

# Public Document Pack



**COTSWOLD**  
DISTRICT COUNCIL

Monday, 15 July 2024

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## AUDIT AND GOVERNANCE COMMITTEE

A meeting of the Audit and Governance Committee will be held in the Council Chamber - Council Offices, Trinity Road, Cirencester, GL7 1PX on **Tuesday, 23 July 2024 at 4.00 pm.**

Rob Weaver  
Chief Executive

To: Members of the Audit and Governance Committee  
(Councillors Nigel Robbins, Patrick Coleman, Helene Mansilla, Jeremy Theyer, Chris Twells, Michael Vann and Len Wilkins; Christopher Bass and John Chesshire)

Recording of Proceedings – The law allows the public proceedings of Council, Cabinet, and Committee Meetings to be recorded, which includes filming as well as audio-recording. Photography is also permitted.

As a matter of courtesy, if you intend to record any part of the proceedings please let the Committee Administrator know prior to the date of the meeting.

Cotswold District Council, Trinity Road, Cirencester, Gloucestershire, GL7 1PX  
Tel: 01285 623000 [www.cotswold.gov.uk](http://www.cotswold.gov.uk)

## AGENDA

1. **Apologies**  
To receive any apologies for absence. The quorum for the Audit and Governance Committee is 3 members.
2. **Substitute Members**  
To note details of any substitution arrangements in place for the meeting.
3. **Declarations of Interest**  
To receive any declarations of interest from Members and Officers, relating to items to be considered at the meeting.
4. **Minutes (Pages 5 - 10)**  
To confirm the minutes of the meeting of the Committee held on 25 April 2024.
5. **Public Questions**  
To deal with questions from the public within the open forum question and answer session of fifteen minutes in total. Questions or supplementary questions from each member of the public should be no longer than two minutes each and relate issues under the Committee's remit.
6. **Member Questions**  
To deal with written questions by Members, relating to issues under the Committee's remit, with the maximum length of oral supplementary questions at Committee being no longer than one minute. Responses to any supplementary questions will be dealt with in writing following the meeting
7. **External Audit Plan 2023/24 (Pages 11 - 26)**  
Purpose  
To receive the 2023/24 Audit Plan from Bishop Fleming, the Council's external auditors.  
  
Recommendation  
That Audit and Governance Committee resolves to:
  1. Consider and note the Bishop Fleming Audit Plan for 2023/24
8. **Draft Annual Governance Statement (Pages 27 - 34)**  
Purpose  
This report presents the Audit and Governance Committee with a draft Annual Governance Action plan for 24/25  
  
Recommendations  
That the Audit and Governance Committee resolves to:
  1. Approve the Annual Governance Action Plan for 24/25
  2. Note associated progress updates
9. **Internal Audit Annual Opinion (Pages 35 - 64)**  
Summary/Purpose  
To present a summary of the work undertaken by Internal Audit during 2023/24 and to give an overall opinion on levels of assurance resulting from this work.

Recommendation

That the Audit and Governance Committee resolves to:

1. Consider the report and comments as necessary

10. **Treasury Management Outturn** (Pages 65 - 80)

Purpose

To receive and discuss details of the Council's Treasury management performance for the period 01 April to 31 March 2024.

Recommendation

That the Audit and Governance Committee resolves to:

1. Consider the Council's Treasury Management performance for the period 1 April 2023 to 31 March 2024.
2. Agree any comments to be passed to full Council when considering this item.

11. **Draft Statement of Accounts**

*To follow*

Purpose

The Statement of Accounts for 2023/24 shows the financial position of the Council as of 31 March 2024 as well as the performance during the year. Under the Council's Constitution, the Audit and Governance Committee is charged with the responsibility of the approval of the accounts. This report presents to the Committee for consideration the published (unaudited) draft Statement of Accounts for the year ended 31 March 2024.

Recommendations

That the Audit and Governance Committee Resolves to:

1. Note the draft unaudited Statement of Accounts 2023/24 (as attached at Annex A).
2. Note the highlights from the Statement of Accounts 2022/23 as set out within the report.

12. **Annual Standards Update** (Pages 81 - 110)

Purpose

To present the Audit and Governance Committee with and update on Code of Conduct Complaints and arrangements for dealing with these.

Recommendations

That the Audit and Governance Committee resolves to:

1. Note the update for the financial years 2022 – 2023 and 2023 - 2024
2. Recommend to full Council to approve the updated arrangements for dealing with code of conduct complaints;
3. Recommend to full Council to approve the procedure for the Standards Hearing Sub-Committee and to delegate authority to the Director of Governance & Development to make minor amendments to the procedure.

13. **Work Plan** (Pages 111 - 114)

For the Committee to note and review its work plan.

(END)

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Audit and Governance Committee  
25/April2024



COTSWOLD  
DISTRICT COUNCIL

## Minutes of a meeting of Audit and Governance Committee held on Thursday, 25 April 2024

### Councillors present:

Nigel Robbins – Chair  
Helene Mansilla  
Jeremy Theyer

Chris Twells  
Len Wilkins

Michael Vann

### Co-opted Members present:

John Chesshire  
Christopher Bass

### Officers present:

Ana Prelici, Democratic Services Officer  
Pete Barber, Grant Thornton LLP  
Michelle Burge, Chief Accountant  
Angela Claridge, Director of Governance and  
Development (Monitoring Officer)

Roz Apperley  
Lucy Cater, Assistant Director (SWAP)  
Emma Cathcart, Head of Service, Counter  
Fraud and Enforcement Unit  
Claire Locke, Interim Executive Director

### Cabinet Members

Councillor Mike Evemy, Deputy Leader and Cabinet Member for Finance

### **262 Apologies**

Apologies were received from Councillor Patrick Coleman

### **263 Substitute Members**

There were no substitute members

### **264 Declarations of Interest**

There were no declarations of interest

### **265 Minutes**

John Chesshire had been omitted from the minutes and needed to be added.

The Chair had further typographical amendments he wished to discuss with the Democratic Services Business Manager.

RESOLVED: That the Audit and Governance Committee approve the minutes of the meeting held on 15 April, subject to agreed amendments being made.

### Voting Record

**For 4, Against, 0, Abstentions 0, Absent/Did not vote 3**

#### **266 Public Questions**

There were no public questions.

#### **267 Member Questions**

There were no member questions.

#### **268 Statement of Accounts and Audit Opinion**

The Chair explained that the Audit Opinion had been received late and considered deferring the item. However, the Deputy Chief Executive advised that further delays would present a risk in terms of signing off the accounts for the 2022/23 financial year. The Deputy Chief Executive stated that the papers had been considered by themselves and the Chief Accountant in detail before coming to the Committee.

On the advice of the Deputy Chief Executive, the Chair agreed to consider the item, but stated that it was regrettable that the Committee had not had sufficient time to consider the report.

Pete Barber, Director, and Roz Apperley, Audit Manager, from Grant Thornton introduced the report.

The purpose of the item was to update the Committee on the findings of the external audit of the 2022/23 financial year as the audit was concluded. External audit expected to sign the accounts following this meeting, after the Committee had had the opportunity to review the findings of their audit work.

Pete Barber apologised for the delays, explaining that there was concern within the sector about timeliness and that Grant Thornton had been keen to submit their final report, which would allow the Committee to off the accounts for the 2022/23 financial year.

Councillor Len Wilkins joined the meeting during this item. (around 4:05pm)

Members discussed the report, raising the following points, which were addressed by the Officers in attendance and the representatives from Grant Thornton;

- The external auditors had stated that there were no areas of concern but had made recommendations nonetheless. It was explained by the representatives from Grant Thornton that these were not serious recommendations which should cause concern, but areas that the Council may wish to consider for improvement.
- Members thanked Grant Thornton for the report and commended the Deputy Chief Executive and Chief Accountant on the outcome, which was in their view a good position to be in at a difficult time.

Councillor Jeremy Theyer joined the meeting during this item (around 4:25pm)

RESOLVED: That the Audit and Governance Committee:

1. NOTED the Audit Findings Report (Annex A) and extract from the revised 2022/23 Statement of Accounts (Annex B)
2. AGREED to APPROVE the Statement of Accounts 2022/23.
3. AGREED to recommend that the Chair of the Audit and Governance Committee and Deputy Chief Executive and Section 151 Officer sign the Letter of Representation at Annex C

### Voting record

**For 6, Against 0, Abstentions 0, Absent/Did not vote 1**

### **269** Statement of Accounting Policies 2023/24

The purpose of the report was to present the accounting policies to be included in the 2023/24 Statement of Accounts.

The Chair introduced the item, explaining that there was only one significant change from the previous policy, which was to remove reference to infrastructure assets. However, the Chair felt that this was unclear and asked that any amendments to the policies are clearly highlighted in Annex going forward.

The Chief Accountant stated that this was a historic reference to assets such as highways and bridges, which the Council did not own and were generally assets under the responsibility of the County Council.

In discussing the report, it was stated that some assets of this type might still be owned by the Council, for instance grass verges. The Deputy Leader and Cabinet Member for Finance stated that the Cabinet would be considering an Asset Management Strategy at its meeting on Thursday 9 May, which would contain a full list of assets. The Deputy Chief Executive stated that verges were not considered to be significant infrastructure assets and were classified as surplus assets within the Council's fixed asset register

RESOLVED: That the Audit and Governance Committee:

1. APPROVED the draft accounting policies for 2023/24 included at Annex A;
2. NOTED that further necessary amendments to the policies set out at Annex A (occurring subsequent to this meeting) are included within the draft (unaudited) and/or final (audited) Statement of Accounts when presented to this Committee.

### Voting record

**For 6, Against 0, Abstentions 0, Absent/Did not vote 1**

### **270** Internal Audit Plan 2024/25

The purpose of the report was to present the Internal Audit Plan 2024/25 to Audit and Governance Committee for consideration and approval.

The SWAP Assistant Director introduced the report.

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Members were invited to email any suggestions for future audit areas to the SWAP Assistant Director directly. The Deputy Chief Executive stated that they had recently discussed the potential for emerging areas as a result of the Publica Review with the SWAP Assistant Director.

Members welcomed the inclusion of areas such as Human Resources and Planning and Sustainability into the report.

RESOLVED: That the Audit and Governance Committee:

I. APPROVED the proposed Internal Audit Plan 2024/25.

### Voting record

**For 6, Against 0, Abstentions 0, Absent/Did not vote 1**

### **271 Internal Audit Progress Report**

The purpose of the report was to present a summary of the audit work concluded since the last meeting of this Committee.

Members discussed the report and raised questions around a number of areas, which the Deputy Chief Executive provided answers to;

- A key area of concern around property services was the lack of an Asset Management Strategy. The Assistant Director for Property and Regeneration explained that the Asset Management Strategy would be going to Cabinet for approval at its meeting on Thursday 9 May 2024, and welcomed the alleviation of the risk. The introduction of an asset register and the use of the Uniform system would help alleviate risk around the Council's legal compliance towards its properties.
- In further discussing the Asset Management Strategy members asked for further details as to how the Council manages the day-to-day administration of its assets. The Assistant Director for Property and Regeneration explained that the Estates and Assets teams took on different aspects of this work. The Estates Team managed landlord responsibilities and legal aspects, and the Assets team was responsible for maintenance, repair, renovations and consents.
- Further details were requested on a section of the report where it stated that "This audit was originally planned to be an assurance piece of work utilising walkthrough, discussion with staff, substantive testing, and evidence review. However, no up to date information could be provided for the audit". The Assistant Director for Property and Regeneration explained that this was due to insufficient capacity within the Estates Team to do so, and as such the property work was prioritised.
- The Publica review was discussed, the Assistant Director for Property and Regeneration stated that it was too soon to know whether the review would impact the structure or size of the teams. The Deputy Chief Executive stated that the Assets and Estates service would be transitioned from Publica to the Council in phase two of the transition. The service was presently a shared service between the three councils.
- Short term health and safety concerns that were picked up by the audit were addressed. The Assistant Director for Property and Regeneration stated that once the concerns about compliance were raised, a spreadsheet was put together to resolve immediate issues while Uniform was put in place for this use.

The Revenues and Benefits area was also reviewed, the findings around these were mainly positive, and this was discussed by members. Officers provided further information;



- The SWAP Assistant Director stated that the team had implemented a project to improve customer service, and so had welcomed the recommendations.
- The complaints of bullying mentioned in the report had come from staff. The Deputy Chief Executive stated the Council had been aware of such concerns from the Investors in People evaluation and had alongside Publica already taken significant steps to address these. The Deputy Chief Executive stated that a full written response would be provided to members.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the report.

## **272 CFEU Update Report (RIPA and IPA annual update)**

The Head of Service, Counter Fraud and Enforcement Unit (CFEU) introduced the item.

The purpose of the report was to provide the Committee with assurance over the counter fraud activities of the Council. Direct updates would continue to be provided to the Committee twice a year. Work plans were presented to the Committee detailing progress and results for consideration and comment as the body charged with governance in this area. The report also provided the annual update in relation to the Regulation of Investigatory Powers Act 2000 (RIPA), the Investigatory Powers Act 2016 (IPA) and the Council's existing authorisation arrangements.

The report was a regular one presented to the Committee regarding the work of the CFEU, and the Head of Service provided the following key updates:

- Due to the increased number of grants that the Councils are administering, the CFEU will be working on a verification and assurance toolkit to assist staff in ensuring fraud risk is considered and mitigated.
- Work will be undertaken regarding the risks related to unauthorised dual employment where staff had additional employment that was not declared.
- The CFEU team would be supporting the Publica review where needed.
- A £5,000 grant had been received from the OPCC to support the build of a fraud awareness website on behalf of the Gloucestershire Multi-Agency Approach to Fraud (MAAF) group to advise and support residents, staff etc.
- The housing waiting list had been reviewed to check for errors and fraud.
- The Council had been inspected by the Investigatory Powers Commissioner's Office regarding activities and responsibilities under the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA). The Council had been found fully compliant. A summary document around this legislation would be distributed.

The Head of Service explained that the appendix had been presented this year detailing work for 2023/24 but the current year has been expanded and updated so that it acts as a service delivery plan / aide memoire of what the CFEU does and is responsible for. In the future there will be more information in the reports rather than a list of work streams.

Members made a number of points on the report which were responded to by the Head of Service.

- The CFEU worked to strict legislative standards, so they did not feel the need to use KPIs (Key Performance Indicators) to monitor their performance in terms of the number of cases investigated and outcomes.

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- The CFEU worked closely with the Internal Audit team, meeting quarterly to ensure their work plans were aligned and any internal control failings / risks were captured in any future audits.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the report.

### **273** Work Plan

The Committee discussed their work plan, stating that the next meeting in July would have a large number of items.

There were no further comments on the Work Plan.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the work plan.

The Meeting commenced at 4.00 pm and closed at 5.35 pm

Chair

(END)

# External Audit Plan Cotswold District Council

For the year ended 31 March 2024



## Contents

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### **Appendices**

1. Required communications with the Audit and Governance Committee

# Welcome

The purpose of this report is to give you an overview of the nature and scope of our audit work and bring to your attention the key aspects of the audit. The document also ensures that there is good communication between us, as auditors, and you.

If you have any queries regarding the plan, including the arrangements noted below, then please do not hesitate to contact us.

This Audit Plan has been prepared for the sole use of the management and those charged with governance of the Council. Except where required by law or regulation, this report should not be made available to any other parties without our prior written consent. No responsibilities are accepted by Bishop Fleming towards any party acting or refraining from action as a result of this plan.

Alex Walling – Key Audit Partner

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# 1. General Audit Information

## 1.1. Engagement objectives and scope

The scope of our work is set in accordance with the National Audit Office's Code of Audit Practice (The Code) and the International Standards on Auditing (ISAs) (UK). Our work is planned to provide a focused and robust audit. We are required to provide an independent opinion as to whether the financial statements:

- give a true and fair view of the financial position of the Council at the year end and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Throughout the audit we will also ensure that, in line with the latest Auditing Standards, we communicate on a regular basis with those charged with governance.

We are also required to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024. The Code of Audit Practice requires us to report on the Council's arrangements under three specified reporting criteria:

- Financial sustainability – how the Council plans and manages its resources to ensure it can continue to deliver its services;
- Governance – how the Council ensures it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness – how the Council uses information about its costs and performance to improve the way it manages and delivers its services.

The respective responsibilities of the audited body and the auditor are summarised in The Code. They are also set out in the PSAA Statement of Responsibilities of auditors and audited bodies issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as your external auditor.

At the time of initially drafting this Plan, there were a number of consultations ongoing. A [Joint statement](#) explaining the package of measures and how the various elements were intended to interact was published on the Department for Levelling Up, Housing and Communities website. Following the calling of the general election, the outcomes of these consultations has been delayed. We will discuss any changes to our proposed work and timetable with management and the Audit and Governance Committee as events become clearer.

## 1.2. Audit reports

### Financial statements

On completion of our audit work on the financial statements, we will issue our Audit Completion Report to those charged with governance, which will set out our findings.

In our audit report we will report on the basis under which the financial statements have been prepared and whether they give a true and fair view. The audit report will also:

- report on whether other information presented with the audited financial statements (for example, the Narrative Report and Annual Governance Statement) is materially consistent with the financial statements or our knowledge obtained in the audit; and
- conclude on the appropriateness of management's use of the going concern basis of accounting.

The form and content of our audit report may need to be amended in light of our audit findings.

We are required to report to you by exception the following matters, if:

- the Annual Governance Statement does not comply with "Delivering Good Governance in Local Government: Framework 2016 Edition" published by CIPFA/SOLACE; or
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Council under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

Where no matters are identified, this will also be confirmed.

### **Value for Money arrangements**

On the completion of our work on whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, we will issue our Auditor's Annual Report to those charged with governance. This will provide a commentary on the Council's arrangements under the three specified criteria. The report will also set out whether any significant weaknesses were identified and any relevant recommendations.

### **1.3. Audit materiality**

In planning and performing our audit work we will consider whether the financial statements are free from 'material misstatement'.

Materiality is an expression of the relative significance of a particular matter in the context of the financial statements as a whole. In general, misstatements, including omissions, are considered to be material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The assessment of whether a misstatement is material in the context of the financial statements is a matter of professional judgement and will have regard to both the size and the nature of the misstatement, or a combination of both. It is also affected by our perception of the financial information needs of users of the financial statements. Thus, different materiality levels may be appropriate when considering different aspects of the financial statements.

If there are any areas of specific concern that you would like us to pay particular attention to then we will be pleased to discuss this with you, including whether our audit approach can be readily adapted to accommodate such a level in that area, or whether it will be more appropriate for a special exercise to be carried out on the area.

Our basis of materiality has been set as follows:

<b>Basis of materiality</b>	
Cotswold District Council	2% of gross expenditure based on audited 22/23 financial statements.  This equates to £1,022k.

Whilst the level of materiality is applied to the financial statements as a whole, we must also address the risk that any identified unadjusted audit differences are material when considered in aggregate. To reduce the risk of this being the case, we apply a lower level of materiality which we utilise within our work, known as Performance Materiality. This is set at a lower level than overall materiality and is determined by our assessment of the element of audit risk that pertains to the internal control environment of the Council.

#### **1.4. Risk assessment and significant risks**

##### **Financial statements**

When planning our audit work, we will seek to minimise the risk of material misstatements occurring in the financial statements. To do this, we consider both the risk inherent in the financial statements themselves and the control environment in which the Council operates. We then use this assessment to develop an effective approach to the audit.

This risk assessment directs our testing towards the balances and transactions at the greatest risk of material misstatement so as to minimise the risk of undetected material misstatements. However, we do not test every group of transactions or balances but carry out sample testing of balances and transactions.

