

Tuesday, 18 May 2021

AUDIT COMMITTEE

A meeting of **Audit Committee** will be held on **Wednesday, 26 May 2021** commencing at **2.00 pm**

The meeting will be held in the Assembly Room at the Town Hall, Torquay for decision makers all other interested parties are encouraged to attend remotely via Zoom (the links to the meeting are set out below)

<https://us02web.zoom.us/j/88441190827?pwd=WGZUeC9wUmNkeEILMFpJNit1MFRyQT09>

Meeting ID: 884 4119 0827

Passcode: 790427

One tap mobile

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Where a person would like to attend in person, it is requested that they notify our Governance Support Team on 207087 or governance.support@torbay.gov.uk, so that arrangements can be made to ensure meetings are held safely, in accordance with Covid secure guidelines.

Members of the Committee

Councillor Loxton (Chairman)

Councillor Dart

Councillor Kennedy

Councillor Hill

Councillor O'Dwyer

Councillor Howgate

Councillor Brooks

Together Torbay will thrive

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Lisa Antrobus, Town Hall, Castle Circus, Torquay, TQ1 3DR

Email: governance.support@torbay.gov.uk - www.torbay.gov.uk

AUDIT COMMITTEE AGENDA

1. **Apologies**
To receive any apologies for absence, including notifications of any changes to the membership of the Committee.
2. **Minutes** (Pages 5 - 9)
To confirm as a correct record the Minutes of the meeting of the Audit Committee held on 24 March 2021 and the Adjourned Audit Committee held on 29 March 2021.
3. **Declarations of interests**
 - (a) To receive declarations of non pecuniary interests in respect of items on this agenda
For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
 - (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda
For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(**Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)
4. **Urgent Items**
To consider any other items that the Chairman decides are urgent.
5. **Audit Committee Terms of Reference** (Pages 10 - 12)
To note the Terms of Reference for the Audit Committee.
6. **Draft Annual Governance Statement 2020/2021** (Pages 13 - 38)
To consider a report that sets out the draft Annual Governance Statement 2020/2021.
7. **Internal Audit - Annual Audit Report 2020/21** (Pages 39 - 63)
To consider the Internal Audit – Annual Audit Report 2020/21.
8. **Treasury Management Outturn 2020/21 Report** (To Follow)
To note a report on the Treasury Management Outturn for 2020/21.

9. **External Audit Plan** (To Follow)
To consider the above.
10. **Exclusion of the Press and Public**
To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following item on the agenda on the grounds that exempt information (as defined in Schedule 12A of the Local Government Act 1972 (as amended)) is likely to be disclosed.
11. **Internal Audit Report - TDA - Commissioning and Performance Monitoring Arrangements 2019-20** (Pages 64 - 98)
To consider an exempt report on the above.
12. **Adjournment**
At this juncture the meeting will adjourn until 2.00 pm on 27 May 2021. The items and reports for the meeting on 27 May 2021 have been published under a separate cover.

Instructions for the Press and Public for joining the meeting

To meet Covid-19 secure arrangements this meeting will be held via a hybrid system with the actual decision makers e.g. members of the Committee and key officers meeting in person, at the Town Hall, Torquay and all other people (this includes people who have registered to speak) attending remotely via Zoom.

If you are using an iPad you will need to install Zoom which can be found in the App Store. You do not need to register for an account just install the software. You only need to install the software once. For other devices you should just be taken direct to the meeting.

Joining a meeting

Click on the link provided on the agenda above and follow the instructions on screen. If you are using a telephone, dial the Zoom number provided above and follow the instructions. (**Note:** if you are using a landline the call will cost up to 13p per minute and from a mobile between 3p and 55p if the number is not covered by your inclusive minutes.)

You will be placed in a waiting room, when the meeting starts the meeting Host will admit you. Please note if there are technical issues this might not be at the start time given on the agenda.

Upon entry you will be muted and your video switched off so that only the meeting participants can be seen. When you join the meeting the Host will unmute your microphone, ask you to confirm your name and update your name as either public or press. Select gallery view if you want see all the participants.

If you have joined the meeting via telephone, your telephone number will appear on screen and will be displayed for all to see until the Host has confirmed your name and then they will rename your telephone number to either public or press.

Meeting Etiquette - things to consider when attending a virtual meeting

- Background – the meeting is public and people will be able to see what is behind you therefore consider what you will have on display behind you.
- Camera angle – sit front on, upright with the device in front of you.
- Who else is in the room – make sure you are in a position where nobody will enter the camera shot who doesn't want to appear in the public meeting.
- Background noise – try where possible to minimise background noise.
- Aim to join the meeting 15 minutes before it is due to start.

Minutes of the Audit Committee

24 March 2021

-: Present :-

Councillor Loxton (Chairman)

Councillors Brooks, Hill, Kennedy and O'Dwyer

228. Minutes

The Minutes of the meetings of the Audit Committee held on 15 January, 29 July, 30 September, 23 November, 10 December 2020 and 20 January 2021 were confirmed as a correct record and signed by the Chairman.

229. Internal Audit Charter and Strategy

Members noted the submitted report which detailed the Audit Charter and Internal Audit Strategy. The Head of the Devon Audit Partnership informed Members that the Audit Charter formally describes the purpose, authority, and principal responsibilities of the Council's Internal Audit Service, which is provided by the Devon Audit Partnership (DAP), and the scope of Internal Audit work. The accompanying Audit Strategy has been designed to deliver the requirements outlined within the Charter.

Members sought reassurance in respect of risk that the authority is exposed to and whether more capacity should be allocated to Internal Audit. The Head of Internal Audit advised that people and organisations had become more aware of risk generally with the understanding of the breadth of risk to the organisation being greater than before. Internal Audit's response to the changing landscape of risk had changed as result, with resources focused on processes and systems rather than transaction testing.

In response to Members questions the Head of the Devon Audit Partnership and Chief Finance Officer also explained the auditing and assurance expectations of Council wholly owned companies.

230. Internal Audit Plan 2021-22

The Audit Committee noted the report that set out the Internal Audit Plan for 2021-22. The Head of the Devon Audit Partnership informed Members that the audit plan represents the proposed internal audit activity for the year and an outline scope of coverage. The Head of the Devon Audit Partnership advised that as demonstrated by the challenges and changing risks as a result of COVID-19 the plan needed to be flexible to be able to reflect and respond to the changing risks

and priorities of the Council and, to this end, it would be regularly reviewed with directorates, and updated as necessary, to ensure it remained valid and appropriate.

Members raised questions in respect of fraud in particularly with regards to payments made as a result of COVID-19. The Chief Finance Officer advised that from the moment business rate grants were announced the Council's entire fraud team were allocated to the process of administering the grants, Devon Audit Partnership were also asked to input into the processes and systems used and where appropriate data checking was also undertaken in order to try and mitigate losses and prevent fraud occurring. The Chief Finance Officer also advised that nationally the Chancellor of the Exchequer had allocated money to prevent and investigate fraud especially in relation to the furlough scheme. Members noted that the Council was given very short notice to put in place systems to pay large sums of money, fraudulent attempts have been picked up, fraud remains a live risk for the Council.

Members sought clarity on audits in relation to wholly owned companies. The Head of Devon Audit Partnership advised that the Internal Audit Plan before Members was in relation to Torbay Council only, if appointed auditors for a wholly owned company then a plan would be developed specifically for them. The Council should be looking to the Board of Directors of such companies to provide reassurance.

Members questioned the process of audits, where there were reoccurring problems that hadn't been solved. Members were advised that the Audit Committee could seek assurance by asking to see a particular audit report and subsequent recovery plan with a progress update or challenge the Senior Leadership Team as to why progress not being made. The Chief Finance Officer advised that the Internal Audit Plan does reflect the need to undergo a repeat audit however this wasn't an indication of reoccurring issues, reoccurring issues are more likely to be raised in the Internal Audit – Half Year Report and the follow up report on those areas identified as 'improvement required'.

231. Housing Benefit Subsidy Certification

Mr Hussain, from Grant Thornton informed the Audit Committee that certification of the Housing Benefit Subsidy was substantially complete and that a draft report would be shared with officers by the end of the week. Certification of the Housing Benefit Subsidy requires a sample to be tested and depending on the number of fails additional testing would be undertaken. Officers are aware that for 2019/2020 there have been a considerable number of fails found.

Members were advised that prior to submission to the Department of Work and Pensions (DWP), work would be undertaken to double check the facts of each case. As a result of internal assessment, the Chief Executive and Chief Finance Officer were already aware of an identified error and were already seeking to address the problem. DWP will assess whether these errors are systemic failings and what corrective action the Council is taking before making a determination on whether the Housing Benefit Subsidy will be reclaimed from the Council.

232. Audit Committee Update

Mr Hussain from Grant Thornton informed Members that meetings had taken place with the Chief Finance Officer with regards to planning the External Audit for 2020/2021, which will commence in the coming weeks. Mr Hussain also advised that he would be presenting the External Audit Plan to the Audit Committee on 25 May 2021.

233. Adjournment

At this juncture the meeting was adjourned until 1 pm on 29 March.

Chairman/woman

Minutes of the Audit Committee

29 March 2021

-: Present :-

Councillor Loxton (Chairman)

Councillors Atiya-Alla, Brooks, Hill, Kennedy and O'Dwyer

(Also in attendance: Councillors Douglas-Dunbar)

234. Apologies

It was reported that, in accordance with the wishes of the Liberal Democrat Group, the membership of the Committee had been amended for this meeting by including Councillor Atiya-Alla instead of Councillor Howgate.

235. Corporate Performance and Corporate Risk Report

The Committee considered the submitted report which was presented by the Strategic Support Manager. Updates on current performance was provided by the Director of Adult Services, the Chief Executive, the Director of Place, the Director of Finance and Assistant Director for Community and Customer Services.

The Committee was advised that the current performance monitoring database did not current needs and the Council are looking to replace the system with new software. Combined with a dedicated officer for performance would also provide better information for the Council. The Director of Adult Services advised performance indicators for adult social care was being undertaken.

Members questioned the control of dogs and fouling, together with the powers of the new Enforcement Agency. Data in respect of domestic abuse and rough sleepers was referred to at the meeting and the resilience of staff during the recent pandemic. Public financial information on budget implications on the current and future budgets was discussed, in particular in respect of rental income. The Chief Executive provided an update on raising the profile of Torbay as a visitor destination by investing in the capital infrastructure and work with partner agencies.

At this juncture, the Committee unanimously resolved to exclude the press and public from the meeting on the grounds exempt information, as defined in the Local Government Act 1972 (as amended) would be disclosed.

Resolved:

- (i) that the suggestions made to the Strategic Support Officer at the beginning of the meeting are undertaken;
- (ii) that the Torbay Lottery and successful applicants are advertised;
- (iii) that the Disability Facilities Grant be publicised, including how to apply for a grant;
- (iv) data on those of out of work, including age profiles, and data on earnings by gross to be provided to the Committee;
- (v) the results of the staff survey be sent to Committee;
- (vi) those involved in the recruitment process for the Chief Executive to meet regularly hereafter; and
- (vii) the Cabinet to endorse future processes with businesses, tourism/visitors and appropriate Council officers to ensure repeat business benefit for the bay.

Chairman

Audit Committee – Terms of Reference

Name and Terms of Reference	Membership
<p>Audit Committee:</p> <ol style="list-style-type: none"> 1. To consider the Head of Internal Audit’s annual report and opinion, and a summary of Internal Audit activity (actual and proposed) and the level of assurance it can give over the Council’s corporate governance arrangements. 2. To consider summaries of specific Internal Audit reports as requested. 3. To consider reports dealing with the management and performance of the providers of Internal Audit Services. 4. To consider a report from Internal Audit on agreed recommendations not implemented within a reasonable timescale. 5. To consider the External Auditor’s Annual Letter, relevant reports, and the report to those charged with governance. 6. To consider specific reports as agreed with the External Auditor. 7. To comment on the scope and depth of external audit work and to ensure it gives value for money. 8. To liaise with the Public Sector Audit Appointments Ltd over the appointment of the Council’s external auditor. 	<p>7 members of the Council excluding members of the Cabinet, in accordance with the political balance requirements</p> <p>Conservative (3):</p> <p>Liberal Democrat (2):</p> <p>Independent Group (2):</p>

<p>9. To commission work from Internal and External Audit within approved resources.</p> <p>10. To support the Council's compliance with the CIPFA Code of Practice for Treasury Management in Public Services including the role as nominated Committee to be responsible for ensuring effective scrutiny of the capital strategy, treasury management strategy and policies.</p>	
<p>Regulatory Framework</p>	
<p>11. To maintain a strategic overview of the Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour (the primary responsibility for considering and ensuring that the constitution is fit for purpose lies with the Monitoring Officer and the Standards Committee in relation to the codes of conduct).</p>	
<p>12. To maintain a strategic overview of the Council's compliance with the prevailing Accounts and Audit Regulations.</p>	
<p>13. To review any issue referred to it by the Chief Executive, a Director, the Monitoring officer, Section 151 Officer (Chief Finance Officer) or any Council body.</p>	
<p>14. To monitor the effective development and operation of risk management and corporate governance in the Council.</p>	
<p>15. To monitor council policies on 'Raising Concerns at Work' and the 'Anti-fraud and corruption strategy' and the Council's complaints process.</p>	

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| <ol style="list-style-type: none">16. To consider the findings of reviews of the effectiveness of the system of internal control including the Annual Governance Statement and to recommend its adoption.17. To oversee the Council's arrangements for corporate governance and consider necessary actions to ensure compliance with best practice.18. To review the Code of Corporate Governance.19. To monitor the Council's compliance with its own and other published standards and controls.20. To maintain a strategic overview of the Council's compliance with the Regulation of Investigatory Powers Act 2000 (RIPA). <p>Accounts</p> <ol style="list-style-type: none">21. To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.22. On behalf of the Council, to consider and approve the annual statement of accounts. | |
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Meeting: Audit Committee

Date: 26 May 2021

Wards Affected: All

Report Title: Annual Governance Statement 2020/2021

Is the decision a key decision? No

When does the decision need to be implemented? Immediately

Executive Lead Contact Details: Councillor Steve Darling, Leader of the Council,
steve.darling@torbay.gov.uk

Supporting Officer Contact Details: Kate Spencer, Head of Policy, Performance and
Community Engagement 01803 207014
kate.spencer@torbay.gov.uk

1. Proposal and Introduction

- 1.1 The preparation of the Annual Governance Statement provides the opportunity for the organisation to review its processes, controls and objectives and to provide assurance to Members, Senior Officers and stakeholders as to the reliability of its statement of accounts and the probity of its operations.
- 1.2 The Annual Governance Statement fulfils the statutory requirement in England for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts.

