

**[SWT VIRTUAL MEETING WEBCAST
LINK](#)**

Members: Lee Baker (Chair), Derek Perry (Vice-Chair), Simon Coles, Hugh Davies, Caroline Ellis, Janet Lloyd, Steven Pugsley, Vivienne Stock-Williams, Andrew Sully and Terry Venner

Agenda

1. Apologies

To receive any apologies for absence.

2. Minutes of the previous meeting of the Audit, Governance and Standards Committee held on 8th March 2021

To approve the minutes of the previous meeting of the Committee held on 8th March 2021.

(Pages 5 - 12)

3. Declarations of Interest

To receive and note any declarations of disclosable pecuniary or prejudicial or personal interests in respect of any matters included on the agenda for consideration at this meeting.

(The personal interests of Councillors and Clerks of Somerset County Council, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes.)

4. Public Participation

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue.

Temporary measures during the Coronavirus Pandemic

Due to the Government guidance on measures to reduce the transmission of coronavirus (COVID-19), we will holding meetings in a virtual manner which will be live webcast on our website. Members of the public will still be able to register to speak and ask questions, which will then be read out by the Governance and Democracy Case Manager during Public Question Time and will either be answered by the Chair of the Committee, or the relevant Portfolio Holder, or be followed up with a written response.

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|---|-------------------|
| 5. Audit, Governance and Standards Committee Forward Plan | (Pages 13 - 14) |
| To receive items and review the Forward Plan. | |
| 6. Grant Thornton Annual Audit Letter 2019/20 | (Pages 15 - 38) |
| 7. Grant Thornton External Audit - Audit Plan for 2020/21 Accounts | (Pages 39 - 62) |
| 8. Grant Thornton External Audit - Progress Report | (Pages 63 - 86) |
| 9. Summary of Level 1 and 2 Internal Audit Actions | (Pages 87 - 98) |
| 10. Anti-Fraud Framework & Fraud Update | (Pages 99 - 130) |
| 11. Landlord Health and Safety Property Compliance Update Report | (Pages 131 - 144) |
| 12. Report of the Council Governance Arrangements Working Group | (Pages 145 - 216) |
| 13. Member Training and Development Policy | (Pages 217 - 226) |
| 14. Update to the Constitution | (Pages 227 - 288) |
| 15. Access to Information - Exclusion of the Press and Public | |

During discussion of the following item it may be necessary to pass the following resolution to exclude the press and public having reflected on Article 13 13.02(e) (a presumption in favour of openness) of the Constitution. This decision may be required because consideration of this matter in public may disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act. The Committee will need to decide whether, in all the circumstances of the case, the public interest in maintaining the exemption, outweighs the public interest in disclosing the information.

Recommend that under Section 100A(4) of the Local

Government Act 1972 the public be excluded from the next item of business on the ground that it involved the likely disclosure of exempt information as defined in paragraph 1 respectively of Part 1 of Schedule 12A of the Act, namely information relating to any individual.

16. Monitoring Officer Update (Verbal Update)

This report will be a verbal update on any items that the Monitoring Officer needs to make the Committee aware of.

17. (Item 10) Confidential Appendix Anti-Fraud and Error Annual Report

(Pages 289 - 294)

A handwritten signature in black ink, appearing to read 'James Hassett', written in a cursive style.

**JAMES HASSETT
CHIEF EXECUTIVE**

Please note that this meeting will be recorded. You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during the recording will be retained in accordance with the Council's policy. Therefore unless you are advised otherwise, by taking part in the Council Meeting during Public Participation you are consenting to being recorded and to the possible use of the sound recording for access via the website or for training purposes. If you have any queries regarding this please contact the officer as detailed above.

Following Government guidance on measures to reduce the transmission of coronavirus (COVID-19), we will be live webcasting our committee meetings and you are welcome to view and listen to the discussion. The link to each webcast will be available on the meeting webpage, but you can also access them on the [Somerset West and Taunton webcasting](#) website.

If you would like to ask a question or speak at a meeting, you will need to submit your request to a member of the Governance Team in advance of the meeting. You can request to speak at a Council meeting by emailing your full name, the agenda item and your question to the Governance Team using governance@somersetwestandtaunton.gov.uk

Any requests need to be received by 4pm on the day that provides 2 clear working days before the meeting (excluding the day of the meeting itself). For example, if the meeting is due to take place on a Tuesday, requests need to be received by 4pm on the Thursday prior to the meeting.

The Governance and Democracy Case Manager will take the details of your question or speech and will distribute them to the Committee prior to the meeting. The Chair will then invite you to speak at the beginning of the meeting under the agenda item Public Question Time, but speaking is limited to three minutes per person in an overall period of 15 minutes and you can only speak to the Committee once. If there are a group of people attending to speak about a particular item then a representative should be chosen to speak on behalf of the group.

Please see below for Temporary Measures during Coronavirus Pandemic and the changes we are making to public participation:-

Due to the Government guidance on measures to reduce the transmission of coronavirus (COVID-19), we will holding meetings in a virtual manner which will be live webcast on our website. Members of the public will still be able to register to speak and ask questions, which will then be read out by the Governance and Democracy Case Manager during Public Question Time and will be answered by the Portfolio Holder or followed up with a written response.

