the sensitivity of its contents

7.3 Risk

7.3.1 No risks have been identified as a direct result of this report.

7.4 Consultation

7.4.1 Consultation has taken place with our external subsidy claim auditors who have confirmed that they are happy with this approach.

7.5 Consideration by Overview and Scrutiny

7.5.1 Not yet considered by committee.

7.6 Climate Impact

7.6.1 No impacts identified

7.7 Community Impact

7.7.1 No specific impacts have been identified. An equality impact assessment has been completed. Once introduced RBV applies to all new claims for Housing Benefit and Council Tax Reduction. The mathematical model used to determine the risk score does not consider any of the protected characteristics contained within the Equalities Act and as such there are no equalities issues to note.

7.8 Communications

7.8.1 No specific requirements identified at this stage

8 Background Papers None.

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WEST NORTHAMPTONSHIRE COUNCIL

AUDIT AND GOVERNANCE

COMMITTEE

22 June 2022

Report Title	Internal Audit Annual Report 2021-22
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1. Purpose

- 1.1. The purpose of this report is to present the Internal Audit Annual Report and the opinion of the Chief Internal Auditor on the Council's overall internal control environment.

2. Recommendations

- 2.1. It is recommended that the Committee considers the attached Internal Audit Annual Report and Opinion for 2021-22.

3. Issues and Choices

Information

- 3.1 Attached at Appendix A is the Internal Audit Annual Report and Opinion for 2021-22.
- 3.2 The report summarises the work of the internal audit, risk management and fraud teams over the last financial year and the Chief Internal Auditor concludes that there is a **satisfactory** level of assurance for West Northamptonshire's overall internal control environment for its first year of operation. This is a positive level of assurance and a positive achievement for the organisation in its first year.
- 3.3 The committee is requested to consider and comment on the attached report.

4. Implications (including financial implications)

4.1. Policy

- 4.1.1. There are no significant policy implications associated with this report.

4.2. Resources and Risk

4.2.1. There are no financial and risk implications associated directly with this report.

4.3. Legal

4.3.1. There are no specific legal risks associated with this report.

4.4. Equality and Health

4.4.1. There are no specific equality and health issues associated with this report.

**Report Author: Martin Henry
Executive Director – Finance
S151 Officer**



West Northamptonshire Council

**Internal Audit Annual Report & Opinion
2021/22**

Date Issued

June 2022

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1 Introduction

This annual report provides the required Head of Internal Audit and Risk Management (HIARM) Auditor's opinion for West Northamptonshire Council. It also summarises the activities of Internal Audit for the financial year 2021/22.

The Council is required by the Accounts & Audit Regulations 2015 to "to undertake an adequate and effective internal audit of its accounting records and of its system of internal control, taking into account public sector internal auditing standards or guidance". The Public Sector Internal Audit Standards (PSIAS) also require:

- The HIARM must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.
- The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- The annual report must also include a statement on conformance with PSIAS and the results of the quality assurance and improvement programme.

The audit opinion takes into account the range of individual opinions arising from risk-based audit assignments that have been reported throughout the year. An internal audit plan was developed and approved by the Audit & Governance Committee (16th June 2021) to provide independent assurance on the adequacy and effectiveness of systems of control across a range of financial and organisational areas.

Alongside the delivery of the operational internal audit work, Internal Audit has met regularly with management to ensure any issues regarding performance can be highlighted and any necessary action taken to resolve these. No significant issues or concerns regarding the internal audit service have been raised to date.

This Annual Report and its Internal Audit Opinion has been discussed with the Executive Director of Finance (and Section 151 Officer). Further detailed findings, conclusions and recommendations in the areas covered by our internal audit plan are detailed within the progress reports and any individual audit assignment reports where these have been presented to the Audit & Governance Committee.

With the decision to close the shared service, the work that supports the annual opinion has been delivered to 31st March by the shared service and then completed by the new WNC in-house Internal Audit service to 31st May.



2 Annual Audit Opinion

The organisation (not Internal Audit) is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements.

Internal Audit provides an independent and objective opinion to the organisation on the control environment and plays a vital part in advising the organisation whether these arrangements are in place and operating correctly.

In accordance with PSIAS, the HIARM is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). For the purposes of this report the shared service Chief Internal Auditor performed that role to 31st March 2022 and the WNC Interim Chief Internal Auditor from 1st April.

The annual opinion is supported through a risk-based plan of work to provide a reasonable level of assurance to the Council, subject to the inherent limitations described below.

The opinion does not imply that Internal Audit have reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans. As such, it is one component of assurance that the organisation takes into account in producing its Annual Governance Statement.

Annual Opinion

Overall opinion

In respect of the 12-month period ending 31 March 2022, the opinion of the Chief Internal Auditor on the adequacy and effectiveness of the Council's overall internal control environment, taking account of all available evidence, was **SATISFACTORY**. However, some weakness in the design and/or inconsistent application of controls put the achievement of particular objectives at risk.

Basis for the opinion

The opinion reflects the context that WNC only commenced operation on 1st April 2021. Strong assurance relies upon stable systems operating over multiple financial periods. Given WNC has only been operational for 12 months and the Council's 2021/22 accounts have not yet been externally audited, a Satisfactory opinion is considered positive and should give confidence that assurance levels should increase as good control is evidenced through 2022/23 and 2023/24, i.e. over a 3 year period.

The following key factors identified from internal audit work and discussions with management were deemed to have impacted the effectiveness of controls and risk management during 2021/22:

- Some systems / services continued to operate throughout 2021/22 as individual, localised systems (rather than single, consistent WNC systems). Key examples include Council Tax, Benefits, Business Rates, Taxi Licensing etc.



- Operating different, local controls increases both the possibility that different standards of control are applied / required and variable compliance levels. The consolidation of localised processes under a single WNC approach is, rightly, planned over a 1-3-year programme.
- Control weaknesses highlighted from previous Internal Audit reviews including issues over Spreadsheet Import payments into ERP and journal authorisation processes continue to be addressed in the first 2-3 years of WNC operation.

Limitations to the Annual Audit Opinion

Due to the combined impact of Local Government Reorganisation, the Covid-19 pandemic, and the decision in the summer 2021 to close the shared IA service it is highlighted that constraints and pressures existed in respect of the services to be audited and the resources to audit them. Whilst a period of consultation took place on the transformation of IA to an in-house service this prevented the filling of vacant posts within the team.