2. Reason for Proposal and associated financial commitments

- 2.1 To meet the requirements of the Accounts and Audit (England) Regulations.
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3. Recommendation(s) / Proposed Decision

- 3.1 That the draft Annual Governance Statement for 2020/2021 be agreed and forwarded to the External Auditors for comment.

Appendices

Appendix 1: Draft Annual Governance Statement 2020/2021.

Section 1: Background Information

1.	<p>What is the proposal / issue?</p> <p>The Annual Governance Statement for 2020/21 has been prepared and if agreed by Audit Committee, will be sent to External Auditors with the Annual Statement of Accounts for comment to be finally approved by Audit Committee in September 2021.</p>
2.	<p>What is the current situation?</p> <p>Regulations require every local authority, as good practice, to include in their annual Statement of Accounts an Annual Governance Statement signed by the Leader of the Council and the Chief Executive.</p>
3.	<p>What options have been considered?</p> <p>Not applicable.</p>
4.	<p>What is the relationship with the priorities within the Partnership Memorandum and the Council's Principles?</p> <p>The Statement sets out publicly the extent to which the Council complies with its own code of corporate governance (part of the codes and protocols of the Constitution), including how it monitored and evaluated the effectiveness of its governance arrangements in the year. It therefore supports all aspects of the partnership memorandum through demonstrating good governance of the council.</p>
5.	<p>How does this proposal/issue contribute towards the Council's responsibilities as corporate parents?</p> <p>There is no direct contribution.</p>
6.	<p>How does this proposal/issue tackle poverty, deprivation and vulnerability?</p> <p>There is no direct contribution.</p>
7.	<p>How does the proposal/issue impact on people with learning disabilities?</p> <p>There is no direct impact.</p>

8.	<p>Who will be affected by this proposal and who do you need to consult with? How will the Council engage with the community? How can the Council empower the community?</p> <p>Not applicable.</p>
<p>Section 2: Implications and Impact Assessment</p>	
9.	<p>What are the financial and legal implications?</p> <p>There are no financial commitments to the council beyond the officer time involved in collating this report.</p>
10.	<p>What are the risks?</p> <p>That the requirements of the Accounts and Audit (England) Regulations are not adequately met.</p>
11.	<p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable.</p>
12.	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>The Statement is prepared with information from Officers, Senior Officers and Internal Audit reports. It has been reviewed by the Chief Executive and Leader of the Council.</p>
13.	<p>What are key findings from the consultation you have carried out?</p> <p>Not applicable.</p>
14.	<p>Amendments to Proposal / Mitigating Actions</p> <p>Not applicable.</p>

Equality Impacts

15.	Identify the potential positive and negative impacts on specific groups		
	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			There is no differential impact.
People with caring Responsibilities			There is no differential impact.
People with a disability			There is no differential impact.
Women or men			There is no differential impact.
People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact.
Religion or belief (including lack of belief)			There is no differential impact.
People who are lesbian, gay or bisexual			There is no differential impact.
People who are transgendered			There is no differential impact.
People who are in a marriage or civil partnership			There is no differential impact.
Women who are pregnant / on maternity leave			There is no differential impact.
Socio-economic impacts (Including impact on child			There is no differential impact.

	poverty issues and deprivation)			
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			There is no differential impact.
16.	Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)	No cumulative impacts within the council.		
17.	Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above)	No cumulative impacts with other public services.		

ANNUAL GOVERNANCE STATEMENT FOR THE FINANCIAL YEAR 2020/2021

Explanatory Note

This Annual Governance Statement covers the Financial Year 2020/2021.

The Council operates a Leader and Cabinet model of governance, with the Cabinet having collective decision making powers.

On 23 March 2020, as a result of the Covid-19 outbreak and in light of the Government's guidance on social distancing, all public meetings were cancelled, and the Leader of the Council changed the delegation arrangements to enable him as Leader to make executive decisions rather than collectively by the Cabinet. However with the use of technology permitting virtual meetings, decisions reverted to being made collectively by cabinet as of 7 May 2020.

Whilst this Annual Governance Statement covers significant governance issues from 1 April 2020 up to the date of approval of the Statement of Accounts, the governance system described throughout is, in the main, that which was in place for the majority of the 2020/2021 municipal year (namely Leader and Cabinet, with collective decision making).

In 2020 the then Chief Executive and Head of Paid Service announced his departure from the post and an Interim Chief Executive was appointed from 1 August 2020. The Employment Committee was tasked with the recruitment of a permanent Chief Executive and subsequently made a unanimous recommendation to Council that the Interim Chief Executive be appointed permanently. This was agreed by Council in March 2021.

Scope of responsibility

Torbay Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. Torbay Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Torbay Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. The code is included in the Council's Constitution which is available on the Council's website at

<http://www.torbay.gov.uk/DemocraticServices/ieListMeetings.aspx?CId=458&info=1>

This statement explains how Torbay Council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2015 in relation to the publication of a statement on internal control.

The purpose of the governance framework

The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled, and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Torbay Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Governance Framework

The Constitution

The Constitution sets out the main elements of the governance framework of Torbay Council, in particular how decisions are made and the procedures which are followed to ensure that these are efficient and transparent and that decision makers are accountable to local people.

Torbay Council operates a Leader and Cabinet model of governance. The Leader of the Council and the Cabinet are responsible for major decisions including key policy matters within the framework set by Full Council. These are referred to as "Executive Functions". When major decisions are to be discussed or made, these are published in the Forward Plan in so far as they can be anticipated. The Cabinet collectively takes decisions at meetings of the Cabinet and these meetings will generally be open for the public to attend except where exempt or confidential matters are being discussed.

The Constitution includes Standing Orders, Financial Regulations and the Scheme of Delegated Powers and is available on the Council's website. It is underpinned by Codes of Conduct for Members and Employees and a range of local protocols. The Constitution includes the Council's Code of Corporate Governance.

As the local elections in May 2019 left no party with overall control of the Council, the Liberal Democrat Group and Independent Group have signed a partnership agreement and have joined together to form the administration of the Council.

The Cabinet has to make decisions which are in line with the policies and budget set by Council. If they wish to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide. The Council has an overview and scrutiny process which provides a 'critical friend' challenge to cabinet policy makers and decision making.

The Overview and Scrutiny Board is responsible for the overview and scrutiny function of the Council. In accordance with their work programme, it assists in the development of policy and holds decision makers to account. As per the constitution, any five members of the Council can "call-in" executive decisions to the Overview and Scrutiny Board for further debate.

The Audit Committee is responsible for all internal and external audit matters, treasury management as well as monitoring the effective development and operation of Performance and risk management and corporate governance in the Council. It meets a minimum of five times per municipal year.

The Standards Committee's remit includes the conduct of members and investigating complaints in respect of individual members. The Standards Committee promotes and embeds ethical standards for members.

Some regulatory functions remain the responsibility of the Council rather than the Cabinet and most of these are delegated to a small number of committees appointed annually by the Council.

All members are inducted into the importance and processes of good governance and have informal and, if required, formal ways of raising governance issues with the Chief Executive, Monitoring Officer, Chief Finance Officer and the Senior Leadership Team.

As a result of the Covid-19 outbreak, Group Leaders reviewed the approach to the council's public meetings. In light of the Government's guidance on social distancing, from Monday 23 March 2020 all public meetings were cancelled.

As an immediate response, the Leader of the Council changed the delegation arrangements for Cabinet decisions, to single decision making rather than collectively by Cabinet members which enabled decisions to be taken remotely. The Leader of the Council consulted with the Cabinet and Group Leaders remotely, prior to making decisions. Associated officer reports for decisions were published in advance of decisions being made.

At that time, any urgent Council decisions that were required, were made by the Chief Executive in consultation with the Leader and Group Leaders.

For other decision-making Committees, in circumstances where decisions could not be delayed, officer delegations applied after consultation with relevant members. However with the use of technology permitting virtual meetings, from the beginning of May 2020 where required, meetings have been arranged virtually and collective responsibility for decisions by Cabinet and Full Council was re-instated.

The Corporate Plan and Decision-making

Included within the Policy Framework is the Council's Community and Corporate Plan, the main strategic document under which all other Policy Framework documents sit. Following the local elections in May 2019, a Community and Corporate Plan "One Torbay: Working for all Torbay" was prepared by the Cabinet, and adopted by the Council, which sets out the ambitions and visions of the Council over four years and the principles within which the Council will operate.

The Delivery Plan associated with the Council's Community and Corporate Plan continues to be monitored alongside the Performance measures and risks as part of the Corporate Performance and Risk Report.

The Council also has a Medium Term Resource Plan which is reviewed on an on-going basis to take into account new information and changed circumstances. Both of these documents provide a framework for planning and monitoring resource requirements.

The Council's Senior Leadership Team oversee the delivery of the Community and Corporate Plan, ensuring that it is delivered, whilst seeking to maximise efficiencies, income and savings (in accordance with the requirements of the Medium Term Resource Plan) and create service resilience.

The Cabinet receive reports containing recommendations for decisions made at meetings of the Cabinet. All reports to members include sections on the financial and legal implications and the risks of the proposed decision. Prior to publication, these reports are cleared by the Chief Executive, Chief Finance Officer and the Monitoring Officer or one of their senior staff.

All meetings of the council and its committees are open to the public but a small number of matters are considered in private when the press and public are formally excluded from meetings. It is the Council's objective to keep these private matters to a minimum with only those elements of reports that are considered exempt from publication being included within appendices. This aims to ensure open and transparent decision making is undertaken at all times.

Between 23 March 2020 and 7 May 2020, reports which the Leader of the Council considered ahead of making decisions were published on the Council's website and circulated to all members of the Council. Feedback was encouraged via electronic means before the Leader made his decision. Decisions were then published online (as would normally happen when meetings of the Cabinet were held).

The Member Development Programme provides a structured approach to member development and support them in their roles. In addition to the Personal Development Plans, Members have the opportunity to have a one to one Councillor Development discussion with their Group Leader. The purpose of these reviews is to discuss each member's progress and how they can contribute in meeting the Council's priorities.

Community and Service User Engagement

A Community Engagement and Empowerment Strategy was developed during 2020 and was approved at a meeting of the Council in February 2021. The strategy outlines how the Council intends to meet its mission to be a Council that works in partnership with its residents, communities and partnerships.

The Strategy is split into 6 key domains that outline how we propose to improve our community engagement and how we want to work alongside and empower the community in Torbay. The domains are:

- Working differently
- Keep you informed
- Ask what you think
- Decide together
- Act together
- Support independent community initiatives

The first domain outlines what our offers are to the community to facilitate this approach and what we ask of the community to support. It provides a narrative to explain the Council's new approach and proposals about how a partnership framework would look in Torbay.

The subsequent domains make clear statements about what our commitments are and what our planned actions are to meet these. Many of these commitments and planned actions were identified at the Community Conference in September 2019.

There are a number of Community Partnerships across Torbay which provide an opportunity for people who live or work in those parts of Torbay to discuss issues of common concern, influence the way in which services are provided and improve their local area.

The partnership administration has made clear its wish to strengthen community engagement and empowerment and work is continuing to ensure that the Council can build on the existing arrangements across Torbay.

In developing proposals for service change, consultation with service users and the public is undertaken. In particular, the impact on vulnerable groups and those with characteristics protected under the Equality Act 2012 is assessed and documented in Equality Impact Assessments which are considered by decision-makers prior to decisions being made.

Partnership Working

The Council retains legal responsibilities for the provision of Adult Social Care in accordance with the Care Act 2014, the Mental Capacity Act 2005 and the Mental Health Act 1983, but these are delegated to Torbay and South Devon NHS Foundation Trust, an integrated organisation responsible for providing acute health care services from Torbay Hospital, community health services and adult social care for the people of Torbay and South Devon.

The Torbay Adult Social Care Financial Agreement 2020 to 2023 under the powers outlined in S.75 NHS Act 2006 was agreed in March 2020 to continue integrated appropriate and well managed arrangements for Adult Social Care in Torbay.

The Adult Care Strategic Agreement (ACSA) between Torbay Council, Torbay and South Devon NHS Foundation Trust and Devon Clinical Commissioning Group was agreed at a meeting of the Council in September 2020. The ASCA replaced the Annual Strategic agreement and sets out the way in which Torbay Council and Devon Clinical Commissioning Group (CCG) commission adult social care services from the Torbay and South Devon NHS Foundation Trust until 2023.

The Torbay Voluntary Sector Network has been working closely with Torbay Council, this includes Citizens Advice Bureau, Healthwatch, faith groups, Age UK and Torbay Community Development Trust (TCDT). This group works with Torbay Council in its overall approach to working with the community and voluntary sector by forging new partnerships; whilst finding creative and innovative ways for delivering services that will sustain a thriving voluntary and community sector in Torbay. The development of the community and voluntary sector in Torbay is key to the strategic plans of Torbay Council, South Devon and Torbay Clinical Commissioning Group (CCG) and Torbay & South Devon NHS Foundation Trust.

The Torbay Strategic Partnership (known as Torbay Together) has continued to meet regularly throughout the year and the partnership, which consists of public, private and voluntary sector organisations, has continued to work together to address issues that impact across Torbay. In 20/21 the partnership decided to re-visit the vision it is working towards and the new vision is currently under development so that the partnership's objectives and work programme can be re-focused.