Full Council, Executive, and Committee agendas, reports and minutes are available on our website: www.somersetwestandtaunton.gov.uk

For further information about the meeting, please contact the Governance and Democracy Team via email: governance@somersetwestandtaunton.gov.uk

If you would like an agenda, a report or the minutes of a meeting translated into another language or into Braille, large print, audio tape or CD, please email: governance@somersetwestandtaunton.gov.uk

SWT Audit, Governance and Standards Committee - 8 March 2021

- Present: Councillor Lee Baker (Chair)
- Councillors Derek Perry, Simon Coles, Hugh Davies, Caroline Ellis, Janet Lloyd, Steven Pugsley, Vivienne Stock-Williams, Andrew Sully and Terry Venner
- Officers: Alison North, Paul Fitzgerald, Aditi Chandramouli, Alastair Woodland, Marcus Prouse, Amy Tregellas and Andrew Randell
- Also Present: Councillors John Hassall, Ross Henley, Marcus Kravis, Dave Mansell, Peter Pilkington, Mike Rigby, Francesca Smith, Phil Stone, Sarah Wakefield, Brenda Weston and Loretta Whetlor

(The meeting commenced at 6.15 pm)

32. Apologies

Apologies were received from Councillor Hill and Jackson Murray.

Councillor Stone attended as a substitute.

33. Minutes of the previous meeting of the Audit, Governance and Standards Committee

(Minutes of the meeting of the Audit, Governance and Standards Committee held on 1 February 2021 circulated with the agenda)

Resolved that the minutes of the Audit, Governance and Standards Committee held on 1 February 2021, following minor amendments be confirmed as a correct record.

34. Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr L Baker	All Items	Cheddon Fitzpaine & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr H Davies	All Items	SCC	Personal	Spoke and Voted
Cllr C Ellis	All Items	Taunton Charter	Personal	Spoke and Voted

		Trustee		
Cllr J Lloyd	All Items	Wellington & Sampford Arundel	Personal	Spoke and Voted
Cllr D Mansell	All Items	Wiveliscombe	Personal	Spoke and Voted
Cllr V Stock-Williams	All Items	Wellington	Personal	Spoke and Voted
Cllr G Wren	All Items	Clerk to Milverton PC	Personal	Spoke and Voted

35. **Public Participation**

No members of the public had requested to speak on any item on the agenda.

36. **Audit, Governance and Standards Committee Forward Plan**

(Copy of the Audit, Governance and Standards Committee Forward Plan, circulated with the agenda).

Councillors were reminded that if they had an item they wanted to add to the agenda, that they should send their requests to the Governance Team.

A report from the Governance Working group was requested at the next meeting on 12th April, this was confirmed but Council would need to make a resolution in relation to the future Governance arrangements.

Resolved that the Audit, Governance and Standards Committee Forward Plan be noted.

37. **Grant Thornton External Audit Progress Report and Sector update**

The report set out the progress at February 2021 detailing the Financial Statements Audit, Value for Money Opinion, Certification of the audit and Audit of the 2020/21 Financial year alongside the associated planning processes.

The audit plan was expected to be issued in April 2021 summarising the approach to key risks on the audit in April 2021. The interim audit would cover an understanding of processes and controls, a walkthrough of the significant risk areas, and a review of IT general controls. The substantive testing would be undertaken at the post statements visit in the summer. Any findings from the interim audit would be reported in the progress report at the April Audit, Governance and Standards Committee.

During the debate the following comments and questions were raised:-

- Questioning took place in relation to signing off the previous year's audit. It was acknowledged that there was an outstanding projection of 2018/19 statements. Work on certification would be issued and finalised shortly, this work remained ongoing.

- Extension to the deadline until 10th March was discussed. The 30th November was the housing benefit deadline but had been extended to 30th January 2021 as a result of the pressures arising from the pandemic.
- Revenues and Benefits departments had been issuing Covid-19 business support grants, remote access to Councils systems for auditing purposes was also an issue. An extension up until the end of April had been granted due to the resources and pressures from the pandemic.

The Committee noted the report.

38. **SWAP Internal Audit - Progress Report 2020/21**

The Internal Audit function played a central role in corporate governance by providing assurance to the Audit, Governance and Standards Committee, looking over financial controls and checking on the probity of the organisation. The 2020-21 Annual Internal Audit Plan provided independent and objective assurance on SWT Internal Control Environment. This work would support the Annual Governance Statement.

The report summarised the work of the Council's Internal Audit Service and provided:

- Details of any new significant weaknesses identified during internal audit work completed since the last report to the committee in December 2020.
- A schedule of audits completed during the period, detailing their respective assurance opinion rating, the number of recommendations and the respective priority rankings of these.

The Internal Audit Progress Report for 2020-21 was contained and set out within the appended SWAP report

During the debate the following comments and questions were raised:-

- Performance targets set out in the report were considered alongside the likelihood of reaching these targets. The South West Audit Partnership were confident and on track to deliver targets set out. This was based on assumptions around the requirement of officers to provide access to information.
- Concerns were expressed in relation to the updated whistleblowing policy.
- The 12th April meeting would consider the anti-fraud framework which included an updated whistleblowing policy.

The Committee noted the progress made in delivery of the 2020-21 internal audit plan and significant findings since the previous update in December 2020.

39. **SWAP Internal Audit - Audit Plan and Charter 2021/22**

The report introduced the Internal Audit Plan for 2021/22 and also incorporated an 'Internal Audit Charter' which sets out the operational relationship between Somerset West and Taunton (SWT) and the South West Audit Partnership (SWAP).

This is a flexible plan that may be amended during the year to deal with shifts in priorities or new and emerging risks. The following plan has the support of the Section 151 Officer and has been approved by the Senior Management Team.

The Internal Audit service for Somerset West and Taunton is delivered by SWAP.

Somerset West and Taunton's audit plan for 2021-22 is based on 380 days.