To help alleviate some of these pressures, external resources were procured in January 2022 (BDO) to aid in the completion of the 21-22 audit plan. Internal resources were fully allocated to planned audits and other work was procured from BDO who scheduled their work for completion by 31st May. Despite this a number of audits from the original audit plan were deferred, as notified to the Audit & Governance Committee via IA Progress Update reports but these have been re-considered as part of the 2022/23 audit plan. It should also be noted that not all audits carried out have been fully completed by the end of May. A summary of the work we have performed and delivery against the plan is provided in section 3.

It should therefore be noted that the Annual Audit Opinion for the 2021/22 year is based upon the work completed from the approved planned programme of work and the opinion is limited to the assurances from that specific work.

3 Work undertaken during the year

Summary of assurances provided

During the course of the year, we have conducted work to provide assurance over financial, governance and operational systems. Annex 1 summarises the assurance levels of each audit.

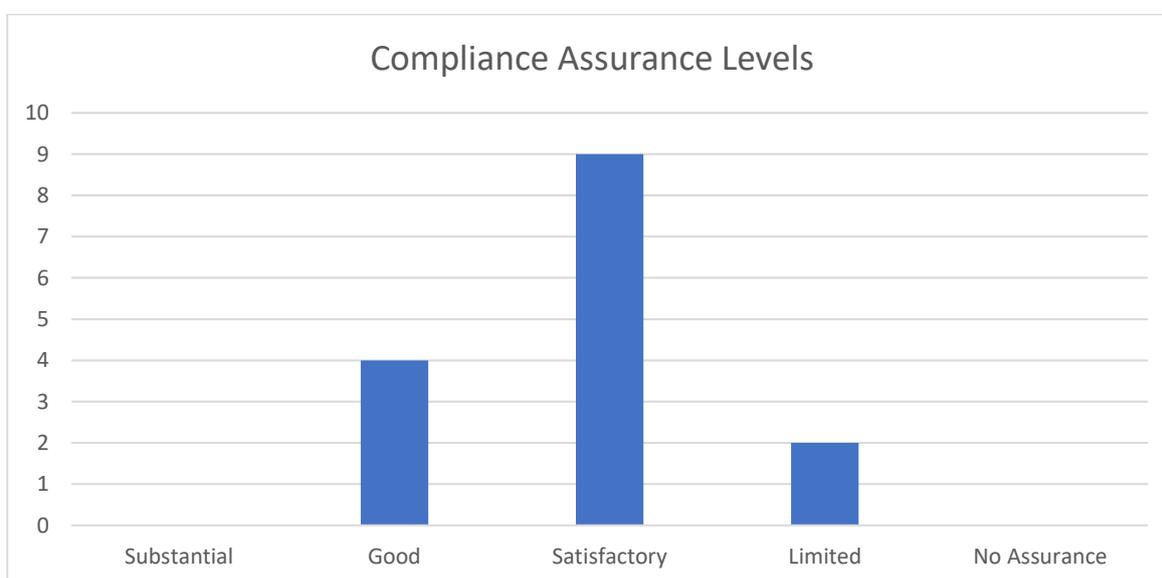
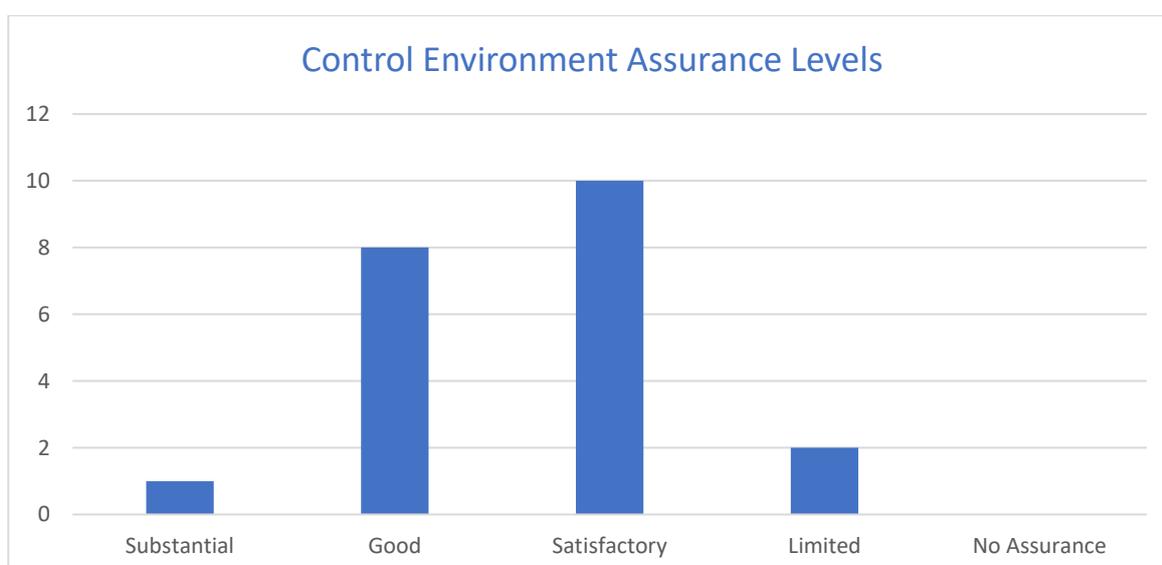
Delivery of the plan

The table below summaries the position on the Audit Plan as of 31st May 2022. This shows that 79% of the (amended) plan was either completed / at draft report stage or the fieldwork had been completed and a report was in preparation. Only nine audits remain in progress at various stages of completion. The cancelled / deferred audits equate to 29% of the original plan. A detailed list of all individual audits is set out at Annex A.



WNC AUDIT PLAN 2021-22	Original Plan	Cancelled / Deferred	Revised / Amended Plan	Final / Draft Report	Fieldwork Complete / Report in Prep	In Progress	Not Started
Total Number of Audits	59	17	42	23	10	9	0
			100%	55%	24%	21%	0%

That charts below provide a visual summary of the assurances levels for all audits completed (as at 28 Feb 2022). Although several audits have still to be completed the Committee should note that only two limited assurance opinions (provisional, as awaiting management response and finalisation of the report) have been issued to date, despite the ongoing challenges within service areas due to service transformation (both aggregation and disaggregation), the impact from the pandemic, and as the Council continues to develop and mature. The two limited assurance audits cover the areas of IT Disaster Recovery and Taxi Licensing. These will be reported to this committee in due course, once they have been finalised.