The Health and Wellbeing Board and the Community Safety Partnership known as Safer Communities Torbay, provide forums where multi-agency issues which impact on the Torbay population can be debated. Safeguarding Boards are also in place for both children and adults.

The Council owns (either in its own right or with partners) a number of companies, namely the Torbay Economic Development Company (which has a trading name of TDA), Torbay Education Limited, Careers South West and SWISCo. The Council has representatives on the Boards of these companies

together with a number of reserved matters which are set out in the Articles of Association and Memorandum of Understanding.

Our 10-year joint venture TOR2 Ltd contract with Kier Ltd ended in June 2020. From July 2020, a new wholly owned, private limited company SWISCo (South West Integrated Services Company) has delivered the waste and recycling services previously provided by TOR2 Ltd. The company is also the provider for grounds maintenance, street scene services and highways maintenance amongst other key services.

A Shareholder Panel and a Customer Liaison Panel were established in 2020 to ensure governance oversight for the Council and Community feedback of SWISCo.

Performance and monitoring arrangements are in place in respect of service specific partnerships such as the Torbay and South Devon NHS Foundation Trust and the Torbay Coast and Countryside Trust.

The Council is a member of the Heart of the South West Joint Committee (a partnership across all of the local authorities in Devon and Somerset plus the national park authorities, the Local Enterprise Partnership and the Clinical Commissioning Groups) which will be delivering the Productivity Strategy for the region and maximising the opportunities for Government funding in Devon and Somerset.

In addition, the Council is working with partners on the Health and Social Care Integrated Care System.

Performance and Risk Management

A new Performance and risk strategy and framework for the organisation was agreed at a Cabinet meeting in December 2020. The Senior Leadership Team is responsible for the implementation and monitoring of the Performance and Risk Framework.

Performance and Risk Dashboards have been developed and are regularly reviewed to ensure they reflect the priorities of the Community and Corporate Plan and show progress against the specific actions within the delivery plans.

A Strategic Risk Register is maintained which identifies strategic risks facing the Authority together with clearly identified measures for mitigation. Directors and Assistant Directors are responsible for managing risk within their Business Units.

The Senior Leadership Team monitor the Council's Performance and risks in formal updates on a quarterly basis. These updates are shared with the Leader and Cabinet at Informal Cabinet meetings and with Audit Committee. Any areas of concern are highlighted and appropriate corrective action is considered, scrutinised and monitored.

Senior Management

The **Head of the Paid Service** is the Chief Executive who is responsible and accountable to the Council for all aspects of operational management.

The Director of Finance is the **Chief Financial Officer**. He has direct access to all members, the Chief Executive and senior officers of the Council. He works with Directors and Assistant Directors to identify any financial issues which may require management action. Regular discussions were held with the Leader of the Council and the Deputy Leader of the Council who is the Cabinet Member with responsibility for finance. The Chief Financial Officer has responsibility for ensuring the Council operates secure and reliable financial and accounting systems.

Members are briefed on key financial issues with revenue and capital budget monitoring reports being considered by the Overview and Scrutiny Board and the Cabinet on a regular basis. The Council agrees the Treasury Management Strategy on an annual basis on the recommendation of the Audit Committee.

The Head of Legal Services is the Interim **Monitoring Officer**. She is responsible to the Council for ensuring that agreed procedures and protocols are followed and that all applicable Statutes and Regulations are complied with.

Officers in politically restricted posts and those responsible for negotiating contracts are required to register their personal interests.

Training and Information

Corporate training needs are identified through the Senior Leadership Team. The Council has strongly supported staff development, particularly through programmes such as the Institute of Leadership and Management to develop Team Leaders and Managers.

The Corporate Induction module on i-Learn signposts and informs new employees about the range of policies and procedures they need to be aware of, including the Code of Conduct, Information Governance, Acceptable Behaviour, Driver's Policy and Handbook and Whistleblowing Policies. Managers are responsible for local induction arrangements with corporate induction courses being run on a regular basis. The Induction process is currently being redesigned as part of the Whole Council Re-design programme.

i-Learn also houses learning modules which are mandatory for all staff including Equality in the Workplace, Fire safety, First Aid at Work and Display Screen Safety. Wellbeing modules have also been added in 2020.

The Council's intranet contains a range of policies, procedures and guidance for all staff including Information Governance Policies, Code of Conduct, Freedom of Information guidance, Data Protection Policy and the Corporate

Plan and Constitution. Human Resources (HR) Policies are available to all staff via the MyView web platform.

The Council has a Counter Fraud and Corruption Policy which is reviewed regularly, has been communicated to all staff and is available on the Council's website.

The Managers Forum meets on a quarterly basis and Senior Managers Forum meets once each month (excepting the months when a Managers Forum is held). These meetings enable all managers to be briefed on current issues, reflect on achievements and engage in the development of action plans, ensuring that best practice across the Authority is shared and that plans for the future are collectively owned. This information is then passed on to staff through team meetings.

A focussed forum for Managers called the Extended Leadership Team (ELT) has been established, so as to provide for even greater communication and opportunities for empowerment throughout the organisation.

Internal communication approaches are in place to ensure all staff are aware of issues and new policies and practices. Newsletters are sent to all staff and managers to advise them of relevant information, HR policy, legislation changes and Learning and Development courses that are available. A range of forums are also in place for discussions between the Senior Leadership Team, managers and all staff to take place.

Updates regarding organisational working practices and service changes during the COVID-19 pandemic were communicated to staff via all staff emails and team meetings. The Chief Executive continued to give regular updates via video and newsletter. During 2020/21 staff were supported through weekly wellbeing emails and signposted to dedicated web pages covering a range of issues affecting staff in and outside of work.

The All Colleagues Briefing is a 2020 addition to our internal engagement approach and happens four times a year. It provides an opportunity for all staff to come together to learn about key issues at the organisation. The 30-minute briefings are open to everyone and attendance is encouraged. These briefings are led by the Chief Executive, supported by a relevant member of the Senior Leadership Team and cover key issues for staff.

Ask Us Anything on-line meetings are held in the months where we do not have an All Colleagues Briefing. There are two sessions each month, covering the same topic and 30 members of staff can register their attendance and ask questions of the Senior Leadership Team.

There is a positive working relationship with Trades Unions through quarterly formal meetings, informal meetings with the Head of Paid Service and Head of Human Resources conducting consultation where appropriate.

Customer Feedback, Whistleblowing and Prevention of Fraud

The Council has a customer feedback recording, tracking and reporting system to which all staff have access via the Intranet. The system captures compliments, complaints, queries, enquiries and Local Government Ombudsman complaints. Letters from Members of Parliament as well as enquiries made through local councillors are also recorded through this system.

The system enables all complaints to be recorded and tracked with root causes identified providing the Council with a useful analysis of why issues are being received. It also enables the tracking of the implementation of recommendations and actions.

The Information Governance Team operates a one stage complaints process which facilitates timeliness of responses, consistency of responses and improved timescales for escalation to the Local Government and Social Care Ombudsman. Reports regarding complaints are provided to the Senior Leadership Team on a regular basis, these reports include the type of complaint, service area, outcomes and any learning points. This results in further actions being identified and implemented.

The Council's Whistleblowing Policy is available on the Council's website and intranet site. The Council has an established phone line that any whistleblowing call can be made to and which goes directly to Internal Audit which has responsibility for dealing with these issues in the first instance.

The Monitoring Officer, Chief Finance Officer and the Head of Devon Audit Partnership meet on a regular basis to consider and recommend action in connection with current governance issues and other matters of concern regarding ethics and probity. The Chief Executive (as Head of Paid Service) is kept informed of any matters that any of them consider shall be brought to her attention.

The Council has a Fraud and Counter Corruption Officer who is accountable to the Head of Finance. The Council's website enables members of the public to report any suspicions of anyone committing fraud or corruption.

Information Management

The Council holds and processes a significant amount of information. It is critical that the information held is of good-quality, accurate and kept up-to-date to inform decision making. Equally important is the requirement to process personal and sensitive information in accordance with the data protection legislation. To support this, there is an Information Governance Steering Group, which consists of the Head of Information Governance (who is also the Council's Data Protection Officer), the Senior Information Risk

Owner (SIRO) and the Council's Caldicott Guardian. This Group reviews the Council's approach to information management, information security and sharing. This group also oversees the Information Governance action plan and related Performance as well as approving related policies. There is an Information Governance Framework in place under which there are a number of operational policies and procedures including a suite of information security policies. These policies are subject to regular review and updates are communicated to all staff.

The Council's Information Governance Team are responsible for monitoring and reviewing compliance to data protection legislation across the Council. Part of this work is reviewing the Information Asset Register which specifies the information assets held across all Council departments and allows the Council to understand the risks associated with different information assets.

In 2020, the Council was audited by the Information Commissioner's Office (ICO) and covered the areas of Governance and Accountability, Information Security and Freedom of Information. Across all three areas the Council was given a 'reasonable' level of assurance by the ICO supported by an Action Plan which is currently being delivered.

Internal Audit

The internal audit service is provided by Devon Audit Partnership (DAP). This is a shared service arrangement originally formed by Torbay, Devon County and Plymouth City Councils but has been subsequently expanded to include several district councils. It is constituted under section 20 of the Local Government Act 2000. Devon Audit Partnership undertakes the role of auditing the Council's systems to give assurance to the organisation.

The Council's Internal Audit Plan, which is risk based, is agreed annually by the Director of Finance, Senior Leadership Team and the Council's Audit Committee. This provides the basis for the review of internal control and governance within the Council and includes the following: -

- Annual reviews of the Council's key financial systems by Internal Audit against known and evolving risks.
- Reviews of internal controls in operation within each service area against known and evolving risks based on a detailed risk assessment. These reviews consider the strategic and operational risks identified in the Corporate Risk Register, as well as materiality, sensitivity and previous audit and inspection findings.
- Work in relation to the investigation of any potential irregularities identified either from audit work or through the Council's whistle-blowing policy.
- Advice and support to ensure future safeguards when implementing new systems.

- Value for money work in relation to assessing the efficiency, economy and effectiveness of the Council's operations and recommending improvements as necessary.

Internal Audit is governed by Public Sector Internal Audit Standards. In April 2020 the Chartered Institute for Public Finance and Accountancy (CIPFA) Special Interest Group (SIG) for Internal Audit, considered and proposed a common practice of using four standard internal audit assurance opinions, which DAP has adopted. These are:

- Substantial Assurance
- Reasonable Assurance
- Limited Assurance
- No Assurance

This replaces the previous High Standard, Good Standard, Improvements Required and Fundamental Weaknesses ratings used on each audit assignment in previous years.

The Council also receives assurance from the NHS Internal Audit Consortium (ASW Assurance) over the controls in operation at Torbay and South Devon NHS Foundation Trust which covers the provision of adult social care services.

Achievement against the Audit Plan is reported to the Audit Committee on a twice yearly basis. This report also includes an opinion and assurance about the system of internal control throughout the Council.

Regular meetings are held between the Chief Finance Officer and a representative of the Devon Audit Partnership to discuss specific issues that have arisen.

Review of Effectiveness

Torbay Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of the Devon Audit Partnership's annual report, and also by comments made by the External Auditors and other review agencies and inspectorates. This review is demonstrated through the Annual Governance Statement.

As in previous years, Devon Audit Partnership undertook certain assurance work on behalf of the Council and to give assurance to the external auditors as part their audit opinion.

The effectiveness of the governance framework has been evaluated over the course of the year against the seven core principles within Torbay Council's

Code of Corporate Governance. Details of the evaluation is included in the sections which follow. Whilst some governance issues have been identified (and are detailed below), the Council believes that its arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Focusing on the purpose of the authority and on outcomes for the local community and creating and implementing a vision for the local area

The Council's Community and Corporate Plan "One Torbay: Working for all Torbay" was adopted in February 2020. The associated Delivery Plan which sets out the specific actions which will be undertaken to deliver against the Community and Corporate Plan was agreed by Cabinet in June 2020. Progress against the plan is monitored in quarterly Performance and Risk reports which include updates on each action and identification of the priorities for the coming months.

For the 2021/2022 municipal year, work has taken place to develop a Council Business Plan which will act as the delivery plan for the Community and Corporate Plan.

Members and officers working together to achieve a common purpose with clearly defined functions and roles

The Council's Constitution has been continually reviewed throughout the year by the Monitoring Officer, Chief Financial Officer and Head of Governance Support in consultation with the Leader of the Council and Group Leaders whereby improvements and changes to the constitution were made and agreed.

A full Member Induction Programme was put in place immediately post the Local Elections in May 2019. Over the course of the second year of their term of office, the Member Development Programme continued to build members' focus on the strategic issues.

Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

The Standards Committee met as required during 2020/2021. The Interim Monitoring Officer meets as needed with the **Independent Person** (appointed to assist the Standards Committee in the Member Complaint Process) to hear their views and opinions on any relevant matters relating to Members' conduct. The Interim Monitoring Officer had received complaints which were dealt with in accordance with the Assessment and Determination of Allegations of Breaches of the Member's Code of Conduct and were not progressed to the Standards Committee.

The Standards Committee also reviewed the Members Code of Conduct following the release of the Local Government Association Model Code of Conduct. A revised Members Code of Conduct was approved by Council at their meeting in February 2021.

The Council's Code of Conduct, Whistleblowing and Acceptable Behaviour policies are available for all staff on MyView. They are also referred to within employees' terms and conditions of employment and are binding upon employees during the course of their employment with the Council. Reminders are sent out to staff via newsletters and internal communications. The Council's induction programme also signposts to the above policies for new starters.

New Customer Service Standards were developed in 2020 and came into effect from April 2021. These standards have been put in place to ensure that our employees have clear guidelines in terms of what is expected of them when working with our customers. Ultimately, we are a Council which is providing high quality services in a friendly, efficient and helpful way. We should continually strive to improve services by ensuring good communication and a positive attitude towards our customers.

Business ethics, values and culture are an important part of improving an organisation's governance process and we continue to place great importance on this.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Meetings of the Cabinet are well-established, enabling reports to be presented and considered ahead of decisions being made collectively in the public domain.