Therefore, there is an inherent and unavoidable risk that some material misstatements may not be detected and therefore audit procedures should not be relied upon to detect all material misstatements, fraud, irregularities, or instances of non-compliance.

Based on our knowledge of the Council, we have identified the following as significant risk areas to be addressed during the audit. This is our initial assessment of audit risk based upon our work completed to date. Our conclusions may change, and additional risks may be identified as we complete additional planning procedures. We will provide the Audit and Governance Committee details of any changes in our risk assessments.



Risk	Audit Approach
Management override of controls (required under the ISAs)	<p>We are required by auditing standards (ISA 240) to consider fraud and management override of controls to be a significant risk for all audits as no matter how strong a control environment, there is the potential for controls to be overridden or bypassed. To address this risk, we will:</p> <ul style="list-style-type: none"> <li>• Review the reasonableness of accounting estimates and critical judgements made by management;</li> <li>• Test material journals processed at the year-end; and</li> <li>• Test other journals with key risk attributes.</li> </ul> <p>In testing journals, we will use data analytics tools to interrogate the whole population of journals posted in the year and focus on those with key risk factors.</p>
Fraud in revenue recognition (required under the ISAs)	<p>There is also a rebuttable presumption under auditing standards that revenue may be misstated due to improper recognition of revenue. This presumption may be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud in revenue.</p> <p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams of the Council, we have concluded that the risk of fraud arising from revenue recognition can be rebutted because our initial assessment is that:</p> <ul style="list-style-type: none"> <li>• There is little incentive to manipulate revenue recognition;</li> <li>• Opportunities to manipulate revenue recognition are very limited; and</li> <li>• The culture and ethical framework of local authorities, including Cotswold District Council, mean that all forms of fraud are seen as unacceptable.</li> </ul>
Fraud in expenditure recognition	<p>Practice Note 10: Audit of Financial Statements and regularity of public sector bodies in the United Kingdom sets out that the risk of fraud related to expenditure is also relevant. We therefore need to consider whether we have any significant concerns about fraudulent financial reporting of expenditure which would need to be treated as a significant risk for the audit.</p> <p>Our initial assessment is that we do not consider this to be a significant risk for Cotswold District Council because:</p> <ul style="list-style-type: none"> <li>• Our work to date has suggested that expenditure is well controlled, and the Council has a strong control environment; and</li> <li>• The Council has clear and transparent reporting of its financial plans and financial position.</li> </ul>

Risk	Audit Approach
Valuation of land and buildings	<p>There is a risk over the valuation of these assets due to the values involved and the high degree of estimation uncertainty, due to the sensitivity of the estimate to changes in key assumptions and judgements. To address this risk, we will:</p> <ul style="list-style-type: none"> <li>• Document our understanding of the processes and controls put in place by management, and evaluate the design of the controls;</li> <li>• Review the instructions provided to the valuer and the valuer's skills and expertise, in order to determine if we can rely on the management expert;</li> <li>• Write to the valuer to confirm the basis on which the valuation was carried out;</li> <li>• Confirm that the basis of valuation for assets valued in year is appropriate based on their usage;</li> <li>• Review the appropriateness of assumptions used in the valuation of land and buildings. For assets not formally revalued in the year we will assess how management has satisfied itself that these assets are not materially different from the current value at the year-end;</li> <li>• Review accuracy and completeness of information provided to the valuer, such as floor areas;</li> <li>• Test a sample of revaluations made during the year to ensure that they have been input correctly into the Council's asset register; and</li> <li>• Form our own expectations regarding the movement in property values and comparing this to the valuations reflected in the Council's financial statements, following up valuation movements that appear unusual.</li> </ul>
Valuation of investment properties	<p>There is a risk over the valuation of these assets due to the values involved and the high degree of estimation uncertainty, due to the sensitivity of the estimate to changes in key assumptions and judgements. To address this risk, we will:</p> <ul style="list-style-type: none"> <li>• Document our understanding of the processes and controls put in place by management, and evaluate the design of the controls;</li> <li>• Review the instructions provided to the valuer and the valuer's skills and expertise, in order to determine if we can rely on the management expert;</li> <li>• Write to the valuer to confirm the basis on which the valuation was carried out;</li> <li>• Confirm that the basis of valuation for assets valued in year is appropriate based on their usage;</li> <li>• Review the appropriateness of assumptions used in the valuation;</li> <li>• Review accuracy and completeness of information provided to the valuer, such as floor areas;</li> <li>• Test a sample of revaluations made during the year to ensure that they have been input correctly into the Council's asset register; and</li> <li>• Form our own expectations regarding the movement in property values and comparing this to the valuations reflected in the Council's financial statements, following up valuation movements that appear unusual.</li> </ul>

Risk	Audit Approach
Valuation of the pension fund net liability	<p>There is a risk over the valuation of the pension fund net liability due to the values involved and the high degree of estimation uncertainty, due to the sensitivity of the estimate to changes in key assumptions. To address this risk, we will:</p> <ul style="list-style-type: none"> <li>• Document our understanding of the processes and controls put in place by management, and evaluate the design of the controls;</li> <li>• Review the instructions provided to the actuary and the actuary's skills and expertise, in order to determine if we can rely on the management expert;</li> <li>• Consider the accuracy and completeness of the information provided to the actuary;</li> <li>• Ensure that the disclosures in the financial statements in respect of the pension fund liability are consistent with the actuarial report from the actuary;</li> <li>• Carry out procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and</li> <li>• Obtain assurances from the auditor of Gloucestershire County Council Pension Fund in respect of the controls around the validity and accuracy of membership data, contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> </ul>

We will report back to you as part of our completion audit work, on the outcome of our work addressing these areas.

## **Value for money arrangements**

As part of our planning work, we have also considered whether there are any risks of significant weakness in the Council's arrangements for securing economy, efficiency, and effectiveness in its use of resources that we need to perform further procedures on.

Having undertaken some initial planning work we have not identified any risks of significant weakness at this stage.

We will keep our risk assessment under continual review and any changes will be communicated to those charged with governance.

### **1.5. Control environment**

Through our audit planning procedures, we will continue to develop our understanding of the control environment in which the Council operates.

At the time of issuing our Audit Plan we have concluded that the control environment in which the Council operates is effective and we will tailor our audit approach accordingly.

Although we consider that the Council operates effective and formalised controls, we will not incorporate controls-based testing into our audit approach. Therefore, our work will focus on substantive procedures.

### **1.6. Adjusted and unadjusted items**

Of the potential audit adjustments that we identify during our audit work, some may require adjustment. The decision to make an adjustment to the financial statements is one that the Council will need to make.

At the conclusion of the audit, we shall provide you with a schedule of potential adjustments that we identified during our audit work.

We will require you to confirm that you have considered the items and whether you have decided to adjust them in the financial statements; this will be included in the letter of representation.

We shall also provide you with a schedule, detailing those items that we identified during our audit work, which have not been adjusted for in the financial statements. This summary will not include errors that are 'clearly trivial', defined by us as those errors which individually account for no more than 5% of our materiality level.

We will require you to confirm that you have duly considered these unadjusted errors and that you have decided not to adjust for them in the financial statements; this will also be included in the letter of representation.

### **1.7. Fraud**

While the Council has the ultimate responsibility for the prevention and detection of fraud, we are required to obtain reasonable assurance that the financial statements are free from material misstatement, including those arising as a result of fraud. Our audit approach includes the consideration of fraud throughout the audit, including making enquiries of management and those charged with governance.

### **1.8. Prior year recommendations**

We will follow up on the progress made by the Council in addressing the recommendations made by the Council's previous auditor in respect of deficiencies reported in their ISA260 Audit Report.

## 2. The Audit Team

Responsible individual:  
Email:

Alex Walling  
[awalling@bishopfleming.co.uk](mailto:awalling@bishopfleming.co.uk)

Manager:  
Email:

Adam Marshall  
[amarshall@bishopfleming.co.uk](mailto:amarshall@bishopfleming.co.uk)

## 3. Timetable

A full audit timetable has been included below:

<b>Cotswold District Council</b> YEAR END: 31 March 2024	
<b>Date</b>	<b>Requirement</b>
<b>March-June 2024</b>	<ul style="list-style-type: none"><li>• Review of predecessor auditor's files</li><li>• Meetings with management</li></ul>
<b>February-May 2024</b>	Planning procedures and interim audit work undertaken, examining systems and controls in place, and completion of early substantive testing.
<b>August-October 2024</b>	Audit fieldwork to be undertaken, completing work on significant risk areas and other material balances.
<b>October 2024</b>	Audit completion meeting with year-end draft Audit Completion Report
<b>October 2024</b>	Audit and Governance Committee and accounts to be approved.

## 4. Audit Fees

Cotswold District Council, in line with most other local government bodies, opted into the national scheme run by Public Sector Audit Appointments (PSAA) for the appointment of its external auditor for the five-year period with effect from 2023/24. PSAA set the scale fee for the audit of Cotswold District Council under the contract. The audit scale fee set by PSAA for the Council and our proposed variations are set out below:

PSAA scale fee 2023/24 (excluding VAT)	£136,941
Proposed fee variations:	
ISA 315	TBC

The scale fees set by PSAA:

- are based on the expectation that complete and materially accurate financial statements, with supporting working papers, will be available within agreed timeframes (as set out in [PSAA's Statement of Responsibilities document](#)); and
- reflect as far as possible the predecessor auditor's previous assessment of audit risk and complexity.

Where work was substantially more or less than envisaged by the scale fee, we will propose that the fees should be varied. PSAA determine the outcome of any fee variations. The proposed fee variations set out above reflect issues that were not reflected in the scale fee when it was set by PSAA.

As the individual responsible for the project management of the audit, Adam Marshall will monitor the position in relation to any issues that could potentially give rise to a fee variation and discuss them with the Chief Finance Officer at the earliest opportunity.

There are no non-audit fees proposed at the planning stage.

### ISA 315

The proposed fee variation in relation to ISA 315 is in respect of a significant change to auditing standards that applied for the first time for your audit for the year ended 31 March 2023. Due to the timing of the tender process, the impact of this has not been built into the audit scale fees.

In summary the main changes were as follows:

- The introduction of five new inherent risk factors to aid in risk assessment; subjectivity, complexity, uncertainty, change, and susceptibility to misstatement due to management bias or fraud.
- The introduction of a new spectrum of risk, at the higher end of which lie significant risks.
- The requirement for "sufficient, appropriate" evidence to be obtained from risk assessment procedures as the basis for the risk assessment.
- The introduction of more requirements in relation to gaining an understanding of the entity's IT environment, including requirements to identify and assess risks of material misstatement arising from the use of IT related to the IT application and other aspects of the entity's IT environment.

## 5. Ethical Issues

In order to comply with professional and ethical standards we are required to communicate to you all significant facts and matters that, in our professional judgement, may affect the firm's independence. This is for reference only, and unless you wish to make any comments, there is no need to respond.

### **5.1. Threats & safeguards**

The standards require us to consider the perceived potential threats to our objectivity and independence in carrying out the audit. We are not providing any other audit related or non-audit related services. We have not identified any threats to the firm's independence.

### **5.2. Overall assessment**

We can confirm that we comply with the Financial Reporting Council's (FRC) Ethical Standard and are able to issue an objective opinion on the financial statements. There are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention.

### **5.3. Maintaining objectivity & independence**

As a firm we have policies and procedures in place to monitor auditor objectivity and independence on a regular basis. If any additional threats are identified, we will of course advise you immediately.

We also perform an annual review of completed audit engagements for quality control purposes.

If you would like to discuss any of the above, please contact us.

# Appendices



# 1. Required communications with the Audit and Governance Committee

Under the auditing standards, there are certain communications that we must provide to the Audit and Governance Committee as those charged with governance. These include:

Required communication	Where addressed
Our responsibilities in relation to the financial statement audit and those of management and those charged with governance.	Audit Plan
The planned scope and timing of the audit including any limitations, specifically including with respect to significant risks.	Audit Plan
With respect to misstatements: <ul style="list-style-type: none"> <li>• uncorrected misstatements and their effect on our audit opinion;</li> <li>• the effect of uncorrected misstatements related to prior periods;</li> <li>• a request that any uncorrected misstatement is corrected; and</li> <li>• in writing, corrected misstatements that are significant.</li> </ul>	Audit Completion Report
With respect to fraud communications: <ul style="list-style-type: none"> <li>• enquiries of those charged with governance to determine whether they have a knowledge of any actual, suspected or alleged fraud affecting the entity;</li> <li>• any fraud that we have identified or information we have obtained that indicates that fraud may exist; and</li> <li>• a discussion of any other matters related to fraud.</li> </ul>	Audit Completion Report Discussions at audit and governance committees
Significant matters arising during the audit in connection with the entity's related parties.	Audit Completion Report
Significant findings from the audit including: <ul style="list-style-type: none"> <li>• our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;</li> <li>• significant difficulties, if any, encountered during the audit;</li> <li>• significant matters, if any, arising from the audit that were discussed with management;</li> <li>• written representations that we are seeking;</li> <li>• expected modifications to the audit report; and</li> <li>• other matters significant to the oversight of the financial reporting process or otherwise identified during the audit that we believe will be relevant to the Committee when fulfilling their responsibilities.</li> </ul>	Audit Completion Report
Significant deficiencies in internal controls identified during the audit.	Audit Completion Report
Where relevant, any issues identified with respect to authority to obtain external confirmations or inability to obtain relevant and reliable audit evidence from other procedures.	Audit Completion Report
Audit findings regarding non-compliance with laws and regulations	Audit Completion Report Discussions at audit and governance committees
Significant matters in relation to going concern.	Audit Completion Report
Indication of whether all requested explanations and documents were provided by the entity.	Audit Completion Report
Confirmation of independence and objectivity of the firm and engagement team members.	Audit Plan Audit Completion Report



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# Agenda Item 8



**COTSWOLD**  
DISTRICT COUNCIL

Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>AUDIT AND GOVERNANCE COMMITTEE – 23 July 2024</b>
Subject	<b>ANNUAL GOVERNANCE STATEMENT ACTION PLAN 2024/25 UPDATE</b>
Wards affected	All
Accountable member	Cllr Joe Harris, Leader of the Council Email: <a href="mailto:joe.harris@cotswold.gov.uk">joe.harris@cotswold.gov.uk</a>
Accountable officer	Robert Weaver, CEO Email: <a href="mailto:Democratic@Cotswold.gov.uk">Democratic@Cotswold.gov.uk</a>
Report author	Cheryl Sloan, Business Manager, Governance, Risk & Business Continuity Email: <a href="mailto:Democratic@Cotswold.gov.uk">Democratic@Cotswold.gov.uk</a>
Summary/Purpose	This report presents the Audit and Governance Committee with a draft Annual Governance Action plan for 24/25
Annexes	Annex A – Annual Governance Statement Action Plan 2024/25
Recommendation(s)	That the Audit and Governance Committee resolves to: <ol style="list-style-type: none"> <li>1. Approve the Annual Governance Action Plan for 24/25</li> <li>2. Note associated progress updates</li> </ol>
Corporate priorities	All
Key Decision	NO
Exempt	NO
Consultees/ Consultation	NA



## **1. EXECUTIVE SUMMARY**

- 1.1 To provide the Audit and Governance Committee with a draft Annual Governance Action Plan for 24/25 and to present progress made against the actions to date.

## **2. BACKGROUND**

- 2.1 The Audit and Governance Committee is the Committee of the Council charged with overseeing governance.
- 2.2 Regulation 4 of The Accounts and Audit Regulations 2011 require the Council to produce an Annual Governance Statement (AGS), setting out the Council's governance arrangements.
- 2.3 Every year the Council reviews and updates the Annual Governance Statement. From the statement, an action plan is developed which identified areas for improvement to be delivered the following financial year to further improve Council Governance Arrangements.
- 2.4 Audit and Governance Committee members are invited to comment on the draft action plan as set out in Annex A. The Leader and Chief Executive will review any comments received prior to finalising and signing the Annual Governance Statement.
- 2.5 The draft AGS for 2024/25 will be included within the approved Annual Statement of Accounts.

## **3. MAIN POINTS**

- 3.1 There are 10 key actions within the 2024/25 action plan, this includes any carry over actions from the 2023/24 action plan. The actions include the following:
- Freedom of Information
  - Complaints Process
  - New service delivery models
  - Council Constitution and Code of Corporate Governance
  - Emergency Planning and Business Continuity
  - Risk Management
  - Financial Management
  - Procurement
  - Peer Review
  - Legislative Changes
- 3.2 The plan identifies the specific tasks that will be undertaken in the respective areas of focus and sets timescales for their completion. The Action Plan will also include a RAG (Red-Amber-Green) rating to show whether the actions are 'on target', 'off target but action being taken to ensure delivery', or 'off target and no action has yet been agreed to resolve the situation'.



**3.3** As this is a new action plan, there are minimal progress updates included with this report. Progress updates will be reported to the Audit and Governance Group through the 24/25 financial year.

**4. FINANCIAL IMPLICATIONS**

**4.1** There are no direct financial implications arising from this report.

**5. LEGAL IMPLICATIONS**

**5.1** There are no direct legal implications arising from this report.

**6. RISK ASSESSMENT**

**6.1** If the Council's governance arrangements are weak then Council is at risk of failing to safeguard the use of public funds. In turn this would lead to poor external assessments, damaging the reputation of the Council. The areas of focus for the 2024/25, as identified in the AGS, provides a clear set of priorities for the continual improvement of governance and mitigation of risk.

**7. EQUALITIES IMPACT**

**7.1** An equalities impact assessment is not required for this report.

**8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**8.1** There are no climate or ecological emergency implications arising directly from this report.

**9. BACKGROUND PAPERS**

**9.1** None.

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## ANNUAL GOVERNANCE ACTION PLAN 2024/25



### Notes and key

Each action in the plan is marked with a 'traffic light' as follows:

<b>Green</b>	On target
<b>Amber</b>	Off target but action being taken to ensure delivery (where this results in a reviewed target date, this is made clear in the table)
<b>Red</b>	Off target and no action has yet been agreed to resolve the situation
<b>Complete</b>	Action has been completed

This action plan contains actions from the Annual Governance Statement 2023/24 which are coordinated and monitored by the CDC Management Team.