The internal audit plan for 2021/22 was set out in the attached report from SWAP. I am satisfied that this plan is focussed on key risks areas and will help me provide Somerset West and Taunton Council with assurance on internal controls.

This has been discussed and supported by the Council's Senior Management Team and is now shared with Members for approval. Internal Audit Charter

The internal audit service provided by the SWAP, worked to a Charter that defines its roles and responsibilities and the roles and responsibilities of the Council's managers as they relate to internal audit. Best practice in corporate governance requires that the charter be reviewed and approved annually by the relevant Committee.

During the debate the following comments and questions were raised:-

- Discussion took place that there were more topics in the plan in quarters 2 and 3 than 1 and 4. It was questioned if there was a reason for this. Prioritising the key areas would happen in the first quarter. Alternative means of assurance could be considered in certain areas.
- Information would be sent to the committee, a place where the committee can access data would be set out giving information about what can be considered each quarter.
- There were a couple of minor changes made to the Audit charter, members would be provided these in due course.
- Risk management maturity was questioned, this was used as a reliance on the risk management framework to find the material risks.
- Key risks across local government would be assessed to give assurance across all Council areas of audit planning.

The Committee:-

Approved the Internal Audit Plan for 2021/22.

Approve the Internal Audit Charter.

40. **Local Code of Corporate Governance**

Corporate Governance was the system by which Somerset West and Taunton Council direct / control its functions and relate to our community.

Good Corporate Governance is required to ensure that the public services provided by the Council are delivered with both confidence and credibility.

The Council was committed to the principles of effective corporate governance and has therefore adopted a Code of Corporate Governance which follows the latest guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE), entitled 'Delivering Good Governance in Local Government (2016)'.

The guidance defined the seven core principles, each supported by sub-principles that should underpin the governance framework of a local authority.

The core principles at the heart of the CIPFA/SOLACE governance framework were set out

During the debate the following comments and questions were raised:-

- Consideration was given around Principle B – Openness and stakeholder engagement.
- Concerns were expressed on behalf of residents across the district who were digitally excluded and those with disabilities, these were for equality compliance reasons and social objectives.
- Utilising the skills and expertise of all Councillors was considered a risk from the Committee in not using Councillors to the best potential for the benefit of the community.
- Increased and more effective communications were requested for Councillors from the Communications team.
- Training and development was being picked up as part of a working group. It was fully recognised that this could be improved.

The Committee approved the Code of Corporate Governance.

41. **Changes to the Constitution**

The purpose of the report was to present Members with Protocols for the role of Member Champions and Member Working Groups, which will, if approved, become appendices to the Council's Constitution.

The Member Champion Protocol set out the role of Members Champions as well as how they will operate. If Council approve the protocol, the next step will be for Group Leaders to nominate Members for roles and for a list of appointments to be drawn up by the Leader of the Council, for ratification at the Council Annual Meeting in May 2021.

The Member Working Group Protocol set out how Working Groups will be convened and operated going forward.

In light of the Unitary proposals for Somerset, it was also recommended that the previously agreed Members Working Group to look at doing a full review of the Constitution is put on hold and that the Monitoring Officer come back to Council in due course (via the Audit, Governance and Standards Committee) with a number of other amendments to the Constitution.

During the consideration of the item the following comments and questions were raised:-

- An addition of a rural member champion role was requested. This was considered essential to the district. It was agreed that this would be added.
- Utilising councillors in a constructive way on working groups was encouraged.
- Once Council had made the resolution, more information was requested in terms of how the committee system would look when the changes would be made to the constitution.
- Changes to the constitution in relation to Planning were requested, these would be considered at the next Committee on 12th April.
- Standing down the Constitution Working Group was considered the correct option with the understanding that it wouldn't be the best use of officer time with the amount of work in the short and medium term.

- The working group didn't need to stand down if committee members considered this wasn't the correct course of action.
- The report being signed off by Director or SMT was considered and if this needed to be rephrased.
- It was questioned if there was a specific budget for working groups, officers and the governance team would provide support to these in most cases.
- The quorum was considered as low and not adequate to carry out the work. It was recognised that the higher the quorum the more risk of work not being considered if members couldn't attend a working group and the meeting couldn't commence.

That the Committee recommends that Full Council approves:

- a) The Member Champion Protocol (Appendix A), subject to Member Champions for Rural Affairs, Disability and Sports and Recreation be added to the list in Annex 1
- b) The Member Working Group Protocol (Appendix B), subject to:
 - a. the quorum for Member Working Groups being amended to 5 for Council and Executive WGs and 3 for all other Member Working Groups
 - b. 5.1 being amended to change the wording to remove 'sign off' and propose that it is replaced with 'consultation with, and comments from the relevant officer'.
- c) Both documents becoming appendices to the SWT Constitution

And, that the Audit, Governance and Standards Committee resolves:

- d) That the Monitoring Officer comes back to the next meeting of the Committee with any proposed amendments to the Council's Constitution.

42. **Chair's Annual Report**

The purpose of the report was to provide Members of the Council with details of the work carried out by the Audit Governance and Standards Committee (AGSC) during the year ended 31 March 2021. The report also details how the AGSC has fulfilled its terms of reference during this period.