The Overview and Scrutiny Board has met throughout the year to hold the Leader and Cabinet to account, and the Audit Committee has also met regularly. This aims to provide assurance within the decision making process.

The Overview and Scrutiny Board has undertaken a range of work from reviewing draft Policy Framework documents to matters arising from budget monitoring reports. Over the course of the municipal year 2020/21 the Board have considered two call-ins.

The Audit Committee has received the Internal Audit Plan together with updates on the progress against the Plan. The Committee has received the Council's Statement of Accounts and Treasury Management Strategy.

A new Performance and Risk Strategy and Framework was agreed by Cabinet in December 2020 and has since been implemented to reflect the priorities of the Community and Corporate Plan "One Torbay: Working for all Torbay". Performance and Risk Dashboards have been developed to measure and report on the specific actions within the "One Torbay: Working for all Torbay" Delivery Plan and ensure current strategic are identified, mitigated and monitored.

The Council's Information Asset Register is subject to regular review as part of the Council's GDPR project plan, this allows the Council to understand the

information being processed across all departments, the lawful basis for processing and the security measures associated with the information asset.

Decisions made by the Cabinet in relation to the Council's Investment and Regeneration Portfolio are in accordance with the Investment and Regeneration Fund Strategy. This Strategy sets out how the Council aims to improve its financial resilience through the purchase of a balance portfolio of investments which appropriately spreads the Council's risk, as well as supporting the Economic Strategy by delivering economic growth, tackling inequality and creating change in the area that benefits everyone. The Strategy also sets the framework to ensure that appropriate due diligence is undertaken during the decision making process in relation to the Council's investments.

The Council has also established an Economic Growth Fund to help further deliver economic growth within Torbay. Applications for money from this Fund are determined in accordance with the Economic Growth Fund Criteria approved by the Cabinet, which is similar to the investment criteria but allows more flexibility in terms of income generated, as its main role it to enable growth and create jobs in Torbay. Such investments are also subject to appropriate due diligence.

Developing the capacity and capability of members and officers to be effective

The Senior Leadership Team has kept the operation of its meetings under review over the course of the year in order to increase their capacity to focus on those issues of strategic importance.

The Members' Development Programme continues to be delivered including training on Licensing, Energy Efficiency and Climate Change, Corporate Parenting, and the Co-operative Councils Innovation Network. Communication with councillors was supplemented by Councillor Conversations which take place to provide an informal opportunity to discuss forthcoming issues. Councillors learning and development is also supported with external training opportunities available from The Local Government Association, The Devon Shared Service and Peers from other authorities.

Key messages and information are communicated from the Senior Leadership Team directly to all managers at monthly Senior Managers Forums and quarterly Managers Forums. This is then fed back in team meetings with an emphasis on the cascade of information to front line staff.

A number of staff volunteers from different areas across the Council have been recruited to become Wellbeing Supporters. They are a confidential point of contact for employees experiencing emotional distress or a mental health issue. This interaction could range from having an initial conversation to supporting and signposting the person to get appropriate help. Volunteers attended 'Connect 5' training to provide them with the right tools and knowledge to carry out their roles.

Induction events are periodically held for all new starters. These events form part of the formal induction programme and aim to; welcome new employees to the council, give new employees important information, enable a networking opportunity and enable new employees to meet the Chief Executive and/or member of the Senior Leadership Team and ask questions.

Engaging with local people and other stakeholders to ensure robust public accountability

Consultation and service user engagement has continued to take place in relation to service change. This work has included consultation on the proposals for budget savings and income generation.

There continues to be good engagement from partners within the Torbay Together Partnership and an independent Chairman continues to lead the partnership. In re-evaluating the vision for Torbay in 20/21 the partnership has engaged with the local community via a number of town based workshops and an online questionnaire. They have continued to meet virtually throughout the pandemic and are more determined than ever to work together for the benefit of Torbay.

The second Torbay Community conference was held virtually in September 2020. It was designed to build on the work established at the initial 2019 Community Conference. Torbay Council continues to be committed to developing a more engaged relationship with individuals and communities across the Bay. The report from the initial Conference included recommendations for cultural and organisational changes which have contributed to the current Council Redesign programme.

Six key messages emerged from conference discussions:

1. There are real positives and achievements to be celebrated across Torbay and we should maintain a focus on these and build from them.
2. Similar themes from last year's conference were identified especially about trust, working with communities and improved communication from the Council. Progress has been made in terms of collaborative approaches and partnership working but it is still early days and we need to continue to build and work on this.
3. There is no 'one size fits all' to how people want and are able to engage with us - we need to continue using a broad range of activities and approaches to engagement and working with the community.
4. We still need to think more creatively about reaching people we don't normally get to engage with us.
5. Partnership and collaboration is working – with many examples from the local pandemic response and successful community projects. Community groups are well placed to provide the support that the community needs - especially when supported and trusted by the Council.

6. We should continue to utilise online forums and technology to engage with people especially whilst social distancing is required. However, we must ensure more face to face opportunities are included as restrictions reduce.
7. The feedback from the Conference and this report needs to be reviewed, integrated and inform the ongoing transformation work within the Council.

A Community Engagement and Empowerment Strategy has been developed following feedback from the first Community Conference and to deliver the Council's determination to engage with communities more effectively. The Strategy sets out the plan to address some of the key themes emerging from the Conference and clear statements about the Council's offers, commitments and actions, working with the community to build more positive and trusted relationships. It also outlined how the Council intended to meet its mission to be a Council that works in partnership with its residents, communities and partnerships based around six key elements. This strategy was approved at a council meeting in February 2021.

The Annual Report of the Overview and Scrutiny Board has been published and considered by the Council at its annual meeting.

The Statement of Accounts provides a Narrative Report which explains the Council's achievements against the Corporate Plan over the past year alongside the Council's financial Performance.

During 2020/21 a series of Facebook Live and Ask us events were held on social media. Members of the public could hear from a panel of leading Members and senior officers and ask them questions. Each event was focussed on a subject such as the budget or COVID-19.

Securing continuous improvement in service delivery and ensuring that its agreed policies, priorities and decisions are implemented on time, in a manner consistent with the needs of its user and in the most effective way

The new Performance and Risk Strategy and Framework was agreed by Cabinet in December 2020 and is in the process of being implemented to reflect the priorities of the Community and Corporate Plan. Performance and Risk Dashboards have been developed to measure and report on the specific actions within the "One Torbay: Working for all Torbay" Delivery Plan.

Corporate Performance and risk reports are reviewed quarterly by the Senior Leadership Team, Leader of the Council and Cabinet, Group Leaders and the Audit Committee. This enables any areas of concern to be highlighted and recovery plans to be prepared, scrutinised and monitored. The Audit Committee refer matters by exception to the Overview and Scrutiny Board if it is felt that further investigation is required.

Development work has commenced on a tracking system to address actions in areas identified by Internal Audit as requiring improvement. Officers are working alongside Internal Audit to finalise the process and ensure these actions can be monitored by SLT.

Ofsted re-inspected our children's social care services in June and July 2018 and concluded that overall they remained inadequate. Ofsted carried out a focused visit in March 2021 with the subsequent report recognising the continued progress that has been made in improving services for children in Torbay during the unprecedented challenges we have all faced in the last 12 months. The Council acknowledges that its improvement journey is ongoing and is committed to continue to build on the foundations that have been laid.

Based on work performed during 2020/21, Internal Audit's experience from previous years, and the outcome of the Annual Follow Up exercise, the Draft Annual Audit Report for 2020/2021 set out that the Head of Internal Audit's opinion was one of "Reasonable Assurance" on the adequacy and effectiveness of much of the Authority's internal control framework. The exception to this is Children's Services Directorate (excluding Education where the opinion is Reasonable Assurance), although Internal Audit acknowledge a positive direction of travel as supported by external assessment from statutory bodies, which notes significant improvement in Children's Services.

The Authority's internal audit plan for 2020/21 included specific assurance, risk, governance and value-added reviews which, together with prior years audit work, provide a framework and background within which Internal Audit can assess the Authority's control environment. The audit plan has been significantly revised on the instruction of the S151 Officer in order that Internal Audit could operationally support Torbay Council's Covid-19 response and undertake other requested work.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

Significant governance issues

In their Draft Annual Report, Internal Audit identified that the Council's overall internal control framework is considered to have operated effectively during the year. Where internal audit work has highlighted instances of non or part compliance, none are understood to have had a material impact on the Authority's affairs. However, the opinion provided must be considered in light of the current and (at time of writing) ongoing coronavirus pandemic, and the impact of this on the Council. Opinion is based on internal audit work undertaken during 2020/21, as part of a revised plan. Covid-19 measures have resulted in a significant level of challenge to the Council and put pressure on the expected control environment; the need for prompt and urgent action by officers has required changes to some procedures and control arrangements. In respect of the draft annual report it has not been possible to fully quantify the additional risk that may have arisen from such emergency and associated measures or fully determine the overall impact on the framework of governance, risk management and control.

The arrangements for holding meetings virtually continued throughout 2020/21 in line with regulations introduced by the Ministry of Housing, Communities and Local Government (MHCLG) at the start of the pandemic, however from 7 May 2021 it is not lawful for virtual meetings to continue. Arrangements are now in place to resume physical meetings.

The ongoing financial impact of COVID-19 will have a significant impact on the 2021/22 budget. The impact on the Council's income, expenditure and funding is outlined in the Medium Term Resource Plan and the 2021/22 budget proposals. Clearly the financial impact on 2021/22 and future years can only be an estimate and officers will continue to update estimates and will continue to aim to mitigate as far as possible any financial impacts.

In their August 2020 report Internal Audit gave an opinion of reasonable Assurance on Key Financial Systems – ICT Business Continuity and Disaster Recovery 2019-20 and 2020-21. Areas for concern related to the single data centre, the approach to business continuity, planning between departments which could be mitigated by the IT Services Business Continuity Plan. Audit also highlighted that change control would benefit from further strengthening and that there is a need for a change governance structure. Audit found that generally, systems were well managed, and some policy and procedural documents are in place. Processes supporting key financial systems were well operated and managed, especially given historic resource issues and more recently the impact of Covid-19. The fast and effective response by IT Services enabled continued service provision. It is noted that there has been recent investment in IT Services, although the benefits have been diluted by the necessary Covid-19 ICT response.

Audit's November 2019 report found that Tor Bay Harbour Authority was compliant with the Port Marine Safety Code (PMSC) however there were concerns in relation to land-based Health and Safety (H&S). These concerns were referenced again in Audit's follow up report in November 2020 in which recommendations were made that land-based H&S be formally reviewed by

an appropriate body and an action plan drawn up. These actions have been undertaken and the Council continues to ensure a significant focus on health and safety in the harbours as our area of biggest risk.

As outlined in an earlier section, the Council continues to deliver against its Children's Services Improvement Plan. Whilst Ofsted have recognised, during their focused visit in March 2021, that there has been continued progress in improving services for children in Torbay, it is acknowledged that the improvement journey is ongoing.

In addition to the above, there were a number of reviews undertaken by internal audit during the course of the year which found that improvements were required. In most cases management actions plans have been put in place and these will be monitored on a regular basis through the Performance and Risk Framework.

Conclusion

Overall, during the course of the year we have ensured that we are delivering against our agreed action plans in order to maintain our robust corporate governance arrangements. Our decision making processes are understood by members and officers and the mechanisms which support those processes operate effectively.

We have recognised where there are areas for further improvement as outlined within this Statement. We propose, over the coming year, to take the steps detailed in the action plan below to address these areas to further enhance our governance arrangements. We are satisfied that these steps will address the issues identified and we will monitor their implementation and operation as part of our next annual review.

Anne-Marie Bond
Chief Executive

Councillor Steve Darling
Leader of the Council

Action	Responsible Officer	Deadline
Review of lessons to be learned from Torbay Council's COVID-19 response	Senior Leadership Team	Ongoing and by 31 March 2022
Continue to deliver the Children's Services Ofsted Improvement Plan	Director of Children's Services	Ongoing
Deliver against the Council's Business Plan	Senior Leadership Team	31 March 2022
Implement and monitor the Performance and Risk Framework	Senior Leadership Team	31 March 2022

Internal Audit

Annual Audit Report 2020-21

Torbay Council
Audit Committee

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May 2021

Official

Robert Hutchins
Head of Audit Partnership

Auditing for achievement

Agenda Item 7

CUSTOMER
SERVICE
EXCELLENCE



Introduction

The Audit Committee, under its Terms of Reference contained in Torbay Council's Constitution, is required to consider the Chief Internal Auditor's annual report, to review and approve the Internal Audit programme, and to monitor the progress and performance of Internal Audit.

The Accounts and Audit (Amendment) (England) Regulations 2015 introduced the requirement that all Authorities need to carry out an annual review of the effectiveness of their internal audit system and need to incorporate the results of that review into their Annual Governance Statement (AGS), published with the annual Statement of Accounts.

The Internal Audit plan for 2020/21 was presented and approved by the Audit Committee in March 2020. The following report and appendices set out the background to audit service provision; a review of work undertaken in 2020/21 and provides an opinion on the overall adequacy and effectiveness of the Authority's internal control environment.

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide an annual report providing an opinion that can be used by the organisation to inform its governance statement. This report provides that opinion.

Expectations of the Audit Committee from this annual report

Audit Committee members are requested to consider:

- the assurance statement within this report;
- the basis of our opinion and the completion of audit work against the plan;
- the scope and ability of audit to complete the audit work;
- audit coverage and findings provided;
- the overall performance and customer satisfaction on audit delivery.

In review of the above the Audit Committee are required to consider the assurance provided alongside that of the Executive, Corporate Risk Management and external assurance including that of the External Auditor as part of the Governance Framework (see appendix 4) and satisfy themselves from this assurance for signing the Annual Governance Statement.

Opinions

As detailed in the Half Year Audit Report 2020-21, we adopted the CIPFA guidance common practice of using four standard internal audit assurance opinions for individual audit assignments and organisational assurance ratings in April 2020.