### Key to officers:

#### **Accountable officer (AO)**

**CEO** - Chief Executive: Robert Weaver

**CFO** - Chief Finance (S.151) Officer: David Stanley

**Dir Gov** – Director of Governance: Angela Claridge

#### **Publica Responsible officer (RO)**

**BM Gov** - Business Manager - Business Continuity, Risk and Governance: Cheryl Sloan

**BM Fin** - Business Manager - Finance: Michelle Burge

**BM Comm** - Business Manager - Communications and Marketing Mark Pritchard

**BM HR** - Business Manager - People: John Llewellyn

**BP Proc** - Senior Procurement Business Partner: Ciaran O'Kane

No	Key Area of Focus	Planned Actions	Update	Owner / Target Date
1	Freedom of Information	<ul style="list-style-type: none"> <li>Improve response times to Freedom of Information requests to ensure compliance with the relevant Act</li> <li>Publish a greater range of information to reduce the need to respond to regularly made Freedom of Information requests</li> </ul>	<ul style="list-style-type: none"> <li>A full review is currently being undertaken by the performance team to identify potential opportunities for improvement e.g., improved website / links to information, employee training and awareness.</li> </ul>	BM Gov March 2025
2	Complaints Process	<ul style="list-style-type: none"> <li>Introduce a revised customer complaints process which aligns to the new Customer Complaints Code issued by the Local Governance</li> </ul>	<ul style="list-style-type: none"> <li>A new complaints policy and procedure has been drafted and will be brought to Audit and Governance Committee in the Autumn</li> </ul>	BM Gov October 2024
3	New service delivery models	<ul style="list-style-type: none"> <li>Conclude the review of future service delivery options to make sure the solutions needed for the council to achieve financial stability can be achieved, given the MTFS shortfall over the years ahead</li> <li>Insource services back from Publica and examine the priorities for a new service delivery model</li> <li>Implement options for efficiency and transformation</li> <li>Develop new values and behaviours</li> </ul>	<ul style="list-style-type: none"> <li>A detailed transition plan is being taken to Cabinet, Council and Overview &amp; Scrutiny in July.</li> <li>If approved, an implementation plan is in place to commence formal consultation with a proposed transfer date of 1 November 2024.</li> </ul>	CEO November 2024
4	Council Constitution and Code of Corporate Governance	<ul style="list-style-type: none"> <li>Undertake a full review of the Council's Constitution and Scheme of Delegation to reflect the new service delivery model</li> <li>Undertake a full review of the Council's Code of Corporate Governance to reflect the new service delivery model</li> </ul>	<ul style="list-style-type: none"> <li>This will be undertaken as part of the transition of services.</li> </ul>	Dir Gov March 2025



5	Emergency Planning and Business Continuity	<ul style="list-style-type: none"> <li>• Ensure the Council has resilience and can respond effectively in the event of a significant local incident under the new service delivery model</li> <li>• Further develop business continuity plans to ensure they are robust and fit for purpose under the new service delivery model</li> <li>• To test the business critical Business Continuity Plans in 2024-25</li> </ul>	<ul style="list-style-type: none"> <li>• This is being reviewed as part of the transition.</li> </ul>	BM GOV March 25
6	Risk Management	<ul style="list-style-type: none"> <li>• To review the Risk Management Policy</li> <li>• To complete a risk maturity self-assessment</li> </ul>	<ul style="list-style-type: none"> <li>• A new risk policy will be drafted later on this financial year.</li> </ul>	BM GOV March 25
7	Financial Management	<ul style="list-style-type: none"> <li>• To review the financial procedure rules and financial processes to be completed in 2024/25 against the CIPFA Financial Management Code.</li> </ul>	<ul style="list-style-type: none"> <li>• This is being reviewed as part of the transition.</li> </ul>	CFO March 2025
8	Procurement	<ul style="list-style-type: none"> <li>• Implementation of the Procurement Act 2023 and subsequent revision of contract procedure rules</li> <li>• To train officers as required.</li> </ul>	<ul style="list-style-type: none"> <li>• Work is underway to ensure compliance with the new Procurement Act</li> <li>• Manager briefings on proposed changes are scheduled</li> </ul>	BP Proc March 2025
9	Peer Review	<ul style="list-style-type: none"> <li>• To complete the Action Plan from the outcomes of the Peer Review.</li> </ul>	<ul style="list-style-type: none"> <li>• This is ongoing. A review of progress is scheduled for November 2024</li> </ul>	CEO Marc 2025
10	Legislative Changes	<ul style="list-style-type: none"> <li>• To keep abreast of any legislative changes and Government Policy and action where required.</li> </ul>	<ul style="list-style-type: none"> <li>• Watching brief</li> </ul>	Dir Gov

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# Agenda Item 9



**COTSWOLD**  
DISTRICT COUNCIL

Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>AUDIT AND GOVERNANCE COMMITTEE – 23 JULY 2024</b>
Subject	<b>INTERNAL AUDIT ANNUAL OPINION 2023/24</b>
Wards affected	N/A
Accountable member	Cllr Mike Evemy, Cabinet Member for Finance Email: <a href="mailto:mike.evemy@cotswold.gov.uk">mike.evemy@cotswold.gov.uk</a>
Accountable officer	David Stanley, Chief Finance Officer Email: <a href="mailto:david.stanley@cotswold.gov.uk">david.stanley@cotswold.gov.uk</a>
Report author	Lucy Cater, Head of Internal Audit Email: <a href="mailto:lucy.cater@swapaudit.co.uk">lucy.cater@swapaudit.co.uk</a>
Summary/Purpose	To present a summary of the work undertaken by Internal Audit during 2023/24 and to give an overall opinion on levels of assurance resulting from this work.  Due to the information contained in The Internal Audit Annual Opinion, it is deemed unnecessary to submit a separate quarterly monitoring report. Instead, we have produced a condensed version of the usual report which contains a summary of the work concluded since the last meeting of this Committee.
Annexes	<b>Annex A – INTERNAL AUDIT ANNUAL OPINION 2023/24</b> <b>Annex B – SUMMARY OF WORK COMPLETED SINCE LAST MEETING OF THIS COMMITTEE</b> <b>Annex C – AGREED ACTIONS AS AT JULY 2024</b>
Recommendation(s)	That the Audit and Governance Committee resolves to:  I. Consider the report and comments as necessary
Corporate priorities	Ensure that all services delivered by the Council are delivered to the highest standard.
Key Decision	NO



Exempt	NO
Consultees/ Consultation	N/A



## 1. BACKGROUND

The Annual Opinion Report 2023/24, Annex 'A', provides the Head of Internal Audit's (SWAP Assistant Director) opinion, on the adequacy and effectiveness of internal control within Cotswold District Council. The opinion is based on the adequacy of control, noted from a selection of risk-based audits carried out during the year, and other advice work on control systems including the proactive work of the service as it supports the control arrangements within change projects. The results of any external inspections also inform the opinion.

Throughout the year the Internal Audit service have measured the degree of control assurance within the systems, or elements of systems, audited or supported by way of control advice. Overall, the opinion is that a 'Low Reasonable' assurance level can be given for the controls in place, within the areas where audit activity has taken place, to safeguard these systems which in turn support the delivery of the Council's overall business objectives.

Where operational control issues were raised, the risks associated with the control issues raised, in the audit reports, are being actively managed by Management.

The report outlines how the Internal Audit function has supported the Council in meeting the requirements of the Public Sector Internal Audit Standards. These state that:

- "A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance."
- "A relevant authority must conduct, each financial year, a review of the effectiveness of the system of internal control."

The purpose of the Head of Internal Audit's Annual Opinion is to contribute to the assurances available to the Chief Executive and the Council which underpin the Council's own assessment of the effectiveness of the authority's system of internal control. This opinion is one component that the Council must take into account when completing its Annual Governance Statement.

Officers from SWAP will be in attendance at the Committee meeting and will be available to address Members' questions.

## 2. MAIN POINTS

In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide an annual opinion, based upon, and limited to, the work performed, on the overall adequacy and effectiveness of the organisation's control arrangements. This is achieved through a risk-based programme of activities, agreed with management and approved, for 2023/24, by the Audit and Governance Committee, which should provide a



level of assurance across a range of Council activities. The opinion does not imply that the internal audit service has reviewed all risks and controls relating to the Council or the systems it reviews.

A number of audits have been completed since the last meeting of this committee, and the reports are included at Annex B.

We continue to follow-up all agreed actions and a summary of the outstanding actions can be found at Annex C.

### **3. FINANCIAL IMPLICATIONS**

3.1 The Internal Audit Service is operating within the contract sum.

### **4. LEGAL IMPLICATIONS**

4.1 None directly from this report. Internal Audit reviews consider compliance with legislation relevant to the service area under review.

### **5. RISK ASSESSMENT**

5.1 Any weaknesses in the control framework, identified by Internal Audit activity, continues to threaten organisational objectives until recommendations are implemented.

### **6. EQUALITIES IMPACT**

6.1 Under equality legislation, the Council has a legal duty to pay 'due regard' to the need to eliminate discrimination and promote equality in relation to:

- Race
- Disability
- Gender, including gender reassignment
- Age
- Sexual Orientation
- Pregnancy and maternity
- Religion or belief

The Council also has a duty to foster good relations, and to consider the impact of its decisions on human rights. The law requires that this duty to pay 'due regard' is demonstrated in the decision making process. Therefore your report should contain a statement as to whether the recommendation has a particular impact on any of the above groups



Any reports which relate to new policies, procedures or services or changes to policies, procedures or services must be accompanied by an appropriate equalities impact assessment (EIA). You can access further guidance and the EIA template [via the portal](#) and the Council's Equality Policy [on the website](#).

## 7. BACKGROUND PAPERS

7.1 None.

(END)

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# Cotswold District Council

## Internal Audit Annual Opinion Report 2023/24

# Internal Audit Annual Opinion – 2023/24: ‘At a Glance’

## Annual Opinion



There is generally a sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives.

## The Headlines

	<p><b>Significant risks were identified in The Property and Estates Audits, Taxi Licensing Safeguarding and Climate Change – Operational.</b> Progress is being made on the implementation of the agreed actions, which Internal Audit are monitoring.</p>
	<p><b>30 reviews delivered as part of the 2023/24 Internal Audit Plan.</b> Includes assurance, advisory and follow up reviews, and specific audit support. We have 4 reviews at draft report stage and 7 audits are in progress.</p>
	<p><b>Internal Audit staff supporting the Council.</b> Auditors continue to support the Council, by attending meetings, supporting projects and when necessary, conducting specific tasks for the Council.</p>
	<p><b>Agreed Actions</b> One agreed action reported in 2022/23 remains open. Of the 23 actions agreed in 2023/24, 14 remain open.</p>

Assurance Opinions	2022/23	2023/24
Substantial	4	7
Reasonable	5	4
Limited	3	1
No	0	0
Support to the Council	6	6
Grant Certification	4	1
Advisory	8	6
Follow-Up	1	1
Agreed Actions	2022/23	2023/24
Priority 1	3	1
Priority 2	11	10
Priority 3	8	12
<b>Total</b>	<b>22</b>	<b>23</b>

## Executive Summary

Internal Audit provides an independent and objective opinion on the effectiveness of the Authority's risk management, control and governance processes.



### Purpose

The Head of Internal Audit (SWAP Assistant Director) should provide a written annual report to those charged with governance to support the Authority's Annual Governance Statement (AGS). This report should include the following:

- An opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and internal control environment, including an evaluation of the following:
  - the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes and activities;
  - whether the information technology governance of the organisation supports the organisation's strategies and objectives;
  - the effectiveness of risk management processes; and
  - the potential for the occurrence of fraud and how the organisation manages fraud risk.
- Disclose any qualifications to that opinion, together with the reasons for the qualification.
- Present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies.
- Draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement.
- Compare the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and criteria.
- Comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.

The purpose of this report is to satisfy this requirement and Members are asked to note its content and the Annual Internal Audit Opinion given.

# Executive Summary

## Three Lines Model

To ensure the effectiveness of an organisation's risk management framework, the Audit and Governance Committee and Senior Management need to be able to rely on adequate line functions – including monitoring and assurance functions – within the organisation.

The 'Three Lines' model is a way of explaining the relationship between these functions and as a guide to how responsibilities should be divided:

- the first line – functions that own and manage risk.
- the second line – functions that oversee or specialise in risk management, compliance.
- the third line – functions that provide independent assurance.

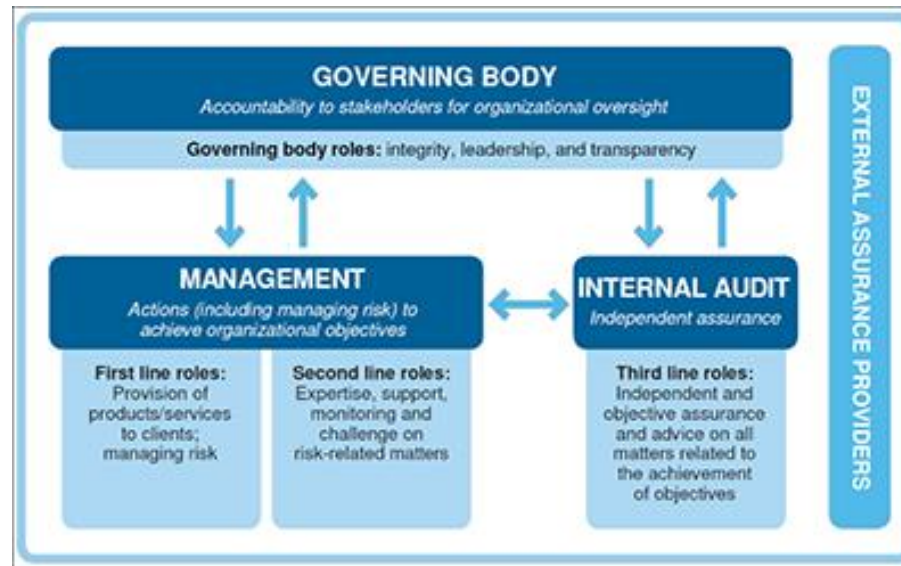


## Background

The Internal Audit service for Cotswold District Council is provided by SWAP Internal Audit Services. The team's work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note. The work of the team is guided by the Internal Audit Charter which is reviewed annually.

Internal Audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. This report summarises the activity of the Internal Audit team for the 2023/24 year.

The position of Internal Audit within an organisation's governance framework is best summarised in the Three Lines model shown below.



The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



### Annual Opinion

On the balance of our 2023/24 audit work for Cotswold District Council, enhanced by the work of external agencies, I am able to offer a **Low Reasonable Assurance** opinion in respect of the areas reviewed during the year.

Audit work is planned to ensure that sufficient assurance will be available to inform the annual opinion as well as supporting the key priorities that underpin CDC's Corporate Plan (2024 – 2028):

- Deliver Good Services
- Responding to the Climate Emergency
- Delivering Housing
- Supporting Communities
- Supporting the Economy

Our audit work supports each of these priorities, and the actions that underpin the priorities, whether as an assurance audit, an advisory piece of work, ad hoc requests or support to the council.

The professional requirements of PSIAS have remained unchanged and in line with these, audit priorities have been agreed throughout the year and this work supports the annual opinion.

The Annual Opinion is based on information obtained from multiple engagements and sources, the results of which, when viewed together, provide an understanding of the organisation's governance arrangements, risk management processes and internal control environment and facilitate an assessment of overall adequacy and effectiveness. Opinions are a balanced reflection across the year and not a snapshot in time. In forming this opinion, the following sources of information have been used:

- *Completed audits which evaluate risk exposures relating to the organisation's governance, operations and information systems, reliability and integrity of information, efficiency and effectiveness of operations and programmes, safeguarding of assets and compliance with laws and regulations.*
- *Observations from consultancy / advisory support.*
- *Follow up of previous audit activity, including agreed actions.*
- *Grant certification work.*
- *Assurances from other key sources and providers, including third parties, regulator reports etc.*
- *Ongoing support and advice relating to the risks associated with payments administered following the pandemic.*

Alongside direct internal audit work, the HIA can also place reliance on:

- *Work and investigations undertaken by the Council's Counter Fraud and Enforcement Unit*
- *Updates and PSN certification undertaken by the Council's ICT Team*
- *Review undertaken by Business Manager – Corporate Responsibility on Mangers' Assurance Statements 2023/24*



The following are considered key pieces of audit work that support the annual opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control.

- *Business Continuity*
- *Continuous assurance*
- *Key financial audits*
- *Information governance and security*
- *Key front line services*

*Furthermore the Head of Internal Audit, or member of the Audit Team is an attendee at the following meetings:*

- *Procurement and Commissioning Group*
- *Health and Safety Working Group*
- *Corporate Governance Group*



## Definitions of Corporate Risk

### High Risk

Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

### Medium Risk

Issues which should be addressed by management in their areas of responsibility.

### Low Risk

Issues of a minor nature or best practice where some improvement can be made.



## Significant Corporate Risks

Our audits examine the controls that are in place to manage the risks that relate to the area being audited. We assess the risk at a 'Corporate' level once we have tested the controls in place. Where the controls are found to be ineffective and the 'Corporate risk' as 'High' these are brought to the Audit and Governance Committee's attention.

We identified significant weaknesses in the following audits:

### Taxi Licensing Safeguarding

- Lack of evidence to fully support licences issued, no data quality assessment of applications
- Distinction between a complaint and service request has not been defined, no monitoring of data to identify trends / repeat offenders
- Reconciliation between Uniform and General Ledger is not being undertaken, non-compliance with financial rules

### Property and Estates

- Lack of an Asset Management Plan / Strategy to guide on Council requirements
- Lack of a central database to record all properties and related data / information
- Risk Assessments not being undertaken, essential compliance checks not always undertaken, Health and Safety concerns
- Annual Landlord inspections have not been regularly undertaken, and no evidence available for ones that had been conducted
- Lease and Rent Reviews not being undertaken in a timely manner
- Insurance terms are not being actively managed

### Climate Change – Operational

- Lack of Corporate oversight and direction provided to service areas
- Lack of engagement from Officers



To ensure control weaknesses are being addressed we have continued to follow-up all agreed actions made in previous years audits as well as current year ones which have passed their implementation dates. We have also introduced a process whereby the CFO receives a monthly report of all agreed actions which can be followed up with Officers and Publica where appropriate. There is currently one historic outstanding agreed action which has passed its implementation date.

All audits, and progress against agreed actions, have been reported throughout 2023/24 to the Audit and Governance Committee.

# Summary of Audit Work 2023/24

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

## Assurance Definitions

<b>No</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
<b>Limited</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Substantial</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.



## Summary of Audit Opinion

The following two charts summarise the audit opinions and audit work, and involvement, during 2023/24

Table 1 indicates the spread of assurance opinions across our work during the past year.

