



# Governance and Audit Committee Meeting

**Grand Jury Room, Town Hall, High Street,  
Colchester, CO1 1PJ**

**Wednesday, 07 February 2024 at 18:00**

**The Governance and Audit Committee** considers and approves the Council's Statement of Accounts and reviews the Council's annual audit letter. The Committee also deals with the Council's governance, risk management and audit arrangements. To make recommendations to the Council on functions such as Elections and bye laws, and determine Community Governance Reviews.

## Information for Members of the Public

### Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

### Have Your Say!

The Council welcomes contributions and representations from members of the public at most public meetings. If you would like to speak at a meeting and need to find out more, please refer to the Have Your Say! arrangements here: <http://www.colchester.gov.uk/haveyoursay>.

### Audio Recording, Mobile phones and other devices

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### Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document please take it to the Library and Community Hub, Colchester Central Library, using the contact details below and we will try to provide a reading service, translation or other formats you may need.

### Facilities

Toilets with lift access, if required, are on each floor of the Town Hall. A water dispenser is available on the first floor.

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Evacuate the building using the nearest available exit. Make your way to the assembly area in the car park in St Runwald Street behind the Town Hall. Do not re-enter the building until the Town Hall staff advise you that it is safe to do so.

Library and Community Hub, Colchester Central Library, 21 Trinity Square,

## **Governance and Audit Committee - Terms of Reference (but not limited to)**

### **Accounts, Audit, Risk and Counter Fraud**

To consider and approve the Council's Statement of Accounts and the Council's financial accounts, and review the Council's external auditor's annual audit letter.

To consider the findings of the annual review of governance including the effectiveness of the system of internal audit and approve the signing of the Annual Governance Statement.

To have an overview of the Council's control arrangements including risk management and in particular with regard to the annual audit plan and work programme, and to approve the policies contained in the Council's Ethical Governance Framework.

### **Miscellaneous regulatory matters**

To make recommendations to Council on functions such as elections, the name and status of areas and individuals, and byelaws.

To determine and approve Community Governance Reviews.

An overview of the Council's complaint handling procedure and Local Government and Social Care Ombudsman investigations.

### **Shareholder Committee for Council owned companies**

To consider, review and make recommendations to Cabinet regarding the activities and financial performance of Colchester Commercial (Holdings) Limited, its subsidiary companies and Colchester Borough Homes Limited.

Consider an annual review of the business plans of Colchester Commercial (Holdings) Limited (including its subsidiary companies) and performance of the companies including delivery of the dividend; and the Annual Report, Governance Statement and performance of Colchester Borough Homes Limited.

The creation of any arrangements for any future Council owned company including activities and performance.

### **Standards**

To consider reports from the Monitoring Officer on the effectiveness of the Members' Code of Conduct, and to advise the Council on the adoption or revision of the Code.

To receive referrals from the Monitoring Officer into allegations of misconduct and to create a Hearings Sub-Committee to hear and determine complaints about Members and Co-opted Members referred to it by the Monitoring Officer.

To conduct hearings on behalf of the Parish and Town Councils and to make recommendation to Parish and Town Councils on improving standards or actions following a finding of a failure by a Parish or Town Councillor.

To inform Council and the Chief Executive of relevant issues arising from the determination of Code of Conduct complaints.

To grant dispensations, and to hear and determine appeals against refusal to grant dispensations by the Monitoring Officer.

To make recommendations to Council regarding the appointment of Independent Persons.

### **General**

To review of the Constitution including governance issues around formal meetings, processes and member training and to make recommendations to Council.

**The complete Terms of Reference of the Governance and Audit Committee are contained within the Council's Constitution.**

**COLCHESTER CITY COUNCIL**  
**Governance and Audit Committee**  
**Wednesday, 07 February 2024 at 18:00**

**The Governance and Audit Committee Members are:**

Councillor Chris Pearson	Chair
Councillor Paul Smith	Deputy Chair
Councillor Paul Dundas	
Councillor Dave Harris	
Councillor Alison Jay	
Councillor Sara Naylor	
Councillor William Sunnucks	

**The Governance and Audit Committee Substitute Members are:**

All members of the Council who are not Cabinet members or members of this Panel.

**AGENDA**  
**THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING**  
**(Part A - open to the public)**

**Please note that Agenda items 1 to 6 are normally dealt with briefly.**

**1 Welcome and Announcements**

The Chairman will welcome members of the public and Councillors and remind everyone to use microphones at all times when they are speaking. The Chairman will also explain action in the event of an emergency, mobile phones switched to silent, audio-recording of the meeting. Councillors who are members of the committee will introduce themselves.

**2 Substitutions**

Councillors will be asked to say if they are attending on behalf of a Committee member who is absent.

**3 Urgent Items**

The Chairman will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

**4 Declarations of Interest**

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or participating in any vote upon the item, or any other registerable interest or non-registerable interest.

**5 Minutes of Previous Meeting**

The Councillors will be invited to confirm that the minutes of the meeting held on 13 December 2023 are a correct record.

**Draft Governance and Audit minutes - 13 December 2023** 9 - 18

**6 Have Your Say! (Hybrid Council meetings)**

Members of the public may make representations to the meeting. This can be made either in person at the meeting or by joining the meeting remotely and addressing the Committee via Zoom. Each representation may be no longer than three minutes. Members of the public wishing to address the Committee remotely must register their wish to address the meeting by e-mailing [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk) by 12.00 noon on the working day before the meeting date. In addition, a written copy of the representation will need to be supplied for use in the event of unforeseen technical difficulties preventing participation at the meeting itself.

There is no requirement to pre-register for those attending the meeting in person.

**7 Verbal update from the Council's S151 Officer with regard to the Council's statement of accounts.**

The Committee will receive a verbal update from the Council's S151 Officer with regard to the Council's statement of accounts.

**8 Capital Expenditure Outturn 2022/2023** 19 - 28

The Committee will consider a report setting out the Capital Outturn position for 2022/23, for both the General Fund and Housing Revenue Account (HRA).

**9 Internal Audit Plan 2024/25** 29 - 42

The Committee will consider a report requesting that it approve the proposed annual internal audit plan.

**10 Work Programme 2023-2024** 43 - 46

The Committee will consider a report setting out its work programme for the current municipal year.

**11 Exclusion of the Public (not Scrutiny or Executive)**

In accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public, including the press, from the meeting so

that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

**Part B**  
**(not open to the public including the press)**





## GOVERNANCE AND AUDIT COMMITTEE

13 December 2023

*Present:-* Councillor Chris Pearson (Chair)  
Councillor Paul Dundas, Councillor Dave Harris,  
Councillor Alison Jay, Councillor Sara Naylor, Councillor  
William Sunnucks

*Substitutions:* Councillor Simon Appleton for Councillor Paul Smith

*Also Present:-*

### **394. Housing Overview Report**

The Committee considered a report setting out the approach to assessing the condition of the Council's housing stock, and how this informed the Council's 5 and 30 year investment programmes. The report also provided the current regulatory and legislative context regarding damp and mould in social housing as well as the position with regard to damp and mould in the Council's own housing stock.

The Committee were advised that the Chair of the Committee had decided to deal with item 8 on the agenda at the start of the meeting due to time pressures on the Officers involved in this item.

Philp Sullivan, Chief Executive Colchester Borough Homes (CBH), attended the meeting to present the report and assist the Committee with its enquiries. The purpose of the report which was presented to the Committee was to provide a briefing on the condition of the Council's housing stock, and also an update damp and mould.

Mark Wicks, Interim Director of Assets for CBH attended the meeting and advised the Committee that the report which was before it outlined the methodology which was followed for the 5 year stock condition survey, and outlined how the data gathered was as accurate as it possibly could be, as this was important for CBH's Capital Investment Programme. Also included was an illustration showing how the data gathered through these surveys fed into the production of a 30 year plan that was worked to for the Capital Programme. Included was an outline of the numbers of housing stock surveyed recently on the rolling programme, together with information on the properties Decent Homes Standard, and the achievements of CBH in terms of the carbon net zero target by 2030.

Karen Loweman, Director of Operations - CBH, attended the meeting and addressed the Committee, advising it that although historically, damp and mould had always been a problem in housing, new regulations sought to ensure that housing providers were required to ensure that their stock was fit, safe and healthy for people to live in.

A Committee member noted that over preceding years, he had been contacted a large number of times by residents about housing stock conditions. He recalled that approximately 20 years ago kitchens and bathrooms had been replaced in the Council's housing stock, and considered that the quality of these replacements had been superb. It was accepted that some kitchens and bathrooms would last longer than others due to a number of factors including the manner of their use. Was data gathered to measure the longevity of such installations, and were residents advised on how to maintain kitchens and bathrooms to try to ensure that maximum value for money was obtained from these? The Interim Director of Assets for CBH advised the Committee that the purpose of the stock condition survey was to review the remaining life of assets within housing stock, and contractors would provide residents with advice on maintenance. Although it would be a challenge to ensure that the surveys were completed in time, sufficient resources were in place to ensure that this was achieved.