Robert Hutchins

Head of Devon Audit Partnership

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Overall Opinion Statement

Based on work performed during 2020/21, our experience from previous years, and the outcome of the Annual Follow Up, the Head of Internal Audit's Opinion is one of "Reasonable Assurance" on the adequacy and effectiveness of much of the Authority's internal control framework. The exception to this is Children's Services Directorate (excluding Education where our opinion is Reasonable Assurance), although we acknowledge a positive direction of travel as supported by external assessment **. In the case of both Public Health, and Adults Directorates our assurance opinion is based on 2019/20 and prior years. Our audit planning process is risk based and as such our report will inevitably focus upon higher risk areas.

** assessments by statutory external bodies note significant improvement in Children's Services, albeit work remains to see this through to the final stages of the full implementation of the improvement plan. Although this does not affect our internal audit opinion, readers of this report may also wish to consider such other reports.

This opinion statement provides Members with an indication of the direction of travel for their consideration for the Annual Governance Statement (appendix 4). Assurance over arrangements for adult social care is mainly provided by Audit South West, the Internal Audit provider for Health Services, who provides a separate letter of assurance.

The Authority's internal audit plan for 2020/21 included specific assurance, risk, governance and value-added reviews which, together with prior years audit work, provide a framework and background within which we can assess the Authority's control environment. The audit plan has been significantly revised on the instruction of the S151 Officer in order that we could operationally support Torbay Council's Covid-19 response and undertake other requested work. The reviews in 2020/21 have informed the Head of Internal Audit's Opinion. If significant weaknesses have been identified in specific areas, these will need to be considered by the Authority in preparing its Annual Governance Statement as part of the 2020/21 Statement of Accounts. In carrying out reviews, Internal Audit assesses whether key, and other, controls are operating satisfactorily and an opinion on the adequacy of controls is provided to management as part of the audit report. All final audit reports include an action plan which identifies responsible officers, and target dates, to address control issues identified. Implementation of action plans rests with management and these are reviewed during subsequent audits or as part of a specific follow-up.

This statement of opinion is underpinned by:

Internal Control Framework

The control environment comprises the Council's policies, procedures and operational systems and processes in place to establish and monitor the achievement of the Council's objectives; facilitate policy and decision making; ensure economical, effective and efficient use of resources, compliance with established policy, procedure, law and regulation; and safeguard the Council's assets and interests from losses of all kinds. Core financial and administrative systems were reviewed by Internal Audit.

The Council's overall internal control framework is considered to have operated effectively during the year. Where internal audit work has highlighted instances of non or part compliance, none are understood to have had a material impact on the Authority's affairs. However, the opinion provided must be considered in light of the current and (at time of writing) ongoing coronavirus pandemic, and the impact of this on the Council. Our opinion is based on internal audit work undertaken during 2020/21, as part of a revised plan.

Covid-19 measures have resulted in a significant level of challenge to the Council and put pressure on the expected control environment; the need for prompt and urgent action by officers has required changes to some procedures and control arrangements. In respect of this annual report it has not been possible to fully quantify the additional risk that may have arisen from such emergency and associated measures or fully determine the overall impact on the framework of governance, risk management and control.

Risk Management

Performance and Risk Management (PRM) is being developed. The related strategy and framework were presented to Cabinet. Progress continues in relation to information gathering, procurement of a software package and recruitment. The audit is deferred until 2022-23 to allow for embedding. However, we are involved in the ongoing development within our Transformation Project Assurance role. PRM continues to be reported to Senior Leadership Team (SLT) and Audit Committee. Until fully embedded this area remains a risk. The ongoing Covid-19 response continues to present financial and service risks.

Governance Arrangements

Arrangements are generally reviewed within projects, including Transformation. There is opportunity for the Council to review its position in terms of broadening Portfolio Management. The Information Governance Steering Group provides overarching governance in relation to information security, management and compliance, with local responsibility for compliance delegated to service areas. Finance, Ethics and Probity (FEP) maintain governance over issues within their remit

Performance Management

As detailed under Risk Management, the Performance Framework is in development, with monitoring arrangements continuing, and includes outcome mapping and business planning. Until embedded this area remains a risk. Irregularity and whistleblowing complaints, alongside the work of the Corporate Fraud Officer are also reported to Audit Committee. Budget performance is monitored by SLT and full Council. Children's Services Sufficiency Strategy and Medium-Term Financial Plan (MTFP) are monitored by SLT and are currently subject to update, including a 3-year forecast.

Substantial Assurance	A sound system of governance, risk management and control exist across the organisation, with internal controls operating effectively and being consistently applied to support the achievement of strategic and operational objectives.	Limited Assurance	Significant gaps, weaknesses or non-compliance were identified across the organisation. Improvement is required to the system of governance, risk management and control to effectively manage risks and ensure that strategic and operational objectives can be achieved
Reasonable Assurance	There are generally sound systems of governance, risk management and control in place across the organisation. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of some of the strategic and operational objectives.	No Assurance	Immediate action is required to address fundamental control gaps, weaknesses or issues of non-compliance identified across the organisation. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of strategic and operational objectives.

Summary Assurance Opinions

Service Area Overview of Audit Coverage		
Children's Services	Place	Corporate and Financial Services
Use of Agency staff and control of Safeguarding employee costs (follow up)	Events	ICT: Mobile Device Management; ICT Continuity and Disaster Recovery
Early Education / Nursery Funding (ANA - High)	Technology Forge - Asset and FM Implementation Project (ANA - Medium)	Key Financial Systems: FIMS System Administrator; Asset Register; Creditors and POP (follow up); Treasury Management; Payroll; IBS Open System Administration; Income Collection
Early Help - Prevention (linked to the Future Model - Improved Outcomes)	Commissioning and Performance Monitoring by the Council of the TDA (ANA - High)	Covid-19 Response: Council Tax Reduction Scheme - Post Award Assurance
Admissions and Place Planning	Governance of the Safety Camera Partnership (SCP)	ICT: Information Governance (IG) and Data Quality
Special Education needs (SEN) / Higher Needs	Port Marine Safety Code - Follow up of 2019-20	Key Financial Systems: Benefits and Council Tax Support Scheme; Council Tax and National Non - Domestic Rates Follow Up
Adoption (Client monitoring of the Regional Adoption Agency)	Grant Certification (x4)	Community Protection - Prevention
Grant Certification (x4)		Transformation Portfolio
		Information Risk Management Procedure
		Information Governance Steering Group
		Housing Benefits Subsidy testing
		Covid-19 Response: Business Grants Operational Support; Business Grants pre award advice note

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Key: **Green** = Substantial or Reasonable **Amber** = Limited **Red** = No Assurance **Blue** = Opportunity or Value Added

Value Added

We know that it is important that the internal audit service seeks to "add value" whenever it can.

We believe internal audit activity can add value to the organisation and its stakeholders by:

- providing objective and relevant assurance,
- contributing to the effectiveness and efficiency of the governance, risk management and internal control processes.

Senior Management has found our engagement, support as a "trusted advisor" effective and constructive in these significantly changing times.

Our work has identified specific added value benefits in key areas and in mitigating key risks. Notable benefits have been reported in the following areas:

Corporate Services and Financial Services

- operational support to the Council's Covid-19 response in relation to Business Grant processing (various types), and Test and Trace payments,
- changes to the plan to accommodate audit examination and assurance in relation to various Covid-19 grants awarded,
- ongoing engagement in various Transformation programmes and projects; provision of relevant information and practices from Local Government articles and guidance,
- ongoing development of a recommendation tracker to support the Council's Performance monitoring processes for 2021-22,
- change in the audit plan to support the external audit requirement for benefit subsidy audit,
- change in the scope of the subsequent Benefits audit to utilise the results of the subsidy work to identify similar issues the following year, thereby providing Exchequer & Benefits with opportunity to correct any relevant claims before commencement of the next external subsidy claim audit,
- support to the ongoing GDPR project,
- continued advice, guidance and challenge to the Information Governance Steering Group,

- support to the Council's Data Protection Officer in the provision of Freedom of Information (FOI) and Subject Access Request (SAR) data; and input to the Information Commissioners Office Audit,
- operational support to address an ICO recommendation related to the development of the Council's Information Risk Management procedure,
- development of a Devon Audit Partnership outcomes map and business plan to support the Council's overarching framework

Place

- review of the Technology Forge system implementation,
- follow up of Port Marine Safety Code compliance audit,
- support to the TOR2/SWISCo transition,
- cross partner audit of the Governance of the Safety Camera Partnership,
- certification of additional grant related to Covid-19 Compliance and Enforcement.

Children's Services

- ongoing engagement in relation to the Liquid Logic implementation,
- assistance in maintaining the impetus in management action plans to address previously identified risks through an annual and robust follow up exercise,
- certification of Troubled Families grants,
- regular liaison with the Director of Children's Services to promote the completion of audits and progress of draft reports through to final reports with management action plans.

Schools

- continued assurance through the routine internal audit visits that systems and controls are in place to ensure compliance with Department for Education and Council requirements are being met.
- maintained schools' visits recommenced in November 2020 with all planned 2020/21 visits being completed by the end of the summer term 2021.

Audit Coverage and performance against plan

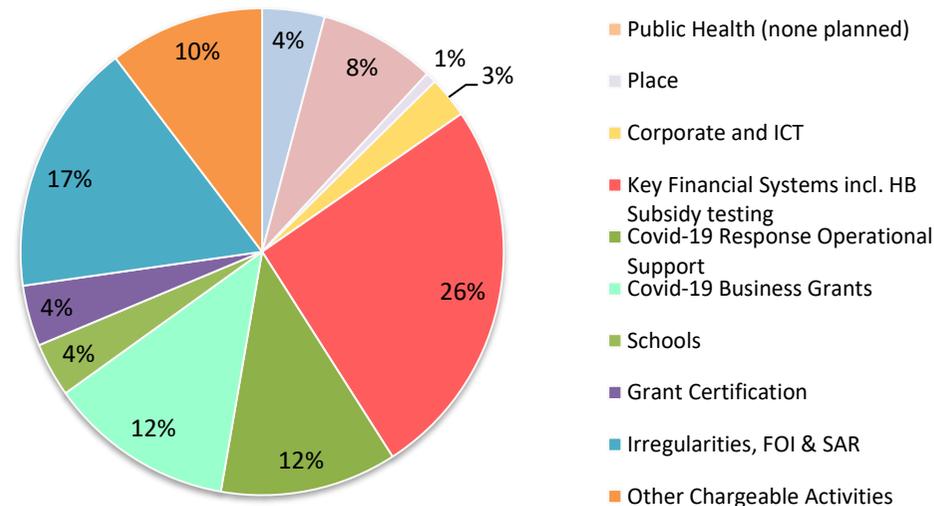
The pie charts right show the breakdown of audit days planned by service area / type of audit support provided. The balance of work has varied slightly during the year as can be seen from comparison with the second chart, and variations have been with full agreement of the client.

Appendix 1 to this report provides a summary of the audits undertaken during 2020/21, along with our assurance opinion. Where a 'substantial' or 'reasonable' standard of audit opinion has been provided we can confirm that, overall, sound controls are in place to mitigate exposure to risks identified; where an opinion of "limited assurance" has been provided then issues were identified during the audit process that required attention. We have provided a summary of some of the key issues reported that are being addressed by management. We are content that management are appropriately addressing these issues.

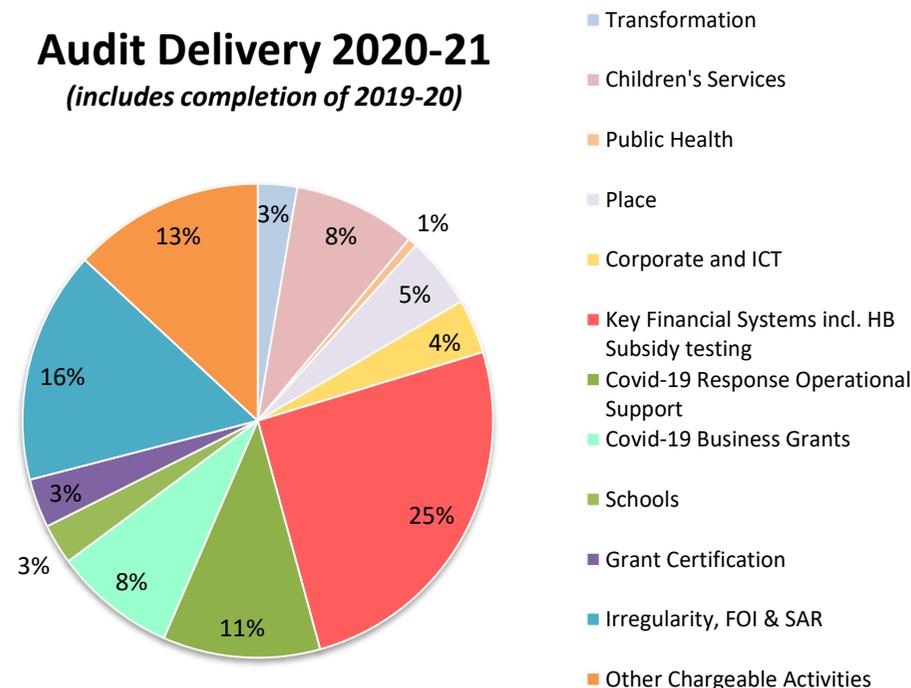
Appendix 6 shows the performance indicators for audit delivery in 2020/21 against the revised audit plan. It will be noticed that there was a small variation in the total number of audit days provided during the year. When we prepare our plans, we make an educated assessment of the number of days that an audit is likely to take.

When the fieldwork is completed there is inevitably a variance from the planned days. In addition, we provide an allowance for work on areas such as fraud and corruption; in some years the requirement will exceed the planned budget and in others the need for our resource will be less than planned. It should also be noted that some audits required a richer mix of staff resource due to the complexity / sensitivity of the area under review.