Table 1 : Summary of Audit Opinions

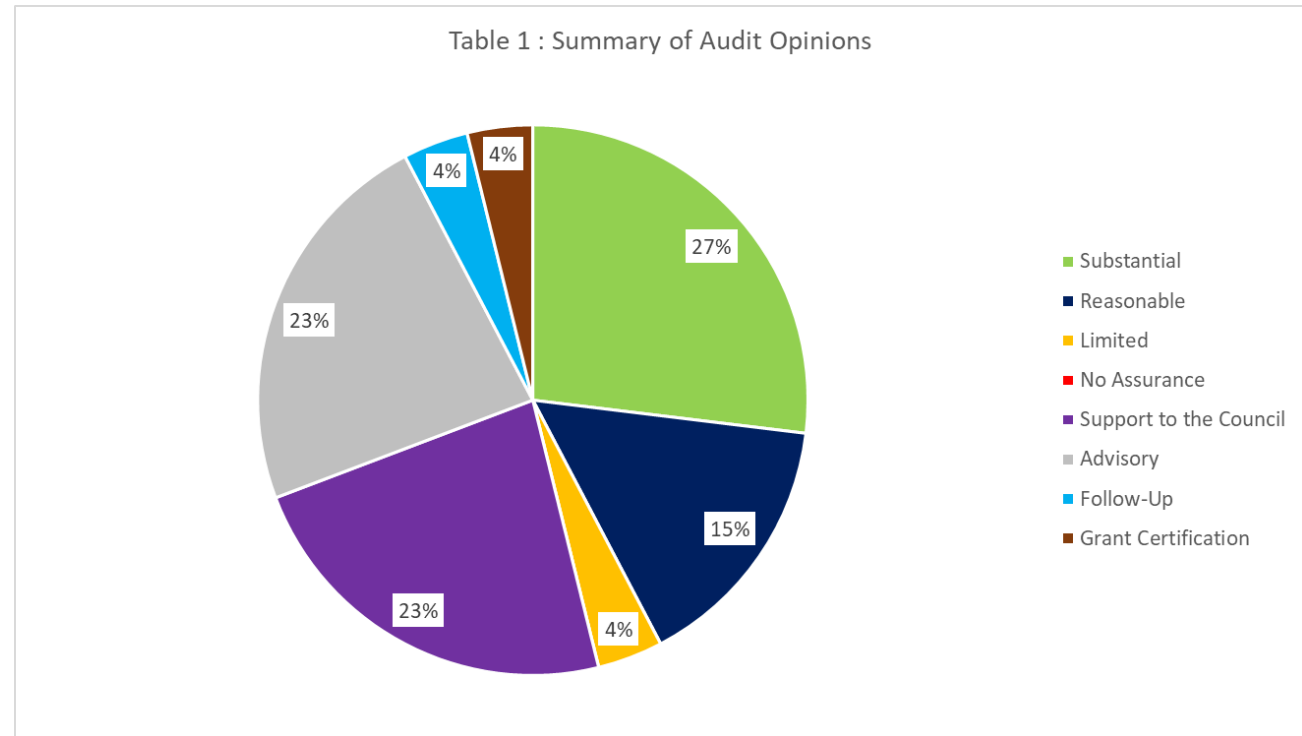
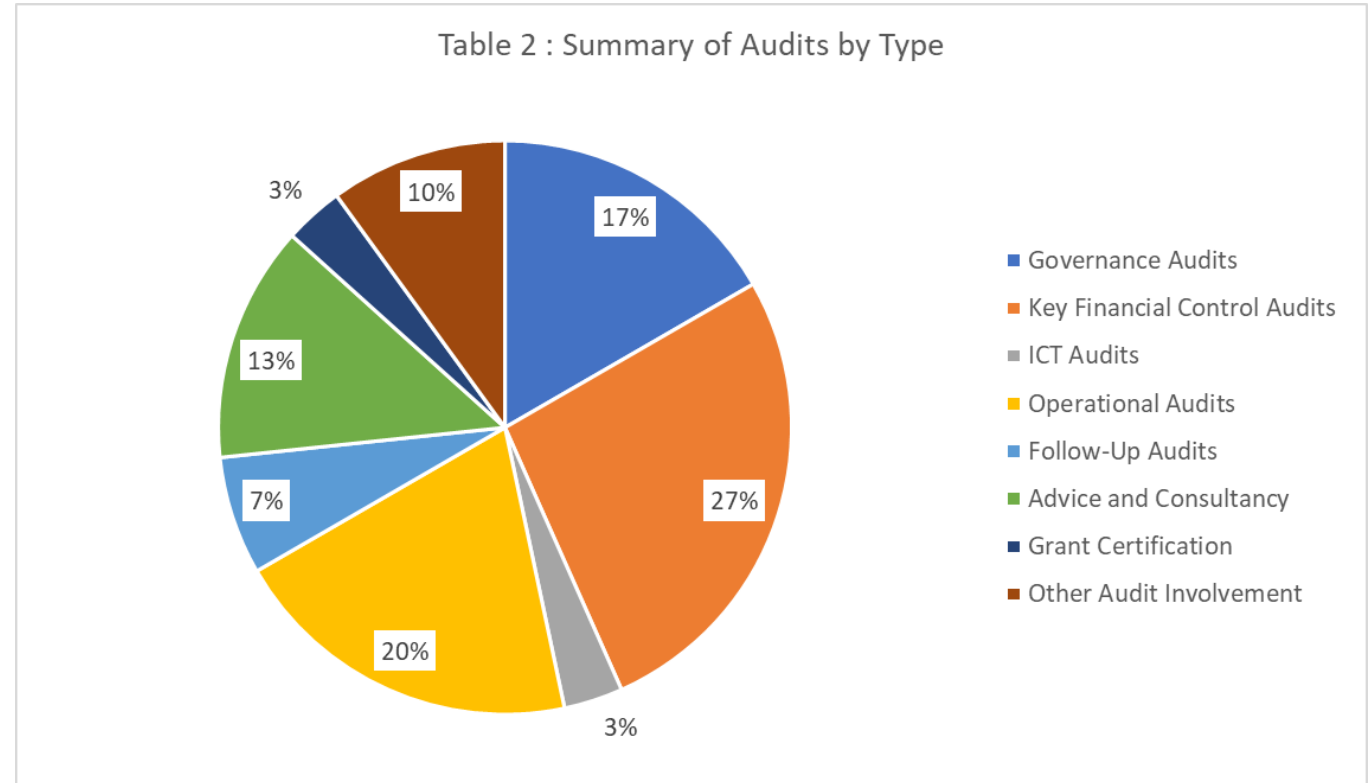


Table 2 indicates the audit work by type.



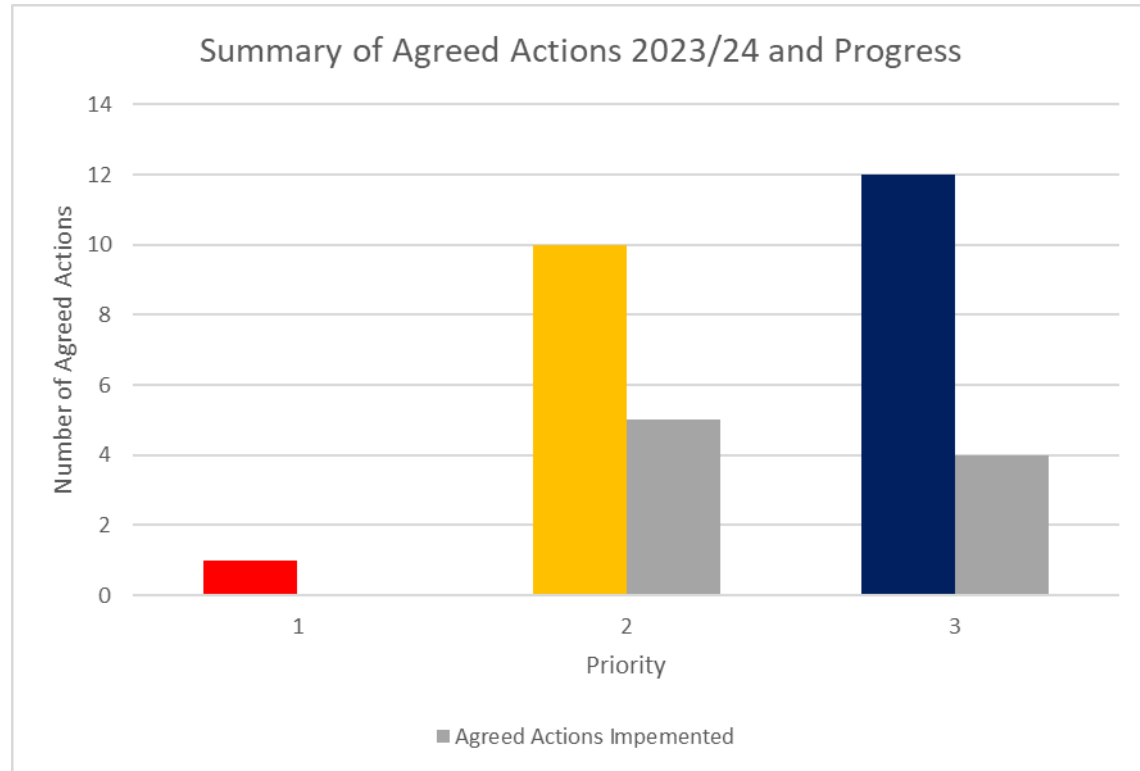
# Summary of Audit Work 2023/24

## SWAP Performance - Summary of Audit Actions by Priority



## Priority Actions

We rank our actions on a scale of 1 to 3, with 3 being medium or administrative concerns to 1 being areas of major concern requiring immediate corrective action



### Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.



### Added Value

Throughout the year, SWAP strives to add value wherever possible i.e. going beyond the standard expectations and providing something 'more' while adding little or nothing to the cost.

#### **Corporate Groups**

During the year we have attended a number of corporate groups to act as a 'critical friend'.

#### **Benchmarking**

During the year we have provided benchmarking data across either the SWAP partnership or the wider reach of the Local Authority Chief Auditors Network (LACAN). This data is useful for services to develop and improve their own systems and processes so that business objectives can be achieved with continually decreasing resources.

#### **News Roundup**

We produce a fortnightly newsletter that provides information on topical areas of interest for public sector bodies.

#### **Client Liaison**

The Auditors meet regularly with Service Managers to discuss potential operational risks and issues, identify areas for audits and plan up-coming audits.

#### **Audit Protocol**

We have an audit protocol which defines the role of the audit team and what is required for an audit. The aim of the protocol is to improve the audit process for our audit clients and to ensure we can deliver an excellent audit in an efficient and effective manner.

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS).



## SWAP Performance

SWAP’s performance is subject to regular monitoring and review by both the SWAP Board of Directors and the Owners Board. Post Audit Questionnaires (PAQs) are issued at the completion of assurance audits, 69% of the PAQs were returned. The outturn performance results for CDC for the 2023/24 year are as follows:

Performance Target	Performance
<b>Overall Score</b>	<b>98%</b>
Scope of Audit	100%
Professionalism and Conduct	94%
Communication, Timeliness and Findings	100%
Value of Audit (To Client)	100%
Demonstrating our (SWAP) Values	94%

SWAP work is completed to comply with the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Under these standards we are required to be independently externally assessed at least every five years to confirm compliance to the required standards. SWAP was recently assessed in February 2020 and confirmed that we are in conformance of PSIAS.

Attribute Standard 1300 of the IPPF requires Heads of Internal Audit to develop and maintain a Quality Assurance and Improvement Programme (QA&IP). Standard 1310 continues this dual aspect by stating that the programme must include both internal and external assessments. This acknowledges that high standards can be delivered by managers, but it also implies that improvements can be further developed when benchmarking is obtained from outside the organisation and the internal audit function. Following our External Assessment, we have pulled together our QA&IP and included additional improvements and developments identified internally that we want to make, as aligned to SWAP’s Business Plan. The QA&IP is a live document and will be regularly reviewed by the SWAP Board to ensure continuous improvement and delivery on our actions.

## Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Actions
<b>2023/24 Finalised and Completed Reviews</b>				
Key Financial Control	Payroll	Final Report	High Substantial	0
Operational	Climate Change (Operational)	Final Position Statement	N/A	0
Governance	Freedom of Information	Final Report	Medium Reasonable	4
Operational	Taxi Licensing Safeguarding	Final Position Statement	N/A	0
Governance	Transparency Data	Final Report	Medium Reasonable	4
Key Financial Control	Bank Reconciliation	Final Report	Low Substantial	1
Key Financial Control	Revs and Bens - Council Tax and NNDR	Final Report	High Reasonable	2
Key Financial Control	Revs and Bens - Housing Benefit and Council Tax Support	Final Report	High Substantial	0
ICT	ICT Business Continuity Management	Final Report	Low Substantial	2
Operational	Estates Services	Final Position Statement	N/A	0
Operational	Property Services	Final Report	High Limited	4
Key Financial Control	Contractors - Use of Waivers	Final Report	Low Substantial	2
Advisory	Revenues and Benefits Service Review	Final Position Statement	N/A	0
Key Financial Control	Accounts Payable	Final Report	High Substantial	0

## Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Actions
Governance	Risk Management	Final Report	Low Reasonable	4
Operational	Planning Validation	Final Position Statement	Medium Substantial	0
Operational	Accounts Payable – Qtly Review	Complete	Continuous Reporting	0
Grant Certification	Carbon Data 2021/22	Complete	N/A	0
Support	Business Grant Funding – Aged Debt	Complete	Support to the Council	N/A
Follow-Up	Follow-Ups of Recommendations made in Substantial and Reasonable Audits	Complete	Follow-Up	N/A
Other Audit Involvement	Working with the Counter Fraud and Enforcement Unit	Complete	Support to the Council	N/A
Other Audit Involvement	Management of the IA Function and Client Support	Complete	Support to the Council	N/A



## Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Comment
<b>Draft Reports</b>			
Governance	Data Breaches	Governance	
Operational	S106s	Operational	
Operational	Appointment of Consultants	Operational	
Operational	Human Resources	Operational	
<b>Audits In Progress</b>			
Operational	Levelling Up Funding – UKSPF and RESF		
Operational	Members Allowances and Expenses		
Key Financial Control	Revenues and Benefits		
Operational	Emergency Planning		
Core Financial	Payroll		
Grant Certification	Carbon Data 2022/23		
Governance	Audit Committee Effectiveness		



## Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Comment
<b>Ongoing Audit Support / Involvement</b>			
Advisory	Procurement and Commissioning Group		Support complete for 2023/24, will continue into 2024/25
Advisory	Health and Safety Working Group		Support complete for 2023/24, will continue into 2024/25
Support	Co-Ordination Team / Emergency Planning		Support complete for 2023/24, will continue into 2024/25
Support	Elections		Support complete for 2022/23, will continue into 2023/24

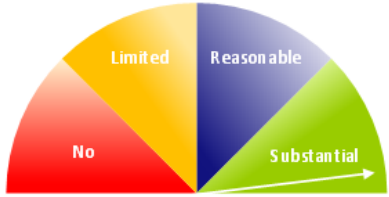
The following are the Internal Audit reports, of each audit review finalised, since the last Committee update

# Accounts Payable – Final Report – April 2024




## Audit Objective

To ensure the Council has an effective control framework in place for its Accounts Payable / Creditor's function.

## Executive Summary

	<b>Assurance Opinion</b>	<b>Management Actions</b>		<b>Organisational Risk Assessment</b>	<b>Low</b>
	A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	<b>Priority 1</b>	0	Fraudulent, invalid, or late payments are made resulting in financial loss and / or reputational damage.	
		<b>Priority 2</b>	0		
		<b>Priority 3</b>	0		
		<b>Total</b>	<b>0</b>		

## Key Conclusions

	<p>A New Supplier Form must be completed for all new suppliers. Once processed in Business World, a different Accounts Payable (AP) Officer checks the bank details, email address and CIS status are correctly input. The Accounts Payable/Receivable Team Leader (APRTL) does a final check of all new suppliers. This is all evidenced using a checklist.</p>	<p>Meetings were held with the Publica Accounts Payable and Receivable Team Leader (APRTL) and the Publica Accounts Payable and Receivable Coordinator (January 2024), and the creation, amendment and management of the creditor master file were discussed.</p>
	<p>All new suppliers' names and bank details are checked by AP against Publica's fraudulent checklist.</p> <p>An Amendments Form must be completed for any changes to a supplier in Business World. All amendments are checked by AP with the supplier via the phone number on the account in Business World; this is recorded on the amendments form.</p> <p>Once an amendment has been confirmed and made on the system, a different AP Officer checks it for accuracy. The APRTL does a final check to ensure the amendment is correct. The Fraudulent Checklist is checked for any amendments to name and bank account.</p> <p>The APRTL monitors all amendments to suppliers in Business World using the AG58 report.</p>	<p>A random sample of new suppliers and supplier amendments (April 2023 – January 2024) were selected to ensure prescribed processes had been followed.</p> <p>We also undertook some data analysis work to identify the number of transactions where purchase orders were used.</p>
	<p>We received satisfactory responses to all our testing queries. Evidence was seen to support all new suppliers and supplier amendments had been processed in accordance with the processes outlined to us.</p>	

## Other Relevant Information

The total number of new suppliers set up across all clients during the period reviewed was 427. The total number of amendments made to existing suppliers across all clients during the period reviewed were 190.

We found 72% of 3146 transactions processed on G4 client were not supported with a purchase order. Ordering goods and services via purchase orders aids budget monitoring and mitigates against overspends. Officers should be reminded to use purchase orders for all payments where appropriate to ensure they are adhering to best practice, and the transaction is legally protected by the terms and conditions of a purchase order.

# Planning Validation – Final Report – April 2024

## Audit Objective

To provide assurance planning applications are validated in accordance with legislation.

## Executive Summary



### Assurance Opinion

A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

### Management Actions

Priority 1	0
Priority 2	0
Priority 3	0
Total	0

### Organisational Risk Assessment

Low

Our audit work includes areas that we consider have a low organisational risk and potential impact.

## Key Conclusions



Delays in validating an application could result in customer complaints or the refunding of planning fees if the application is not determined within the required timeframes. Therefore, an internal target of 10 working days has been set. We found that determining the actual days to process an application to validation is not recorded, but monitoring is undertaken to ensure applications are processed promptly. This helps manage customer expectations as well as caseloads.



Good progress has been made to the suggestions and observations identified in the 2022 Position Statement. Validation checklists and service documentation have been reviewed and are up to date. Staff training is up to date. Comprehensive procedural guidance is in place allowing the team to validate applications across the 3 Publica partner councils. Testing identified some administrative matters; additional check process has been introduced to ensure these are addressed promptly.

## Audit Scope

Control areas reviewed included:

- Planning validation process/procedures to include service documentation.
- Performance monitoring and reporting arrangements.
- Staff training
- Progress on observations/areas for consideration identified in the 2022 Position Statement

The test period was April 2023 – February 2024. Data analysis was undertaken to identify trends/anomalies.

Discussions were held with officers involved with the planning validation process, and evidence sought to support statements made.

## Other Relevant Information

We noted some Validation Checklists included website links to download bio-diversity documentation, but all 3 Publica partner councils' websites were listed. Whilst the documentation may be identical for each council, it may be prudent to consider sovereignty matters especially in the current circumstances.

Data analysis identified the Council received 1,041 FUL planning applications during the test period, of these 985 were validated. The remaining 56 were either withdrawn by the applicant or returned due to insufficient information or lack of the correct fee being submitted.