The AGSC function is to provide assurance of the adequacy of the risk management framework and associated control environment; provide scrutiny of the Council's financial and non- financial performance to the extent that it affects the Council's exposure to risk and weaknesses in the control environment, and oversees the financial reporting processes. The Committee's specific powers are set out the Terms of Reference in the Constitution. Audit Committees are a key component of Corporate Governance and provide an important source of assurance about an organisation's arrangements and practices for managing risks, maintaining an effective control environment, together with reporting on financial and other performance. In 2018, The Chartered Institute of Public Finance and Accountancy (CIPFA) issued guidance to local authorities to help ensure that AGSC's operate effectively. The AGSC has adopted the procedures set out in this

guidance as best practice. The guidance also recommends that the AGSC's report annually on how they have discharged their duties.

Further updates were provided to the Committee in relation to work undertaken and findings, financial statements, External and Internal Audit.

During the debate no comments and questions were raised.

The Committee noted the Chairs Annual Report

43. **Access to Information - Exclusion of the Press and Public**

Resolved that the press and public be excluded during consideration of agenda item 16 on the grounds that, if the press and public were present during the item, there would be likely to be a disclosure to them of exempt information of the class specified in Paragraph 2 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended as follows: The items contained information that could release confidential information that would reveal the identity of an individual. It was therefore agreed that after consideration of all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

44. **Monitoring Officer Update**

The monitoring officer provided the following update which highlighted the following:-

A number of complaints had been received in relation to the Cannonsgrove item considered at a recent Scrutiny Committee.

Town and Parish Council Code of Conduct and Standards training would be undertaken in the coming weeks.

Following the update there were no comments or questions

The Committee noted the update.

(The Meeting ended at 8.15 pm)

	AUDIT, GOVERNANCE AND STANDARDS COMMITTEE	
Meeting Date	Draft Agenda Items	Lead Officer
12 April 2021	Grant Thornton External Audit - Progress Report	Jackson Murray/Aditi Chandramouli
Report Deadline	Grant Thornton External Audit - Audit Plan for 2020/21 Accounts	Jackson Murray/Aditi Chandramouli
30 March 2021	Anti-Fraud Framework & Fraud Update	Amy Tregellas
AGENDA WILL NEED	Member Training and Development Policy	Amy Tregellas
TO BE PUBLISHED	Report from the Council Governance Arrangements Working Group	Amy Tregellas
ON 31/03/21 DUE	Update to the Constitution	Amy Tregellas
TO EASTER BHs	Audit Findings Action Plan Progress Report	Richard Doyle
	Landlord Compliance Report	Ian Candlish
	Monitoring Officer Report (standing item)	Amy Tregellas
	Grant Thornton Annual Audit Letter 2019/20	Aditi Chandramouli
14 June 2021	SWAP Internal Audit - Audit Plan 2020/21 Outturn	Alastair Woodland
Report Deadline	SWAP Internal Audit - Annual Audit Opinion 2020/21	Alastair Woodland
02 June 2021	Treasury Management 2020/21 Annual Report	Steve Plenty
	Treasury Management 2020/21 Annual Report	Steve Plenty
	Annual Governance Statement Action Plan Update	Amy Tregellas
	Risk Management Update	Malcolm Riches
	Audit Findings Action Plan Progress Report	Richard Doyle
	Monitoring Officer Report (standing item)	Amy Tregellas
	External Audit Fees 2021/22	Martin Henwood
26 July 2021	Annual Governance Statement 2020/21	Amy Tregellas
Report Deadline	Grant Thornton External Audit - Audit Findings Report 2020/21	Jackson Murray/Aditi Chandramouli
14 July 2021	Assessment of Going Concern Status	Paul Fitzgerald
13 September 2021		
Report Deadline		

01 September 2021	Annual Governance Statement (must be before Accounts)	Amy Tregellas
Special for SOA	Approval of Statement of Accounts 2020/21	Paul Fitzgerald
13 December 2021		
Report Deadline		
01 December 2021		
14 March 2022		
Report Deadline		
02 March 2022		

Audit, Governance and Standards Committee – 12 April 2021

Somerset West and Taunton District Council Annual Audit Letter 2019/20

This matter is the responsibility of Executive Councillor Henley, Corporate Resources

Report Author: Martin Henwood, Corporate Finance Advisor

1 Executive Summary

- 1.1 This brief cover report introduces the Annual Audit Letter from Grant Thornton, which summarises the key findings arising from their work carried out at Somerset West and Taunton Council for the year ended 31 March 2020.

2 Recommendations

- 2.1 The Committee considers and notes the contents of the Annual Audit Letter.

3 Background and Full details of the Report

- 3.1 Somerset West and Taunton Council's external audit function is undertaken by Grant Thornton. The external auditor, as part of their work, provide an Annual Audit Letter which summarises their findings and updates regarding the actual audit fees.
- 3.2 The Annual Audit Letter provides a commentary on the results of the auditor's work to the Council and external stakeholders, and highlights issues that they wish to draw to the attention of the public and those charged with governance (this Committee).
- 3.3 Further to the Audit Findings Report, presented to this Committee on 1 February 2021, the Annual Audit Letter confirms that Grant Thornton have issued an unqualified opinion in respect of Somerset West and Taunton Council's accounts for 2019/20 and in respect of the Council's arrangements for ensuring value for money.

4 Links to Corporate Aims / Priorities

- 4.1 This report links to the Council's aim of achieving financial stability.

5 Finance / Resource Implications

- 5.1 The main audit fees proposed to be charged for 2019/20 total £82,075. This is £21,750 higher than initially set, and some £29,000 higher than the scale fee for the year which included a one-off £6,000 as it is the first year of accounts for the new Council. Grant Thornton propose to include additional fees due to changes in scope of work, which includes the impact of additional response to regulation, COVID and the extended audit period. This is summarised on page 15 and in detail on pages 17 and 18 of their Letter, and is subject to agreement by Public

Sector Auditor Appointments (PSAA) – the body that procured the audit services for the Council.