The Director of Operations for CBH confirmed that the causes of damp in houses could be varied, and ranged from condensation on windows to structural issues with the property. CBH was very mindful of the vulnerability of people living in the properties, and this was taken into account whenever a report of damp was received to enable a priority-based approach to be taken. The work which CBH carried out was linked very carefully to provide a holistic approach, which was not wholly focused on the properties themselves when considering damp and mould. Different factors were also considered such as lifestyle, financial affordability, and providing advice and support to problem solve issues.

A Committee member enquired how the work which CBH carried out was accounted for, and how the cost of this work compared to other housing providers. How did the table of expenditure which had been provided in the Officer's report relate to the operating budget, and was it possible to provide a global picture of what the different types of repairs were? He had looked at what another housing provider, Clarion, had spent on 3 main types of repairs, which had been costed at £2,000 per dwelling, however, it appeared that CBH had spent £2,600 on similar repairs; was this right? The Chief Executive of CBH explained that it was difficult to compare or comment on the operations of other housing providers without knowing whether or not identical works were being compared. He assured the Committee that cost were kept to a minimum through the procurement process. The stock condition survey programme, together with the data held and the component breakdown costing was very comprehensive and was audited routinely to provide CBH and the Council with assurance that value for money was being obtained.

Chris Hartgrove, Deputy S151 Officer attended the meeting remotely and explained to the Committee that depreciation charges and repairs and renewals were dealt with differently in the Council's accounts, and only some of these affected the Council's

reserves. If the Committee had more detailed questions concerning the accounting treatment for these expenses, he would be happy to answer these after the meeting.

The Committee noted that mould and damp could be caused by issues such as blocked guttering and overgrown gardens which caused undergrowth to come into contact with houses, was this an increasing issue? The Director of Operations for CBH confirmed that there had been an increase in overgrown properties, but CBH had an annual gutter clearing programme during the winter months. CBH had also run focus groups with residents to help improve understanding of what caused damp and mould to support them in alerting CBH of any issues at an early stage.

In discussion, the Committee sought clarification on where areas of responsibility lay between CBH and the Council. Councillor King, Leader of the Council, attended the meeting, and, with the permission of the Chair, addressed the Committee. He explained that an in-depth review of the Housing Revenue Account (HRA) would take place in the New Year to ensure that the significant liabilities were understood. He suggested to the Committee that the points and questions which it had raised would be considered comprehensively as part of this review.

The Director of Operations for CBH confirmed that an additional temporary property surveyor had been employed recently, however, CBH did also run a successful apprenticeship programme to develop its own staff into this role.

In discussion, the Committee was pleased to see that CBH was working towards carbon net zero targets, but noted the significant sums of money which would be required to achieve this. It had been suggested that not even half of the necessary funding would be coming from central government, how would CBH ensure that this work was carried out at an appropriate pace? The Interim Director of Assets for CBH confirmed that there were 2 key targets of 2030 and 2050, and that CBH was in a similar position to many other landlords. It was anticipated that there would need to be a reliance on developing technology to meet the targets which had been set, and the amount of grant funding to support this work was only considered likely to meet 40% of the costs, which was something which needed to be factored into the HRA in the long run.

*RESOLVED* that:

- The current position regarding the stock condition surveying process and the condition of the Council's housing, and that the process had been effective in providing reliable data on the state of the Council's housing stock be noted.
- The current regulatory and legislative context regarding damp and mould in social housing as well as the position with regard to damp and mould in the Council's own housing stock be noted.

**395. Verbal update from the Council's S151 Officer with regard to the Council's statement of accounts.**

The Committee received a verbal update from the Council's S151 Officer with regard to the Council's statement of accounts.

Chris Hartgrove, deputy S151 Officer, attended the meeting to present the update and assist the committee with its enquiries. Significant difficulties had been experienced in the levels of staff which had been available in the Finance Team, but a new Finance Technical Manager had been recruited with a strong track record of producing financial statements. Extensive capital work which had been undertaken during November had now been completed and routine finalising tasks were now being undertaken. It was now hope that the 2022/2023 accounts would be published not on 20 December 2023, but on Friday 12 January 2024, a few days before the next meeting of the Committee. Although this could not be guaranteed, he was optimistic that this date would be met.

Turning to the 2020/2021 audit, the Committee heard that the position was generally positive, but that 20 instances had been identified where Council Officers had provided information to the Council's auditors, BDO, which had yet to be processed by them. Questions were being received from BDO concerning infrastructure assets which was a problem nationally, but had not yet caused significant delays to the Council. BDO had stated today that they were aiming to sign off their audit by mid-February. With regard to the 2121/2022 audit, BDO had indicated that they were awaiting a ministerial decision on whether the audit would be required at all. If it was required then the plan from BDO's perspective would be to start in July 2024, with an expectation that an audit opinion would be provided by November or December 2024.

A Committee member queried why infrastructure was such a problem for local authorities, and the Deputy S151 Officer explained that the main issue was around componentisation, and the way in which local authorities had historically accounted for the value of their developments such as housing estates, where the value of the roads would not have been split out from the other site works. When, for example, a road required to be resurfaced, the accounting treatment under current audit standards required the council to identify the original value of the road, where often records would not have been held to enable this to be determined. This had caused difficulties for councils across the country. This had, however, not yet caused a significant delay in Colchester, and the main problems which had been experienced were due to a lack of resources within the Finance Team.

A Committee member considered that it was crucial that the 2023 accounts were published in January 2024, and not February.

*RESOLVED* that: the verbal update be noted.

### **396. Review of the Council's Ethical Governance Policies**

The Committee considered a report requesting it to review the Council's updated Ethical Governance policies. These were the key policies which set out the standards of conduct and integrity that the Council expected of Councillors, staff, partners, suppliers and customers when conducting Council business.

Andrew Weavers, Head of Governance and Monitoring Officer, attended the meeting to present the report and assist the Committee with its enquiries. The Committee was requested to review the Council's suite of Ethical Governance Policies, which were presented to it on an annual basis to ensure that these 11 Policies remained fit for purpose. During the year the Policies had been reviewed, and they had been considered adequate to cover all circumstances and were fit for purpose. No substantial changes had been made to any of the Policies, and the only changes which had been made were minor and reflected changes in the Council's structure which had taken place during the preceding year, such as changes in job titles etc.

The Covert Surveillance Policy had been the subject of an external inspection by the Investigatory Powers Commissioner's Office which had taken place in March 2023. This inspection had confirmed that the Council had demonstrated compliance with the necessary legislative requirements, and that the Policy was fit for purpose. In addition to this, key officers had also received refresher training.

An annual email was written to all Councillors and Officers by the Monitoring Officer reminding them of the Council's Anti-Fraud and Whistleblowing Policies.

The Council's Income and Debt Policy had been reviewed by the Operational Finance Team and no changes had been proposed to it.

There were no significant changes to draw the Committee's attention to, and all the Policies had been reviewed and were now recommended as fit for purpose. The Committee was asked to commend the Policies to Full Council for inclusion in the Council's Policy Framework.

A Committee member noted that the Council owned a covert closed circuit television (CCTV) camera, and sought confirmation that the use of this camera would be covered by the Covert Surveillance Policy. The Head of Governance and Monitoring Officer advised the Committee that the use of this camera was not classed as covert surveillance as it would be made clear to people that an area was under surveillance, and therefore use of the camera would qualify as overt surveillance.

The Committee considered that the Policies which had been presented to it were essential to the good governance of the Council, and it was important that the Committee spend time ensuring that they remained fit for purpose. To aid the review of the Policies in the future, it was requested that any changes which had been made be highlighted in the Policies themselves.

A Committee member considered that the use of the Council's Information and Communication Technology (ICT) services was a struggle for some Councillors, and the Council's system was quite an invasive system which could cause issues for Councillors who attempted to use it on their own work or personal computers.

Although the Committee accepted that the system could be difficult to use, it was also aware that the Council had experienced some issues around ICT security in recent months which had impacted on Councillor colleagues. It was suggested that it may be appropriate for the Political Group Leaders of the Council to meet to discuss overcoming some of the issues which some Councillors faced, and a briefing session on Councillor use of ICT could be appropriate in the future.

A Committee member thought that the proposed Acceptable Use Policy was unduly complicated, and he was forced to forward emails that he received via the Council's email system to his own personal email address to make the system workable. In the past, emails between Councillors had been significantly delayed, and it was estimated that approximately 50% of emails received from constituents had to be retrieved from the spam filter. It was requested that consideration be given to relaxing the security features which were present in the Council system to counteract these issues.

In discussion, the Committee noted that a failure to deliver emails to Councillors from their constituents would serve to reduce confidence in elected Members, and give the impression that Councillors were uninterested in resident's concerns, which could be difficult to overcome. Although some Committee members were able to retrieve emails from a spam filter, others simply did not receive emails which had been sent to them at all, which was a great concern.