**AGREED ACTIONS - JULY 2024**

AP ID	ID	Audit Title	Issue Title	Issue Status	Period	Priority Score	AP Status	Original Timescale	Timescale	Follow-Up Assessment
821	758	CDC - Climate Change Strategy - September 2022	Climate Change KPIs Not Defined	Pending Remediation	2022/23	2	In Progress	31/05/2024		May 2024 - Further Follow-Up required, timescale was extended to allow the new Interim Climate Change Programme and Project Manager to settle into the role.
3512	3291	CDC - Bank Reconciliation - 2023/24	Review of Suspense Accounts	Pending Remediation	2023/24	3	In Progress	31/03/2024	31/05/2024	Review or w/o has not been confirmed for CDC, but is hoping to have this in time for 2023/24 y/e accounts.
2821	2630	CDC - Freedom of Information - 2023/24	Basic training/awareness on Freedom of Information requests for Service Areas is not in place.	Pending Remediation	2023/24	2	In Progress	31/03/2024	30/09/2024	May 2024 - Extended due to pressure on the service.
2981	2783	CDC - Property Services - Compliance and Health & Safety - March 2023	Standard Information	Pending Remediation	2023/24	2	In Progress	30/06/2024		May 2024 - Action is in progress. An officer has been assigned to update the property management system with standard information. A follow-up audit is planned for later in the year where all actions will be assessed.
2984	2786	CDC - Property Services - Compliance and Health & Safety - March 2023	Central Property Database Accuracy	Pending Remediation	2023/24	3	In Progress	30/09/2024		
2987	2789	CDC - Property Services - Compliance and Health & Safety - March 2023	Risk Assessment (RA) for All Council Owned Properties	Pending Remediation	2023/24	2	In Progress	30/06/2024		May 2024 - Action is in progress. An officer has been assigned to update the property management system with standard information. A follow-up audit is planned for later in the year where all actions will be assessed.
3545	3322	CDC - Revenues and Benefits - Council Tax and NDR - July 2023	Council Tax and NDR: Procedure Notes Require Review to Ensure Consistency	Pending Remediation	2023/24	3	In Progress	31/03/2024	30/09/2024	May 2024 - This is still ongoing and they are still going through process mapping. Update to be provided at a future meeting and follow up in this years audit.
3164	2958	PUB - ICT Business Continuity/Disaster Recovery 2023/24	Documentation Updates	Pending Remediation	2023/24	3	In Progress	31/03/2024	30/06/2024	CTO requested timescale extension due to other work taking priority.
3175	2968	PUB - ICT Business Continuity/Disaster Recovery 2023/24	ICT and Emergency Planning Formal Engagement and Alignment	Pending Remediation	2023/24	2	In Progress	31/03/2024	30/06/2024	CTO requested timescale extension due to other work taking priority.
3853	3610	PUB - Risk Management 2023/24	Insurance and Risk Management do not proactively communicate.	Pending Remediation	2023/24	3	In Progress	31/05/2024	30/09/2024	
3854	3611	PUB - Risk Management 2023/24	Risk Maturity Self-Assessment has not been conducted.	Pending Remediation	2023/24	3	In Progress	31/03/2025		
3855	3612	PUB - Risk Management 2023/24	Improvements are required to Member scrutiny and reporting.	Pending Remediation	2023/24	2	In Progress	31/05/2024	30/09/2024	
3856	3613	PUB - Risk Management 2023/24	Risk Management Training is inadequate.	Pending Remediation	2023/24	2	In Progress	31/05/2024	30/09/2024	
3536	3313	PUB - Use of Waivers - 2023/24	Contract Waiver Report Templates	Pending Remediation	2023/24	3	In Progress	31/12/2024		
3537	3314	PUB - Use of Waivers - 2023/24	Use of Waivers Training	Pending Remediation	2023/24	3	In Progress	31/12/2024		

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# Agenda Item 10



**COTSWOLD**  
DISTRICT COUNCIL

Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>AUDIT AND GOVERNANCE COMMITTEE– 23 JULY 2024</b>
Subject	<b>TREASURY MANAGEMENT OUTTURN REPORT 2023/24</b>
Wards affected	N/A
Accountable member	Cllr Mike Evemy, Deputy Leader and Cabinet Member for Finance Email: <a href="mailto:mike.evemy@cotswold.gov.uk">mike.evemy@cotswold.gov.uk</a>
Accountable officer	David Stanley, Deputy Chief Executive and S151 Officer Email: <a href="mailto:David.stanley@cotswold.gov.uk">David.stanley@cotswold.gov.uk</a>
Report authors	Sian Hannam, Treasury Accountant Email: <a href="mailto:sian.hannam@publicagroup.uk">sian.hannam@publicagroup.uk</a> Michelle Burge, Chief Accountant Email: <a href="mailto:michelle.burge@publicagroup.uk">michelle.burge@publicagroup.uk</a>
Summary/Purpose	To receive and discuss details of the Council's Treasury management performance for the period 01 April to 31 March 2024.
Annexes	Annex A – Economic Background
Recommendation(s)	That Audit and Governance Committee resolves to: <ol style="list-style-type: none"> <li>1. Consider the Council's Treasury Management performance for the period 1 April 2023 to 31 March 2024.</li> <li>2. Agree any comments to be passed to full Council when considering this item.</li> </ol>
Corporate priorities	The Council's Treasury Management Strategy underpins all of the Council Priorities and is relevant to the Council principle of "Value for money – we will use the council's resources wisely but will invest in the fabric and future of the district."
Key Decision	NO
Exempt	NO



COTSWOLD  
DISTRICT COUNCIL

Consultees/ Consultation	Arlingclose Limited – Council’s treasury advisors
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## 1. TREASURY MANAGEMENT - INTRODUCTION

- 1.1 The purpose of the treasury management operation is to ensure that cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's low risk approach, pursuing optimum performance while ensuring that security of the investment is considered ahead of investment return. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure.
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure the Council can meet its capital spending obligations. The management of longer-term cash may involve the arrangement of long and/or short-term loans (external borrowing) or may use longer term cash flow surpluses in lieu of external borrowing (internal borrowing).
- 1.3 The Council continued to engage the services of Arlingclose for independent treasury advice during the year 2023/24. Arlingclose provide specialist treasury support to 25% of UK local authorities. They provide a range of treasury management services including technical advice on investment management and long-term capital financing. They advise on investment trends, developments, and opportunities consistent with the Council's Treasury Management Strategy.
- 1.4 The Council's treasury management advisors have provided commentary on the economic background that prevailed during 2023/24. This commentary is provided within **Annex A**.

## 2. EXECUTIVE SUMMARY

- 2.1 This report covers the Treasury Management activity and performance of Cotswold District Council for the period 01 April to 31 March 2024.
- 2.2 During the year the Council operated within the treasury limits and prudential indicators as set out in the Treasury Management Strategy approved by Council on the 15 February 2023. Investment interest for 2023/24 has produced a net surplus of £0.967m against the original budget set in February 2023 of £0.719m largely due to sustained higher interest rates throughout the year and higher level of surplus cash balances available to invest than budgeted.
- 2.3 The Council's strategy has been to diversify investments into Pooled Funds in order to reduce risk and increase returns. Pooled Funds have maintained strong returns of dividends and returned over 4.72% (£0.492m) against the £12.5m invested in this area (further details provided in section 6). This compares to returns achieved of 4.98% for cash invested in money market funds and call accounts and 5.19% where cash is invested with the Government.



- 2.4** The capital values of the Pooled Funds increased by £24,123 from £11.528m to £11.551 during 2023/24.
- 2.5** The Council holds a £0.500m loan administered by Abundance Investments Limited for the purpose of Community Municipal Investments. The Council’s first Community Municipal Investment (CMI), named ‘Cotswold Climate Investment’ (CCI) which targeted a £0.500m fundraise closed on the 16 August 2022, fully funded by over 450 investors.
- 2.6** In July 2022, Cotswold District Council entered into an agreement with Cottsway 2, to provide an unsecured development loan of up to £3.753m in increments upon drawdown requests. The first request was received in June 2023 and the balance outstanding as at the 31<sup>st</sup> March 2024 is £1.696m.
- 2.7** Due to the rescinding of the Council’s Recovery Investment Strategy and slippage in capital expenditure, the Council has continued to have no requirement to borrow or hold any further external debt as at 31 March 2024.
- 2.8** The treasury management position as at 31 March 2024 is set out in table I below together with the year-on-year movements.

Table I: Treasury Management Summary

	<b>31/3/2023 Actual £m</b>	<b>2023/24 Movement £m</b>	<b>31/3/2024 Balance £m</b>	<b>31/3/2024 Rate %</b>
Short-term borrowing	0.451	(0.094)	0.357	2.20
<b>Total borrowing</b>	<b>0.451</b>	<b>(0.094)</b>	<b>0.357</b>	<b>2.20</b>
Long-term investments	11.528	0.03	11.552	4.72
Short-term investments	4.361	(3.14)	1.221	5.19
Cash and cash equivalents	12.083	0.055	12.138	4.98
<b>Total investments</b>	<b>27.972</b>	<b>(3.055)</b>	<b>24.911</b>	<b>4.98</b>
<b>Net Investments</b>	<b>27.521</b>	<b>(3.149)</b>	<b>24.554</b>	



### **3. BACKGROUND**

- 3.1** In February 2011, the Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code). The CIPFA Code requires the Council to approve reports on treasury management activities at the end of the first half of the financial year and at the end of the financial year.
- 3.2** The Council's Treasury Management Strategy for 2023/24 was approved at the Council meeting on the 15 February 2023. The Council has invested substantial sums of money and is therefore exposed to financial risks including changes in capital value of funds, the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are central to the Council's treasury management strategy.

### **4. BORROWING**

- 4.1** Local authorities can borrow from the Public Works Loan Board (PWLB) provided they can confirm they are not to purchase 'investment assets primarily for yield' in the current or next two financial years, with confirmation of the purpose of capital expenditure from the S151 Officer. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to re-finance existing loans or externalise internal borrowing.
- 4.2** Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, re-financing debt and treasury management.
- 4.3** Competitive market alternatives are available for authorities with or without access to the PWLB. However, the financial strength of the individual authority and borrowing purpose will be scrutinised by commercial lenders.
- 4.4** The Council is not planning to purchase any investment assets primarily for yield and so is able to fully access the PWLB.
- 4.5** The Council's first Community Municipal Investment (CMI), named 'Cotswold Climate Investment' (CCI) which targeted a £0.500m fundraise closed on the 16 August 2022, fully funded by over 450 investors. As at the 31 March 2024 the Council therefore held a £0.357m loan administered through Abundance Investments Limited for the purpose of Community Municipal Investments at a rate of 2.2%.
- 4.6** The Council has no further borrowing considerations. There are plans to borrow in the future to fund the Capital Programme. Any borrowing undertaken will be subject to approval by either Cabinet or Council as appropriate.



- 4.7 In order to determine whether the Council needs to borrow, the underlying need to borrow needs to be compared against the Council's internal borrowing capacity. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR) which is total capital expenditure to be funded by borrowing less any revenue provision made for the Minimum Revenue Provision.
- 4.8 Whilst there may be an underlying need to borrow, the Council may not actually undertake external borrowing and may instead use its internal cash balances to fund the borrowing requirement which is known as "internal borrowing."
- 4.9 For Cotswold District Council, there is a small underlying need to borrow of £0.071m and significant internal borrowing capacity as set out in Table 2 below:

Table 2: Balance Sheet Summary

	31/3/2023 Actual £m	2023/24 Movement £m	31/3/2024 Actual £m
General Fund CFR	0.020	0.051	0.071
Less: External borrowing	(0.451)	0.094	(0.357)
Less: Usable reserves	(23.169)	0.325	(22.844)
Less: Working capital	(4.676)	2.045	(2.631)
<b>Available for investment or internal borrowing*</b>	<b>(28.276)</b>	<b>2.515</b>	<b>(25.761)</b>

\*A positive figure would indicate a need to externally borrow

- 4.10 If interest rates were to rise by 1%, then investment income would average 5.98%, whilst borrowing costs (based on 20-year PVWL Loan) would be 5.04%. For every £1m borrowed there would be additional income of £9,400 per annum.

## 5. INVESTMENT PERFORMANCE

- 5.1 The Council invested funds representing income received in advance of expenditure plus balances and reserves held. During 2023/24, the Authority's investment balance ranged



between £24.737m and £46.607m due to timing differences between income and expenditure. The investment position is shown in table 3 below:

**Table 3: Treasury Investment Position**

	<b>31/3/2023 Actual £m</b>	<b>2023/24 Movement £m</b>	<b>31/3/2024 Balance £m</b>	<b>31/3/2024 Rate %</b>
Bank of England DMADF	4.283	(3.142)	1.141	5.19
Money Market Funds/Call Accounts	12.083	0.055	12.138	4.98
Real Estate Investment Trust (REIT)	1.007	(0.047)	0.953	2.85
Cash Plus Fund	1.096	0.057	1.153	N/A
Pooled Funds (1)	9.503	0.023	9.526	4.72
<b>Net Investments</b>	<b>27.972</b>	<b>(3.061)</b>	<b>24.911</b>	<b>4.98</b>

(1) See breakdown at Table 4 and 5 below.

- 5.2 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 5.3 High levels of cash were maintained throughout 2023/24, in part due to Capital Programme underspend, these balances were diversified over several counterparties and Money Market Funds to manage credit and liquidity risk.
- 5.4 The investment income budget for 2023/24 is £0.719m, as approved in February 2023, investment income of £1.686m was achieved. A sustained high Base Rate has fed through to



higher short-term deposit and MMF interest rates. These have increased from 4.15% at the start of the year to over 5.25% by March. There has been a small increase in Pooled Fund interest, further details are provided in section 6 of this report.

- 5.5** The year-end investment position analysed between investment types and the year-on-year change in show in table 4 below.

Table 4: Investment Position (Treasury Investments)

	<b>31/03/2023</b>	<b>2023/24</b>	<b>31/03/2024</b>	<b>31/03/2024</b>
	<b>Actual</b>	<b>Movement</b>	<b>Balance</b>	<b>Rate</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>%</b>
Banks & building societies (unsecured)	3.104	(0.005)	3.099	5.14
Government (incl. local authorities)	4.283	(3.142)	1.141	5.19
Money Market Funds	8.979	0.060	9.039	4.98
Other Pooled Funds				
- <i>Federated Cash plus fund</i>	1.096	0.057	1.153	N/A
- <i>CCLA Property Fund</i>	2.265	(0.083)	2.182	4.31
- <i>CCLA Diversified Multi Asset Income Fund</i>	0.946	0.047	0.993	3.31
- <i>Schroders Equity Income Fund</i>	0.812	0.003	0.815	5.81
- <i>M&amp;G UK Strategic Bond Fund</i>	1.811	(0.030)	1.781	5.03
- <i>Investec Multi asset income fund</i>	1.821	(0.003)	1.818	4.12
- <i>Columbia Threadneedle Equity Income Fund</i>	1.848	0.082	1.93	3.89
Fundamentum - Real Estate Investment Trust	1.007	(0.04)	0.96	2.85
<b>Total investments</b>	<b>27.972</b>	<b>-3.061</b>	<b>24.911</b>	<b>4.98</b>

**6. EXTERNALLY MANAGED POOLED FUNDS**





- 6.1** A key aspect of the Council's current investment strategy is to invest into pooled funds in order to increase investment returns. These funds do introduce higher levels of risk as the capital value is not protected and the value of the funds can go up and down. The funds can be drawn down at relatively short notice, but consideration would need to be given as to whether drawing them down would crystallise a capital loss. The funds themselves are invested in different investment classes and therefore risk within the pooled fund is diversified.
- 6.2** Of the Council's investments, £10.5m are held in externally managed strategic pooled cash, bond, equity, multi-asset and property funds with a further £1m held in a Cash Plus fund and £1m held in a Housing Real Estate Investment Trust (REIT) where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated a total return of £0.492m (4.72%) during 23/24 and the capital values on these funds increased by £24K in the year to 31 March 2024 due to continued external economic factors as outlined in Annex A including political instability, global economic uncertainty and market confidence capital values did not increase as much as expected. Members are reminded that Pooled Funds are held for the longer-term and the capital value will fluctuate over each financial year.
- 6.3** The increase in value is treated as an unrealised capital gain i.e., the gain is not recognised as any gain or loss will only be recognised at the point funds are sold. The Council did not make any further contributions to these funds during 2023/24 with the amount invested remaining at £12.5m.
- 6.4** In April 2023 the Department for Levelling Up, Housing and Communities (DLUHC) published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended until 31st March 2025, but no other changes have been made; whether the override will be extended beyond this date is unknown but commentary to the consultation outcome suggests it will not.
- 6.5** With the expectation of improved investment returns during the financial year, it was agreed by Cabinet that £0.150m of additional investment income above the budgeted level is transferred to a new earmarked reserve ("Treasury Management Risk") to manage higher borrowing costs in the short-term and to mitigate potential changes to the accounting treatment of gains and losses on pooled funds from March 2025.
- 6.6** The change in the Authority's funds' capital values and income earned over the 12-month period is shown in Table 5.

Table 5: Pooled Funds, Cash Plus and REIT



Fund Manager	Investment	1st April Fund Value	31st March Fund Value	Dividends in 2023/24	2023/24 Gain/(Loss)	Gain/(Loss) to Initial Principal	% Return Capital & Dividend 2023/24
	£	£	£	£	£	£	%
CCLA Property	2,500,000	2,241,061	2,153,645	112,825	(87,416)	(346,355)	1.13
Schroders (E)	1,000,000	801,858	806,834	56,801	4,976	(193,166)	7.70
M&G UK Income (B)	2,000,000	1,793,403	1,763,426	100,710	(29,977)	(236,574)	3.94
Investec Div Income (M)	2,000,000	1,814,069	1,812,676	82,314	(1,393)	(187,324)	4.46
Threadneedle (B)	2,000,000	1,842,079	1,923,475	78,362	81,397	(76,525)	8.67
CCLA Div (M)	1,000,000	939,659	985,867	32,889	46,207	(14,133)	8.42
Federated Cash +(C)	1,000,000	1,096,121	1,153,550	-	57,428	153,550	5.24
Fundamentum REIT	1,000,000	1,000,000	952,900	28,500	(47,100)	(47,100)	(1.86)
<b>Total current funds</b>	<b>12,500,000</b>	<b>11,528,249</b>	<b>11,552,372</b>	<b>492,402</b>	<b>24,123</b>	<b>(947,628)</b>	<b>4.48</b>

Key E- Equity, M-Multi asset, B- Bond, C-Cash

- 6.7** Pooled funds capital value made a small gain of 0.19% in the financial year. This period has been characterised by significant volatility in the bond markets. Adjusting to central banks' intention of keeping policy rates unchanged amid persistently higher core inflation, tight labour markets and resilient growth, global bond yields rose (i.e., bond prices fell), the August-October 2023 period being a particularly weak one for bond markets with falling prices negatively impacting credit market sentiment and bond fund performance as well as weighing on multi-asset fund returns.
- 6.8** The first quarter of 2024 proved more difficult for government bonds as stubborn inflation led fixed income markets to question if the expectation of the number of rate cuts over 2024 and the accompanying fall in yields had been overdone.
- 6.9** By contrast, shrugging off geopolitical concerns, global equities were buoyed by healthy corporate earnings, resilient economic data and moderating inflation and the view central banks had reached the peak of their rate tightening cycles.
- 6.10** As highlighted above, the nature of these funds is that values can fluctuate from one year to another. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives are monitored and discussed with Arlingclose on a regular basis. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates.



6.11 With the expectation of continued good investment income returns during the 2024/25 financial year, it was recommended to Cabinet in July 2023 that any additional investment income above the budgeted level is transferred to a new earmarked reserve (“Treasury Management Risk”) to manage higher borrowing costs in the short-term and to mitigate potential changes to the accounting treatment of gains and losses on pooled funds from March 2025.

## 7. INVESTMENT RETURNS

7.1 The outturn for investment income received in 2023/24 was £1.686m which equates to a 4.98% return (22/23 – 2.68%) on an average investment portfolio of £35.791m against a budgeted £0.719m an average investment portfolio of £20m. Net loans and investments made a surplus of £0.907m, for the 2023/24 financial year. See table 6 for details.

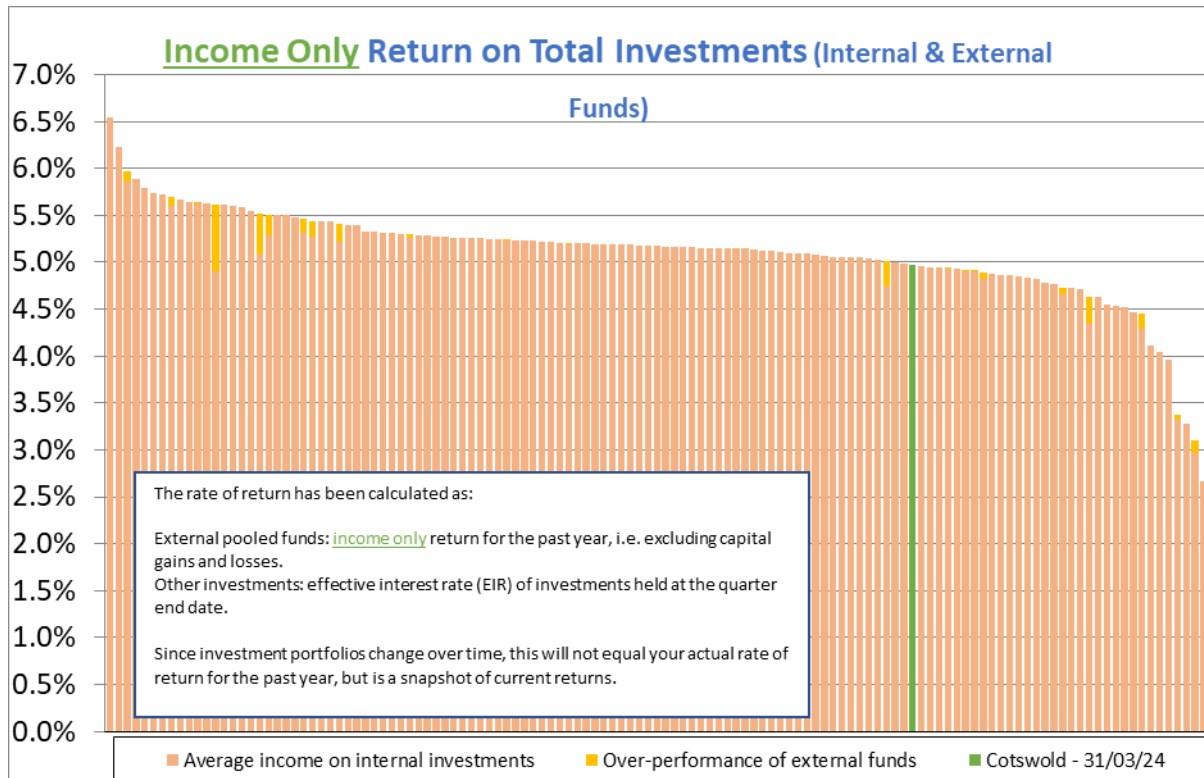
Table 6: Investment income and interest payable versus budget

Investment and Loan Income/Interest Payable	2023/24 Budget £m	2023/24 Actual £m	Variance Surplus/ (Deficit) £m
Community Municipal Borrowing (Interest payable)	(0.007)	(0.006)	0.001
Cottsway Loan*	0.060	0	(0.060)
Long Term Loans	0.012	0.011	(0.001)
Pooled Funds	0.405	0.464	0.059
Housing REIT	0.027	0.029	0.002
Short term	0.093	0.726	0.633
Call/MMF's	0.194	0.467	0.273
<b>NET Income</b>	<b>0.784</b>	<b>1.691</b>	<b>0.907</b>

\*Repayment of interest expected in 2024/25

7.2 Table 7 below shows that as at 31 March 2024, Cotswold District Council (purple bar) achieved the 54th highest average rate on investments from the 125 local authorities that Arlingclose support.

