

## **ANNUAL REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE**

### **1. ANNUAL STATEMENT OF ACCOUNTS 2017/18**

The Committee approved and signed the 2017/18 Annual Statement of Accounts for Gloucestershire County Council and the Pension Fund. It was noted that the Authority had a statutory duty to produce the accounts in accordance with CIPFA's Code of Practice. The report provided a summary of the work undertaken during the audit of the Council's accounts. The Committee considered and approved the Letter of Representation which confirmed that the Council had undertaken proper responsibility in relation to its financial activities. The Committee also received the Treasury Management Annual Report.

### **2. ANNUAL GOVERNANCE STATEMENT AND THE LOCAL CODE OF CORPORATE GOVERNANCE 2017/18**

The Council is required under the Accounts and Audit Regulations 2015 to produce an Annual Governance Statement (AGS) which is a public statement, detailing how the Council directs and controls its resources. The AGS was published alongside the Annual Statement of Accounts.

The Council had adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government*'. The Code is a public statement of the Council's commitment to these principles. The code underpins and evidences the statements made within the AGS and was reviewed and updated annually.

The Committee considered and approved the Council's 2017/2018 Annual Governance Statement and Local Code of Corporate Governance 2017/2018. The Committee also reviewed the progress made by management to address the significant issues identified in the 2017/18 Annual Governance Statement Improvement Plan;

### **3. EXTERNAL AUDIT REPORTS**

The Committee considered external audit reports on Gloucestershire County Council and the Pensions Fund. In response to findings within the reports members asked officers to act on those recommendations and to report back to the Committee on the progress made in addressing them. Members of the Committee have received regular updates on Grant Thornton's programme of activity relating to the Council in addition to briefings on the external environment.

### **4. INTERNAL AUDIT REPORT & ACTION PLAN - GFRS**

The report provided the Committee with the context to the internal audit independent investigation in relation to a number of concerns raised in GFRS, as a result of the whistleblowing allegations. The Committee considered and approved the action plan to address the recommendations. In addition, the Committee approved the process for delivering the actions set out, and the on-going monitoring arrangements to be undertaken by the Audit and Governance Committee.

**5. INTERNAL AUDIT ACTIVITY PROGRESS REPORTS 2018/2019**

The Committee has continued to monitor the work of Internal Audit and has been provided with an evaluation of the effectiveness of Internal Audit and has noted that the service complies with the Public Sector Internal Audit Standards (PSIAS) 2017. The Committee therefore takes assurance that the internal audit practices meet the required standards and continued reliance can be placed on the internal audit arrangements operating within the Council.

The plan ensures that internal audit resources are prioritised towards those systems, processes and areas which are considered to be deemed high risk, or which contribute most to the achievement of the council's corporate objectives. The Committee continues to monitor the delivery of the annual Internal Audit Plan through regular update reports presented by the Head of Audit Risk Assurance.

The Head of Audit Risk Assurance provided a satisfactory opinion on the effectiveness of the Council's internal control environment. The summarised internal audit activity upon which that opinion was based, provide the Committee with reasonable assurance that there is a generally sound system of internal control in place at the Council.

**6. FREEDOM OF INFORMATION ANNUAL REPORT**

The report drew attention to the significant number of requests received by the Council. It was noted there had been a continued increase in the complexity of requests the Council received, together with a slight increase in requests, from 2210 requests received in 2018 compared with 2037 received in 2017.

**7. ANNUAL REPORT ON COMPLAINTS TO THE OMBUDSMAN**

The Committee received a report detailing the Council's arrangements for handling complaints including the Local Government Ombudsman (LGO)'s Annual Review. The Gloucestershire County Councils revised Complaints Policy was accepted. The committee noted that in 2017/18 the LGO received 67 complaints about the County Council, 8 of which were upheld.

**8. WHISTLEBLOWING POLICY**

The Committee were consulted and commented on a revised Whistleblowing Policy which had been produced with the help of Public Concern at Work, a national charity. The Chief Executive and the Monitoring Officer under delegated powers had formally approved the Whistleblowing Policy, which had now been endorsed at County Council.

**9. MEMBER CODE OF CONDUCT REVIEW**

The Committee received a report on the annual review of the Member Code of Conduct. It was noted that the Council had two Independent Persons who the Monitoring Officer could call on for assistance if necessary. It was reported there had been no reason to convene the Hearings Panel in 2017/18. The Committee also reviewed a suggested response to the consultation on the Committee on Standards in Public Life's review of local government ethical standards.

**10. OTHER TOPICS**

Members of the Committee welcomed the training sessions which had been offered, including the Statement of Accounts, Annual Governance Statement, Treasury Management and a review of Audit Effectiveness. The Committee found the sessions to be rewarding and informative.