The Committee offered its support for the proposed Policies, but it was suggested that some of the Policies were overly long and contained some duplication. It was felt that longer Policies could put pressure on staff to comply with all their complicated requirements, and consideration should be given to trying to simplify the Policies in the future, potentially by making reference to national policies and including additional details which were relevant to Colchester where appropriate. The Retention Policy in particular was considered to be overly complex with the potential to put pressure on staff to comply with it. The Policies needed to be as simple and user-friendly as it was possible to make them.

*RECOMMENDED TO FULL COUNCIL that:*

- The following revised policies:
  - Anti-Fraud and Corruption Policy
  - Whistleblowing Policy
  - Anti-Money Laundering Policy
  - Covert Surveillance Policy
  - Data Protection Policy
  - Acceptable Use Policy
  - Information Security Policy
  - Retention Policy
  - Processing of Special Category & Criminal Convictions Personal Data Policy

- Password Policy
- Income and Debt Policy

be included in the Council's Policy Framework.

*RESOLVED* that:

- Consideration be given to simplifying the Council's suite of Ethical Governance Policies in the future.

### **397. Annual Review of the Members' Code of Conduct and the Council's Localism Act Arrangements.**

The Committee considered a report requesting it review the Councillors' (Members') Code of Conduct, and the Council's Localism Act Arrangements for dealing with complaints made regarding Councillors.

Andrew Weavers, Head of Governance and Monitoring Officer, attended the meeting to present the report and assist the Committee with its enquiries. The Committee was reminded that the Council had adopted the Local Government Association (LGA)'s model Councillor Code of Conduct (the Code) with effect from 1 December 2022, and this was therefore the first review under the new Code. The Committee heard that although the City Council had adopted the LGA Code, not all the Town and Parish Councils within the city had adopted this Code, although some had. The Town and Parish Councils were running a mixture of Codes, which sometimes caused confusion when complaints were received in relation to Councillor conduct. Under the localism act 2011 the Council was required to adopt a set of Arrangements for dealing with allegations where Councillors were alleged to have failed to comply with the Code, and these Arrangements were publicly available on the Council's website. Following a meeting of the Council's Hearings Sub-Committee earlier in the year, there had been a recommendation that the Monitoring Officer should ascertain whether or not a complainant was a Councillor in any capacity, and this requirement was accordingly now contained in the Arrangements document.

The report contained details of the number, type, and outcome of allegations which had been received since the LGA Code had been adopted. The Localism Act 2011 required the Council to have appointed at least 2 Independent Persons, who advised the Committee in relation to complaints received about Town, Parish and City Councillors. It was necessary to undertake a recruitment exercise to appoint an Independent Person, as one of the Independent Persons currently appointed was standing down. The recruitment process would commence in early 2024 and the results of this would be reported to the Committee in Due course.

A Committee member raised no issues with the Officer's report, however, considered that the biggest difficulty for Councillors was posed by determining when the Code applied to them, and when they were acting in their capacity as a Councillor. It was suggested that the majority of complaints which were received under the Code were

linked to whether or not a Councillor was acting in their official capacity, particularly on social media. In this regard, it was suggested that the Code did not offer sufficient definition to assist.

The Head of Governance and Monitoring Officer confirmed that when considering complaints, the LGA guidance on the interpretation of the Code would be referred to, and this guidance provided further in-depth information to assist when someone was acting in their role as a Councillor. If comments had been made on social media when the impression had been given that these comments were made in the capacity of a Councillor, then the Code potentially applied.

*RESOLVED that:* the contents of the report be noted.

### **398. Review of the Local Code of Corporate Governance**

The Committee considered a report requesting that it review the Local Code of Corporate Governance for 2023/24. The Local Code of Corporate Governance was how the Council demonstrated that its structures complied with the recognised principles of good governance.

Hayley Mcrath, Corporate Governance Manager, attended the meeting to present the report and assist the Committee with its enquires. The Local Code of Corporate Governance (the Code) was referred to the Committee every year, and set out the principles which the Council abided by, and which were set by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). The Code set out how the Council demonstrated its compliance with the 6 principles of good governance through the management of appropriate systems and processes. The Code was reviewed every year and no significant changes were proposed this year. The Code had been updated to provide hyperlinks to supporting documents which it referenced, including the 2023/2026 Strategic Plan, and contained details of work which had been carried out over the preceding year. The Committee was requested to review the Code to ensure that it was appropriate and that it confirmed that the Council did comply with the 6 principles of good governance, and to recommend to Full Council that the Code was incorporated into the Council's Policy Framework.

*RECOMMENDED TO FULL COUNCIL that:*

- The Local Code of Corporate Governance be included in the Council's Policy Framework.

### **399. Review of Member / Officer protocol**



The Committee considered a report requesting that it review the Member / Officer Protocol, which provided a framework for good working relationships between Councillors and Officers, and which was included in the Constitution.

Andrew Weavers, Head of Governance and Monitoring Officer, attended the meeting to present the report and assist the Committee with its enquiries. The Committee was requested to review the Member/Officer Protocol (the Protocol) annually, and the version of the Protocol which had been presented to the Committee contained 1 substantive change. At its meeting of 18 October 2023, Full Council had agreed a Motion regarding transparency, and as a result of this a clear expectation and process had been established in the Protocol governing the expected response times for Officers to respond to Councillor enquiries. The Protocol was the document which regularised the relationships and expectations between Members and Officers. Additional paragraphs in the Protocol proposed an initial response time of 10 working days for normal enquiries from Members. This timeframe was consistent with other local authorities and was supported by all Heads of Service in the Council. It was proposed that enquiries from Councillors were logged via a specialised app which would allow Councillors to view the progress of their query which would also be allocated a reference number to allow a clear audit trail to be generated on queries. This process would provide a centralised record of Member enquiries, which did not currently exist in the organisation, as well as providing defined timeframes within which named Officers would respond to enquiries, helping Members provide meaningful responses to their constituents. The target was to make the new system available for use as soon as possible in the new calendar year when communications would be sent to Councillor and Officers advising of the new system.

The Committee considered that it was essential that Councillors be afforded the opportunity to be trained in the new system once this was ready to be implemented to ensure that it worked well for, and could be used by, everyone.

A Committee member requested that the wording in the Protocol relating to Members and Officers not undermining respect for the other at Council meetings be extended to cover briefings as well. This was a topic which had been raised at a recent meeting of the Member Development Group, and it was felt that this clarification was required.

*RESOLVED* that:

- The Member / Officer Protocol be approved and included in the Council's Constitution, subject to the addition of the words "or briefing" at paragraph 10(2) of the Protocol so that it read:

"Members and Officers should not criticise or undermine respect for the other at Council Meetings or at any other meeting or briefing they attend in their capacity as a Councillor or Council employee."

#### **400. Gifts and Hospitality – Review of Guidance for Councillors and Policy for Employees**

The Committee considered a report requesting that it approve updated guidance for Councillors regarding any gifts and hospitality received in their role as a Councillor, as well as an updated policy for employees in relation to any gifts and hospitality received.

Andrew Weavers, Head of Governance and Monitoring Officer, attended the meeting to present the report and assist the Committee with its enquiries. The Committee was invited to carry out its annual review of the Guidance for Members and the Policy for employees. Both documents had been reviewed and no changes were proposed to either of them.

In response to a question from a member of the Committee, the Head of Governance and Monitoring Officer explained that the £50 limit for declaring gifts and hospitality had come from the Local Government Association (LGA) Model Code of Conduct and had therefore been in place since December 2022. The Council's own limit, had, however, been £50 before this. The limit was reviewed periodically by the LGA, and should it change in the future then this would be referred back to the Committee for adoption into the Protocol.

*RESOLVED* that:

- The proposed Guidance for Councillors regarding Gifts and Hospitality be approved and included in the Constitution.
- The proposed Gifts and Hospitality Policy for Employees be approved.

#### **401. Work programme**

The Committee considered a report setting out its work programme for the current municipal year.

Matthew Evans, Democratic Services Officer, attended the meeting to present the report and assist the Committee with its enquires.

The Committee requested that any information which was available with regard to the publication of the Council's statement of accounts be circulated to it in advance of its next meeting, whether as part of the regular verbal update, or as an additional agenda item.

*RESOLVED* that:

- An update on the progress which had been made with regard to the Council's statement of accounts be provided at every future meeting of the Committee
- The contents of the work programme, subject to any changes in the order in which items were to be presented, be noted.