Third party assurances

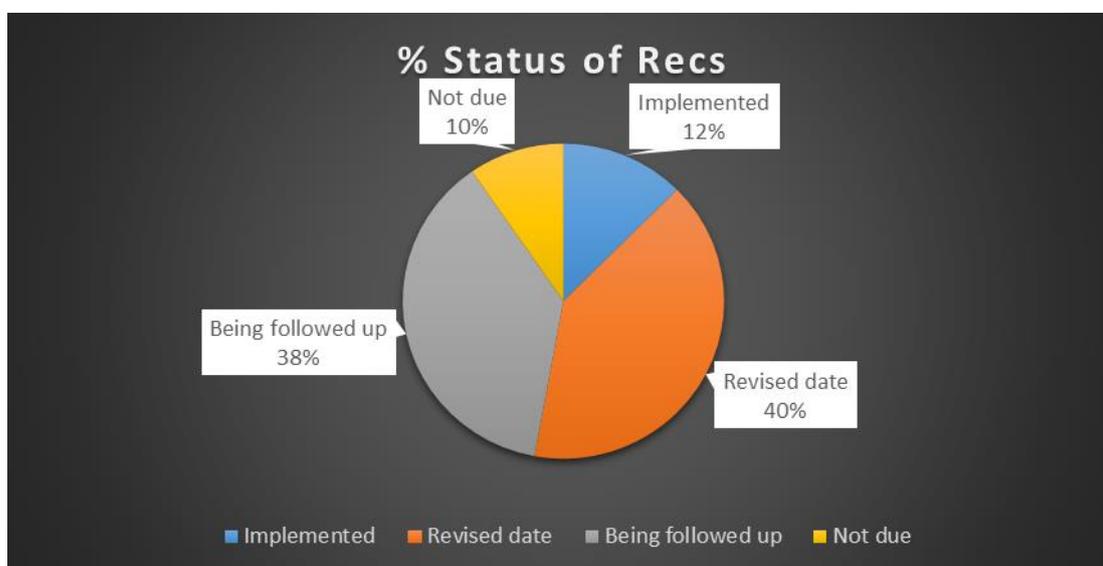
In arriving at the overall Annual Audit Opinion, reliance has not been placed on any third-party assurances. Now that the IA service is in-house it is recognised that further work is required to develop relationships with our partners in order to reduce any duplication of audit resources.

Recommendation tracking

All recommendations and agreed actions are subject to an ongoing recommendation tracking process that is monitored by Internal Audit and reported to the Audit & Governance Committee. No issues are highlighted where actions required to address significant control weaknesses was not taken by the agreed date when followed up.

As at the end of March 2022, 104 recommendations, including 63 brought forward from Sovereign Councils. Of these:

- 13 - are considered implemented since the update report to Committee in January.
- 42 - implementation is in progress with an update status comment provided as noted and / or a revised implementation date has been received and accepted.
- 39 - are being followed up at the time of reporting, with responses awaited from officers.
- 10 - the agreed implementation date has not yet been reached.



To provide transparency to the figures summarised above, it should be noted that those represented as implemented are based on information provided by management. Recommendations will only be considered fully implemented when they have been formally followed up and reviewed by Internal Audit. Therefore, there may be occasions where previously “implemented” recommendations may be added back into the Actions Tracker. Whilst Internal Audit closely monitors progress a judgement is made as to when best to undertake a formal follow up audit. Where the results of the follow up are not satisfactory, these are brought to the attention of this Committee based on the level of risk to the Council.

Risk management

A specific audit of the Council’s corporate arrangements for risk management was undertaken during 2021/22. Although IA is awaiting management’s response to the draft report, the preliminary opinions are



Satisfactory for system design and Satisfactory for compliance, with Moderate organisational impact from the findings.

Counter Fraud Work

Fraud cases referred to the service are risk assessed, to assess whether detailed investigations are merited or alternative options to progress matters are more appropriate. The summary outcomes of all cases is reported (within the Internal Audit Progress Update reports) to every meeting of the Audit & Governance Committee.

Details of specific active cases are not reported to the Committee (given the confidentiality / sensitivity of investigations). Where any active case is considered significant, the Executive Director of Finance (and Section 151 Officer) is formally informed and where appropriate the Monitoring Officer, the Chief Executive and the Chair of Audit & Governance Committee are briefed.

During 2021/22, one active case was considered potentially significant and is being progressed alongside Police investigations.

A total of 149 housing tenancy referrals (NPH), have been received and addressed by the Counter Fraud team during 2021/22. The outcomes from the team's work are detailed in the table below. (*One case had both a RTB discount and a recoverable debt identified).

Category by Outcome	No of cases	Outcome	Notional Savings or discounts
Housing applications	25	Applications withdrawn, refused or downgraded.	£3240 each = £81,000
Housing properties	16	Properties recovered to be relet.	£93,000 each = £1,488,000
Right to Buy applications	3*	Applications cancelled properties remain as council assets.	£232,200 total of the three discounts withdrawn
Recoverable Debt	5*	Debt identified during housing investigations demonstrating value added.	£19,939.67 Housing Benefit recoverable overpayments and £78.24 CTR overpayments
Closed no financial outcome	93	Cases with no further action taken; advice given including 6 written warnings.	No savings or discounts identified
Failed risk assessment	7	Closed due to suitability or passed on to other organisations.	-
Total	149		£1,801,200 notional savings, £20,017.91 recoverable debt¹

A summary of other (non-NPH housing) cases referred to the Counter Fraud team and the outcomes achieved are shown below:

Fraud Type	No of Referrals	Outcomes
Blue Badge Misuse	7	All Closed - Risk assessed and referred on to Parking Services.
Parking	13	

¹ Cabinet Office National Fraud Initiative Estimated Outcomes Methodologies 20/21 Report



Finance	5	4 Closed 2 bank mandate attempts – no loss, 1 bank mandate loss – report issued, 1 card payment matter, no loss- report issued. 1 Open - refund matter is under investigation
Housing & Council Tax Benefits	20	All Closed - Referred on to Department for Work and Pensions via SPOC (Single Point of Contact)
Housing	7	6 Closed - advice given and or referred to Housing Association organisations. 1 Open - ongoing SNC application.
HR Staff Matter- School	1	Open - Matter logged and investigated by the school.
HR Staff Matter - Staff Conduct	1	Open - Draft report issued with service recommendations agreed with HR Business Partner.
Taxi Licensing	1	Closed - Investigated and briefing note issued. Police referral completed and separate audit is currently being completed.
C19 Business Support Grants	1	Closed - NFI post payment assurance review (Daventry) identified fraudulent applications. These are with National Investigation Service -NATIS forming part of a wider investigation. Payments totalled £9,501.00.
Grants	1	Closed - Allegations received have already been addressed by the service.