6 Legal Implications

6.1 The Council has a statutory duty to produce financial statements.

Appendix:

Grant Thornton: Annual Audit Letter for Somerset West and Taunton Council

Democratic Path:

- Audit Governance and Standards Committee – 12 April 2021

Reporting Frequency: Annually

Contact Officers

Name	Martin Henwood
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The Annual Audit Letter for Somerset West and Taunton Council

Prepared for
Year ended 31 March 2020
26 March 2021



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**Your key Grant Thornton
team members are:**

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Appendices

A Reports issued and fees
B Action Plan

Executive Summary

Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Somerset West and Taunton Council (the Council) for the year ended 31 March 2020.

This Letter is intended to provide a commentary on the results of our work to the Council and external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this Letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our audit work to the Council's Audit, Governance and Standards Committee as those charged with governance in our Audit Findings Report on 1st of February 2021, and an updated report was shared with the Chair of the Committee on 3 March 2021, prior to issuing our opinion.

Our work

Respective responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council's financial statements (section two); and
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council's financial statements, we comply with International Standards on Auditing (UK) (ISAs) and other guidance issued by the NAO.

Materiality	We determined materiality for the audit of the Council's financial statements to be £1.74m, which is approximately 1.5% of the Council's gross cost of services.
Financial Statements opinion	<p>We gave an unqualified opinion on the Council's financial statements on 4th March 2020.</p> <p>We included an emphasis of matter paragraph in our report in respect of the uncertainty over valuations of the Council's land and buildings, investment properties and the property assets held by the pension fund on its behalf given the Coronavirus pandemic. This does not affect our opinion that the statements give a true and fair view of the Council's financial position and its income and expenditure for the year.</p>
Whole of Government Accounts (WGA)	We completed work on the Council's consolidation return following guidance issued by the NAO.
Use of statutory powers	We did not identify any matters which required us to exercise our additional statutory powers.

Executive Summary

Value for Money arrangements	We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. We reflected this in our audit report to the Council in February 2021.
Certificate	We were unable to certify the closure of the 2019/20 audit of Somerset West and Taunton Council in our audit report due to an outstanding objection from a local elector in relation to Taunton Deane Borough Council's 2018/19 accounts.

Working with the Council

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during these unprecedented times. Our audit was completed remotely, which was a new approach for both the audit team and the finance team. Covid-19 and the pressures resulting from this meant that we received a set of financial statements later than originally anticipated. The timeliness and quality of working papers require improvement, and a recommendation to this effect was raised in our Audit Findings Report. The audit was completed in three phases in July, September and November to March, with an understanding that outstanding matters would be resolved by the finance team in the intervening periods. We identified some matters which were raised in September and October which remained unresolved in January. This, along with the difficulties caused by remote auditing, led to the audit of the financial statements taking significantly longer than originally anticipated. Having issued our 2019/20 opinion, we are now involved in discussions with the finance team to put improvements in place for the 2020/21 audit to ensure a smoother and more efficient process.

Audit of the Financial Statements

Our audit approach

Materiality

In our audit of the Council's financial statements, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for the audit of the financial statements to be £1.74m, which is 1.5% of the gross cost of services. We used this benchmark as, in our view, users of the Council's financial statements are most interested in where the Council has spent its revenue in the year.

We also set a lower level of specific materiality for senior officer remuneration of £14k due to its sensitive nature.

We set a lower threshold of £87k, above which we reported errors to the Audit, Governance and Standards Committee in our Audit Findings Report.

The scope of our audit

Our audit involves obtaining sufficient evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the remainder of the Statement of Accounts to check it is consistent with our understanding of the Council and with the financial statements included in the Statement of Accounts on which we gave our opinion.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Council's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risk identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Covid-19</p> <p>The global outbreak of the Covid-19 virus pandemic led to unprecedented uncertainty for all organisations, requiring urgent business continuity arrangements to be implemented. We expected current circumstances would have an impact on the production and audit of the financial statements for the year ended 31 March 2020, including and not limited to:</p> <ul style="list-style-type: none"> remote working arrangements and redeployment of staff to critical front line duties potentially impacting on the quality and timing of the production of the financial statements, and the evidence we could obtain through physical observation; volatility of financial and property markets would increase the uncertainty of assumptions applied by management to asset valuations and receivable recovery estimates, and the reliability of evidence we could obtain to corroborate management estimates; financial uncertainty would require management to reconsider financial forecasts supporting their going concern assessment and whether material uncertainties for a period of at least 12 months from the anticipated date of approval of the audited financial statements had arisen; and disclosures within the financial statements could require significant revision to reflect the unprecedented situation and its impact on the preparation of the financial statements as at 31 March 2020 in accordance with IAS1, particularly in relation to material uncertainties. <p>We therefore identified the global outbreak of the Covid-19 virus as a significant risk.</p>	<p>We:</p> <ul style="list-style-type: none"> worked with management to understand the implications the response to the Covid-19 pandemic had on the Council's ability to prepare the financial statements and update financial forecasts, and assessed the implications on our audit approach. As previously noted, we received draft financial statements in advance of the revised national timetable but later than originally planned; liaised with other audit suppliers, regulators and government departments to co-ordinate practical cross sector responses to issues as and when they arose. An example is in respect of the material valuation uncertainty disclosed by the Council's valuation experts in respect of land and buildings and investment properties, as well as pension fund property investments; evaluated the adequacy of the disclosures in the financial statements in light of the Covid-19 pandemic; evaluated whether sufficient audit evidence using alternative approaches could be obtained for the purposes of our audit whilst working remotely; evaluated whether sufficient audit evidence could be obtained to corroborate significant management estimates such as asset valuations and recovery of receivable balances; and evaluated management's assumptions that underpin the revised financial forecasts and the impact on management's going concern assessment. 	<p>We received the draft financial statements, and supporting working papers later than originally planned, as set out previously in this report. We continued to liaise with management and the finance team to obtain the evidence required in order for our testing to be completed.</p> <p>Material valuation uncertainties were disclosed by the Council's valuation experts in respect of land and buildings and investment properties, as well as investment properties held by the Pension Fund. This is a national issue related to the Covid-19 pandemic and the Council followed national guidance from RICS in its valuations. Our opinion included an emphasis of matter as a result.</p>