7 February 2024

<b>Report of</b>	<b>The Section 151 Officer</b>	<b>Author</b>	<b>Chris Hartgrove</b> (chris.hartgrove@colchester.gov.uk)
<b>Title</b>	<b>Capital Outturn Report 2022/23</b>		
<b>Wards affected</b>	Not applicable		

## 1. Executive Summary

- 1.1 This report sets out the Capital Outturn position for 2022/23, for both the General Fund and Housing Revenue Account (HRA).
- 1.2 In terms of the General Fund Capital Programme, there was a budget underspend of £61.231 million, with expenditure of £12.235 million in 2022/23 compared to an updated budget provision of £73.466 million.
- 1.3 The most significant General Fund capital variance in 2022/23 was an underspend in relation to planned loan advances of £26.7 million to Colchester Amphora Housing Ltd. Due to a change in delivery strategy and the Council's appetite for risk, there were no loans in the year and the relevant capital budget has now been removed in preparing the 2024/25 to 2028/29 draft Capital Programme.
- 1.4 A further – more detailed – discussion on the General Fund Capital Programme Outturn for 2022/23 can be found in Section 6 of the report.
- 1.5 With regard to the HRA Capital Programme, there was a budget underspend of £32.128 million, with expenditure of £29.657 million compared to an updated budget provision of £61.785 million.
- 1.6 The most significant HRA capital variance in 2022/23 was an underspend of £12.798 million on the Housebuilding Programme, due to delays on a range of schemes, with planning delays being a prominent factor.
- 1.7 A further – more detailed – discussion on the HRA Capital Programme Outturn for 2022/23 can be found in Section 7 of the report.

## 2. Recommended Decisions

- 2.1 The General Fund Capital Programme outturn for 2022/23 be noted (including **Appendix A**).
- 2.2 The HRA Capital Programme outturn for 2022/23 be noted.

## 3. Reason for Recommended Decision

- 3.1 This report facilitates the scrutiny of the Council's outturn financial position for 2022/23.

## 4. Alternative Options

- 4.1 None.

## 5. Background and Introduction

- 5.1 The General Fund and Housing Revenue Account capital budgets for 2022/23 were approved by full Council in February 2022.
- 5.2 This report updates the Governance & Audit Committee on how Council spending on capital performed against the approved budgets in 2022/23.

## 6. General Fund Capital Programme

- 6.1 The General Fund Capital Programme Outturn for 2022/23 is summarised – at a service level – in the table below. A more detailed analysis – at a scheme level – is included in **Appendix A**. The updated Programme budget totalled £73.466 million. Actual spending for the year amounted to £12.235 million, leading to an underspend of £61.231 million.

<b>General Fund Capital Programme Outturn 2022/23</b>			
<b>Description</b>	<b>Budget 2022/23 (Updated)</b>	<b>Total Spending 2022/23</b>	<b>Variance (Under) / Over</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Communities	9,841	3,115	(6,726)
Corporate & Improvement	40,907	4,391	(36,516)
Environment	3,088	1,311	(1,777)
Place & Client	19,533	3,345	(16,188)
Capitalised Maintenance	97	73	(24)
<b>Totals</b>	<b>73,466</b>	<b>12,235</b>	<b>(61,231)</b>
<i>Capital Financing:</i>			
Capital Grants	(23,223)	(5,011)	18,211
S106 Receipts	(2,249)	(1,569)	680
Capital Receipts	(3,131)	(1,128)	2,003
Revenue Contributions	(501)	(310)	191
Borrowing	(44,362)	(4,217)	40,146
<b>Total Financing</b>	<b>(73,466)</b>	<b>(12,235)</b>	<b>61,231</b>

- 6.2 There most notable areas of underspending/slippage on the General Fund Capital Programme in 2022/23 were as follows:
- **Corporate & Improvement (£36.516 million NET Underspend)** – this was the most significant area of underspending/slippage. The most notable underspending schemes were as follows:
    - **New Council Housing Company Loans (£26.700 million Underspend)** – the Capital Programme for 2022/23 originally included plans to advance loans of £26.7 million to Colchester Amphora Housing Ltd; no loans were subsequently advanced. Due to a change in delivery strategy and the Council's appetite for risk, the planned loans have now been removed in preparing the 2024/25 to 2028/29 draft Capital Programme.

- Equity Investment in CCHL (£5.800 million Underspend) – as with loans to the Housing Company, there was no Equity Investment in Colchester Amphora Housing Ltd in 2022/23 and such planned capital investment has now been removed in preparing the 2024/25 to 2028/29 draft Capital Programme due to the change in delivery strategy. This will be revisited as part of the new approach.
- Colchester Northern Gateway Heat Network (£4.303 million Underspend) – capital spending was limited to just £158,000 on this project in 2022/23. The delivery of the Heat Network is dependent upon the availability of end users which, due to unforeseen circumstances, are not currently available. Consequently, the project has been paused (and temporarily removed from the draft 2024/25 to 2028/29 Capital Programme) while the delivery strategy is revisited.
- CAEL Loans (£1.020 million Underspend) – the total value of loans advanced to CAEL in 2022/23 was just £200,000 compared to a budget allocation of £1,220,000. The arrangement forms part of the Heat Network project, which has been paused and removed from the 2024/25 to 2028/29 draft Capital Programme for the reasons described above.

In addition, there was one overspend to note as follows:

- Rowan House Refurbishment (£1.495 million Overspend) – the total budget for the refurbishment scheme was £2.058 million but spending in 2022/23 was £3.553 million. The overspend (reflecting – to a large extent – a timing difference) was driven by the need to complete a range of unforeseen repairs and maintenance works (e.g. roof works and ceiling grid replacement) which were identified during the building refurbishment. However, additional budget provision was subsequently made in the 2023/24 Capital Programme to finish the scheme; Rowan House eventually reopened in July 2023 and, driven by increased rental income, generates a net income to the Council.
- **Place & Client (£16.188 million Underspend)** – the most notable underspending schemes in this service area were as follows:
  - CNGS – Mains Grid and Infrastructure (£2.279 million Underspend) – capital spending was limited to just £198,000 on this project in 2022/23 compared to a budget allocation of £2.477 million. The majority of the underspend was associated with the design for the Highways Infrastructure which was delayed. However, most of this allocation is expected to be spent in 2023/24.
  - Greenstead Land Acquisitions (£2.263 million Underspend) – capital spending was limited to just £9,000 on this project in 2022/23 compared to a budget allocation of £2.272 million. The scheme is funded by a Housing Renewal Fund grant and entails the purchase of some properties from Notting Hill Genesis. The scheme was delayed due to circumstances beyond the Council's control and the acquisitions are now expected to complete in 2023/24. A variation to the grant agreement has been secured.
  - Town Centre (£1.726 million Underspend) – there was no capital spending on this scheme in 2022/23.
  - Improved Youth Provision (£1.226 million Underspend) – there was no capital spending on this scheme in 2022/23. The scheme comprises improvements to the Town House and Highwoods/Stanway community centres and is funded by the Towns Fund. There have been procurement delays at Essex County Council, who are leading the work. The scheme is now expected to be delivered 2024/25.

- **Communities (£6.726 million Underspend)** – the most notable underspending schemes in this service area were as follows:
  - **Disabled Facilities Grants (DFG) (£4.251 million Underspend)** – capital spending in 2022/23 was £0.961 million compared to an accumulated budget allocation of £5.219 million. The DFG scheme is fully funded by the Government through the Better Care Fund and is ring-fenced for adaptations required to help people remain living independently in their own homes (there are strict limitations on staff spending, which constrains delivery capacity).
 

It should be noted that the brought forward balance for 2022/23 had built up over eight years. In 2023/24, the service is currently on target to deliver 100 cases and spend circa £1.1 million (the highest year to date). Consideration is being given both to how increased capacity could positively affect future spending, and also other delivery methods (linked with other social care projects); and
  - **St Marks Community Centre/Mill Road Rugby Club (£1.365 million Underspend)** – capital spending was limited to just £47,000 on this project in 2022/23 compared to a budget allocation of £1.412 million. The project has now been paused as part of the Capital Review due to escalating costs in a challenging financial climate and has been removed from the 2024/25 to 2028/29 draft Capital Programme.
- **Environment (£1.777 million Underspend)** – there was one dominant underspent scheme in this service area in 2022/23 as follows:
  - **Shrub End Depot (£0.959 million Underspend)** – capital spending was £154,000 compared to a budget allocation of £1.412 million. The investment in 2022/23 enabled the completion of the first phase of the works at the Depot comprising mainly health, safety and compliance works (e.g. to storage facilities, fencing, access roads and staff welfare facilities). However, the tender for subsequent works to the Bailing Shed has identified significantly higher than expected costs. In the circumstances, officers are currently re-evaluating a lower specification for improving the condition and functionality of Shed, whilst also taking the opportunity to replace a temporary office building that is beyond its useful life but critical to the day-to-day operation of the site.

## 7. Housing Revenue Account (HRA) Capital Programme

7.1 The Housing Revenue Account (HRA) Capital Programme outturn for 2022/23 is summarised in the table below. The updated Programme budget totals £61.785 million. Actual spending in the year amounted to £29.657 million, leading to an underspend of £32.128 million. A large proportion of the underspend was due to slippage in a number of schemes.