In addition, the Counter fraud team have progressed work on the National Fraud Initiative (NFI). This work has involved:

- **Single Person Discount data** has been extracted and uploaded to the NFI portal and work has started with the Revenues & Benefits Team to review matches as they are identified.
- **C19 2nd Phase Business Support Grants - Post Payment Assurance** - Data (for Daventry and Northampton) was extracted and uploaded on to the NFI portal in February. Matches will be available for review in April.

A Fraud Hub has also been set up to undertake more frequent matching of datasets that is currently provided by the NFI. Discussions have been ongoing with the Northamptonshire Pensions Service and for Daventry Housing Allocations to identify data for extraction and matching to detect instances for further review. To date, across the Northamptonshire Pension Fund, the hub has identified a total of 48 instances whereby pensions had continued to be paid when the individual had deceased. Had it not been for the data match intervention these payments would have continued.

Other outcomes from the NFI and more frequent matching of datasets via the Hub are detailed in the table below.

No of Matches	Description	Matches closed	Outcomes, following review of matched data
413	Pensions Gratuity to DDRI (Disclosure of Death Registration Information) - Deceased Persons	265	Actual payments and small Overpayments; £11,720.50. Cabinet Office Estimated Saving; £937,152.57
348	Pensions to Payroll	343	Five cases are being investigated further to confirm if abatement is applicable. (Recoverable overpayment)



28	Housing Benefit to Waiting list	28	No outcomes
12	Waiting list to Housing Tenants	9	No outcomes
32	Waiting list to waiting list	27	No outcomes
26	Waiting list to DDRI Deceased Pensions	19	17 errors - Cabinet Office Estimated Saving per case £3240 = £55,080.00
4893	Council Tax to Electoral Register	170	1 error £168.19
67	Council Tax Rising 18's	-	No outcomes
4346	Council Tax to other data	75	No outcomes
10,115		936	Total Actual / savings; £11,888.69 Total Cabinet Office Estimated Savings; £992,232.57²

4 Quality Assurance

All audits have been conducted in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS), which includes evidenced review by senior management of all audit files and reports produced. There have been no issues of non-compliance with the PSIAS during the course of the year.

PSIAS requires that compliance with its provisions is externally assessed every 5 years. The last review for the shared service audit arrangement was completed in 2016, and confirmed the service complied with requirements. Since that time annual self-assessments, consistent with PSIAS also confirmed ongoing compliance. The planned 2021 external assessment was deferred in the light of the decision to close the shared service. Given the setup of the new in-house Internal Audit Service from April 2022 and the appointment of a new Head of Audit & Risk Management, it would seem reasonable for the IA service to have time to bed-in and for the new Head to determine the most appropriate time for an external review, in liaison with the Executive Director of Finance (and Section 151 Officer) and the Chair of the Audit & Governance Committee.

IA service improvements

The Internal Audit service uses an audit management system to plan, co-ordinate and process audit plans and assignments. Due to the termination of the Shared Audit Service, it was necessary for the in-house service to promptly manoeuvre and purchase its own system. Whilst delivery of the project in the timescale and climate was challenging, audit management together with support from the transformation team achieved successful delivery of the new system which went live from 1st April 2022.

Further improvements to providing a consistent and effective service to the Council will come once the new Head of Audit & Risk Management is in place.

Client satisfaction

No client satisfaction surveys were issued during the 2021/22. A decision of the Chief Internal Auditor. This matter will be rectified for 2022/23. In any normal year customer surveys are issued to Audit clients at the

² Cabinet Office National Fraud Initiative Estimated Outcomes Methodologies 20/21 Report



end of the audit assignments. Development of an annual survey to senior management and stakeholders such as Members of this Committee will also be considered.



Individual Audit Assurances as at end of May 2022

Assignment	Audit Status *	Completion # %	Assurance		
			Control Environment	Compliance	Org Impact
2020/21 brought forward from NCC					
Pensions Review	Final Report Issued	100%	Substantial	Good	N/A
General Ledger	Final Report Issued	100%	Good	Satisfactory	N/A
Bank Reconciliation	Final Report Issued	100%	Good	Good	N/A
Plan 2021/22 - Q1					
Government Procurement Card	Final Report issued	100%	Satisfactory	N/A	Minor
Key Policies and Procedures	Final Report issued	100%	Satisfactory	N/A	N/A
Consolidation of Key Records	Final Report issued	100%	Satisfactory	N/A	N/A
Establishment Checks	Final Report Issued	100%	Satisfactory	Satisfactory	N/A
Legacy Bank Accounts	Final Report Issued	100%	Satisfactory	Satisfactory	N/A
ERP IT User Access - Financial Control	Final Report Issued	100%	Good	Good	Minor
Payroll	Final Report Issued	100%	Good	Satisfactory	Minor
General Ledger	Final Report Issued	100%	Satisfactory	N/A	Minor
Bank Reconciliations	Final Report Issued	100%	Satisfactory	Satisfactory	Minor
Treasury Management	Final Report Issued	100%	Satisfactory	Satisfactory	Minor
Covid-19 Business Support Grants	Briefing Note Issued	100%	N/A - post payment review (assurance provided)		
Accounts Payable	Final Report Issued	100%	Good	Good	Minor
Income - AR Debt Raising)	Final Report Issued	100%	Good	Satisfactory	Minor
Year-End Accruals - Sovereign Councils	Complete	100%	N/A - pre-external audit review		
Accounts Receivable - AR Debt Recovery	Final Report Issued	100%	Satisfactory	Satisfactory	Minor
Plan 2021/22 - Q2					
Financial Decision Making (Scheme of Delegations)	Final Report Issued	100%	Good	N/A	Minor
Planning Applications Process	Fieldwork in Progress	60%			
Information Governance	Draft report being prepared	85%			
Council Tax	Draft report being prepared	85%			
NNDR Business Rates	Draft report being prepared	85%			
Corporate Health and Safety	Fieldwork in progress	25%			
Plan 2021/22 - Q3					
IT Disaster Recovery	Draft report issued, awaiting response	90%	Limited	Limited	Moderate
Financial Management - Budget Monitoring	Final Report Issued	100%	Good	N/A	Minor