Table 7 Cotswold' District Council investment returns v Arlingclose clients (125) as at 31 March 2024.



## 8. COMPLIANCE REPORT

- 8.1 The Chief Finance Officer reports that all treasury management activities undertaken during 2023/24 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy.
- 8.2 Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 8 below.



Table 8: Debt Limits

	<b>31.3.24 Actual £m</b>	<b>2023/24 Operational Boundary £m</b>	<b>2023/24 Authorised Limit £m</b>	<b>Complied</b>
Borrowing	0.357	10.000	10.000	✓

8.3 A £0.500m loan administered by Abundance Investments Limited was taken out in 2022/23 for the purpose of Community Municipal Investments. The authority has no further external debt at 31 March 2024.

## 9. TREASURY MANAGEMENT INDICATORS

9.1 The Authority measures and manages its exposures to treasury management risks using the following indicators.

### Security

9.2 The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 9: Portfolio average credit rating

	<b>31.3.24 Actual</b>	<b>2023/24 Target</b>	<b>Complied</b>
Portfolio average credit	A+	A-	✓

### Principal Sums Invested for Periods Longer than 364 days:

9.3 The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Table 10: Limit on principal invested > 364 days.

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Actual principal invested beyond year end	£12.5m	£12.5m	£12.5m
Limit on principal invested beyond year end	£15m	£15m	£15m
Complied	✓	✓	✓



**10. ALTERNATIVE OPTIONS**

10.1 None

**11. FINANCIAL IMPLICATIONS**

11.1 The Council maintained an average investment portfolio of £35.791m during 2023/24. The funds earned an average rate of return of 4.98%, this compares to 2.68% in 2022/23.

11.2 The Council budgeted for £0.719m in treasury investment income for 2023/24. Actual performance was a surplus of £0.967m, with investment income received of £1.686m.

**12. LEGAL IMPLICATIONS**

12.1 None

**13. RISK ASSESSMENT**

13.1 Treasury risk is managed by the application of the Council's Treasury Management Strategy. This report discusses the impact of economic risk on the value and returns associated with the Council's investment portfolio together with the risk of low interest rates on the Council's revenue budget.

**14. EQUALITIES IMPACT**

14.1 None.

**15. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

15.1 None.

**16. BACKGROUND PAPERS**

16.1 None.

(END)



## **ANNEX A**

### **ECONOMIC BACKGROUND**

- 1.1** UK inflation continued to decline from the 8.7% rate seen at the start of 2023/24. By the last quarter of the financial year headline consumer price inflation (CPI) had fallen to 3.4% in February but was still above the Bank of England's 2% target at the end of the period. The core measure of CPI, i.e., excluding food and energy, also slowed in February to 4.5% from 5.1% in January, a rate that had stubbornly persisted for three consecutive months.
- 1.2** The UK economy entered a technical recession in the second half of 2023, as growth rates of -0.1% and -0.3% respectively were recorded for Q3 and Q4. Over the 2023 calendar year GDP growth only expanded by 0.1% compared to 2022. Of the recent monthly data, the Office for National Statistics reported a rebound in activity with economy expanding 0.2% in January 2024. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024.
- 1.3** Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% (3mth/year) in July 2023. The same month saw the highest annual growth rate of 8.5% for total pay (i.e., including bonuses) and 7.8% for regular pay growth (i.e., excluding bonuses). Thereafter, unemployment began to decline, falling to 3.9% (3mth/year) in January and pay growth also edged lower to 5.6% for total pay and 6.1% for regular pay, but remained above the Bank of England's forecast.
- 1.4** Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was maintained at 5.25% through to March 2024. The vote at the March was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.
- 1.5** In the Bank's quarterly Monetary Policy Report (MPR) released in August 2023 the near-term projection for services price inflation was revised upwards, goods price inflation widespread across products, indicating stronger domestic inflationary pressure with second-round effects in domestic prices and wages likely taking longer to unwind than they did to emerge. In the February 2024 MPR the Bank's expectations for the UK economy were positive for the first half of 2024, with a recovery from the mild recession in calendar H2 2023 being gradual. Headline CPI was forecast to dip below the 2% target quicker than previously thought due to



declining energy prices, these effects would hold inflation slightly above target for much of the forecast horizon.

- 1.6** Following the latest MPC meeting, Arlingclose, the authority's treasury adviser, maintained its central view that 5.25% remains the peak in Bank Rate and that interest rates will most likely start to be cut later in H2 2024. The risks in the short-term are deemed to be to the downside as a rate cut may come sooner than expected, but then more broadly balanced over the medium term.
- 1.7** The US Federal Reserve also pushed up rates over the period, reaching a peak range of between 5.25-5.50% in August 2023, where it has stayed since. US policymakers have maintained the relatively dovish stance from the December FOMC meeting and at the meeting in March, economic projections pointed to interest rates being cut by a total of 0.75% in 2024.
- 1.8** Following a similarly sharp upward trajectory, the European Central Bank hiked rates to historically high levels over period, pushing its main refinancing rate to 4.5% in September 2023, where it has remained. Economic growth in the region remains weak, with a potential recession on the cards, but inflation remains sticky and above the ECB's target, putting pressure on policymakers on how to balance these factors.
- 1.9** Sentiment in financial markets remained uncertain and bond yields continued to be volatile over the year. During the first half of the year, yields rose as interest rates continued to be pushed up in response to rising inflation. From October they started declining again before falling sharply in December as falling inflation and dovish central bank attitudes caused financial markets to expect cuts in interest rates in 2024. When it emerged in January that inflation was stickier than expected and the BoE and the Federal Reserve were data dependent and not inclined to cut rates soon, yields rose once again, ending the period some 50+ bps higher than when it started.



# Agenda Item 12



**COTSWOLD**  
DISTRICT COUNCIL

Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>AUDIT AND GOVERNANCE COMMITTEE – 23 JULY 2024</b>
Subject	<b>ANNUAL STANDARDS UPDATE</b>
Wards affected	N/A
Accountable member	Councillor Joe Harris, Leader of the Council Email: <a href="mailto:Joe.Harris@cotswold.gov.uk">Joe.Harris@cotswold.gov.uk</a>
Accountable officer	Angela Claridge, Director of Governance & Development (Monitoring Officer) Email: <a href="mailto:Democratic@Cotswold.gov.uk">Democratic@Cotswold.gov.uk</a>
Report author	Ana Prelici, Governance Officer Email: <a href="mailto:Democratic@Cotswold.gov.uk">Democratic@Cotswold.gov.uk</a>
Summary/Purpose	To present the Audit and Governance Committee with and update on Code of Conduct Complaints and arrangements for dealing with these.
Annexes	Annex A – Draft Code of Conduct Complaint Handling Arrangements Annex B – Draft Procedure for the Standards Hearing Sub-Committee
Recommendation(s)	That the Audit and Governance Committee resolves to: <ol style="list-style-type: none"> <li>1. Note the update for the financial years 2022 – 2023 and 2023 - 2024</li> <li>2. Recommend to full Council to approve the updated arrangements for dealing with code of conduct complaints;</li> <li>3. Recommend to full Council to approve the procedure for the Standards Hearing Sub-Committee and to delegate authority to the Director of Governance &amp; Development to make minor amendments to the procedure.</li> </ol>
Corporate priorities	<ul style="list-style-type: none"> <li>• Delivering Good Services</li> </ul>
Key Decision	NO
Exempt	NO



COTSWOLD  
DISTRICT COUNCIL

Consultees/ Consultation	Democratic Services Business Manager Chief Executive
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## **1. EXECUTIVE SUMMARY AND BACKGROUND**

- 1.1** The Localism Act 2011 requires the Council to have complaint handling arrangements in place. These enable an individual to make a formal complaint that an elected or co-opted member of Cotswold District Council, or a Town or Parish Council within the district area, has failed to comply with their Council's Code of Conduct for Members. The complaint handling arrangements seek to ensure that complaints are dealt with fairly and are resolved informally where appropriate.
- 1.2** As one of its functions, the Audit and Governance Committee, is responsible for promoting and maintaining high standards of conduct and for the determination of complaints regarding the conduct of Members. The Audit and Governance Committee previously received an annual update report for the financial year 2021 – 2022 in relation to code of conduct complaints at its meeting on 29 September 2022.
- 1.3** On 17 March 2021, the Council adopted arrangements for assessing allegations under the code of conduct. The requirement of these arrangements is that they be reviewed at least every three years. A review has been undertaken by officers overseen by the Director of Governance and Development.
- 1.4** This report provides an update on the adoption of a Gloucestershire-wide of conduct and the number and status of code of conduct complaints. This report also presents the updated arrangements for dealing with code of conduct complaints, and a procedure for the Standards Hearing Sub-Committee.

## **2. GLOUCESTERSHIRE WIDE CODE OF CONDUCT**

- 2.1** Full Council adopted the Gloucestershire-Wide Code of Conduct on 21 March 2023. Adopting a unified code of conduct has allowed greater clarity and consistency for members of the public about what behaviour they should expect from their representatives, and has allowed that if complaints are brought against a member at both District and County level the same considerations apply.
- 2.2** The Council will be writing to Town and Parish Councils within the district to encourage them to adopt also adopt the Gloucestershire-wide code of conduct. Doing so would assist the Monitoring Officer in dealing with Code of Conduct Complaints where a Councillor might be both a District and Parish or Town Councillor. To support this, training sessions are currently in the process of being planned, and details will be communicated to all Town and Parish Councils in due course.

## **3. NUMBER AND STATUS OF CODE CONDUCT COMPLAINTS**

- 3.1** The Monitoring Officer has delegated authority, after consultation with the Independent Person, to determine whether a complaint requires formal investigation. Wherever



practicable, the Monitoring Officer seeks resolution of complaints without formal investigation.

**3.2** The summary of received complaints is set out in the table below

**3.3** In all cases where the Monitoring Officer has been required to consider a Code of Conduct complaint they have consulted with the Independent Person, as required by the Localism Act 2011. One of the Council’s Independent Persons, John Acton, retired on 31.03.2024, recruitment is underway to secure a replacement. The Independent Persons continue to contribute in an invaluable and constructive manner.

**3.4** Financial Year 01.04.2022 – 31.03.2023

Stage of complaints process resolved	Outcome	# District	# Town or Parish
Assessment stage	No action – complaint withdrawn	1	0
	No action - complaint dismissed	0	0
	Local resolution		1
Investigation stage	No action – complaint dismissed	0	0
	Local resolution	0	0
	Unresolved	0	0
Local hearing stage	No action – complaint dismissed	0	0
	Sanctions applied or recommended	0	0
<b>Total</b>		<b>1</b>	<b>1</b>
<b>Overall Total #</b>		<b>2</b>	

**3.5** Financial Year 01.04.2023 – 31.03.2024

Stage of complaints process resolved	Outcome	# District	# Town or Parish
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Assessment stage	No action – complaint withdrawn	0	0
	No action - complaint dismissed	4	6
	Local resolution	4	3
Investigation stage	No action – complaint dismissed	0	0
	Local resolution	0	0
	Under investigation	1	22
Local hearing stage	No action – complaint dismissed	0	0
	Sanctions applied or recommended	0	0
<b>Total</b>		<b>9</b>	<b>31</b>
<b>Overall Total #</b>		<b>40</b>	

**3.6** There are numerous other cases where contact has been made with the Monitoring Officer but the complainant decides not to pursue for a variety of reasons typically i), insufficient information is provided to assess the complaint, ii) the process doesn't allow the complainant to achieve the sanction they are looking for, or, iii) the complainant is anonymous, these are not logged as formal complaints, and therefore not included in the summary above. The procedure does permit anonymous complaints in exceptional and compelling reasons where the allegation can be evidenced without reference to the complainant. However, local authorities should not normally allow anonymous complaints as that are against the principles of transparency and fairness and make matters much more difficult to investigate.

#### **4. LEARNINGS RESULTING FROM CODE OF CONDUCT COMPLAINTS**

**4.1** In the financial year 2021 – 22, there were seven formal complaints. Members will note that in the year ending 31 March 2024, there has been a considerable increase in the number of formal complaints received. The majority of complaints relating to town and parish councillors have arisen from four councils. All four councils have engaged with both the county organisation, Gloucestershire Association of Town & Parish Councils, and the



Monitoring Officer, to put measures in place such as support and training to improve their standards of behaviours.

- 4.2** Both nationally and locally, bullying and harassment continues to be one of the main behaviours complainants cite in allegations that a councillor has breached their respective councils Code of Conduct. This Council adopted the Local Government Association's "Debate Not Hate" campaign in July 2022 which aims to raise public awareness of the role of councillors in their communities, encourage healthy debate and improve the responses and support for local politicians facing abuse and intimidation. This initiative had included forging a much closer relationship with Gloucestershire Police, who have provided training to this Council's members.
- 4.3** The National Association of Local Councils (NALC) and Society of Local Council Clerks (SLCC) have introduced the "Civility & Respect" campaign for their town and parish council sector. Throughout the sector, there are growing concerns about the impact bullying, harassment, and intimidation are having on local (parish and town) councils, councillors, clerks and council staff and the resulting effectiveness of local councils. As part of the exercise to encourage Town & Parish Councils to adopt the Gloucestershire wide Code of Conduct, described in paragraph 2.2, these Councils will be encouraged to sign up to the Civility & Respect campaign if they haven't to date.
- 4.4** In addition to bullying and harassment, the complaints related to a wide range of alleged breaches of the Code of Conduct including failure to treat individuals with respect and courtesy, bringing the Council into disrepute, and failure to declare interests. Furthermore, there has been an increase in complex and lengthy complaints covering a number of allegations.
- 4.5** Another theme emerging from complaints over the last year is the nature of the allegations have arisen or relates to matters where the councillor was not acting in their councillor capacity or as a representative of the authority and is a private matter. If this is the case, the Code of Conduct doesn't apply. Section 52(1) of the Local Government Act 2000 contains the duty for a Councillor to comply with the Code of Conduct. It requires every Councillor to sign a declaration of acceptance of office, in which they undertake that 'in performing his functions' they will observe the authority's Code of Conduct. As a general rule, the public expect councillors to uphold high standards of conduct and show leadership at all times whether in a councillor or other capacity.
- 4.6** Over the last year, three complaints have also been referred to the Police by the complainant as well as the Monitoring Officer. Investigations by the Police take primacy over allegations managed by the Monitoring Officer.



**4.7** The Monitoring Officer continues to meet quarterly with the Monitoring Officers of the other Gloucestershire Councils in order to review existing practice and keep abreast of national and regional developments.

## **5. ARRANGEMENTS FOR DEALING WITH CODE OF CONDUCT COMPLAINTS**

**5.1** The Council adopted its arrangements for dealing with code of conduct complaints on March 2021. The review requirements of these arrangements is that they be reviewed every 3 years thereafter. In compliance with this requirement and the adoption of the Gloucestershire- Wide Code of Conduct in March 2023, a 'light touch' review of these arrangements has been carried out.

**5.2** In light of the increased number of complaints received by the Council, a Governance Officer has been seconded from the Democratic Services team to assist the Monitoring Officer with code of conduct complaints for seven hours per week. With this additional capacity, some processes have been updated to ease the administrative burden on the Monitoring Officer, in particular carrying out correspondence.

**5.3** The revised arrangements at Annex A have been reviewed as follows;

- The name and introduction has been updated to reflect that the code of conduct also applies to co-opted members of committees.
- At 1.3 of the Arrangements, the Independent Persons have been updated to reflect current appointments.
- In light of updated processes, an additional paragraph (2.2) has been added to ensure that complaints contain sufficient information.
- The time scale of a month for the Investigating Officer to produce their report was unrealistic, considering that interviews often need to be carried out before the production of the draft report. The timescales were updated in line with those set out in guidance issued by the Local Government Association.

**5.4** Notwithstanding any circumstances in which the arrangements warrant an earlier review e.g. new legislation introduced by the Government, the arrangements will next be reviewed in 2027.

## **6. PROCEDURE FOR STANDARDS HEARING SUB-COMMITTEE**

**6.1** Under the Council's Constitution, one of the Audit and Governance Committee's roles is to appoint a Standards Hearings Sub-Committee to conduct hearings following any formal investigation into an allegation that a Member of the Council has failed or may have failed to comply with the Council's Code of Conduct for Members.



- 6.2** A Standards Hearing Sub-Committee was established in the Council's Constitution by full Council on 20 September 2023. The previous procedure for Standards Hearing Sub-Committees adopted by the Council predates the Localism Act 2011 and is no longer current. The proposed procedure for this sub-committee is provided at Annex B.
- 6.3** There is no legal requirement to have a procedure for Standards Hearing Sub-Committee, but having a procedure is matter of good practice to ensure that practices are robust thereby reducing risk to the Council.
- 6.4** Following a standards hearing at a neighbouring authority, that authority is awaiting legal advice, which will be shared with the Council and may result in minor amendments to this procedure being recommended, for example in relation to the role of witnesses at a hearing. The Committee is recommended to delegate authority to the Director of Governance and Development (Monitoring Officer) to make any necessary amendments following receipt of the legal advice to ensure that the procedure is robust and represents good practice.
- 6.5** The Council's Constitution also allows a Town and Parish representative to attend a hearing of the Standards Hearing Sub-Committee where the allegations concern Town or Parish Councillors. Work is being undertaken with the Gloucestershire Association of Parish and Town Councils (GAPTC) to identify suitable candidates for this representative role. The Council is ideally looking to appoint two Town and Parish Council representatives (who represent Town or Parish councils in different parts of the district) to provide resilience and avoid conflicts.

## **7. ALTERNATIVE OPTIONS**

- 7.1** The Audit and Governance Committee could decide to not recommend that the Code of Conduct Handling Arrangements to full Council for approval, but doing so would forgo compliance with the requirement that these are reviewed every three years.
- 8.** The Audit and Governance Committee could decide to not recommend the Procedure for the Standards Hearing Sub-Committee to full Council, but this could increase the risk of legal challenge if a Sub-Committee were required.