Description	Budget 2022/23 (Updated)	Spending (31/03/23)	Variance (Under) / Over
	£000's	£000's	£000's
<b><i>Housing Investment</i></b>			
Stock Investment Programme	17,114	9,255	(7,859)
Sheltered Accommodation	15,067	6,029	(9,038)
Adaptations	768	733	(35)
<b><i>Sub-Total</i></b>	<b>32,949</b>	<b>16,017</b>	<b>(16,932)</b>
<b><i>Other Works</i></b>			
New Build	14,432	1,634	(12,798)
Acquisitions	14,027	12,006	(2,021)
ICT	377	0	(377)
<b><i>Sub-Total</i></b>	<b>28,836</b>	<b>13,640</b>	<b>(15,196)</b>
<b>Total Expenditure</b>	<b>61,785</b>	<b>29,657</b>	<b>(32,128)</b>
<b><i>Capital Financing:</i></b>			
Major Repairs Reserve	6,000	5,523	(477)
Revenue Contributions	4,297	4,409	112
Capital Receipts	0	405	405
Grants	0	580	580
Other Contributions	0	153	153
RTB Receipts	8,971	1,887	(7,084)
Borrowing	42,517	16,700	(25,817)
<b>Total Financing</b>	<b>61,785</b>	<b>29,657</b>	<b>(32,128)</b>

7.2 An HRA Capital Programme budget of £32.994 million was approved by Cabinet in January 2022. A net total of £28.791 million in unspent budgets were rolled forward from 2021/22, resulting in an updated Programme budget of £61.785 million for the year.

7.3 There are three significant areas of underspending/slippage on the HRA Capital Programme outturn. Thus:

- **New Build (£12.798 million Underspend)** – the Housebuilding Programme had a total budget of £14.432 million for 2022/23. Actual spending on the Programme was £1.634 million, resulting in an underspend of £12.798 million at year end. Most notably there was an underspend of £5.2 million on the Programme due to delays (including planning) in commencing the development of various sites, such as Hedge Drive, Veronica Walk and Cross Cottages, with the units now planned to be delivered from April 2024 onwards.

The budget also included a provision of £2.1 million for purchases at Mill Road from Amphora, which have not gone ahead. In addition, a further £2.750 million was included for the Arthur Street acquisition, which did not progress as a viable agreement could not be reached. Both of these budgets have been carried forward and re-purposed into schemes such as the acquisition of the Military Road site, purchases at Boxted Road, Cowdray Avenue and from Mersea Homes (the Chesterwell Development).

There was also an underspend of £1.1 million on the Phase 2 delivery of development on garage sites, which has been carried forward to support Phase 3.

- **Sheltered Accommodation (£9.038 million Underspend)** – the underspend relates to a delay in the refurbishment of Elfreda House. The budget allocation in 2022/23 was £13.389 million; actual spending was £4.351 million, resulting in an underspend of £9.038 million. The unspent resources have been carried forward into 2023/24 to enable the continuation of the refurbishment works.
- **Stock Investment Programme (£7.859 million Underspend)** – The main reason for the underspend was due to a delay in the delivery of the supplementary projects budget (of £4.1 million), which is making funding available for the Climate Emergency works, including the Social Housing Decarbonisation Fund project and Retrofit works to the Housing Stock. The funding will be carried forward to meet the costs of the work once they commence. There were also underspends relating to Building Safety, Roofing, Windows & Doors, and major Adaptations, all of which have been carried forward (£1.5 million) to enable delivery in 23/24.

7.4 The HRA Capital Programme is financed from several sources; external sources such as Grants and Capital Receipts are prioritised and applied first, followed by internal resources such as the Major Repairs Reserve and HRA Revenue contributions. The approach minimises the need to borrow and helps protect the HRA from higher interest payments. The underspend on the Programme has an impact on all sources of financing with the most significant being a £25.817 million reduction in the need to borrow in 2022/23.



**8. Equality, Diversity and Human Rights implications**

8.1 None.

**9. Standard References**

9.1 The capital investment plans included within the overall Capital Programme for 2022/23 (both General Fund and HRA) reflected the Council's priorities within the "Better Colchester Strategic Plan 2020/23" (adopted October 2020).

9.2 Management Accounts 2022/23 (Month 12).

**10. Environmental and Sustainability Implications**

10.1 None.

**11. Appendices**

11.1 General Fund Capital Programme (Outturn Summary) 2022/23 - **Appendix A**

## General Fund Capital Programme

### Outturn Summary 2022/23

General Fund Capital Programme Outturn 2022/23				
Service Area	Scheme Description	2022/23 Budget (Updated)	2022/23 Outturn	Variance (Underspend)/Overspend
		£'s	£'s	£'s
Communities	Private Sector Renewals - Loans and Grants	286,300	9,213	(277,087)
	Sustainable Growth	689,823	314,010	(375,813)
	Mandatory Disabled Facilities Grants	5,219,082	968,159	(4,250,923)
	Cemetery Improvement works	55,776	55,000	(776)
	Collingwood Road Scout Hut	13,241	5,368	(7,873)
	Stanway Community Centre	1,406,915	1,238,445	(168,470)
	Stanway Toucan Crossing	200,000	-	(200,000)
	St Marks Community Centre/Mill Road Rugby Club	1,412,086	46,831	(1,365,255)
	Priory Street Mosque	5,945	5,945	-
	Mobile Skate Park	14,579	11,750	(2,829)
	S106 Lorkin Daniell Field	10,677	10,677	-
	All Saints Church - S106	174,488	174,488	-
	Floodlights Gilbert School	86,613	86,613	-
	Imola Pond - Castle Park	19,568	19,568	-
	West End Bowls Club	15,000	15,000	-
	Great Tey Rec Playingfield S106	78,747	3,166	(75,581)
	Mercury Theatre Redevelopment Phase 2	105,728	189,180	83,452
	Mercury Landscaping Works	53,137	(45,867)	(99,004)
	Mercury Theatre SELEP	(7,604)	6,605	14,209
St Marys Church Hall - S106	1,300	1,300	-	
<b>Service Total</b>	<b>9,841,401</b>	<b>3,115,451</b>	<b>(6,725,950)</b>	
Corporate & Improvement	Assistance to Registered Housing Providers	50,000	50,000	-
	Grants to Registered Providers (1-4-1 RTB Receipts Funded)	447,336	274,261	(173,075)
	Lending to new Council Housing Company	26,700,000	-	(26,700,000)
	Equity Investment in CCHL	5,800,000	-	(5,800,000)
	Facility Loan to CAEL	1,220,000	200,000	(1,020,000)
	Rowan House Refurbishment	2,058,205	3,553,270	1,495,065
	E Cargo	177,300	12,085	(165,215)
	Leisure World Tiptree	(6,673)	-	6,673
	Colchester Northern Gateway Heat Network	4,460,565	157,671	(4,302,894)
	Fieldgate Quay	-	143,531	143,531
<b>Service Total</b>	<b>40,906,733</b>	<b>4,390,818</b>	<b>(36,515,915)</b>	
Environment	Rowan House EV Charging Points	73,763	73,763	-
	Shrub End Depot	1,113,905	154,436	(959,469)
	Light Fleet Replacement	681,371	203,990	(477,381)
	Fleet Upgrade Caged Tippers	537,863	537,863	-
	Castle Park Cricket Pavilion Extension S106	116,663	116,663	-
	Garrison Gym Playground	305,500	-	(305,500)
	Vineyard Car Park Lift Replacement	124,600	77,099	(47,501)
	Floating Pontoon Mersea	74,910	95,890	20,980
	Recreation Ground Old Heath	42,205	34,000	(8,205)
	North Station Footbridge S106	10,000	10,000	-
	CNGN - Mile End Cricket	6,900	6,900	-
<b>Service Total</b>	<b>3,087,680</b>	<b>1,310,604</b>	<b>(1,777,076)</b>	