Assignment	Audit Status *	Completion # %	Assurance		
			Control Environment	Compliance	Org Impact
Schools SFVS IA Questionnaire	Fieldwork in Progress	70%	N/A – results of review will feed into planned work on school audits in 2022/23		
Taxi Licensing	Draft report issued, awaiting response	90%	Limited	Limited	Major
Home to School Transport (ADDED)	Draft report being prepared	85%			
Plan 2021/22 - Q4					
Pension Fund Review	Draft report being prepared	85%			
Payroll Transactional Testing (ADDED)	Fieldwork in Progress	50%			
Housing Benefit and Council Tax Reduction	Draft report being prepared	85%			
Transformation from Safe and Legal to BAU	Draft report being prepared	85%			
WNC / NNC Partnership Liaising Arrangement	Fieldwork nearing completion	75%			
Corporate Procurement	Fieldwork nearing completion	75%			
Financial Management - MTFP	Draft report being prepared	85%			
Emergency Planning	Draft report being prepared	85%			
Contract Management - Parking	Fieldwork nearing completion	75%			
IT Systems Security - CareFirst	Fieldwork in Progress	25%			
IT Cyber Security Essentials	Fieldwork nearing completion	75%			
Leisure Services - Establishment management	Draft report being prepared	85%			
Corporate Risk Management	Draft report issued, awaiting response	90%	Satisfactory	Satisfactory	Moderate
Plan 2021/22 - Cancelled / deferred / covered by other audits (as reported in progress update reports and considered as part of 2022/23 audit plan)					Committee Reported
Legacy Debt Recovery					Jan 2022
Customer Services / Complaints Monitoring					Jan 2022
Home Improvement Grants					Jan 2022
GDPR - Record Retention Policy					Jan 2022
Land & Property - Sales & Acquisitions					Jan 2022
Sundry Income Cashflow					Jan 2022
Contract Management - Adult Residential Placements					Apr 2022
Adult Social Care Need Assessments					Apr 2022
Performance Management Framework					Apr 2022
Safeguarding Vulnerable Adults					Apr 2022
Social Lettings Agency - Guildhall Lettings Follow Up					Apr 2022
NPH - Client Monitoring Follow Up					Apr 2022
Contract Management - Highways Follow Up					Apr 2022



Assignment	Audit Status *	Completion # %	Assurance		
			Control Environment	Compliance	Org Impact
Asset / Property Management (incl inventories)			Apr 2022		
Children's Trust - Service Delivery Contract Monitoring			Apr 2022		
Housing Allocations			Apr 2022		
Planning - S106 Agreements			Apr 2022		

Grant	Audit Status *	Completion # %	Assurance
Grant Verification Work			
NCC Disabled Facility Grants 2020/21	Complete	100%	Assurance Given
NCC Local Authority Bus Subsidy (Revenue) Grant 2020/21	Complete	100%	Assurance Given
NCC Funding for Supported Bus Services (Revenue) Grant 2020/21	Complete	100%	Assurance Given
NCC + WNC Covid-19 Bus Service Support Grant Restart (CBSSG) 2020/21 + 2021/22	Complete	100%	Assurance Given
WNC Homelessness Prevention Grant 2021/22	Complete	100%	Assurance Given
WNC - Electric Vehicle Charge Points in Northamptonshire 2021/22	Complete	100%	Assurance Given

Assurance Level Definitions

There are three elements to each internal audit review. Firstly, the CONTROL ENVIRONMENT is documented and assessed to determine how the governance is designed to deliver the service's objectives. IA then needs to test whether COMPLIANCE is evident in practice.

Finally, IA undertakes further substantive testing and/or evaluation to determine the ORGANISATIONAL IMPACT of weaknesses found. The tables below outline the criteria for assessing the above definitions:

Control Environment Assurance	
Level	Definitions
Substantial	Substantial governance measures are in place that give confidence the control environment operates effectively.
Good	Governance measures are in place with only minor control weaknesses that present low risk to the control environment.
Satisfactory	Systems operate to a moderate level with some control weaknesses that present a medium risk to the control environment.
Limited	There are significant control weaknesses that present a high risk to the control environment.
No Assurance	There are fundamental control weaknesses that present an unacceptable level of risk to the control environment.



Compliance Assurance	
Level	Definitions
Substantial	Testing has proven that the control environment has operated as intended without exception.
Good	Testing has identified good compliance. Although some errors have been detected these were exceptional and acceptable.
Satisfactory	The control environment has mainly operated as intended although errors have been detected that should have been prevented / mitigated.
Limited	The control environment has not operated as intended. Significant errors have been detected and/or compliance levels unacceptable.
No Assurance	The control environment has fundamentally broken down and is open to significant error or abuse. The system of control is essentially absent.

Organisational Impact of Findings	
Level	Definitions
Major	The weaknesses identified during the review have left the Council open to significant risk. If the risk materialises it would have a major impact upon the organisation as a whole.
Moderate	The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a moderate impact upon the organisation as a whole.
Minor	The weaknesses identified during the review have left the Council open to low risk. This could have a minor impact on the organisation as a whole.

Specifically for Grant certifications, definitions are used are as follows:

Opinion for Grant Certifications	
Level	Definitions
Assurance Given	The claim as certified was found to be in compliance with the grant conditions, subject to any observations reported.
No Assurance Given	The claim was not certified as it was found to be not in compliance with the grant conditions.

- * Audit progress is measured within several stages
 - Not started (0%)
 - Planning stage / issue of Terms of Reference (5 to 10%)
 - Fieldwork in progress (10% to 85%)
 - Fieldwork complete / draft report being prepared or reviewed (85%)
 - Draft Report issued / considering or awaiting management responses (90%)
 - Final Report issued (100%)
- # Progress is assessed as a percentage of the whole audit as indicated above.



WEST NORTHAMPTONSHIRE COUNCIL

AUDIT AND GOVERNANCE

COMMITTEE

22 June 2022

Report Title	Audit and Governance Committee Annual Report
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Appendices - Appendix A

1. Purpose

- 1.1. The purpose of this report is to provide a report on the activities of the Audit and Governance Committee over the financial year 2021-22.

2. Recommendations

- 2.1. It is recommended that the Committee considers the attached Audit and Governance Committee Annual report.

3. Issues and Choices

Information

- 3.1 Attached at Appendix A is a report on the work of Audit and Governance Committee over the first year of its operations at West Northants Council.
- 3.2 The committee is requested to consider and comment on the attached report. The report will be presented to full council once it has been considered by the Committee.

4. Implications (including financial implications)

4.1. Policy

- 4.1.1. There are no significant policy implications associated with this report.

4.2. Resources and Risk

4.2.1. There are no financial and risk implications associated directly with this report.

4.3. Legal

4.3.1. There are no specific legal risks associated with this report.

4.4. Equality and Health

4.4.1. There are no specific equality and health issues associated with this report.

**Report Author: Martin Henry
Executive Director – Finance
S151 Officer**



Audit and Governance Committee Annual Report

2021 - 2022

www.westnorthants.gov.uk

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Annex A – Audit and Governance Committee Terms of Reference

West Northamptonshire Council

1. Foreward from the Chair of Audit and Governance Committee

The Council is requested to note the work carried out by the Audit and Governance Committee. It is therefore my pleasure to present the Audit and Governance Committee's Annual Report for the year 2021/2022.