Revised Audit Plan 2020-21



Audit Delivery 2020-21 (includes completion of 2019-20)



Irregularities Prevention and Detection

Counter-fraud arrangements are a high priority for the Council and assist in the protection of public funds and accountability. Devon Audit Partnership (DAP) liaise with the Corporate Fraud Officer as required; the key outcomes of this role are the identification and investigation of external frauds.

The Cabinet Office now run the national data matching exercise (National Fraud Initiative – NFI) every two years. The majority of data matching for this involves the investigation of potential external fraud committed against the Authority, i.e. individuals or bodies external to the Council. NFI activity on behalf of the Council is now undertaken by the Corporate Fraud Officer.

DAP has continued to undertake daily monitoring and management of the Council’s Whistleblowing Inbox. We have provision to interrogate the Council’s email archive system to support investigations, FOI’s and SAR’s. Periodic fraud bulletins are also produced and published on DAP’s website.

Finance, Ethics and Probity (FEP) group provide a gateway and decision-making body for all irregularities / allegations received by the Council providing transparency in the process. DAP is an active member of FEP and in addition to the investigative work and associated reporting, contributes to FEP meetings and general management of the irregularity records.

Irregularities – During the 2020/21 year, Internal Audit have carried out, or assisted in fifteen new irregularity investigations. Analysis of the types of investigation and the number undertaken compared with the investigations for previous years shows the following:

Issue	20/21 Number	19/20 Number	18/19 Number	17/18 Number
Poor Procedures	0	4	2	8
Employee / Member Conduct	9	9	9	4
Financial Irregularities	4	1	3	1
Misappropriation of Income	0	0	0	1
IT Misuse	0	0	2	0
Theft	0	0	1	0
Tenders & Contracts	2	1	0	0
Total	15	15	17	14

Summary details as follows: -

Most irregularity investigations were as a result of concerns raised internally and externally, with a number being formally raised through the Council’s Whistleblowing process. Some were received at the end of the year and therefore investigatory work continues into the 2021-22 year.

Freedom of Information / Subject Access Requests and Referrals made under the Unacceptable Behaviour Policy: -

We were asked to assist with six requests under Freedom of Information and Data Protection legislation.

Appendix 1 – Summary of audit reports and findings for 2020/21

Risk Assessment Key

LARR – Local Authority Risk Register Score Impact x Likelihood = Total & Level

ANA - Audit Needs Assessment risk level as agreed with Client Senior

Management

Client Request – additional audit at request of Client Senior Management; no risk assessment information available

Direction of Travel Assurance Key

 - action plan agreed with client for delivery over appropriate timescales & is progressing

 - action plan agreed and is being progressed though some actions are outside of agreed timescales or have stalled

 - action plan not fully agreed, or we are aware progress has stalled or yet to start

* report recently issued; assurance progress is of managers feedback at debrief meeting

** previously reported against 2019-20 assurance opinion definitions

CORPORATE SERVICES and FINANCIAL SERVICES

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Transformation Portfolio			
Business Improvements and Change Portfolio (formerly known as Transformation Portfolio)	Status: Final Added Value	<p>We continue to undertake a dual role in both Audit assurance and support to operational delivery in line with programme and project timescales. We recognise the large scale and complexities of the Programmes and Projects within Business Improvement and Change, which have all faced added pressures resulting from the current Covid-19 pandemic, despite which, we continue to see positive progress.</p> <p>We continue to provide reports and feedback resulting from our general audit work where we've identified a direct link to respective Programmes and projects to support progression and strengthen associated control frameworks.</p> <p>In relation to Business Improvement and Change Programmes and Projects, we continue to provide a project assurance role, engaging respective Programme and Project Managers. We have provided this role within various programmes and projects the Council has engaged us in, the key ones being Children's Services system implementation; Council Redesign and the recent successful transition from TOR2 to SWISCo (South West Integrated Services Company Ltd) in July 2020.</p> <p>We undertake ongoing horizon scanning through provision of information/articles from Local Government and other relevant publications identifying projects and programmes that may be of interest to Torbay Council.</p> <p>It is pleasing to note that external project and programme support continues to be engaged by the Council to support progression of Business Improvement and Change. Previously we have noted concern regarding the operational capacity, albeit that project governance provided a framework for managing the associated risks. However, as noted above the team have now restructured to ensure sufficient capacity and skill sets to support delivery of significant improvement and change projects to a successful conclusion. We are still of the opinion that there is an opportunity for broader Portfolio Management to provide integrated management of all Council projects both within and outside of Business Improvement and Change.</p>	N/A

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Risk Area / Audit Entity	Audit Report		Direction of Travel Assurance
	Assurance opinion	Residual Risk / Audit Comment	
IT Audit			
ICT Information Governance (IG) and Data Quality (ANA - High)	Status: Draft Limited ** Assurance <i>Draft Report Issued 15/4/2020 Awaiting client response</i>	Assurance was reported in last year's annual report; please refer to that for details. We have received responses from the IG team and Human Resources but are awaiting two outstanding responses from Children's Services which have been delayed due to the recent Ofsted visit.	
Mobile Device Management (ANA – High)	Status: Final Reasonable Assurance	Assurance was reported in this year's half yearly report; please refer to that report for details.	
ICT Continuity and Disaster Recovery (ANA – High)	Status: Final Reasonable Assurance	Assurance was reported in this year's half yearly report; please refer to that report for details.	
Information Risk Management Procedure (previously 'General Data Protection Regulations (GDPR) – Information Asset Register – Information Asset Register (ANA – Client Request)	Status: Draft Added Value <i>Issued 05/05/2021 Awaiting client response</i>	The planned time was originally requested to allow Internal Audit to provide operational support in the ongoing development of the Council's Information Asset Register. We provided initial support to this task; however remaining time was allocated by the client for development of the Council's Information Risk Management Procedure in response to an ICO Audit Action. A recommendation made by the ICO required development and adoption of an Information Risk Management Procedure to support compliance with Data Protection regulations. The procedure was to include the types of risks that should be recorded on the information asset register, departmental registers and the IG risk register. Information should also be included around how risks should be assessed and escalated to the corporate risk registers (if applicable). DAP have developed / drafted the procedure which is subject to review by the Council's DPO / Information Governance Manager prior to it being put forward to the Council for adoption.	N/A
Information Governance Steering Group (including GDPR - trusted advisor) (ANA – High)	Status: Ongoing Added Value	The Information Security Group operates within a defined terms of reference, attended by an appropriate cross representation of Council service areas with the Council's Assistant Director of Corporate Services as Senior Information Risk Owner (SIRO) and the Data Protection officer (DPO) / Information Governance Manager as Chair. The group provides a framework within which existing and emerging information governance and security matters are reviewed, evaluated and managed. As noted above, this now incorporates the ongoing management of the GDPR project.	N/A

CORPORATE SERVICES and FINANCIAL SERVICES

CORPORATE SERVICES and FINANCIAL SERVICES			
Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
		The focus on other responsibilities such as GDPR, Information Governance requests and the ICO Audit does impact the resource available to undertake certain ISG tasks, however the governance process is in place, and in our opinion, operates on a risk basis, prioritising the groups work and focus. This has been particularly pertinent and challenging in relation to the Council's response to the Covid-19 pandemic, which in itself creates additional and differing risks in relation to Information Governance and security.	
<p>The following audits have been deferred / cancelled due to the Covid-19 pandemic and at the agreement / request of the s151 officer:</p> <ul style="list-style-type: none"> ICT Project Management (ANA – High) Cyber Essentials (ANA – High) Information Governance – Data Quality and Records Management (ANA – High) 			
Key Financial Systems			
<p>We understand that this financial year has been one of uncertainty due to the pandemic, and as a result of restrictions on working practices, a number of departments have had to make temporary changes to their procedures in order to accommodate home working. As part of our annual review of the key financial systems, we have reviewed these alternative arrangements, specifically where key controls are now being operated differently. We do not have any major concerns resulting from our findings, as we appreciate that such unusual circumstances necessitate practical solutions which cannot feasibly mitigate all the risks involved. However should the current need to work from home continue for a much longer period, or indeed officers now be given the opportunity to work from home permanently, we recommend that the opportunity be taken to review how new ways of remote working can be utilised in the long term to ensure that the risk of fraud or error within the Authority's key financial systems is effectively minimised.</p>			
FIMS System Administrator (ANA – High)	Status: Final Reasonable Assurance	<p>The control environment relating to FIMS System Administration continues to be robust. Comprehensive procedures and processes are maintained, and system training is mandatory for users with transactional capability. Access to the system is appropriately controlled for most users, however we continue to report the lack of full segregation of duty between the system administration and finance roles which is a risk accepted by management.</p> <p>Changes to system parameters as well as system modifications and fixes are effectively controlled. Routine verification processes ensure that the system remains operating correctly and that the General Ledger remains properly reconciled to other FIMS modules.</p>	
Asset Register (ANA – Medium)	Status: Final Substantial Assurance	This year's opinion remains one of 'Substantial Assurance' and we have only identified a couple of minor issues as a result of this year's sample testing. We are also pleased to report that all of the recommendations that were made last year have now been actioned.	
Payroll – follow up (ANA – High)	Status: Final Reasonable Assurance	We understand that implementation of those prior year recommendations that were agreed is well underway, with estimated completion dates being in early 2021-22. Progress will be reviewed during the coming year. For those recommendations that were not agreed, management have accepted the related risks.	

CORPORATE SERVICES and FINANCIAL SERVICES

Risk Area / Audit Entity	Audit Report		Direction of Travel Assurance
	Assurance opinion	Residual Risk / Audit Comment	
Creditors & POP – follow up (ANA – High)	Status: Final Reasonable Assurance	<p>Covid-19 restrictions have remained in place throughout the year, including during the audit. Testing has therefore been restricted to following up last year’s audit report. Notable progress includes a number of initiatives to ensure that expenditure is in line with the Council’s required procurement process, and we will review a sample of orders placed as part of next year’s audit to establish their effectiveness.</p> <p>Concern remains however, in relation to the lack of authorisation of manual payments below £5k, as the proposed system-based solution has not yet been implemented due to delays caused by Covid-19. As was the case last year, we are unable to provide assurance in relation to petty cash claims, credit notes and amendments and the input of invoices due to our work being restricted to follow up activity this year.</p> <p>We note that email authorisations, as opposed to hard copy signatures, are now being used to due increased home working, however we consider this to be appropriate form of authorisation, and therefore do not have any concerns in this regard.</p>	
Treasury Management (ANA – Medium)	Status: Final Substantial Assurance	<p>This year’s walkthrough found that the system in place to prevent or detect errors, omissions or inappropriate amendments remains, in the main, sufficiently robust.</p> <p>Covid-19, and the requirement for officers to work remotely, has meant a small change in the way investments are authorised, and we have recommended that this control is strengthened to reduce the risk of inappropriate investments from being made.</p> <p>A number of recommendations from prior year audits remain and it would be good to see these implemented soon, though we accept that additional work may now be required as a result of changes to working practices due to the pandemic.</p> <p>We have made an opportunity recommendation in relation to the current lack of specific TM software as we consider that the related control environment could be strengthened, and processes streamlined, if this area could be automated</p>	
IBS Open system Administration (ANA – High)	Status: Final Reasonable Assurance	<p>This year’s walkthrough found that there have been no significant changes to the control environment and, in the main, it remains sufficiently robust.</p> <p>Recommendations made are those carried over from previous years, and there are some areas, for example finalising the Business Continuity Plan, and updating procedures that may require a revisit, given the different ways of working due to the current Covid-19 situation.</p>	

CORPORATE SERVICES and FINANCIAL SERVICES

Risk Area / Audit Entity	Audit Report		Direction of Travel Assurance
	Assurance opinion	Residual Risk / Audit Comment	
Income collection (ANA – Medium)	Status: Final Reasonable Assurance	<p>A new system, ‘Smartpay’, was introduced during this financial year, with officer access from the previous system, ‘Icon’, being migrated over as part of its implementation. However, although there are robust access controls in place within the new system, the ongoing appropriateness of access is not regularly reviewed. There is therefore a risk that officers, who may have ceased to need access some time ago, were also migrated over.</p> <p>In terms of processes to ensure that income is collected, held, transported and banked securely, we have no significant concerns. A small number of recommendations have been made, specifically in relation to demonstrating compliance with PCI security standards and reviewing access to high risk areas of the building.</p> <p>As in previous years, effective controls ensure that income is recorded completely and accurately on the system, with a number of reconciliations being performed within the daily balancing process.</p> <p>We note that transfer of data from the Smartpay system to the general ledger, FIMS, and its subsequent reconciliation is undertaken by the FIMS Sys Admin and Debtors teams. We have therefore reviewed related controls as part of these audits, and the outcome will be reported there.</p>	
Housing Benefits Subsidy testing (ANA - High)	Status: Complete Added Value	<p>This is a significant piece of work, involving the testing of over two hundred housing benefit claims on behalf of the Authority’s external auditors, Grant Thornton.</p> <p>Initial results showed a fairly significant number of errors in relation to the following areas:</p> <ul style="list-style-type: none"> • Rent increases being applied to the wrong week • Incorrect classification of overpayments • Incorrect calculation of earned income • Incorrect BRMA rate being applied • Incorrect calculation of ineligible service charges • No deductions being made for ineligible service charges • Incorrect WDP amount being used • DHP incorrectly coded as a local scheme payment <p>Our results were passed to Grant Thornton for their review and subsequent determination on the impact on the Authority’s subsidy claim. We understand that their work has recently been completed and separately reported to the Authority. We are advised that their report indicates only minimal impact on the subsidy claim.</p>	N/A
Benefits and Council Tax Support Scheme (ANA – High)	Status: Draft Limited Assurance	<p>This year’s audit has sample tested a number of benefit payments that will appear in the 2020-21 subsidy claim, to ensure the accuracy of associated entitlement calculations in relation to the specific risk areas identified in the audit scope. Where errors or other issues are identified, corrections can then be made by the Authority before the 2020-21 subsidy claim is made.</p>	

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CORPORATE SERVICES and FINANCIAL SERVICES