General Fund Capital Programme Outturn 2022/23 (cont.)				
Service Area	Scheme Description	2022/23 Budget (Updated)	2022/23 Outturn	Variance (Underspend)/ Overspend
		£'s	£'s	£'s
Place & Client	<b>Levelling Up</b>			
	LUF - St Botolphs roundabout	100,000	-	(100,000)
	LUF - Britannia Yard	100,000	-	(100,000)
	LUF - Vineyard Street	50,000	-	(50,000)
	<b>TOTAL LEVELLING UP</b>	<b>250,000</b>	<b>-</b>	<b>(250,000)</b>
	<b>Town Deal</b>			
	TD Development Work and Fees	143,384	-	(143,384)
	<b>Sub-Total</b>	<b>143,384</b>	<b>-</b>	<b>(143,384)</b>
	<b>Heart of Greenstead</b>			
	Greenstead Land Acquisition	2,271,776	8,741	(2,263,035)
	Multiuse Community Hub	-	28,900	28,900
	HoG - Tamarisk Way	-	60,180	60,180
	Essex Pedal Power	319,810	319,810	-
	<b>Sub-Total</b>	<b>2,591,586</b>	<b>417,631</b>	<b>(2,173,955)</b>
	<b>Town Centre/Gateways Historic Buildings</b>			
	Jumbo	108,000	108,000	-
	Holy Trinity Church	323,330	917	(322,413)
	<b>Sub-Total</b>	<b>431,330</b>	<b>108,917</b>	<b>(322,413)</b>
	<b>Town Centre/Gateways Public Realm</b>			
	Town Centre to Greenstead and University Cycle Path	858,643	17,187	(841,456)
	Essex County Hospital	488,707	488,707	-
	St Nicholas Square	898,617	92,900	(805,717)
	Balkerne Gate Phase 2	106,701	6,773	(99,928)
	Holy Trinity Square	81,598	37,279	(44,319)
	Kerbless and Green Streets	633,739	32,595	(601,144)
	<b>Sub-Total</b>	<b>3,068,005</b>	<b>675,441</b>	<b>(2,392,564)</b>
	<b>Improved Youth</b>			
	Improved Youth Provision (ECC)	1,226,460	-	(1,226,460)
	<b>Sub-Total</b>	<b>1,226,460</b>	<b>-</b>	<b>(1,226,460)</b>
	<b>Digital</b>			
Grow-on - former Queen St Bus Depot	4,878,942	749,934	(4,129,008)	
Wilson Marriage Digital skills hub	689,300	689,300	-	
5G	723,214	73,014	(650,200)	
<b>Sub-Total</b>	<b>6,291,456</b>	<b>1,512,248</b>	<b>(4,779,208)</b>	
<b>TOTAL TOWN DEAL</b>	<b>13,752,221</b>	<b>2,714,237</b>	<b>(11,037,984)</b>	
<b>OTHER PLACE &amp; CLIENT SCHEMES</b>				
CNG Wastewater Improvements Pumping Station	235,903	26,322	(209,581)	
Northern Gateway South	6,504	6,504	-	
Town Centre	1,725,962	-	(1,725,962)	
CNGN - Sports Park	521,098	79,980	(441,118)	
Digital Strategy - LFFN	(74,410)	2,387	76,797	
CNGS - Detailed Planning	446,621	163,993	(282,628)	
CNGS - The Walk	191,665	153,342	(38,323)	
CNGS - Mains grid connection & Infrastructure	2,477,230	198,412	(2,278,818)	
<b>TOTAL OTHER PLACE &amp; CLIENT SCHEMES</b>	<b>5,530,573</b>	<b>630,940</b>	<b>(4,899,633)</b>	
<b>Service Total</b>	<b>19,532,794</b>	<b>3,345,177</b>	<b>(16,187,617)</b>	
Capitalised Maintenance	Colchester Leisure World - Pool Filters	16,889	9,996	(6,893)
	Colchester Charter Hall - Security	33,262	16,373	(16,889)
	Town Hall - Boilers	3,550	3,550	-
	Town Hall - Fire Alarm Systems	43,069	43,069	-
	<b>Service Total</b>	<b>96,770</b>	<b>72,988</b>	<b>(23,782)</b>
<b>Overall General Fund Capital Programme 2022/23</b>		<b>73,465,378</b>	<b>12,235,038</b>	<b>(61,230,340)</b>



07 February 2024

<b>Report of</b>	<b>Head of Governance and Monitoring Officer</b>	<b>Author</b>	<b>Hayley McGrath</b> ☎ 508902
<b>Title</b>	<b>Internal Audit Plan 2024/25</b>		
<b>Wards affected</b>	Not applicable		

## 1.0 Executive Summary

- 1.1 The Accounts and Audit Regulations 2015 require that ‘A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’
- 1.2 To ensure that the Council complies with these requirements it maintains a five-year program of the key areas to be audited, then annually a plan is agreed with management about the specific areas to be covered during the next financial year. The annual plan is then submitted for committee approval.

## 2.0 Recommended Decision

- 2.1 The committee are asked to consider and agree the proposed Internal Audit plan for 2024/25 attached at Appendix A.

## 3.0 Reason for Recommended Decision

- 3.1 Internal Audit is a key element of the Council’s Corporate Governance framework. A relevant and comprehensive audit programme, and implementation of audit recommendations, gives assurance to members and management that services are operating effectively, efficiently and economically and in accordance with legislative requirements and professional standards.

## 4.0 Alternative Options

- 4.1 The alternative is to not agree a plan for 2024/25 and to decide on an ad-hoc basis which areas are to be audited during the year. However, this option will not ensure that all key controls are audited and will reduce the effectiveness of the internal audit service.

## **5.0 Background Information**

- 5.1 The Council operates a five-year program that provides an overview of the areas that require assurance. During the program period it is anticipated that service delivery will change, therefore an annual plan, that identifies the specific audits for the coming year, is agreed with senior management and members. Fundamental systems, such as the key financial controls, need to be reviewed every year to provide assurance for the final accounts process.
- 5.2 The current Internal Audit contract provides for 300 auditing days a year. For 2024/25 a total of twenty-nine days are allocated to follow-ups and management, leaving 271 days to be allocated to other areas.
- 5.3 The Corporate Governance Manager has discussed the plan and timings with senior managers to ensure that there is commitment in supporting the auditors whilst carrying out the reviews.
- 5.4 It should be noted that the proposed audit plan for 2024/25 reflects the current organisational services and objectives. The plan will be monitored during the financial year, to ensure that it continues to reflect the council's transformation ambitions, to ensure that the audit programme continues to provide assurance that the Council's objectives are being delivered. Any changes will be reported back to the committee as part of the mid-year review.

## **6.0 Colchester Borough Homes Ltd & Colchester Commercial (Holdings) Ltd**

- 6.1 Colchester Borough Homes (CBH) have their own agreed audit plan which is administered by the Council's auditors. The coverage of the plan is decided by CBH and is not reported to this committee.
- 6.2 However there are a few CBH systems that involve input from the Council, and it is appropriate that in these circumstances the audit resource required to provide assurance is shared by, and reported to, both organisations. In 2024/25 there are three 'shared' audits – Housing Needs and Private Sector Housing, Housing Disrepair Management and Homelessness.
- 6.3 The audit plan has been arranged to reflect the Council's commercial activities and several audits have been identified as coming under Colchester Commercial (Holdings) Ltd (CCHL). However, the Council will require assurance over specific income areas, especially in the first few years of operation, therefore there are some key areas for review (joint audits) identified on the Council's plan, along with a general allowance for CCHL to decide how to use, which has been set at fifteen days.

## **7.0 Strategic Plan References**

- 7.1 The audit plan has been set with due regard to the identified key strategic risks to the Council, therefore ensuring the effectiveness of the processes required to achieve the strategic objectives.

## **8.0 Risk Management Implications**

- 8.1 Agreeing an audit plan enhances the ability of the Council to control its risks and therefore will support the internal control process.

## **9. Other Standard References**

- 9.1 There are no particular references to consultation or publicity considerations or financial, community safety or health and safety or environmental and sustainability implications.

## **Appendices**

Appendix A – Draft Internal Audit plan for 2024/25.







Colchester City Council

Indicative Audit Strategy 2023/26 and Annual Plan 2024/25

January 2024

Draft



# Executive Summary

## Introduction

The Audit Plan for 2024/25 has been informed by a risk assessment carried out across our clients in the sector and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks. This coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

## Key Risk Considerations

We have identified a number of key areas which require consideration when planning internal audit coverage.

**Macroeconomic and financial environment:** The UK economy continues to be impacted by a sequence of significant events including fluctuating interest rates, higher than target inflation, post-pandemic recovery and the conflicts in Ukraine and the Middle East. Shortages in the labour market and continuing supply chain disruption lead to increased costs and a challenging financial situation for many.

**Cyber security:** This continues to be one of the highest ranked risks for organisations and shows no sign of going away. More remote and hybrid working and increased online service delivery increases vulnerability to phishing, malware, and ransomware attacks, particularly where there has been a lack of investment in infrastructure.

**Climate change:** Global warming can lead to physical, operational, financial and reputational risks arising. 'Loss and damage' - the phrase used to describe the destruction being wrought by the climate crisis - will remain high on the agenda. Sustainability is now a high agenda item with organisations further developing their sustainability goals.

**Customer Experience:** Failure to effectively engage with customers and respond to complaints and feedback and to provide good customer service will come increasingly to the fore as the Tenant Satisfaction Measures Regime starts from April 2023.

## Audit Strategy Methodology

In producing this audit strategy and annual plan, we have sought to build on our understanding of Colchester City Council's operating environment and risk profile through a review of key documentation and discussions with key staff. We have taken into account:

- Colchester City Council's business strategy and corporate objectives
- The regulatory and legislative framework
- Colchester City Council's risk register
- External Audit recommendations
- Previous Internal Audit coverage

We take in to account any emerging or heightened risks that are facing the sector, to ensure that the work of internal audit remains appropriately prioritised and focused. Links to specific strategic risks are also contained in the Internal Audit Strategy.

Our approach complies with the International Standards for the Professional Practice of Internal Auditing which have been developed by the Institute of Internal Auditors (IIA) and the Public Sector Internal Audit Standards (PSIAS).