It is important to emphasise how important this year 2021/2022 has been. It is our first year as an Unitary West Northamptonshire Council. As such, our Audit and Governance Committee has had a pivotal role to play to ensure the robustness of the foundations of WNC.

As the committee's chair, I would like to thank all the Committee Members for their engagement in all our debates and discussions about the Council's governance arrangements, showing an independent, non party political approach to what we did.

I would also like to take this opportunity to thank officers for their reports, which allowed members to challenge our risk and governance processes. As a result, our committee's suggestions should be beneficial for the common good.

This report illustrates how the Audit and Governance Committee has made a positive contribution to the Council's governance and control environment. Our committee, besides closing multiple sets of accounts from predecessor authorities, looked into internal control, risk management, internal audit, anti-fraud and corruption and external audit.

Our committee is looking forward to our second year with measured optimism. It would be unwise not to recognise that 2022/2023 will be a testing year. How we manage our risks, how we prioritise and how we work with our partners will be vital to deliver our vision. The Audit and Governance Committee is privileged to hold a unique position as its existence is to challenge and scrutinise the whole activities of the council. It would be remiss not to note that 2022/2023 will also mark the important strengthening of the Internal Audit department.

With my fellow councillors on the Committee, I am looking forward to a dynamic and progressive Audit 2022/2023

Councillor Cecile Irving - Swift

2. Introduction

This is the first annual report produced by West Northamptonshire Council's Audit and Governance Committee. It is produced in accordance with best practice and shows that the Council is committed to working as an exemplary organisation, operating the highest standards of governance.

This report demonstrates how the Audit and Governance Committee has successfully fulfilled its terms of reference and has endeavoured to improve the Council's

governance and control environments.

The purpose of the Audit and Governance Committee is to:

- Provide independent assurance as to the Council’s governance, risk management framework and associated control environment;
- Provide independent scrutiny of the Council’s financial and non-financial performance and oversee the Council’s financial reporting process;
- Act as an advisory committee to the Council and the Cabinet on audit and governance issues.

The Terms of Reference for the Audit and Governance Committee can be found at **Annex A** of this report.

This report sets out the work undertaken by the Audit and Governance Committee for 2021-22 and has overseen good progress in all areas under its supervision.

3. Meetings and Membership

During 2021-22, the Audit and Governance Committee met on the following dates:

- 16 June 2021
- 28 July 2021
- 29 September 2021
- 10 November 2021
- 26 January 2022

There is a cross representation of all parties in accordance with the make-up of the Council. The members for 2021-22 were (excluding substitutes):

Table 1: Audit and Governance Committee Membership 2021 / 2022 as at 31 March 2022:

Councillor	Member status	Party
Cecile Irving-Swift	chair	Conservative
Charles Manners	Member from 10/11/21 Vice Chair from 19/05/22	Conservative
Jamal Alwahabi	Member	Labour
John Shephard	Vice chair until 19/05/22	Conservative
Rosie Humphreys	Member	Liberal Democrats
Stephen Clarke	Member	Conservative
Jake Roberts	Member	Conservative
Danielle Stone	Member	Labour
Alan Chantler	Member from 29/09/21	Conservative
Michael Brown	Member until 10/11/21	Conservative
Pinder Chauhan	Member until 28/07/21	Conservative

Senior officers from the Council are also present, including the Executive Director - Finance (S151), Assistant Director (Accounting), Chief Internal Auditor and other officers dependent

on the subject matter on the agendas in addition to external representation from the Council's External Auditors.

4. Key Activities during 2021-22

Background

The Audit Committee's terms of reference covers 3 main areas:

- Audit
- Corporate Governance
- Financial Reporting

Audit

Terms of Reference:

4.7.2 Audit:

- (a) To consider the annual report of the internal audit service and to consider a summary of actual and proposed internal audit activity and the levels of assurance over the Council's corporate governance arrangements;*
- (b) To consider summaries of specific internal audit reports as requested;*
- (c) To consider and approve the Council's arrangements for the internal audit service;*
- (d) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale;*
- (e) To consider any high priority recommendations contained in internal audit reports or 'limited assurance' audit reports;*
- (f) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance;*
- (g) To consider specific reports as agreed with the external auditor;*
- (h) To comment on the scope and depth of external audit work and ensure that it gives the Council good value for money;*
- (i) Through the Executive Director of Finance liaise with the Audit Commission over the appointment of the council's external auditor;*
- (j) Through the Executive Director of Finance commission specific pieces of work from internal and external audit if there is a perceived need expressed by Committee members and sufficient funding available for such work.*

16th June 2021

- *Internal Audit Plan 2021 / 2022* The Audit and Governance Committee had the opportunity to consider and comment on the proposed Audit Plan for 2021 / 2022. The Committee were invited to highlight any areas of focus they wish the service to prioritise within the first six months of the new Council's operations.

Audit and Governance Committee Annual Report - Appendix A

- *Internal Audit Update Report* The Chief Internal Auditor provided a periodic update on work delivered by the Internal Audit & Counter Fraud team, as at 31st May 2021.

28th July 2021

- *Internal Audit Update Report* The report sets out the work in progress to the Audit and Governance Committee to provide assurance to the Council. The report is structured to provide progress of planned audits, a summary of referrals (and outcomes) to the Counter Fraud team, a summary of any other work and a summary of resource issues / assurance.
- *Internal Audit Annual Reports for Predecessor Authorities* A summary of the 2020/21 Annual Internal Audit Reports giving opinion on the adequacy of the systems of control for:
Northamptonshire County Council (NCC),
South Northants District Council (SNC),
Northampton Borough Council (NBC)
Daventry District Council (DDC).
It was recommended that the opinions be noted and that the key issues highlighted in each report be considered as part of the 2021/22 Internal Audit and External Audit programmes of work.
- Annual Audit Letters were presented for predecessor authorities SNC and DDC for 2019 / 2020 and the Annual Audit Letters for 2018 / 2019 were presented for NBC and NCC and the Northamptonshire Pension Fund.

29th September 2021

- *Internal Audit Update Report* The report is structured to provide: Progress of planned audits, a summary of follow up / recommendations, a summary of referrals (and outcomes) to the Counter Fraud team, a summary of any other work and a summary of resource issues / assurance.

10th November 2021

- *Internal Audit Update Report* The report is structured to provide: Progress of planned audits, a summary of follow up / recommendations, a summary of referrals (and outcomes) to the Counter Fraud team, a summary of any other work and a summary of resource issues / assurance.