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risk identified in our audit plan	How we responded to the risk	Findings and conclusions
Management override of controls Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk.	We: <ul style="list-style-type: none"> evaluated the design effectiveness of management controls over journals; analysed the journals listing and determined the criteria for selecting high risk and unusual journals; gained an understanding of the accounting estimates and critical judgements applied made by management and considered their reasonableness with regard to corroborative evidence; and evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions. 	Our audit work did not identify any issues in respect of the management override of controls significant risk.
Completeness of opening balances On 1 April 2019, Taunton Deane Borough Council and West Somerset District Council demised, and Somerset West and Taunton Council was formed. The existing ledger data from the old Councils was combined to form the opening balances for Somerset West and Taunton Council. There is a risk that the opening balances may be incomplete or inaccurate.	We: <ul style="list-style-type: none"> reviewed the process for transferring balances from the legacy organisations to the new Council; and mapped the closing balances from the 2018/19 general ledgers to the opening position of the new Council at 1 April 2019 to ensure the accuracy and completeness of the financial information, ensuring the appropriate treatment of any intra-organisation transactions. 	As part of our completeness review, we identified some account codes beginning with 'X' which contained opening balances which had not formed part of the new Council's opening balances. We identified that these were disclosure account codes which are cleared to nil at year end and do not impact upon opening balances. We consider this to be appropriate. Our audit also identified material infrastructure items of £2.499m which should have been fully depreciated in previous years. The Council made an amendment to the financial statements to reflect this, which impacted upon opening balances. Our audit work did not identify any other issues in respect of the completeness of opening balances.

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risk identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Valuation of land and buildings</p> <p>The Council revalues its land and buildings on a rolling five-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions.</p> <p>Additionally, management need to ensure the carrying value in the Council's financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, given a rolling programme is used.</p> <p>The Council also has investment properties which must be valued annually at 31 March.</p> <p>We therefore identified valuation of land and buildings, including investment properties and surplus assets, as a significant risk.</p>	<p>We:</p> <ul style="list-style-type: none"> evaluated management's processes and assumptions for the calculation of the estimates, the instructions issued to valuation experts and the scope of their work; evaluated the competence, capabilities and objectivity of the valuation experts; wrote to the valuers to confirm the basis on which the valuations were carried out; selected a sample of in-year valuations to test; tested the sampled revaluations made during the year to see if they had been input correctly into the Council's asset register; challenged the information and assumptions used by the valuers for the sampled assets to assess completeness and consistency with our understanding; and evaluated the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end. 	<p>The Council's finance team and audit team identified that the Council's investment property balance, and correspondingly the financing and investment income in the Comprehensive Income and Expenditure Statement, were overstated by £1.049m.</p> <p>We identified material balances of £6.198m which have been misclassified between property, plant and equipment and investment properties. The balance sheet was adjusted for these misclassifications. We considered the impact of this error on the opening balances, as some of the misclassifications also existed in the predecessor Councils' financial statements. The Council also amended these opening balances.</p> <p>Management's expert disclosed a material uncertainty with regards to the valuations of land, buildings, dwellings, investment properties and surplus assets. This resulted the audit report including an emphasis of matter as previously noted.</p>

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Valuation of the pension fund net liability</p> <p>The Council's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the number involved and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the Council's pension fund net liability as a significant risk.</p>	<p>We:</p> <ul style="list-style-type: none"> gained an understanding of the processes and controls put in place by management to ensure that the Council's pension fund net liability was not materially misstated and evaluated the design of the associated controls; evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; assessed the competence, capabilities and objectivity of the actuary who carried out the Council's pension fund valuation; assessed the accuracy and completeness of the information provided by the Council to the actuary to estimate the liability; tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; and undertook procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performed additional procedures suggested within the report. 	<p>We wrote to the actuary to get additional information around material experience items and the duration of liabilities, and obtained relevant responses, which we considered to be appropriate. We were required to test the cashflow data sent to the actuary, which we completed and no issues were identified.</p> <p>We made enquiries of the actuary around the salary growth assessment. We obtained responses from the actuary and from management, and the assumption used is outside the range set by the actuary however is in line with the Council's medium term financial planning. Based on the actuary's sensitivity analysis this could have a £1.2m effect on the net pension liability.</p> <p>Somerset Pension Fund has disclosed a material uncertainty with regards to the valuations of property funds included within the pension assets. A corresponding material uncertainty is required to be disclosed in the Council's financial statements as its share of these property funds is material. This resulted in the audit report including an emphasis of matter, highlighting this material uncertainty.</p>

Audit of the Financial Statements

Audit opinion

We gave an unqualified opinion on the Council's financial statements on 4 March 2021.