## **9. FINANCIAL IMPLICATIONS**

- 9.1** There are no financial implications resulting directly from the report.

## **10. LEGAL IMPLICATIONS**

- 10.1** The Localism Act 2011 requires the Council to have a Code of Conduct which sets out the standards expected of Members whenever they act in their official capacity. The Code must





also have in place a suitable procedure at a local level to investigate and determine allegations that elected Members and co-opted Members of the district council or town and parish councils within the district area have breached the Code of Conduct.

**11. RISK ASSESSMENT**

- 11.1 If the Council fails to adopt and maintain a Code of Conduct and a process for the investigation of complaints that are fit for purpose, robust and transparent then there are risks to the Council's reputation and to the integrity of its corporate governance and decision-making processes.

**12. EQUALITIES IMPACT**

- 12.1 Equalities and Human Rights issues are taken into account in the handling of Code of Conduct complaints.

**13. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

- 13.1 There are no Climate and Ecological implications arising directly from this report.

**14. BACKGROUND PAPERS**

- 14.1 None.

(END)

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# ~~ARRANGEMENTS FOR DEALING WITH COMPLAINTS UNDER THE CODE OF CONDUCT ABOUT DISTRICT AND TOWN & PARISH COUNCILLORS~~

## CODE OF CONDUCT COMPLAINT HANDLING ARRANGEMENTS

Most councillors and co-opted members conduct themselves appropriately and in accordance with the Code of Conduct. Councillors and co-opted members have both individual and collective responsibility to maintain these standards, support expected behaviour and challenge behaviour which falls below expectations.

The Localism Act places a general duty on the Council to ensure that high standards of conduct are maintained and demonstrated to the public. An authority must have an effective, fair, impartial, and transparent complaints and investigation procedure to enable it to make decisions on allegations which both councillors and the public can have confidence. Sanctions should be imposed in a consistent way and only where there is a genuine breach.

This procedure applies when a complaint is received that a member of Cotswold District Council or a town or parish councillor has, or may have, failed to comply with the Code of Conduct for Members ('the Code'). The District Council has adopted the Local Government Association Model Code of Conduct (the Code) which it will review each year and regularly seek, where possible, the views of the public, community organisations and the town and parish councils. The Code will be readily accessible to both councillors and the public and will be placed in a prominent position on the District Councils website and available in its premises.

### I. General

The person making the complaint will be referred to as "the Complainant" and the person against whom the complaint is made will be referred to as the "Subject Member".

I.2 The Monitoring Officer is the officer of the Council who is responsible for administering the system of complaints about member misconduct and as part of that role may nominate another officer of suitable experience and seniority to carry out any of the functions listed in this procedure.

I.2.1 The Monitoring Officer will provide advice, support and management of investigations and adjudications on alleged breaches to town and parish councils within Cotswold District. However, the Monitoring Officer cannot provide advice to town and parish councils in relation to matters outside of the

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Code, e.g. decision making not involving a breach of the Code and meeting procedure and etiquette.

- 1.2.2 The Monitoring Officer will usually appoint a deputy to act when they are unavailable or has an actual or potential conflict of interest. Helen Blundell, Interim Head of Legal Services is the Deputy Monitoring Officer at Cotswold District Council. If there is no deputy or the deputy is unavailable, the Monitoring Officer may ask a monitoring officer from a different authority to undertake the investigation.
- 1.3 The Council appoints Independent Persons from outside the authority to assist the Monitoring Officer and Standards Hearing Sub-Committee in considering complaints. The Independent Persons currently appointed by the District Council are Michael Paget-Wilkes, ~~John Acton~~ and Phyllida Pyper
- 1.4 No member or officer of Cotswold District Council or any town or parish council will participate in any stage of the arrangements if they have, or may have, any conflict of interest in the matter.

## 2. Making a complaint

Complaints should be made in writing by email at: [Democratic@Cotswold.gov.uk](mailto:Democratic@Cotswold.gov.uk)

or by post to:

The Monitoring Officer  
Cotswold District Council  
Trinity Road  
Cirencester GL7  
IPX

- 2.1 Complaints about councillors may be made by anyone, but complaints about the conduct of a town or parish councillor towards a clerk should be made by the Chair or by the parish council as a whole, rather than the clerk in all but exceptional circumstances. The Monitoring Officer may require the town or parish council to seek to resolve the complaint itself informally in the first instance.
- 2.2 **Complaints must be made in writing. The Council asks that complaints are submitted using the Members' Complaint form, available on the website. This is to ensure that the Monitoring Officer and Independent Person have all the information they need in order to assess the complaint and to ensure that complaints can be dealt with on a fair and equitable basis.**
- 2.3 An oral complaint will be accepted where the Complainant is unable to write due to a physical or mental disability or there is a language barrier. Where an oral complaint

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is received it will be transcribed and sent to the Complainant for their approval and the Monitoring Officer will talk them through it.

- 2.4 Anonymous complaints will only be accepted in exceptional circumstances. Further information regarding confidentiality and anonymous complaints is set out below.
- 2.5 A complaint must provide substantiated information and should outline an indication of the form of resolution the Complainant is seeking. Further information regarding the range of sanctions available is set out in 2.9 below.
- 2.6 If the complaint identifies criminal conduct or breach of other regulations by any person, the Monitoring Officer is authorised to report this to the Police or other prosecuting or regulatory authority, in addition to any action taken pursuant to the Code. In the case of alleged criminal conduct the complaint will normally be held in abeyance pending the outcome of any criminal investigation to ensure that no criminal investigation is prejudiced (Referred to as Sub Judice).
- 2.7 If a Complainant wishes their identity to be withheld, they should state this and provide full reasons why they believe their request is justified when submitting the complaint. Any request for confidentiality will be considered by the Monitoring Officer at the initial assessment stage of these Arrangements. In reaching their decision the Monitoring Officer may also consult with an Independent Person.
- 2.8 As a matter of fairness and natural justice the Subject Member will usually be told who has complained about them and receive details of the complaint. However, in exceptional circumstances, the Monitoring Officer may withhold the Complainant's identity if they are satisfied that the Complainant has reasonable grounds for believing that they or any witness relevant to the complaint may be at risk of physical harm, or his or her employment may be jeopardised if their identity is disclosed, or where there are medical risks (supported by medical evidence) associated with the Complainant's identity being disclosed.
- 2.9 If the Monitoring Officer decides to refuse a request by a Complainant for confidentiality, they will offer the Complainant the option to withdraw the complaint, rather than proceed with his or her identity being disclosed. The Monitoring Officer will balance whether the public interest in taking action on a complaint will outweigh the Complainant's wish to have his or her identity withheld from the Subject Member.

- 2.10 The Monitoring Officer may discontinue a complaint if they consider it appropriate to do so where the Subject Member ceases to be a councillor for any reason. Where a complaint is discontinued the Monitoring Officer will write to the Complainant setting out the reasons for their decision.

If an anonymous complaint is received it will be considered by the Monitoring Officer at the initial assessment stage of these Arrangements. In reaching their decision the Monitoring Officer may also consult with the Independent Person.

- 2.11 The principles of fairness and natural justice referred to in paragraph 2.8 will also be applied to anonymous complaints and such complaints will only be accepted if they include documentary or photographic evidence indicating an exceptionally serious or significant matter.
- 2.12 The Monitoring Officer will acknowledge receipt of the complaint within a maximum of 10 working days of all required information being provided. The Complainant will be given details about how the complaint will be dealt with and provided with a copy of these Arrangements. At the same time, the Monitoring Officer will write to the Subject Member and copy in their Group Leader and / or Whip if applicable (and in the case of a complaint about a town or parish council member to the Clerk) with a copy of the complaint and the name of the Complainant, (unless anonymity has been requested and accepted as valid by the Monitoring Officer).
- 2.13 The Subject Member may, within 10 working days of being provided with a copy of the complaint, make written representations to the Monitoring Officer which must be taken into account when deciding how the complaint should be dealt with. Representations received after this time may be taken into account at the discretion of the Monitoring Officer but will not be considered after the Monitoring Officer has issued the initial assessment of the complaint.
- 2.14 Whilst the Monitoring Officer will deal with complaints at the earliest convenience, a decision regarding whether the complaint merits formal investigation or another course of action will ~~normally~~ be taken within a maximum of 20 working days of either receipt of representations from the Subject Member or where no representations are submitted 20 working days of the expiry of the period mentioned in paragraph 2.13 above. The Complainant and the Subject Member will be informed should there be a delay in completing any stage of the process.

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### 3. Stage I – Procedure for Initial Assessment of Complaint

- 3.1 The complaint will be automatically rejected if:
- The complaint is not against one or more named member of Cotswold District Council or any town or parish council within Cotswold District; or
  - The complaint is against a current member of Cotswold District Council or any town or Parish Council within Cotswold District but the Subject Member was not acting in their capacity as a member of that council at the time of the alleged failure to comply with the Code. (The Monitoring Officer will consider all of the circumstances before reaching a conclusion as to the status of the member at the time of the alleged breach of the Code)
- 3.1.1 The Monitoring Officer may at their discretion, consult with the Independent Person in these circumstances.
- 3.1.2 Where a complaint is rejected on any of the above grounds, the Monitoring Officer will write to the Complainant explaining why their complaint cannot be dealt with under this procedure.
- 3.2 The Monitoring Officer may request further information from either the Complainant, the Subject Member or any other persons the Monitoring Officer considers appropriate before reaching a decision.
- 3.3 Where a complaint is by an officer or a member about a member of the same council which would be more appropriately dealt with informally, the Monitoring Officer will refer the matter to the relevant Group Leader and may, but will not have to, consult the Independent Person.
- 3.4 In all other cases, the Monitoring Officer will consider the complaint and, consult with the Council's Independent Person before reaching a decision (initial assessment) as to whether the complaint merits investigation, or another course of action. Where the complaint relates to a town or parish council member, the Monitoring Officer may also seek input from the clerk of the town or parish council before deciding whether the complaint merits formal investigation or other action.
- 3.5 If the complaint has not been rejected on either of the grounds in 3.1 the Monitoring Officer will then go on to apply the following criteria in deciding whether a complaint should be accepted for investigation, dealt with informally, or rejected. A complaint may be rejected if:

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- a substantially similar allegation has previously been made by the Complainant to the Monitoring Officer (unless sufficient new evidence is provided), or the complaint has been the subject of an investigation by another regulatory authority unless a pattern of behaviour is established
- The complaint is about something that happened so long ago that those involved are unlikely to remember it clearly enough to provide credible evidence, or where the lapse of time means there would be little benefit or point in taking action now
- The allegation is anonymous
- The complaint is of an interpersonal nature that would more properly be dealt with by referring the matter to the members Group Leader for informal resolution
- The allegation discloses a potential breach of the Code of Conduct, but the alleged conduct is not serious enough to merit any action
- The resources needed to investigate and determine the complaint are wholly disproportionate to the allegations

In all the circumstances there is no overriding public benefit in carrying out an investigation

- The complaint appears to be malicious, vexatious, politically motivated or tit for tat
- The complaint suggests that there is a wider problem throughout the Authority

3.6 After consulting with the Independent Person the Monitoring Officer will then give his/her decision on how the complaint will be dealt with. The Monitoring Officer may in exceptional circumstances refer the question as to how to proceed to the Chair of the Audit Committee.

3.7 If the Monitoring Officer decides that no further action is appropriate, a decision notice will be sent to the Complainant and the Subject Member. The decision notice will summarise the allegation, give the decision of the Monitoring Officer and the reasons for their decision.

#### 4. Stage 2 - Informal Resolution

4.1 In appropriate cases, and at any stage, the Monitoring Officer may seek to resolve the complaint informally, without the need for a formal investigation. Informal resolution may be appropriate for example where: -

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- There is a breach of the Code but this is minor, trivial or technical in nature
- It is apparent that the Subject Member is relatively inexperienced as a member
- The member has admitted making an error which would not warrant a more serious sanction and has taken action to address this e.g. withdrawing comments.
- The member has apologised
- Training or conciliation would be a more appropriate response.

#### 4.2 Types of informal resolution might include:

- An explanation by the Subject Member to the Complainant of the circumstances surrounding the complaint;
- An apology from the Subject Member;
- An agreement from the Subject Member to attend relevant training or to take part in a mentoring process;
- Offering to engage in a process of mediation or conciliation between the Subject Member and the Complainant; or
- Any other action capable of resolving the complaint.

4.3 Where the Monitoring Officer seeks to resolve the complaint informally they will provide the Subject Member with a reasonable timescale within which to attempt to resolve the complaint (~~usually~~ this will be 10 working days **unless there are exceptional circumstances**). The Subject Member will be provided with the contact details for an available Independent Person. The Independent Person may give advice on the severity of the complaint and what form of resolution might be appropriate, provided that such guidance will not of a nature that would inhibit the Independent Person from giving a view to the Hearings Panel.

4.4 Before deciding upon a course of action the Subject Member may seek guidance from a Group Whip, Leader of the Group, the Independent Person, and/or the Monitoring Officer. The Monitoring officer may also seek the Complainant's views to ascertain what form of informal resolution they would find acceptable, particularly if the form of resolution they have specified in their complaint is not possible.

4.5 At the end of the 10 working day period referred to at paragraph 4.3 above, the Monitoring Officer will, in consultation with the Independent Person, seek to establish whether the Subject Member has resolved the complaint to the Complainant's satisfaction.

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- 4.6 Where it has been possible to agree a form of resolution between the Subject Member and the Complainant there will be no further action taken in respect of the complaint and the Monitoring Officer will notify both the Complainant and the Subject Member of this decision.
- 4.7 Where it has not been possible to agree a form of resolution between the Subject Member and the Complainant, the Monitoring Officer will decide if the complaint merits formal investigation. Where the Subject Member makes a reasonable offer of local resolution, but it is rejected by the Complainant, the Monitoring Officer will take account of this in his or her decision.

## 5. Stage 3 – Formal Investigation

- 5.1 Where the Monitoring Officer, in consultation with the Independent Person, decides that a complaint merits investigation he/she will appoint an Investigating Officer who may be a Council officer, an officer from another Council, or an external investigator. However, if the facts and evidence are self-sufficient, the Monitoring Officer may dispense with a formal investigation and present the facts him / herself.
- 5.2 The Investigating Officer will follow guidance issued by the Monitoring Officer on the investigation of complaints. The guidance will follow the principles of proportionality and the cost effective use of council resources and shall be interpreted in line with these principles. ~~The Investigating Officer should complete their investigation within a maximum of 1 month of their appointment.~~
- 5.3 ~~During the investigative process the complainant will receive fortnightly progress updates.~~
- 5.4 At the end of their investigation, the Investigating Officer will produce a draft report and send copies to the Complainant and Subject Member for comments on matters of fact. The Investigating Officer will take any such comments received during a period to be specified by the Investigating Officer into account before issuing their final report to the Monitoring Officer. ~~The Investigating Officer should aim to complete their investigation and the final report within 3 months of the original complaint being referred for investigation. The complainant will be advised if there is likely to be a delay.~~

## 6. Investigating Officer finding of no failure to comply with the Code of Conduct

- 6.1 Where the Investigating Officer's report finds that the Subject Member has not failed to comply with the Code, the Monitoring Officer, in consultation with the Independent Person, will review the Investigating Officer's report and if satisfied, will

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confirm the finding of no failure to comply with the Code.

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- 6.2 The Monitoring Officer will write to the Complainant and the Subject Member (and to the clerk of the town or parish council, where the complaint relates to a town or parish council member), with a copy of the decision and the Investigating Officer's report.
- 6.3 If the Monitoring Officer is not satisfied that the investigation has been conducted thoroughly, the Investigating Officer may be asked to reconsider the report and the conclusions.

## **7. Investigating Officer finding of sufficient evidence of failure to comply with the Code of Conduct**

- 7.1 Where the Investigating Officer's report finds that the Subject Member has failed to comply with the Code, the Monitoring Officer will review the Investigating Officer's report and will then, having consulted the Independent Person, either send the matter for hearing before the Hearings Panel or seek informal resolution in accordance with paragraph 7.2 below.
- 7.2 Informal Resolution - If the Monitoring Officer believes that the matter can reasonably be resolved without the need for a hearing, for example because informal resolution has not yet been considered, they will consult with the Independent Person and the Complainant and seek to agree a fair resolution. The types of resolution available are as set out in paragraph 4.2 of these Arrangements.
- 7.2 If the Subject Member and the Complainant accept the suggested resolution, the Monitoring Officer will report the outcome to the Standards Panel and the clerk to the town or parish council (if appropriate) for information but will take no further action.
- 7.3 If the Complainant or the Subject Member refuses informal resolution in principle or to engage with the agreed outcome, the Monitoring Officer will refer the matter for a hearing without further reference to the Complainant or the Subject Member.

## **8. Stage 4 - Hearing**

Where, in the opinion of the Monitoring Officer, informal resolution is not appropriate or the Complainant and/or Subject Member refuses to accept informal resolution, then the Monitoring Officer will report the Investigating Officer's findings to the Standards Hearings Sub-Committee which will conduct a hearing before deciding whether the Member has failed to comply with the Code and, if so,

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what action (if any) to take in respect of the Member. The Standards Hearing Sub-Committee will be constituted in accordance with council Standing Orders and will adopt whatever process it considers appropriate.

## **9. Action available to the Standards Hearing Sub-Committee**

Where the Standards Hearing Sub-Committee finds that a Subject Member has failed to comply with the Code, it will publish a decision notice on its website (in the case of a town or parish council the Standards Hearing Sub-Committee will provide a decision notice to be published on its website) of its findings in respect of the Subject Member's conduct setting out the following:

- A brief statement of facts
- The provisions of the code engaged by the allegations
- The view of the Independent Person
- The reasoning of the decision-maker
- Any sanction applied.

### **9.1 In terms of sanctions, the Standards Hearing Sub-Committee may -**

- Recommend to the relevant council that the member should be censured;
- Require the member to provide an apology
- Request the member remove any social media content which led to the complaint
- Recommend to the Subject Member's Group Leader (or in the case of ungrouped members recommend to Council) that he/she be removed from any or all committees or sub committees of the Council;
- Instruct the Monitoring Officer (or recommend to the town or parish council) to arrange training for the Member;
- Recommend to Council (or recommend to the town or parish council) that the Subject Member be removed from all outside appointments to which they have been appointed or nominated by the Council (or by the town or parish council);
- Withdraw (or recommend to the town or parish council that it withdraws) facilities provided to the Subject Member by the council such as a computer, website and/or e-mail and internet access; or
- Place such restrictions on the Subject Member's access to staff, buildings or parts of buildings which may be reasonable in the circumstances.

## **10. Appeals**

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There is no right of appeal against the substantive decision of the Monitoring Officer or of the Standards Hearing Sub-Committee

## **11. Withdrawal of a Complaint**

In the event that a Complainant withdraws a complaint at any time prior to a decision having been made by the Standards Hearing Sub-Committee, the Monitoring Officer may, following consultation with the Independent Person, decide that no further steps be taken in respect of that complaint.

- 11.1 In taking such a decision the Monitoring Officer will take into account whether there has been any intimidation or attempt to intimidate any person who is or is likely to be:
- a Complainant,
  - a witness, or
  - involved in the administration of any investigation or proceedings, in relation to the allegation that the Subject Member has failed to comply with the Council's Code.

## **12. Revision of these Arrangements**

In individual cases the Monitoring Officer may, in consultation with the Chair of Audit and Governance Committee, revise these Arrangements, as they consider appropriate, to enable the process to be dealt with efficiently. Any such revisions are to be reported to the next meeting of the Audit and Governance Committee.