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
		<p>Our overall opinion is based, not only on the specific findings of this audit, but also on the results of the testing undertaken earlier in the year on the Authority’s subsidy claim.</p> <p>Of the 32 claims tested as part of this audit, we identified seven issues on four claims relating to the calculation of earned income and the classification of overpayments. No issues were identified in relation to rent liabilities, identification of ‘passport’ benefit, use of the correct BRMA (Broad Rental Market Area) rate, or the amount of WDP (War Disablement Pension) used.</p> <p>Although only a small sample and therefore not wholly indicative of an underlying issue, management should consider whether additional training is required in relation to the correct classification of overpayments.</p> <p>We note that some of the issues identified have not yet been fully investigated by the Authority.</p>	
<p>Council Tax and National Non – Domestic Rates Follow Up (ANA – Medium)</p> <p>2021</p>	<p>Status: Draft</p> <p>Limited Assurance</p>	<p>Covid-19 restrictions have remained in place throughout the year, including during the audit. Testing has therefore been restricted to following up last year’s audit report.</p> <p>Of the seventeen recommendations that appeared in last year’s report, four have now been implemented. Notable progress includes automated removal of period discounts, and proper correction of accounts that are found to have had inappropriate discounts applied for a number of years.</p> <p>As was the case last year, we are unable to provide assurance in relation to obtaining supporting evidence from the customer before changes are made to NNDR accounts; ensuring all CT property amendments notified to the VOA have been actioned; and undertaking sufficient QC activity.</p> <p>In summary, due to the ongoing Covid-19 restrictions, the Department has been unable to demonstrate sufficient progress to enable a revised opinion to be given. It therefore remains as ‘Improvements Required’ (now defined as Limited Assurance).</p>	
<p>Debtors and Corporate Debt- follow up (ANA – High)</p>	<p>Status: Draft</p> <p>Limited Assurance</p>	<p>Covid-19 restrictions have remained in place throughout the year, including during the audit. This has prevented many prior year recommendations from being implemented, and as a result there has been little progress in the majority of areas.</p>	

The following audits are currently in progress:

- General Ledger & Bank Reconciliation (ANA – Medium)

CORPORATE SERVICES and FINANCIAL SERVICES

Risk Area / Audit Entity	Audit Report		Direction of Travel Assurance
	Assurance opinion	Residual Risk / Audit Comment	
Covid-19 Response			
Business Grants – Operational Support	Status: Complete Added Value	The Devon Audit Partnership provided operational support to the processing of business grants through the provision of one auditor to work full time for five months in the Exchequer & Benefits team in the role of a business grants processor.	N/A
Business Grants - Pre-Award Advice Note	Status: Complete Added Value	Assurance was reported in this year's half yearly report; please refer to that report for details.	N/A
Council Tax Reduction Scheme - Post Award Assurance	Status: Final Substantial Assurance	Assurance was reported in this year's half yearly report; please refer to that report for details.	
<p>The following audits are currently in progress:</p> <ul style="list-style-type: none"> • Business Grants - Post Award Assurance • Discretionary Business Grants - Post Award Assurance • Test & Trace Support Payments & Discretionary Fund • Local Restrictions Support Grants (Tier 2) • Local Additional Restrictions Support Grants • Local Restrictions Support Grants (Closed) • Local Restrictions Support Grants (Sector) • National Lockdown Support Grants • Wet-Led Pub Christmas Grants 			
Other			
Community Protection – Prevention (ANA – High)	Status: Final Limited ** Assurance	Assurance was reported in last year's annual report; please refer to that for details.	
<p>The following audits have been deferred / cancelled due to the impact of the Covid-19 pandemic and at the agreement / request of the s151 officer:</p> <ul style="list-style-type: none"> • Democratic Services and Member Allowances (ANA - Medium) • Corporate Complaint System (ANA – Medium) • Capital Programme (including new Financial Code and IR35 - Council and Companies) (ANA – Medium, client request) • Health & Safety (ANA – High) • Elections (ANA – Medium) • Emergency Planning and Business Continuity (ANA – Medium) • Legal Services (cross Council use of Legal Advice) (ANA – Medium) • Performance and Risk Management (ANA – Medium) 			

PLACE			
Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Technology Forge – Asset and FM Implementation Project (ANA – Medium)	Status: Final Limited ** Assurance	Assurance was reported in this year's half yearly report; please refer to that report for details.	
Commissioning and Performance Monitoring by the Council of the TDA (ANA – High)	Status: Final Limited ** Assurance	Assurance was reported in last year's annual report; please refer to that for details.	
Port Marine Safety Code – Follow up of 2019-20 (ANA-Medium)	Status: Final Compliant	Assurance was reported in this year's half yearly report; please refer to that report for details	
Events (ANA – High)	Status: Final Reasonable Assurance	<p>Applications for events held on Torbay land in 2019-20 were generally being effectively processed, with income being accurately charged and promptly invoiced. Although a number of issues were identified during sample testing, these are mainly minor in nature and not indicative of any significant underlying weaknesses in the related control environment.</p> <p>Council buildings are managed by the TDA (trading name of Torbay Development Company Limited) on behalf of the Council, including Torbay's theatres. Ultimate responsibility as to how relevant buildings are used and managed rests with the Culture and Events department, however governance and monitoring arrangements in the area are currently unclear, and there is no regular liaison between the department and the TDA. Going forward, we have recommended that arrangements are reviewed and strengthened to ensure relevant buildings are being used and managed in line with departmental objectives.</p>	
Governance of the Safety Camera Partnership (SCP) (ANA – Low, client request) <i>Note: this was a joint audit involving Torbay Council, Devon County Council and Plymouth City Council</i>	Status: Draft Limited Assurance	<p>There have been a number of attempts over preceding years to set out a new SCP agreement due to the 2016 version lapsing, however none of these had been successful and as a result the SCP continued to operate underpinned by the principles of the prior agreement. Whilst this provided a continued basis for operations, it has not supported the partnership in evolving to meet the future collective and individual partner objectives. Work over the last 12-14 months has moved the partnership closer to new arrangements most recently set out as a Memorandum of Understanding (MoU), however there is still no signed agreement in place which increases the risk of failed and unmet objectives. The breadth of partners and their respective internal processes, as well as governance structures make reaching any new agreement difficult, but not unachievable. Clear communication and in turn recognition and understanding of the different structures will help to ensure that any delays are understood and can in turn be overcome with collective effort.</p>	

PLACE			
Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
		Historically the partnership has been aiming for cost neutrality and a low level of risk tolerance. Proposals for a new arrangement moving forward increase the risk for partners in different ways. From a Local Authority perspective in the current climate of post austerity and Covid-19 recovery, there is no desire or capacity to increase the risk of incurring costs for activity that was previously nil/minimal cost. Adoption of a new agreement/memorandum of understanding is key to ensuring that the partnership evolves to meet future needs and objectives, however this must be done with full recognition of the risks faced both collectively, and by individual partners.	
Grants x 4 <ul style="list-style-type: none"> Local Transport Capital Block Funding Local Growth Fund Bus Subsidy Covid-19 Compliance and Enforcement 	Status: Complete	No issues identified	N/A
The following audits have been deferred / cancelled due to the Covid-19 pandemic and at the agreement / request of the s151 officer: <ul style="list-style-type: none"> Housing Companies (client role / management) (ANA – Medium) Housing (including joint working of fragmented service) (ANA – Medium) Public Toilets (contract monitoring) (ANA – Low, client request) Beach Services (ANA - Low, client request) Spatial Planning – s106 and CIL (ANA – Medium) Tor Bay Harbour Authority (ANA – Medium) Tor Bay Harbour Authority – Mooring system (contract management) (ANA - Medium) Asset Management Strategy / Plan (ANA – High) Technology Forge system review (ANA – Medium) 			

CHILDREN'S SERVICES

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Use of Agency staff and control of Safeguarding employee costs (follow up) (ANA – Medium)	Status: Final Reasonable** Assurance	Assurance was reported in last year's annual report; please refer to that for details.	
Special Education needs (SEN) / Higher Needs (ANA – Medium)	Status: Final Limited ** Assurance	Assurance was reported in last year's annual report; please refer to that for details.	
Adoption (Client monitoring of the Regional Adoption Agency) (ANA - Medium)	Status: Final Limited ** Assurance	Assurance was reported in last year's annual report; please refer to that for details.	
Early Help – Prevention (linked to the Future Model – Improved Outcomes) (ANA - High)	Status: Final Reasonable ** Assurance	Assurance was reported in last year's annual report; please refer to that for details.	
Early Education / Nursery Funding (ANA – High)	Status: Final Substantial Assurance	Assurance was reported in this year's half yearly report; please refer to that report for details	
Admissions and Place Planning (ANA – High)	Status: Final Substantial Assurance	Assurance was reported in this year's half yearly report; please refer to that report for details	
Troubled Families Grant Claims x 4	Status: complete	4 families removed from 3 of the claims.	N/A
The following audit is currently in progress:		The following audits have been deferred / cancelled due to the impact of the Covid-19 pandemic and at the agreement / request of the s151 officer:	
<ul style="list-style-type: none"> Special Guardianship Orders – Follow up (ANA – Medium) 		<ul style="list-style-type: none"> Fostering and connected care (ANA – Medium) Sufficiency Strategy Progress (ANA – High) 	

CHILDREN'S SERVICES

Audit Report			
Risk Area / Audit Entity	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Schools Financial Value Standards (SFVS)	No opinion given	Due to the Covid-19 pandemic, the 2019/20 Schools Financial Value Standard Chief Finance Officer Statement was not required by the Department of Education. For the 2020/21 SFVS submissions, the DfE have extended the submission date to no later than 28 May 2021 from 31 March.	N/A
Maintained Schools audit programme	Reasonable Assurance	The routine visits recommenced in November, albeit remotely, i.e. by not visiting schools. Seven out of the 11 visits were completed by 31 March 2021 with the remaining four being completed by the end of the summer term 2021.	N/A
Maintained Schools Summary Data			Assurance Opinion
The key matters arising from the audits are: <ul style="list-style-type: none"> • The use of the HCSS budgeting tool (software package for budgeting and forecasting) instead of a spreadsheet • Employment status checks being carried out to ensure compliance with the off payroll working rules (IR35). Schools being advised of update to rules from 6 April 2021. • Maintenance of school websites in accordance with DfE guidance – ‘what maintained schools must publish online. • Retention of evidence to confirm the ‘right to work in the UK’. • Procurement card only being used by the card holder. 			No opinion given

Appendix 2 - Professional Standards and Customer Service

Conformance with Public Sector Internal Audit Standards (PSIAS)

Conformance - Devon Audit Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Our internal audit charter was approved by senior management and the Audit Committee in March 2020. This is supported through DAP self-assessment of conformance with Public Sector Internal Audit Standards & Local Government Application note.

Quality Assessment – through external assessment “DAP is considered to be operating in conformance with the standards”. External Assessment provides independent assurance against the Institute of Internal Auditors (IIA) Quality Assessment & Public Sector Internal Audit Standards (PSIAS). The Head of Devon Audit Partnership also maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

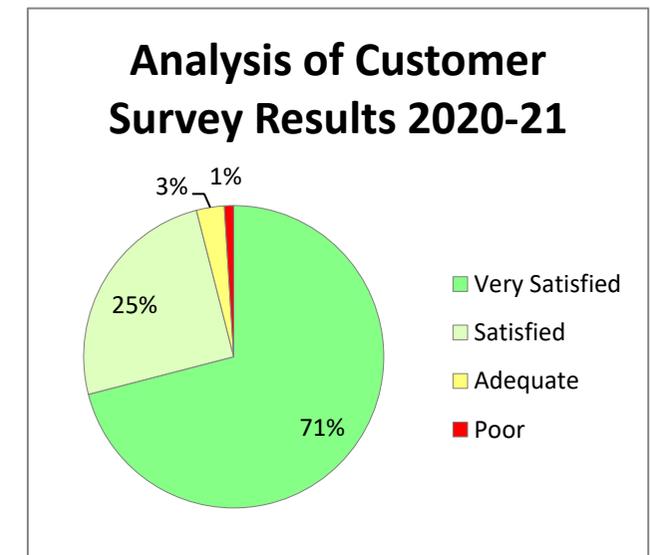
Improvement Programme – DAP maintains a rolling development plan of improvements to the service and customers. All recommendations of the external assessment of PSIAS and quality assurance were included in this development plan and have been completed. This will be further embedded with revision of our internal quality process through peer review. Our development plan is regularly updated, and a status report was reported to the Management Board in October 2020.

Performance Indicators

Overall, performance against the indicators has been very good (see Appendix 6). We continue to review performance in all areas to ensure continuous improvement.

Customer Service Excellence (CSE)

In June 2019, DAP was successful in re-accreditation by G4S Assessment Services of the CSE. We continue to issue client survey forms with our final reports and the results of the surveys returned are, although low in number, very good and again are very positive. The overall result is very pleasing, with 96% being "satisfied" or better across our services, see appendix 7. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.



Appendix 3 - Audit Authority



Appendix 4 - Annual Governance Framework Assurance

The conclusions of this report provide the internal audit assurance on the internal control framework necessary for the Committee to consider when reviewing the Annual Governance Statement.