26th January 2022

- *Internal Audit Update Report* Report to provide the detailed update on progress to complete the 2021/22 approved Audit Plan.
- *External Audit (EY)* Annual Audit Letters for NCC and NBC 2019 / 2020. The NCC Annual Audit Planning Report for 2020 / 2021 was also presented.

Corporate Governance

Terms of Reference:

4.7.3 Corporate Governance:

- (a) Maintain an overview of all aspects of the Council's Constitution, including Finance Reservations in the Scheme of Delegation, contract procedure rules and financial regulations. Any proposed changes to the Constitution shall be referred to the Democracy & Standards Committee;*
- (b) Review any issue referred to it within these Terms of Reference by the Chief Executive, Section 151 Officer or any body of the Council;*
- (c) Monitor the effective development and operation of risk management and corporate governance within the Council;*
- (d) Approve and monitor the Council's 'whistle-blowing', anti-fraud and anti-corruption policies;*
- (e) Review and make recommendations on the Council's Annual Governance Statement;*
- (f) Consider the Council's corporate governance arrangements and make recommendations to ensure compliance best practice;*
- (g) Monitor the Council's compliance with its own and other published standards and controls;*
- (h) Consider reports dealing with risk management across the organisation and those reports which identify key risks the Council faces, seeking assurance of appropriate management action;*
- (i) The Chair of the Audit and Governance Committee shall act as the Member Risk Champion;*
- (j) To have oversight the Council's Performance Management Framework so far as it relates to the Corporate Governance Functions of the committee;*
- (k) Such other matters as required by law or guidance to be the proper remit of the Audit and Governance Committee;*
- (l) To receive annually statistical reports and details of complaints received and investigated through the Council's Corporate Complaints Procedure which have resulted in payments or other benefits being provided by the Council in cases of maladministration;*
- (m) Receive on behalf of the Council reports issued by the Local Government Ombudsman into investigations that the Council's actions have amounted to maladministration causing injustice.*

16th June 2021

- *Audit and Governance Committee Work Programme* Draft work programme for the Committee focussing primarily on the first two meetings. This document was further developed during the first year of the Audit and Governance Committee to detail the areas of work covered.

28th July 2021

Audit and Governance Committee Annual Report - Appendix A

- *Risk Management Strategy* Presentation of the Risk Management Strategy approved by the Chief Executive and the Executive Director of Finance.
- *Strategic Risk Register* Presentation of the Strategic Risk Register which has been considered and approved by the Executive Leadership Team.
- *Audit and Governance Committee Work Programme* Updated work programme for the Committee.

29th September 2021

- *Risk Management Deep Dive – Corporate Risks Update, Critical Incidents and Information Security* The purpose of the report was to provide an update on work being undertaken to mitigate both of these strategic risks.
- *Strategic Risk Register* Presentation of the updated Strategic Risk Register for comment.
- *Approval of West Northamptonshires Code of Corporate Governance* Review of the Code of Corporate Governance for West Northamptonshire and approved the document for publication on the Council's website.
- *Legacy Annual Governance Statements* The Annual Governance Statements were approved for: NBC – years 2019 / 2020 and 2020 / 2021, DDC 2020 / 2021 and SNC 2020 / 2021.
- *Audit and Governance Committee Work Programme* Updated work programme for the Committee.

10th November 2021

- *Strategic Risk Register* Update of the Strategic Risk Register as at 30th September 2021. The report highlighted what the main strategic corporate risks had been and what the current risk scores were.
- *Audit and Governance Committee Work Programme* Updated work programme for the Committee.

26th January 2022

- *Risk Register Deep Dive – Corporate Services, Economic Recovery* The Assistant Director for Economic Growth and Regeneration presented the report. It was recommended that the Committee notes the actions that have been taken to mitigate the risk.
- *Strategic Risk Register* Update of the Strategic Risk Register as of 31st December 2021.
- *Annual Governance Statement* NCC Annual Governance Report for 2020 / 2021 was presented for approval.
- *Audit and Governance Committee Work Programme* Updated work programme for the Committee.

Financial Reporting

Terms of Reference:

4.7.4 Financial Reporting:

- (a) *View the Council's annual statement of accounts and specifically consider whether appropriate accounting policies have been followed, and whether there are any concerns arising from the financial statements, or the audit which should be brought to the attention of the Council;*
- (b) *Consider reports of the external auditor to those in charge of governance on issues arising from the audit of the accounts.*

16th June 2021

- *External Audit Update* For the financial year 2021-22 Grant Thornton have been selected as the external auditors for WNC. However, the external auditors for all of the predecessor councils was Ernst and Young (EY) and where previous years accounts are discussed, EY presented the update report.
EY presented the outline plan for the predecessor areas of Daventry District Council and South Northamptonshire Council and a letter from the EY Partner setting out the scheduling for 20-21 audits.
- *Closure of Accounts* The Executive Director of Finance reported on the closure of accounts. In addition to preparing the accounts for West Northamptonshire for the financial year 2021-22 onwards it also has responsibility for closing the outstanding prior year accounts down for: - Northamptonshire County Council - Northampton Borough Council - Daventry District Council - South Northamptonshire Council.

28th July 2021

- *External Audit Update* Verbal updates were given by Grant Thornton and EY. External Audit Planning reports were presented for 2019 / 2020 for NCC and NBC; 2020 / 2021 for SNC, DDC and the Northamptonshire Pension Fund.

29th September 2021

- *External Audit (Grant Thornton)* Grant Thornton provided an update on the progress of the audit for 2021 / 2022.
- *External Audit (EY)* External Audit Results Report for NBC 2019 / 2020, approval of NBC Statement of Accounts 2019 / 2020.
External Audit Results Report for NCC 2019 / 2020 and approval of NCC Statement of Accounts 2019 / 2020.

External Audit Results Report for DDC 2020 / 2021 and approval of DDC Statement of Accounts 2020 / 2021.

External Audit Results Report for SNC 2020 / 2021 and approval of SNC Statement of Accounts 2020 / 2021.

Pension Fund Annual Report and Statement of Accounts for 2020 / 2021.

10th November 2021

- *External Audit Update (EY)* Verbal updates for NCC 2019-20, NBC 2019-20, NCC 2020-21. Written report presented for NBC 2020-21.
- *External Audit Update (Grant Thornton)* Verbal update on progress of current audit work.
- *Future Appointment of External Auditor* The Committee supported Public Sector Audit Appointments' invitation to opt into the sector-led option for the appointment of external auditors to principal local government and police bodies for five financial years from 1 April 2023.

26th January 2022

- *External Audit (Grant Thornton)* Report to update on the progress of current audit work.