Preparation of the financial statements

Our audit was completed remotely, which was a new approach for both the audit team and your finance team. Covid-19 and the pressures resulting from this have meant that we received a set of financial statements later than originally anticipated. The timeliness and quality of working papers require improvement, and a recommendation to this effect was raised in our Audit Findings Report. Due to these issues, additional fees have been reflected within Appendix A. We have discussed these additional fees with the Council's S151 Officer.

Issues arising from the audit of the financial statements

We reported the key issues from our audit to the Council's Audit, Governance and Standards Committee on 1 February 2021.

In addition to the key audit risks reported above, we identified issues/adjustments throughout our audit that we have asked the Council's management to address for the next financial year. These recommendations are included within Appendix B.

Annual Governance Statement and Narrative Report

We are also required to review the Council's Annual Governance Statement and Narrative Report. It published them on its website alongside the draft Statement of Accounts in August 2020.

Both documents were prepared in line with the CIPFA Code and relevant supporting guidance. We confirmed that both documents were consistent with the financial statements prepared by the Council and with our knowledge of the Council.

Whole of Government Accounts (WGA)

We carried out work in line with instructions provided by the NAO. We issued an assurance statement which confirmed the Council was below the audit threshold.

Other statutory powers

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

We have not exercised any of our additional statutory powers or duties for 2019/20.

Certificate of closure of the audit

We are unable to certify the closure of the 2019/20 audit of Somerset West and Taunton Council in the audit report due to an outstanding objection in relation to Taunton Deane Borough Council's 2018/19 accounts.

Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in April 2020 which specified the criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the risks where we concentrated our work.

The risks we identified and the work we performed are set out overleaf.

As part of our Audit Findings report agreed with the Council in February 2021, we agreed recommendations to address our findings, which are set out in the Action Plan in Appendix B.

Overall Value for Money conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2020.

Value for Money conclusion

Value for Money Risks

Risks identified in our audit plan	How we responded to the risk
<p>Medium Term Financial Position</p> <p>We reported in our audit plan in March 2020 that the Council set a budget in February 2019 with a balanced financial plan for 2019/20. This plan includes savings through transformation, and states that there would be a budget deficit of £2.1m per year by 2023/24 without these savings.</p> <p>We identified that we would review the latest version of the Council's medium term financial plan (MTFP), and the assumptions that underpin the MTFP including proposed savings, to ensure that these are appropriate.</p> <p>The Council is also implementing a capital investment strategy designed to deliver income to support medium term finances. We will consider the governance surrounding this strategy, including the decision making processes and the risk management considerations that support the strategy.</p>	<p>Our detailed review of the assumptions underpinning the MTFP concluded that they were satisfactory and reasonable.</p> <p>The 2019/20 outturn position was an underspend of £1.8m against the profiled budget which represented a positive variance of 8.2% against the net budget. The reason for the underspend was largely due to a number of one-off savings on planning, homelessness, council tax collection, insurance, leisure, and transformation costs. The 2019/20 Capital Outturn showed a significant underspend of £3.6m, which was caused in large part due to timing delays on capital projects which will be carried forward into 2020/21.</p> <p>Savings are monitored by finance on a regular basis. Savings are built into base budgets, and are therefore monitored through the variances reported in quarterly revenue budget monitoring. The Council set a balanced budget for the 2020/21 financial year, with a Council Tax increase of £5 for Band D properties being agreed. Significant savings targets are included within the 2021/22 and 2022/23 budgets, which includes income from investment properties in line with the Commercial Strategy, savings from modernisation, as well as reliance on reserves.</p> <p>In the medium term, the Senior Management Team and the s151 Officer have considered ways in which to create some flexibility around the savings targets and income within the next few years. As a result, there has been a review of the capital programme and this has been reduced by removing some legacy schemes for which firm commitments don't exist. Additionally, the s151 Officer is also looking at funding growth and regeneration capital spend through borrowing. The Council are considering a re-refresh of their MRP policy as a result of this which will be completed as part of the 2021/22 budget process. The s151 Officer has also obtained approval to transfer £3.9m of New Homes Bonus reserve to General Reserves in 2020/21, noting alternative financing for relevant capital schemes through Community Infrastructure Levy and borrowing. The impact of this is that £3.9m has been released immediately and £0.9m will be released in future years.</p> <p>The current MTFP runs to 2025/26 with annual savings required by 2025/26 of £6.3m. The MTFP is based on detailed modelling assumptions, which we have reviewed as part of our detailed value for money work. An update to the financial strategy was taken to Executive Committee in October 2020, and focuses on an update to the financial plan for the 2020/21 to 2022/23 financial years. This includes the impact of Covid-19 on Council Tax and NDR income in future years, and addresses the ways in which risks can be mitigated. This includes the use of reserves. The gap in the MTFP over the next few years represents a significant challenge to the Council, and the use of reserves to bridge the gap is unsustainable. However, the Council has used methods</p>