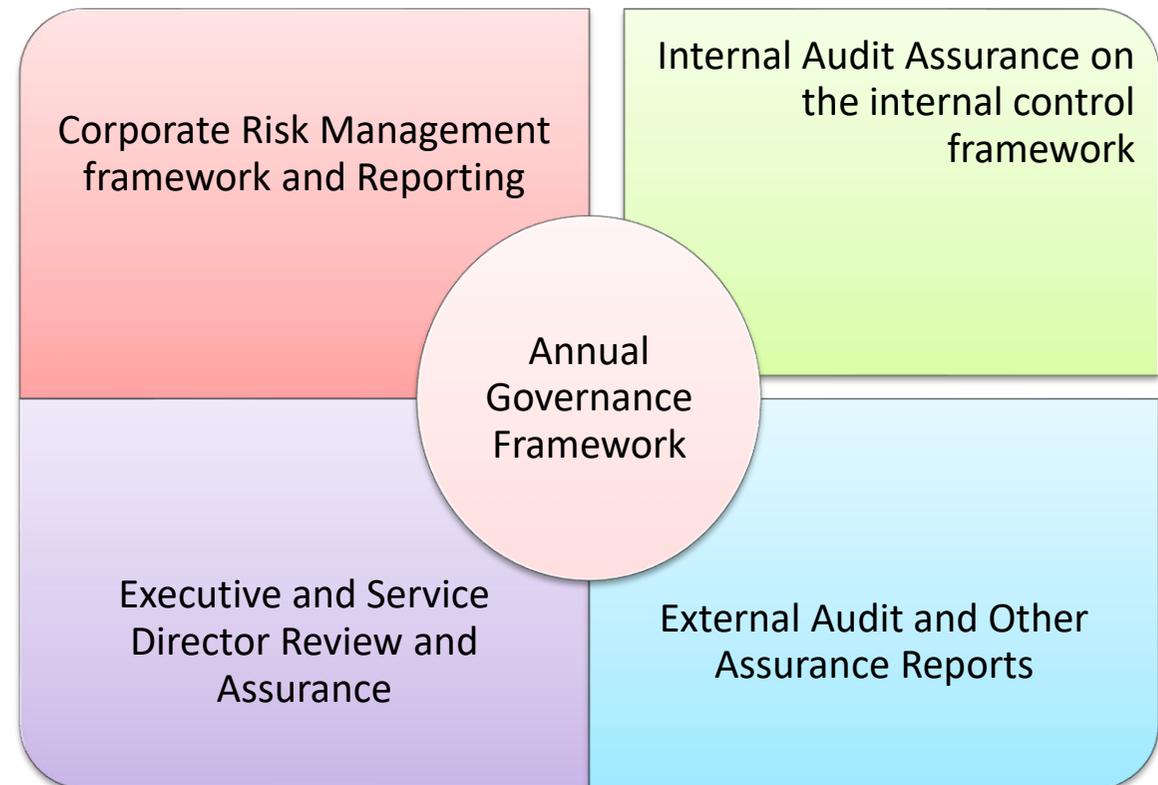
The Annual Governance Statement (AGS) provides assurance that

- the Authority's policies have been complied with in practice;
- high quality services are delivered efficiently and effectively;
- ethical standards are met;
- laws and regulations are complied with;
- processes are adhered to;
- performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should:-

- be prepared by senior management and signed by the Chief Executive and Chair of the Audit Committee;
- highlight significant events or developments in the year;
- acknowledge the responsibility on management to ensure good governance;
- indicate the level of assurance that systems and processes can provide;
- provide a narrative on the process that has been followed to ensure that the governance arrangements remain effective. This will include comment upon;
 - The Authority;
 - Audit Committee;
 - Risk Management;
 - Internal Audit;
 - Other reviews / assurance.

Provide confirmation that the Authority complies with CIPFA / SOLACE Framework *Delivering Good Governance in Local Government*. If not, a statement is required stating how other arrangements provide the same level of assurance



The AGS needs to be presented to, and approved by, the Audit Committee, and then signed by the Chair.

The Committee should satisfy themselves, from the assurances provided by the Corporate Risk Management Group, Executive and Internal Audit that the statement meets statutory requirements and that the management team endorse the content.

Appendix 5 - Basis for Opinion

The Chief Internal Auditor is required to provide the Council with an opinion on the adequacy and effectiveness of its accounting records and its system of internal control in the Council. In giving our opinion, it should be noted that this assurance can never be absolute. The most that the internal audit service can do is to provide reasonable assurance, formed from risk-based reviews and sample testing, of the framework of governance, risk management and control.

This report compares the work carried out with the work that was planned through risk assessment; presents a summary of the audit work undertaken; includes an opinion on the adequacy and effectiveness of the Authority's internal control environment; and summarises the performance of the Internal Audit function against its performance measures and other criteria. The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year. It gives:

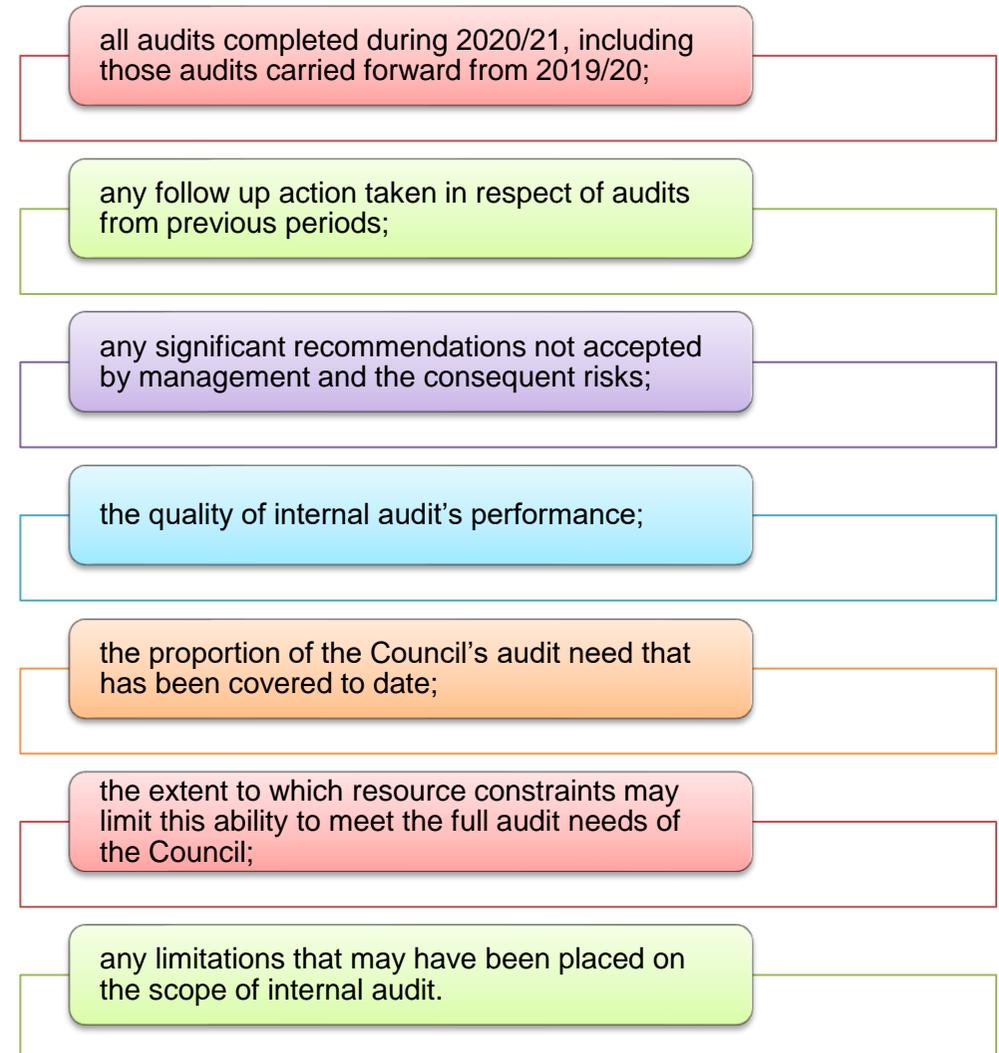
- a statement on the effectiveness of the system of internal control in meeting the Council's objectives;
- a comparison of internal audit activity during the year with that planned;
- a summary of the results of audit activity and;
- a summary of significant fraud and irregularity investigations carried out during the year and anti-fraud arrangements.

The extent to which our work has been affected by changes to audit plans due to the pandemic has been significant and are shown in Appendix 1.

Some of our work remains ongoing and will be completed within quarter one of 2021-22.

The overall audit assurance will have to be considered in light of this position.

In assessing the level of assurance to be given the following have been taken into account:



Appendix 6 – Performance Indicators

There are no national Performance Indicators in existence for Internal Audit, but the Partnership does monitor the following Local Performance Indicators LPI's:

Local Performance Indicator (LPI)	2018/19	2018/19	2019/20	2019/20	2020/21	2020/21
	Target	Actual	Target	Actual	Target	Actual
Percentage of Audit plan Commenced (Inc. Schools)	100%	100%	100%	100%	100%	100%
Percentage of Audit plan Completed (Inc. Schools)	93%	91%	93%	97%	93%	95%
Actual Audit Days as percentage of planned (Inc. Schools)	95%	94%	95%	104%	95%	108%
Percentage of fundamental / material systems reviewed annually	100%	100%	100%	100%	100%	100%
Percentage of chargeable time	65%	66%	65%	67%	65%	67%
Customer Satisfaction - % satisfied or very satisfied as per feedback forms	90%	97%	90%	99%	90%	96%
Draft Reports produced within target number of days (currently 15 days)	90%	81%	90%	83%	90%	90%
Final reports produced within target number of days (currently 10 days)	90%	100%	90%	99%	90%	100%
Average level of sickness absence (DAP as a whole)	2%	3%	2%	3% *	2%	4.65%
Percentage of staff turnover (DAP as a whole)	5%	4%	5%	4%	5%	20%
Out-turn within budget	Yes	Yes	Yes	Yes	Yes	Yes

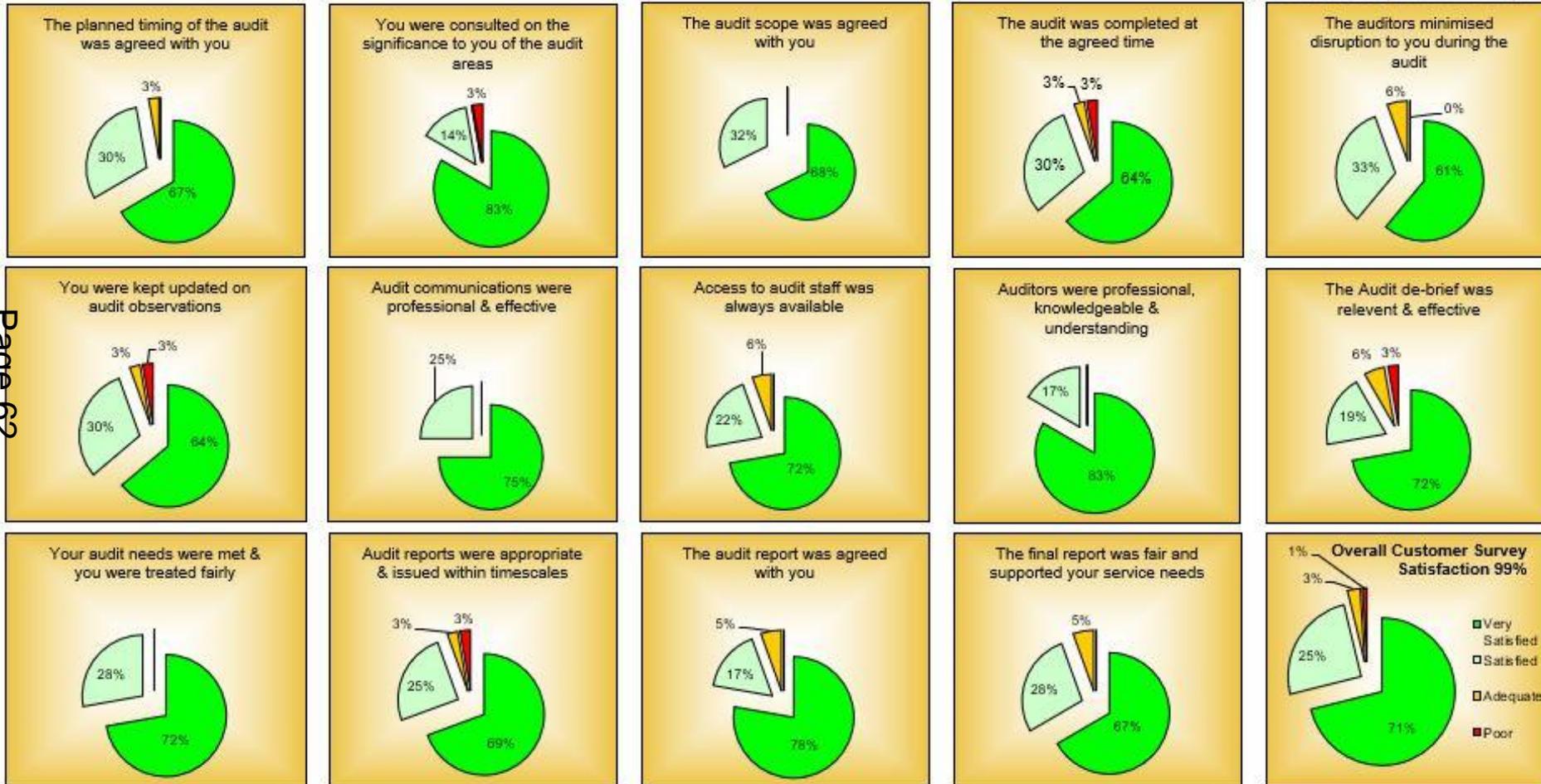
* Turnover – (8 people; 4 starters, 4 leavers). Staters: 3 x apprentices and 1 x Audit Manager. Leavers: 3 x Auditors and 1 x Senior Auditor.

Overall, performance against the indicators has primarily been maintained, the exception to this being 'Percentage of Audit plan completed'; certain audits remain ongoing as at the year end. It should also be noted that the level of resource required to undertake irregularity investigations has been greater than anticipated and the plan revised accordingly, which has had an adverse impact on the overall completion of the plan. In addition, operational support in relation to business grants processing, and work in relation to benefits subsidy testing has also adversely impacted completion of the plan.

Appendix 7 - Customer Service Excellence

Customer Survey Results April 2020 - March 2021

The charts below show a summary of **36** responses received.



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<p>Devon Audit Partnership</p>	<p>Confidentiality and Disclosure Clause</p>
<p>The Devon Audit Partnership has been formed under a joint committee arrangement. We aim to be recognised as a high-quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.</p> <p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at robert.hutchins@devonaudit.gov.uk.</p>	<p>This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.</p> <p>This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.</p>

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

Document is Restricted