## **13. Review of these Arrangements**

These Arrangements were last reviewed and adopted in ~~2021~~ 2024 and shall be reviewed every 3 years thereafter or earlier where there is a change in law or where circumstances warrant an earlier review. The Monitoring Officer will seek to meet regularly with political group leaders or group whips to discuss standards issues.

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## Standards Hearings Sub-Committee Procedure Rules

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These procedure rules apply to meetings of the Standards Hearings Sub-Committee, or the Audit and Governance Committee, when sitting to hear and determine a member code of conduct complaint referred to it by the Monitoring Officer.

### 1.0 DEFINITIONS

Complainant(s)	The person/people making the complaint.
Subject Member	The Councillor, co-optee, or Town or Parish Councillor against whom an allegation has been made.
Appointed representative	The Subject Member may be represented or accompanied during the meeting by a Solicitor, Counsel or, with the permission of the Standards Hearings Sub-Committee Members, another person.
Standards Hearings Sub-Committee	A Sub-Committee of the Audit and Governance Committee in accordance with the provisions of the Local Government Act 1972. A meeting of the Standards Hearings Sub-Committee will consider whether the Subject Member has breached the Code of Conduct. Comprising 3 members of the Audit and Governance Committee, appointed by the Audit and Governance Committee.
Independent Person	An Independent Person will be invited by the Monitoring Officer to attend the Standards Hearings Sub-Committee as a Member of the Sub-Committee. Their views are sought and taken into consideration before the Sub-Committee takes any decision on whether the Subject Member's conduct constitutes a failure to comply with the Code of Conduct, in accordance with the provisions of the Localism Act 2011, and as to any action to be taken following a finding of failure to comply with the Code of Conduct
Investigating Officer	The person appointed by the Monitoring Officer to undertake a formal investigation on behalf of the Monitoring Officer. This person may be another Officer of the Council, an Officer of another Council or an external third party investigator appointed for the purpose.
Investigating Officer's report	The report of the Investigating Officer to the Monitoring Officer, setting out their findings and recommendations in respect of the allegation.
Legal Advisor	The Officer responsible for providing legal advice to the Standards Hearings Sub-Committee. This may be the Monitoring Officer, another legally qualified Officer, or an external third party legal advisor appointed for the purpose.

Chair	The Chair of the Standards Hearings Sub-Committee elected by that Sub-Committee to chair meetings for the municipal year. If this person is not available, the Sub-Committee will elect a Chair.
Code	The Members' Code of Conduct for the relevant Authority formally adopted by it at the relevant time.
The Monitoring Officer	The Officer designated as such by West Oxfordshire District Council in accordance with section 5 of the Local Government and Housing Act 1989.
Exempt Information	As defined in Section 100A and Schedule 12A to the Local Government Act 1972

## **2.0 INTRODUCTION**

- 2.1 Where the Monitoring Officer considers that it is in the public interest for a complaint to be considered by the Standards Hearings Sub-Committee, a Sub-Committee meeting will be convened, to determine whether the Subject Member has failed to comply with the Code of Conduct.
- 2.2 The Monitoring Officer will seek to convene the Sub-Committee meeting within a maximum of 25 working days of receipt of the final Investigator's report or as soon as practicably possible thereafter. The Standards Hearings Sub-Committee will comprise 3 members appointed to that Sub-Committee by the Audit and Governance Committee, plus an Independent Person allocated to each meeting on a case by case basis by the Monitoring Officer, to act as a co-opted member of that Sub-Committee. For a meeting of the Standards Hearings Sub-Committee to be quorate and proceed, three elected members of the Standards Hearings Sub-Committee plus an Independent Person must be present.
- 2.3 Where there is more than one Subject Member in relation to a single complaint, the Monitoring Officer may agree that the complaints can be heard at a single hearing. In such instances the Sub-Committee will stick to the Determination Hearing Procedure (Section 5) as closely as possible while allowing for the complaints to be heard together.

## **3.0 PRE-HEARING PROCESS**

- 3.1 The Monitoring Officer may invite the Subject Member to give a response in writing to the Investigator's report.
- 3.2 This is done to establish what is likely to be agreed and what is likely to be in dispute at the hearing.
- 3.3 The Standards Hearings Sub-Committee, taking account of the advice of the Monitoring Officer, may issue directions about the way in which a Determination Hearing will be conducted, for example agreeing the number and identity of witnesses. Such directions may be given either before or at the Sub-Committee meeting, and may be decided at a pre-meeting or by correspondence involving all members of the Standards Hearings Sub-Committee.
- 3.4 Any pre-meeting to deal with pre-hearing process issues will be held in private without the Complainant or the Subject Member present.



#### **4.0 DOCUMENTATION**

- 4.1 Standards Hearings Sub-Committee meetings are subject to the normal rules for publication of Council Agendas and Access to Information.
- 4.2 The Agenda papers for the Standards Hearings Sub-Committee will include:
- Complaint form and documentation
  - Subject Member's written response
  - Investigating Officer's report
  - Monitoring Officer report
  - For reference: Code of Conduct, Standards Hearings Sub-Committee Procedure Rules
- 4.3 The Agenda and documents will be published under the Council's rules for exempt information,. Prior to the publication of the agenda, the Sub-Committee, on advice of the Monitoring Officer will decide whether or not any documentation will be treated as exempt and therefore confidential as in Section 100A and Schedule 12A to the Local Government Act 1972. Prior to this decision, any documentation must be treated as confidential.

#### **5.0 DETERMINATION HEARING PROCEDURE**

- 5.1 The quorum for a Sub-Committee meeting will be 3 elected Members plus an Independent Person. Substitute Members are allowed only from the membership of the Audit and Governance Committee. Members will only be able to sit on the Standards Hearings Sub-Committee if they have undertaken standards training.
- 5.2 The Sub-Committee will be assisted on matters of law and procedure by the Legal Advisor. The Sub-Committee may take legal advice, in private, if necessary, from the Legal Advisor at any time during the hearing or while they are considering the outcome. The substance of any legal advice given should be shared with the Subject Member and the Investigating Officer.
- 5.3 The hearing will normally be held in public. However, the Sub-Committee will consider, having regard to any representations made by the Investigating Officer and/or by the Subject Member and advice from the Monitoring Officer and/or Legal Advisor as to the public interest, whether to hear the matter, after the passing of a resolution to exclude the press and public from the meeting. Any such resolution may only be passed on the grounds set out in Section 100A and Schedule 12A to the Local Government Act 1972.
- 5.4 The Subject Member may be represented or accompanied by Counsel or a Solicitor or, with the permission of the Sub-Committee, any other person.
- 5.5 Normal hearing rules will apply in terms of providing opportunities to question witnesses and test evidence, subject to the principles of natural justice and the Human Rights Act 1998.
- 5.6 If the Subject Member (or their appointed representative) is not present, then the Sub-Committee will consider whether to proceed and hear the case and make a decision in absence, or whether to adjourn the hearing to another time or date. If

the Subject Member has indicated that the hearing should continue in the absence of the Subject Member, this will normally happen.

#### **Preliminary business**

- 5.7 The first item of business at the first Sub-Committee meeting in each civic year is for the Sub-Committee to elect a Chair for the remainder of that civic year. If a Chair has already been elected but is not present at the meeting, the Sub-Committee will elect a Chair for that particular meeting.
- 5.8 The Standards Hearings Sub-Committee will follow usual committee procedures for apologies, and declarations of interests.
- 5.9 The Sub-Committee will consider whether to pass a resolution to exclude the press and public from the meeting. Any such resolution may only be passed on the grounds set out in Section 100A and Schedule 12A to the Local Government Act 1972. If the Sub-Committee determine that the hearing can take place in public session, the papers will be made available to any press and public in attendance
- 5.10 The Chair will introduce the Members of the Sub-Committee, the Independent Person, the Legal Advisor, the Investigating Officer, the Subject Member and any other persons present.
- 5.11 The Legal Advisor will give a brief outline of the allegation before the Sub-Committee, namely that the Subject Member has failed to comply with the Code of Conduct, and outline the procedure to be followed and confirm that those present understand it.

#### **Investigating Officer's case**

- 5.12 The Investigating Officer will present the report into the allegation against the Subject Member including any findings of fact and make representations to substantiate the conclusion that the Subject Member has failed to comply with the Code of Conduct.
- 5.13 The Subject Member (or their representative) may question the Investigating Officer.
- 5.14 The Sub-Committee Members may question the Investigating Officer.
- 5.15 The Independent Person may question the Investigating Officer.
- 5.16 The Investigating Officer may call such witnesses as necessary (which may or may not include the Complainant).
- 5.17 The Subject Member (or their appointed representative) may question any witnesses called by the Investigating Officer.
- 5.18 The Sub-Committee Members may question any witnesses called by the Investigating Officer.
- 5.19 The Independent Person may question any witnesses called by the Investigating Officer.
- 5.20 The Investigating Officer may ask further questions of any witnesses in order to clarify any point brought out in questioning of the witness by the Subject Member or the Sub-Committee.

#### **Subject Member's case**

- 5.21 The Subject Member (or their appointed representative) will present the case in relation to the Investigating Officer's findings and make representations about why the Subject Member considers that they did not fail to comply with the Code of

Conduct. If the Subject Member admits that they breached the Code of Conduct the Sub-Committee may move to paragraph 5.32 below.

- 5.22 The Investigating Officer may question the Subject Member.
- 5.23 The Sub-Committee may question the Subject Member.
- 5.24 The Independent Person may question the Subject Member
- 5.25 The Subject Member may call any witnesses.
- 5.26 The Investigating Officer may question any witness called by the Subject Member.
- 5.27 The Sub-Committee may question any witness called by the Subject Member.
- 5.28 The Independent Person may question any witness called by the Subject Member.
- 5.29 The Subject Member may ask further questions of any witness in order to clarify any point brought out in questioning of the witness by the Investigating Officer or the Standards Hearings Sub-Committee.

#### **Summing up**

- 5.30 The Investigating Officer will sum up the case in relation to the findings in their report.
- 5.31 The Subject Member (or their appointed representative) will sum up the case in relation to the findings in the Investigating Officer's report of whether there has been a breach of the Code.
- 5.32 The Independent Person will give their views to the Sub-Committee and these will be recorded in the Minutes of the meeting.

#### **Determination as to whether there has been a breach of the Code**

- 5.33 The Sub-Committee will then retire with the Legal Advisor. If the hearing has been in public the Committee will need to pass a resolution under Section 100A of the Local Government Act 1972 to exclude the public from the meeting. The Sub-Committee must take into account the views of the Independent Person before reaching a decision. Decisions will be determined by a simple majority of those Members present and voting; the Independent Person does not have a vote. Where there are equal numbers of votes for and against the Chair will have a second casting vote and there is no restriction on how the Chair chooses to exercise a casting vote.
- 5.34 The Sub-Committee will announce their decision as to whether there has been a breach of the Code in the presence of all parties, and, if the press and public was excluded earlier in the meeting, this will normally be after passing a resolution that they should no longer be excluded from the meeting. The Sub-Committee will provide reasons for their decision and will explain any reasons why any advice from the Independent Person has or has not been followed in giving its decision.
- 5.35 If the Sub-Committee decide that the Subject Member has not breached the Code, they shall dismiss the complaint and take no further action. However, they may still make general recommendations to the Council, its Audit and Governance Committee, the Monitoring Officer, or the Town or Parish Council, on any remedial actions, if it considers necessary to address the issues raised.

- 5.36 If the Sub-Committee decide that the Subject Member has breached the Code then the following sub-section on sanctions will apply.

**Determination as to any sanctions to be applied (if applicable)**

- 5.37 The Sub-Committee may request, or allow, the Complainant, whether or not called as a witness, to make a statement in relation to the effect on the Complainant of any conduct of the Subject Member which is the subject of the breach. Such a statement may be made in person to the Sub-Committee or may be submitted in writing, but if submitted in writing, will be shown to both the Investigating Officer, the Subject Member and the Independent Person. A Complainant who makes such a statement may be questioned by the Sub-Committee, but may not be questioned in relation to the statement by the Investigating Officer or the Subject Member without the consent of the Sub-Committee.
- 5.38 The Investigating Officer may make representations as to whether the Sub-Committee should impose a sanction and what form any sanction should take.
- 5.39 The Sub-Committee may question the Investigating Officer in relation to any such representations.
- 5.40 The Subject Member (or their appointed representative) may make representations as to whether the Sub-Committee should impose a sanction and what form any sanction should take and may make representations as to mitigation.
- 5.41 The Sub-Committee may question the Subject Member in relation to any such representations.
- 5.42 The Legal Advisor will then raise any points that need to be addressed before the matter is determined.
- 5.43 The Independent Person will then give their views on the appropriate sanction, if any, to be imposed and their views will be recorded in the Minutes of the meeting.
- 5.44 The Sub-Committee will then retire with the Legal Advisor. If the hearing has been in public the Sub-Committee will need to pass a resolution under Section 100A of the Local Government Act 1972 to exclude the public from the meeting.
- 5.45 The Sub-Committee will come to a decision as to sanctions. Any sanction imposed must be reasonable and proportionate to the breach found and the Legal Advisor may advise the Sub-Committee in this regard. The Sub-Committee has no power to suspend or disqualify the member or to withdraw or suspend allowances. The Sub-Committee may:
- Censure or reprimand the Subject Member;
  - Recommend to the Subject Member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;
  - Recommend to the Leader of the Council that the Subject Member be removed from the Executive or removed from particular Executive Portfolio responsibilities;
  - Recommend to Council that the Subject Member be replaced as Executive Leader of the Council;

- Instruct the Monitoring Officer to, or recommend that a Town or Parish Council, arrange training for the Subject Member;
- Publish its findings in respect of the Subject Member's conduct;
- Report its findings to Council, or to a Town or Parish Council, for information.

The above is not exhaustive.

- 5.46 The Sub-Committee will announce its decision in the presence of all parties, and this will normally be after passing a resolution that the public should no longer be excluded from the meeting. The Sub-Committee will give reasons for its decision and will explain the reasons why any advice from the Independent Person has or has not been followed in giving its decision.

**Decision notice**

- 5.47 The Monitoring Officer will, within 10 working days of the Sub-Committee meeting prepare a formal Decision Notice, and send a copy to the Complainant, to the Investigating Officer and to the Subject Member (and to the Town or Parish Council if appropriate). The Decision Notice will be published as part of the Minutes of the Sub-Committee meeting and will be placed on the Council's website, regardless of whether the Sub-Committee excluded the press and public for the meeting or not, unless the Monitoring Officer determines that it should remain confidential.
- 5.48 The findings and recommendations of the Sub-Committee are final and there is no right of appeal against the decision of the Standards Hearings Sub-Committee.

**Departing from this procedure**

- 5.49 The Chair of the Sub-Committee has the right to depart from this procedure, in consultation with the Monitoring Officer, or Legal Advisor, at any determination hearing where it is considered it is sensible to do so, to deal with the case fairly, effectively and in the public interest, provided that the principles of natural justice are upheld.

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**COTSWOLD**  
DISTRICT COUNCIL

**AUDIT AND GOVERNANCE COMMITTEE WORK PLAN**  
**1 JULY 2024 – 31 MAY 2024**

**Audit and Governance Committee**

The Audit and Governance Committee responsible for monitoring the adequacy and effectiveness of the Council's governance arrangements. This includes overseeing the audit function, annual accounts and the work of the internal auditors, promoting and maintaining high standards of conduct of members and, through its Standards Hearings Sub-Committee, determining complaints that an elected member of the district council or a town or parish council within the district are has breached the code of conduct.

The Committee has the following powers under the Council's Constitution:

- The Committee has the right to require the attendance of any Council officers and/or members in order to respond directly to any issue under consideration;
- To review any issues referred to it by the Chief Executive, other statutory officer or any Council body; and
- The power to call expert witnesses from outside the Council to give advice on matters under review or discussion.

This work programme sets out the expected business for meetings of the Audit and Governance Committee.

Item	Meeting Date	Lead Officer
<b>23 July 2024</b>		
Annual Standards Update	25 Apr 2024	Angela Claridge, Director of Governance and Development (Monitoring Officer) <a href="mailto:Angela.Claridge@Cotswold.gov.uk">Angela.Claridge@Cotswold.gov.uk</a>
Internal Audit Annual Opinion	23 Jul 2024	Lucy Cater, Assistant Director (SWAP)

		lucy.cater@publicagroup.uk
Draft Annual Governance Statement	23 Jul 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Treasury Management Outturn	23 Jul 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
External Audit Plan 2023/24	23 Jul 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
<b>24 October 2024</b>		
Climate Change	25 Apr 2024	Chris Crookall-Fallon, Head of Climate Action chris.crookall-fallon@cotswold.gov.uk
Informing the Audit Risk Assessment 2023/24	23 Jul 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Internal Audit Progress Report	24 Oct 2024	Lucy Cater, Assistant Director (SWAP) lucy.cater@publicagroup.uk
QI Prudential Indicators (Treasury Management)	24 Oct 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Local Code of Corporate Governance	24 Oct 2024	Cheryl Sloan, Business Manager - Business Continuity, Governance and Risk cheryl.sloan@cotswold.gov.uk
Ombudsman Report 2023/24	24 Oct 2024	Cheryl Sloan, Business Manager - Business Continuity, Governance and Risk cheryl.sloan@cotswold.gov.uk
Counter Fraud and Enforcement Unit Update Report	24 Oct 2024	Emma Cathcart, Head of Service, Counter Fraud and Enforcement Unit emma.cathcart@cotswold.gov.uk
<b>21 November 2024</b>		
Treasury Management Mid-Year Report	21 Nov 2024	David Stanley, Deputy Chief Executive and Chief Finance Officer David.Stanley@cotswold.gov.uk



External Auditors Annual report 2023/24	21 Nov 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Statement of Accounts and Audit Opinion	21 Nov 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Corporate Risk Register	21 Nov 2024	Cheryl Sloan, Business Manager - Business Continuity, Governance and Risk cheryl.sloan@cotswold.gov.uk
<b>28 January 2025</b>		
Risk Management Policy	25 Apr 2024	Cheryl Sloan, Business Manager - Business Continuity, Governance and Risk cheryl.sloan@cotswold.gov.uk
Annual Treasury Management Strategy and Annual Non-Treasury Investment Strategy 2024/25	25 Jan 2024	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Cybersecurity Update	28 Jan 2025	John Chorlton, Business Manager for ICT john.chorlton@publicagroup.uk
Internal Audit Progress Report	28 Jan 2025	Lucy Cater, Assistant Director (SWAP) lucy.cater@publicagroup.uk
Annual Capital Strategy 2025/26	28 Jan 2025	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
<b>29 April 2025</b>		
Risk Management Policy	29 Apr 2025	Cheryl Sloan, Business Manager - Business Continuity, Governance and Risk cheryl.sloan@cotswold.gov.uk
Annual Governance Statement – Action Plan Update	29 Apr 2025	Michelle Burge, Chief Accountant michelle.burge@publicagroup.uk
Internal Audit Plan and Charter	29 Apr 2025	Lucy Cater, Assistant Director (SWAP) lucy.cater@publicagroup.uk
Internal Audit Progress Report	29 Apr 2025	Lucy Cater, Assistant Director (SWAP)

		lucy.cater@publicagroup.uk
CFEU Update Report (RIPA and IPA annual update)	29 Apr 2025	Emma Cathcart, Head of Service, Counter Fraud and Enforcement Unit emma.cathcart@cotswold.gov.uk
Annual Standards Update	29 Apr 2025	Angela Claridge, Director of Governance and Development (Monitoring Officer) Angela.Claridge@Cotswold.gov.uk