## Internal Audit Strategy and Plan

The Audit Strategy at Appendix A incorporates the proposed annual plan for 2024/25 and the indicative coverage for the following two years.

The Annual Plan at Appendix B sets out the assignments that will be carried out in 2024/25, the planned times and the high-level scopes for each of these assignments.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation; this will be formally reviewed with senior management and the Audit Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of each assignment within the Annual Plan includes research; preparation and issue of terms of reference; site work; production and review of working papers; and reporting.

The Annual Plan has been prepared on the assumption that the expected controls will be in place.

The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and Colchester City Council. This number of days is fixed, and it is TIAA's responsibility to deliver the Audit Plan for this number of days. Where ORGANISATION agrees additional work the required number of days and the aggregate day rate will be agreed in advance with the Chief Operating Officer and will be clearly set out in the terms of reference for the additional review(s).

### **Adequacy of the planned audit coverage**

The reviews identified in the audit plan for 2024/25 support the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of Colchester City Council's framework of governance, risk management and control as required by TIAA's charter. The reviews have been identified from your assurance framework, risk registers and key emerging themes.

### **Disclaimer**

This document has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent.

No responsibility to any third party is accepted as the document has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this document and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our document.

### **Release of Report**

The table below sets out the history of this plan.

<b>Draft Strategy and Plan:</b>	11 <sup>th</sup> January 2024
<b>Final Strategy and Plan:</b>	

## Appendix A: Rolling Strategic Plan

Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27
<b>Governance</b>					
Corporate Governance (including Succession planning)		Assurance		✓	
Complaints management		Assurance			✓
Governance arrangement of Shared Services		Assurance	✓		
Equality, Diversity and Inclusivity		Assurance	✓		✓
Performance Management (including staff training)		Assurance		✓	
<b>Risk</b>					
Risk Management Framework		Assurance		✓	
Conflict of interest (Staff working with other employers)		Assurance	✓		✓
<b>ICT</b>					
Use of Social Media		Assurance		✓	
Cybersecurity		Assurance			✓
Mobile Device Management		Assurance	✓		
<b>Finance</b>					
Procurement		Assurance		✓	✓
Budgetary Control		Assurance		✓	✓
Key Financial Control		Assurance	✓	✓	✓
Accounts Receivable (Debtors) – Cash Management		Assurance	✓		
CCHL / CBC Contract Management and Governance		Assurance	✓		

Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27
<b>Other audits</b>					
Council Tax and NNDR		Assurance	✓	✓	✓
Housing Benefit		Assurance	✓	✓	✓
Staff Wellbeing and Sickness Absence		Assurance		✓	✓
Working with Volunteers and Police (Partnership services and Community safety)		Assurance		✓	
Homelessness/Allocations (Joint with CBH)		Assurance		✓	✓
Licensing		Assurance	✓		✓
Safeguarding		Assurance		✓	
Helpline and use of CCTVs		Assurance	✓		✓
Environmental Health		Assurance		✓	
Waste Management		Assurance	✓		✓
Tendring Colchester Borders project		Assurance	✓		
Leisure World		Assurance	✓	✓	✓
Carbon Reduction		Assurance		✓	
Fraud and Corruption (LCFS)		Assurance	✓		✓
Climate Emergency		Assurance	✓		
Corporate Health and Safety		Assurance		✓	✓
Housing Needs and Private Sector Housing		Assurance	✓		
Right to Buy (Joint with CBH)		Assurance		✓	
Homelessness		Assurance	✓		
Planning and Development (Including S106)		Assurance		✓	
Events Management		Assurance	✓		✓
Museums - Merged Services		Assurance	✓	✓	✓

Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27
Parking Services Income / Partnership		Assurance	✓	✓	✓
Housing Disrepair Management		Assurance	✓		✓
Property Asset Management		Assurance	✓		
Allocation for CCHL		Assurance	✓	✓	✓
<b>Management and Planning</b>					
Follow Up		Follow Up	✓	✓	✓
Annual Planning		Management	✓	✓	✓
Annual Report		Management	✓	✓	✓
Audit Management		Management	✓	✓	✓
Total Days			<b>300</b>	<b>300</b>	<b>300</b>

## Appendix B: Annual Plan – 2024/25

Quarter	Review	Type	Days	High-level Scope
1	Governance Arrangement of Shared Services	Assurance	12	A review of the governance arrangement for services shared by the Council with other councils.
1	Housing Benefit and Council Tax Support	Assurance	12	Key controls within HB and CTS, impact on higher cases, special payments, overpayments, universal credit.
1	Tending Colchester Borders Project	Assurance	10	Project management review.
1	Housing Needs and Private Sector Housing	Assurance	10	Use of private sector Housing by the Council to meet demands for Housing.
1	Events Management	Assurance	12	Events booking and income collection, cash flat reconciliation, purchasing and stock management of goods, credit card and income reconciliation, security of Events.
1	Housing Disrepair Management	Assurance	10	Prompt repairs and maintenance on the stock of houses held by the Council.
2	Equality, Diversity and Inclusivity	Assurance	10	The Council ensures that equality, diversity and inclusivity is effectively promoted and managed in the Council.
2	Accounts Receivable (Debtors) – Cash Management	Assurance	10	Receipt and banking of all income including management of cash, management of aged debtors and debt recovery.
2	CCHL / CBC Contract Management and Governance	Assurance	10	Review of contracts managed by CCHL on behalf of CCC to ensure that the targets attached to the key performance indicators in the contracts are being met.
2	Licensing	Assurance	10	The Council issue different types of licences including Taxi Drivers and Private Hire, Animal Licensing, Alcohol and Entertainment (Personal and Premises Licence), HMO Licensing, Scrap Metal Licensing, Charity permits for street and house to house collections among others, to members of the community. Review of the licensing process.
2	Fraud and Corruption (LCFS)	Assurance	10	Review the processes in place to prevent and manage different types of fraud and corruption.
2	Museums - Merged Services	Assurance	10	Policies & procedures, accounting for income, refunds, security & keys, stock control, exhibit inventory, insurance.
3	Conflict of Interest (Staff working with other employers)	Assurance	10	Management of staff conflict of interest and review of processes in place to ensure that staff are not engaged with other employers in contravention with their contracts with CCC.

Quarter	Review	Type	Days	High-level Scope
3	Council Tax and NNDR	Assurance	12	Key controls within CTAX and NNDR, collection rates, valuations, arrears control, discounts and payment holidays.
3	Helpline and use of CCTVs	Assurance	10	Review of how the helpline and CCTVs are used in the Council.
3	Leisure World	Assurance	12	Cash collection, scale of charges, hire of facilities, credits/refunds, machine income, stock control, vetting of instructors.
3	Homelessness	Assurance	10	Housing allocations and management of Homelessness, with focus on the Council's Housing crisis and processes to address the crisis.
3	Parking Services Income / Partnership	Assurance	12	Policies & procedures, accounting for income, joint committee, management info, cash collection processes, refunds, security & keys, debt management, enforcement, complaints.
4	Mobile Device Management	ICT	12	Security and control of use of Council's mobile ICT devices.
4	Key Financial Control	Assurance	12	Income and Debtors; Creditors; Treasury Management and General Ledger.
4	Waste Management	Assurance	10	Review of the Council's waste management process (collections and recycling of waste).
4	Climate Emergency	Assurance	10	Review of implemented processes and plan in place to achieving carbon neutrality by 2030 and improving on the 40% reduction in carbon footprint the Council has made since 2008.
4	Property Asset Management	Assurance	10	Review of the processes in place to management the Council's property asset, up to date property asset listing, addition and disposal of property asset.
4	CCHL Allocation	Assurance	15	Scope to be determined by CCHL.
1 - 4	Contingency	Contingency	10	Contingency
1 - 4	Follow-up	Follow up	10	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Housing Association are implementing recommendations, and providing reports to the Audit Committee.
1	Annual Planning	Management	4	Assessing the Local Government's annual audit needs.
4	Annual Report	Management	3	Reporting on the overall conclusions and opinion based on the year's audits and other information and providing input to the Annual Governance Statement.
1 - 4	Audit Management	Management	12	This time includes meeting client management, overseeing the audit plan, reporting and supporting the Audit Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings).
<b>Total days</b>			<b>300</b>	



# Internal Audit Charter

## The Need for a Charter

The Audit Charter formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within Colchester City Council and defines the scope of internal audit activities. The establishment of the Audit Charter is a requirement of the Public Sector Internal Audit Standards (PSIAS) and approval of the charter is the responsibility of the Audit Committee.

## The Role of Internal Audit

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the framework of governance, risk management and control. TIAA is responsible for providing assurance to Colchester City Council's governing body (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the risk management, control and governance processes.

## Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the PSIAS and the IIA standards which are articulated in the International Professional Practices Framework (IPPF).