5. Training and Development Activity to support the Committee

Throughout the year, the provision of ongoing training to Members has been the cornerstone of developing new and existing Members. During the year, training and briefing sessions were given for:

- General induction for new and existing Councillors
- Governance/Ethics/Code of Conduct and Member/Officer Relationships/the Role of a Councillor
- Data Protection and GDPR
- Equality in Local Government: The Councillors' Role
- Local Government Finance: The Essentials
- Overview and Scrutiny
- Good and Efficient Chairing of Meetings
- Treasury Management Briefing

In addition, members have access to a committee handbook which provides additional support / information.

6. Future Developments and Plans for 2022 / 2023

Overall, the Audit and Governance Committee want to continue to develop and build on our current achievements. For 2022-23 this will involve:

- Continuing to drive up standards of corporate governance;

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- Continuing to equip existing and any new Members to fulfil the Audit Committee's responsibilities by providing or facilitating training on all aspects of the Audit Committee's remit;
- Assisting and supporting officers to promote the work of the Audit Committee and the roles of internal audit, external audit and risk management;
- Supporting the continued production of high quality and compliant statutory accounts;
- Increase training for members of the Audit Committee, ensuring members are best placed to scrutinise effectively the work of the Council;
- Helping to further increase awareness within the Council of governance arrangements, with particular emphasis on information and tackling fraud and corruption; and
- Providing effective challenge to officers, raising awareness for sound internal control arrangements and giving assurance to the Authority that control arrangements are sound.

ANNEX A

EXTRACT FROM THE WNC CONSTITUTION

4.7 *Audit and Governance Committee*

Members 9: Quorum 3. Appointments will be made having regard to the rules on political proportionality.

Purpose:

4.7.1 *The purpose of the Audit and Governance Committee is to:*

- (a) Provide independent assurance as to the Council's governance, risk management framework and associated control environment;*
- (b) Provide independent scrutiny of the Council's financial and non-financial performance and oversee the Council's financial reporting process;*
- (c) Act as an advisory committee to the Council and the Cabinet on audit and governance issues.*

Terms of Reference:

4.7.2 *Audit:*

- (k) To consider the annual report of the internal audit service and to consider a summary of actual and proposed internal audit activity and the levels of assurance over the Council's corporate governance arrangements;*
- (l) To consider summaries of specific internal audit reports as requested;*
- (m) To consider and approve the Council's arrangements for the internal audit service;*
- (n) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale;*
- (o) To consider any high priority recommendations contained in internal audit reports or 'limited assurance' audit reports;*
- (p) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance;*
- (q) To consider specific reports as agreed with the external auditor;*
- (r) To comment on the scope and depth of external audit work and ensure that it gives the Council good value for money;*
- (s) Through the Executive Director of Finance liaise with the Audit Commission over the appointment of the council's external auditor;*
- (t) Through the Executive Director of Finance commission specific pieces of work from internal and external audit if there is a perceived need expressed by Committee members and sufficient funding available for such work.*

4.7.3 Corporate Governance:

- (n) Maintain an overview of all aspects of the Council's Constitution, including Finance Reservations in the Scheme of Delegation, contract procedure rules and financial regulations. Any proposed changes to the Constitution shall be referred to the Democracy & Standards Committee;*
- (o) Review any issue referred to it within these Terms of Reference by the Chief Executive, Section 151 Officer or any body of the Council;*
- (p) Monitor the effective development and operation of risk management and corporate governance within the Council;*
- (q) Approve and monitor the Council's 'whistle-blowing', anti-fraud and anti-corruption policies;*
- (r) Review and make recommendations on the Council's Annual Governance Statement;*
- (s) Consider the Council's corporate governance arrangements and make recommendations to ensure compliance best practice;*
- (t) Monitor the Council's compliance with its own and other published standards and controls;*
- (u) Consider reports dealing with risk management across the organisation and those reports which identify key risks the Council faces, seeking assurance of appropriate management action;*
- (v) The Chair of the Audit and Governance Committee shall act as the Member Risk Champion;*
- (w) To have oversight the Council's Performance Management Framework so far as it relates to the Corporate Governance Functions of the committee;*
- (x) Such other matters as required by law or guidance to be the proper remit of the Audit and Governance Committee;*

- (y) To receive annually statistical reports and details of complaints received and investigated through the Council's Corporate Complaints Procedure which have resulted in payments or other benefits being provided by the Council in cases of maladministration;*
- (z) Receive on behalf of the Council reports issued by the Local Government Ombudsman into investigations that the Council's actions have amounted to maladministration causing injustice.*

4.7.4 Financial Reporting:

- (c) View the Council's annual statement of accounts and specifically consider whether appropriate accounting policies have been followed, and whether there are any concerns arising from the financial statements, or the audit which should be brought to the attention of the Council;*
- (d) Consider reports of the external auditor to those in charge of governance on issues arising from the audit of the accounts.*



WEST NORTHAMPTONSHIRE COUNCIL AUDIT & GOVERNANCE COMMITTEE

22 June 2022

Report Title	Work Programme
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Appendices – Appendix A

1. Purpose

- 1.1. The purpose of this report is to provide an updated work programme for consideration by the Committee

2. Recommendations

- 2.1. It is recommended that the Committee considers the work programme.

3. Issues and Choices

Information

- 3.1 Attached at Appendix A is an updated work programme for the Committee.
- 3.2 The work programme will evolve over time and the Committee is requested to consider the attached programme and highlight any other areas where they may wish to receive further reports.

4. Implications (including financial implications)

4.1. Policy

- 4.1.1. There are no significant policy implications associated with this report.

4.2. Resources and Risk

- 4.2.1. There are no financial and risk implications associated directly with this report.

4.3. Legal



**West
Northamptonshire
Council**

4.3.1. There are no specific legal risks associated with this report.

4.4. Equality and Health

4.4.1. There are no specific equality and health issues associated with this report.

**Report Author: Martin Henry
Executive Director – Finance
S151 Officer**

Work Programme

	22 June 2022	27 July 2022	28 September 2022	16 November 2022	04 January 2023	01 March 2023
Minutes from the previous meeting	x	x	x	x	x	x
Risk Register deep dive - Workforce	x					
Risk Based Verification	x					
Internal Audit Annual Report 2021-22	x					
Internal Audit Progress report	x	x	x	x	x	x
Audit and Governance Committee Annual Report 2021-22	x					
External Audit Progress report (Grant Thornton)	x	x	x	x	x	x
Internal Audit Plan 2022-23 - Review			x			
Update on Budget Setting and Revenue and Capital Medium Term Capital Programme		x		x	x	x
Corporate Risk Register		x		x		x
Work programme	x	x	x	x	x	x

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