## Scope

All Colchester City Council activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that Colchester City Council management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions; however, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

TIAA may also conduct any special reviews requested by the board, Audit Committee or the nominated officer (being the post responsible for the day-to-day liaison with TIAA), provided such

reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

## Access

TIAA has unrestricted access to all documents, records, assets, personnel and premises of Colchester City Council and is authorised to obtain such information and explanations as they consider necessary to form their opinion. The collection of data for this purpose will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

## Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems; however, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day-to-day administrative purposes only, TIAA reports to a nominated officer within Colchester City Council and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the board, the chair of the Audit Committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with Colchester City Council management.

## Conflict of Interest

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to.

We are not aware of any conflicts of interest, and should any arise, we will manage them in line with TIAA's audit charter and internal policies, the PSIAS/IIA standards and Colchester City Council's requirements.

## Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2002.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

## Limitations and Responsibility

Substantive testing will only be carried out where a review assesses the internal controls to be providing 'limited' or 'no' assurance with the prior approval of Colchester City Council and additional time will be required to carry out such testing. Colchester City Council is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. The audit reports are prepared solely for management's use and are not prepared for any other purpose.

#### Liaison with the External Auditor

We will liaise with Colchester City Council's External Auditor. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

#### Reporting

**Assignment Reports:** A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of TIAA's audit charter and PSIAS/IIA standards.

**Progress Reports:** Progress reports will be prepared for each Audit Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

**Follow-Up Reports:** We will provide an independent assessment as to the extent that priority 1 and 2 recommendations have been implemented. Priority 3 recommendations are low-level/housekeeping in nature, and it is expected that management will monitor and report on implementation as considered appropriate.

**Annual Report:** An Annual Report will be prepared for each year in accordance with the requirements set out in TIAA's audit charter and PSIAS/IIA standards. The Annual Report will include a summary opinion of the effectiveness of Colchester City Council's governance, risk management and operational control processes based on the work completed during the year.

**Other Briefings:** During the year Client Briefing Notes, Benchmarking and lessons learned digests will be provided. These are designed to keep the organisation abreast of in-year developments which may impact on the governance, risk and control assurance framework.

#### Assurance Assessment Gradings

We use four levels of assurance assessments as set out below.

<b>Substantial Assurance</b>	There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved.
<b>Reasonable Assurance</b>	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved.
<b>Limited Assurance</b>	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and process objectives achieved.
<b>No Assurance</b>	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

#### Data Protection

TIAA has policies, procedures and processes in place to comply with all associated regulation and legislation on information security, which is underpinned by mandatory annual awareness training for all staff. To carry out our role effectively, we need to obtain information that is reliable, relevant and sufficient to support our findings and recommendations. The collection of data, particularly sensitive personal data, is minimised and is not shared with unauthorised persons unless there is a valid and legal requirement to do so. We have clear policies on the retention of data and its appropriate, controlled disposal. TIAA has a fully robust Information Security Management System that meets all the requirements of ISO27001:2013.

#### Quality Assurance

TIAA recognises the importance of Internal Audit being controlled at each stage to ensure that we deliver a consistent and efficient Internal Audit service that is fully compliant with professional standards and also the conditions of contract. We operate a comprehensive internal operational quality review process to ensure that all Internal Audit work is carried out in accordance with

these standards. These quarterly reviews are part of our quality management system which has ISO 9001:2015 accreditation.

#### Audit Committee Responsibility

It is the responsibility of the Colchester City Council to determine that the number of audit days to be provided and the planned audit coverage are sufficient to meet the Committee's requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

By approving this document, the Audit Committee is also approving the Internal Audit Charter.

#### Disclaimer

The matters raised in this planning report, along with those raised in our audit and annual reports, are only those that came to the attention of the auditor during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

#### Performance Standards

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Performance Measure	Target
Completion of planned audits.	100%
Audits completed in time allocation.	100%
Draft report issued within 10 working days of exit meeting.	100%
Final report issued within 10 working days of receipt of responses.	100%
Compliance with TIAA's audit charter and PSIAS/IIA Standards.	100%



## Governance and Audit Committee

Item  
**10**

7 February 2024

<b>Report of</b>	<b>Assistant Director Corporate and Improvement Services</b>	<b>Author</b>	<b>Matthew Evans</b> ☎ ext. 8006
<b>Title</b>	<b>Work Programme 2023-2024</b>		
<b>Wards affected</b>	Not applicable		

### 1. Executive Summary

1.1 This report sets out the current Work Programme 2023-2024 for the Governance and Audit Committee. This provides details of the reports that are scheduled for each meeting during the municipal year.

1.2 The Committee is asked to note the updates which have been made to the work programme for both the meeting scheduled for 7 February 2024, and the meeting scheduled for 5 March 2024. These changes include the delaying of the following reports until March 2024, and the removal of the Housing Revenue Account overview report from the programme:

- Treasury Management Outturn 2022/2023
- Treasury Management Mid-Year Update 2023/2024
- Hibernation of Colchester Amphora Homes Limited

### 2. Recommended Decision

2.1 The Committee is asked to note the amended contents of the Work Programme for 2023-2024.

### 3. Reason for Recommended Decision

3.1 The Work Programme of this Committee is kept under review throughout the municipal year to ensure that business is progressed and Members have the opportunity to review upcoming agenda items.

### 4. Alternative Options

4.1 This function forms part of the Committee's Terms of Reference and, as such, no alternative options are presented.

### 5. Background Information

- 5.1 The Governance and Audit Committee deals with the approval of the Council's Statement of Accounts, audit, other miscellaneous regulatory matters and standards.
- 5.2 The Committee's Work Programme will evolve as the Municipal Year progresses and items of business are commenced and concluded. At each meeting the opportunity is taken for the Work Programme to be reviewed and, if necessary, amended according to current circumstances.

**6. Standard References**

- 6.1 There are no particular references to publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; health and safety, environmental and sustainability implications or risk management implications.

**7. Strategic Plan References**

- 7.1 Governance is integral to the delivery of the Strategic Plan's priorities and direction for the Borough as set out under the four themes of growth, responsibility, opportunity and wellbeing.
- 7.2 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self-governance provides a clear and demonstrable lead. Effective governance underpins the implementation and application of all aspects of the Council's work.

**WORK PROGRAMME 2023-24**

<b>Governance and Audit Committee</b>
<b>Meeting date / Agenda items -</b>
Governance and Audit Committee - <b>20 June 2023</b>
<ol style="list-style-type: none"> <li>1. Year End Internal Audit Assurance Report 2022/2023</li> <li>2. <u>Review of the Governance Framework and Draft Annual Governance Statement</u></li> </ol>
Governance and Audit Committee – <b>01 August 2023</b>

1. Update from the Council's external auditors, BDO.
2. Verbal update from the Council's S151 Officer with regard to the Council's statement of accounts.
3. 2022/2023 Year End Review of Risk Management

**Governance and Audit Committee - 12 September 2023**

1. Colchester Borough Homes Annual Report and Governance Statement
2. Revenue Monitoring Report – April to June 2023/24
3. 2022/2023 Revenue Outturn

**Governance and Audit Committee - 17 October 2023**

1. Local Government and Social Care Ombudsman Annual Review 2022/2023
2. Health and Safety Policy and Annual Report
3. Amphora Future Strategy
4. Proposed Hibernation of Colchester Amphora Energy Limited
5. Draft Statement of Accounts 2021/2022

**Governance and Audit Committee – 28 November 2023**

1. Colchester Commercial Holdings Limited – Annual Report
2. Quarter 2 Budget Monitoring Report 2023/2024
3. Polling District and Place Review

**Governance and Audit Committee – 13 December 2023**

1. Review of the Council's Ethical Governance Policies
2. Annual Review of the Members' Code of Conduct and the Council's Localism Act "Arrangements"
3. Review of Local Code of Corporate Governance
4. Review of Member/Officer Protocol
5. Gifts and Hospitality – Review of Guidance for Councillors and Policy for Employees

6. Overview of the Council's Housing Stock
7. Verbal update on the Council's Statement of Accounts

**Governance and Audit Committee - 16 January 2024**

1. Verbal update from the Council's S151 Officer with regard to the Council's statement of accounts
2. Interim Review of the Annual Governance Statement Action Plan
3. Risk Management Progress Report
4. Mid-Year Internal Audit Assurance Report 2023/2024
5. Annual Review of Business Continuity

**Governance and Audit Committee – 7 February 2024**

1. Verbal update from the Council's S151 Officer with regard to the Council's statement of accounts
2. Capital Expenditure Outturn 2022/2023
3. Internal Audit Plan 2024/2025

**Governance and Audit Committee - 5 March 2024**

1. Revenue Monitoring Report – October to December
2. Capital Monitoring Report – October to December
3. Treasury Management Outturn 2022/2023
4. Treasury Management Mid-Year Update 2023/2024
5. Hibernation of Colchester Amphora Homes Limited
6. Financial Monitoring Report
7. Overview of the Council's Procurement Policy
8. CBH performance monitoring 24/25