Value for Money conclusion

Value for Money Risks

Risks identified in our audit plan	How we responded to the risk
<p>Medium Term Financial Position (continued)</p>	<p>as set out above in relation to the capital programme and commercial strategy in the short to medium term, which will relieve some of the pressure on the use of reserves.</p> <p>The Council formally adopted a Commercial Strategy in December 2019. The strategy identified that part of the Council's drive towards financial sustainability would now include identifying new opportunities to generate income and investment in projects which provide good financial returns, in order to fund local Council services where other funding continues to fall significantly. Income from investment property has been budgeted at £2.9m from 2020/21 and has been built into the medium term financial plan.</p> <p>We have considered the strategy within the current climate and have also reviewed the arrangements in place to monitor existing investments and processes for identifying new investments. The governance processes around the Strategy have also been reviewed.</p> <p>To mitigate against the risk of this new strategy, an investment risk reserve was set up in 2019/20, which has a balance of £3.5m. This has been reallocated from other reserves. The aim of this reserve is to include a buffer against any delays in opportunities or deals falling through at the last minute which could impact on the income in that particular year. Optimism bias has also been built into the MTFP as management are aware that there are some risks around the rate at which assets can be purchased, as well as yield and financing arrangements. This has been built in for 3 years with the intention that any additional income would be transferred to the investment risk reserve to provide protection against potential lower income in future years.</p> <p>From a review of the governance processes followed, we are satisfied that the governance arrangements included within the commercial strategy have been appropriately followed. The Council's strategy shows that diversification of the market, in terms of the size of property, geographical location, and sector have been clearly considered.</p> <p>The Council intends to rely on borrowing to fund the initial purchase of commercial properties. On 25 November 2020, at the Spending Review announcement, the Treasury published its response to a consultation on changes to PWLB lending terms. The government said that before borrowing from the facility, councils will now be expected to demonstrate their capital plans do not include any plans to buy assets purely to produce a yield. There is likely to be a significant impact as a result of this on the Council, and we discussed this with the s151 Officer. The Council are exploring what this means for their investment strategy. We would recommend that the Council continue to review their commercial investment strategy in light of this announcement and consider alternative sources of funding.</p>

Value for Money conclusion

Value for Money Risks

Risks identified in our audit plan	How we responded to the risk
Medium Term Financial Position (continued)	<p>Conclusion: The Council’s MTFP is derived from a robust process and is based on reasonable planning assumptions. The gap in the MTFP over the next few years represents a significant challenge to the Council, and the use of reserves to bridge the gap is unsustainable. The Council has considered this and processes to generate savings in the medium term, such as through the commercial strategy have been considered. The Council's governance processes in relation to the Commercial Strategy are being followed appropriately, however the impact of the Spending Review could have an impact on the Strategy. The Council should continue to monitor the position in light of this announcement. We have raised two recommendations as a result of this in Appendix B.</p>

A. Reports issued and fees

Audit fees	Proposed fee
Council scale fee	£53,000
Additional proposed audit fee at planning stage	£7,500
Total proposed audit fees (excluding VAT) at planning	£60,500
Further additional fees proposed at completion	£21,575
Total proposed audit fees (excluding VAT) on completion	£82,075

Reports issued

Report	Dated issued
Audit Plan	3 March 2020
Audit Plan Addendum	15 April 2020
Audit Findings Report	8 December 2020 (Updated 22 January 2021 and 3 March 2021)
Annual Audit Letter	26 March 2021

We confirm above our final proposed fees for the audit and final reports issued.

The Somerset West and Taunton Council Audit Plan presented in March 2020 included £7,500 of proposed addition fees to the scale fee to take account of the additional scepticism required on the audit and the raising of the bar by our regulator in relation to our work on pensions and PPE. This is reflected in the total proposed audit fees at planning above.

Since the presentation of the audit plan, we have added a significant risk to the audit following the impact of Covid-19. We have now reflected on the time taken to discharge our responsibilities this year and are proposing a further increase in fees of £21,575 in addition to those proposed at the planning stage of the audit. This brings the total proposed audit fee up to £82,075. This includes £2,500 in relation to the use of an auditor's expert around the valuation of the Firepool site. Further details on the breakdown is provided on the next page.

This further charge has not been entered into lightly but reflects only a proportion of the significant additional work we have had to undertake this year to discharge our responsibilities.

We have been discussing this issue with PSAA over the last few months and note these issues are similar to those experienced in the commercial sector and NHS. In both sectors there has been a recognition that audits will take longer with commercial audit deadlines being extended by four months and NHS deadline by a month. The FRC has also issued guidance to companies and auditors setting out its expectation that audit standards remain high and of additional work needed across all audits. The link attached <https://www.frc.org.uk/covid-19-guidance-and-advice> (see guidance for auditors) sets out the expectations of the FRC.

We have discussed these additional fees with your S151 Officer. Please note that these proposed additional fees are subject to approval by PSAA in line with the Terms of Appointment.

A. Reports issued and fees continued

Fees for non-audit services

Service	Fees £
Certification of Housing Capital receipts grant	£5,000
Certification of Housing Benefits Claim – final fee	£27,300

Non-audit services

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council. The table above summarises all non-audit services which were identified.

We have considered whether non-audit services might be perceived as a threat to our independence as the group's auditor and have ensured that appropriate safeguards are put in place.

The above non-audit services are consistent with the Council's policy on the allotment of non-audit work to your auditor.

Appendix A – Somerset West and Taunton Council audit fee variations – Further analysis

Final proposed audit fees

The table below shows the proposed variations to the original scale fee for 2019/20, subject to PSAA approval.




Audit area	£	Rationale for fee variation
Scale fee	53,000	
Increased challenge and depth of work	2,500	The Financial Reporting Council (FRC) has highlighted that the quality of work by all audit firms needs to improve across local audit. This will require additional supervision and leadership, as well as additional challenge and scepticism in areas such as journals, estimates, financial resilience and information provided by the entity.
Pensions – valuation (IAS) 19	1,750	We have increased the granularity, depth and scope of coverage, with increased levels of sampling, additional levels of challenge and explanation sought, and heightened levels of documentation and reporting.
PPE - valuations	1,750	The FRC has highlighted that auditors need to improve the quality of audit challenge on Property, Plant and Equipment (PPE) valuations across the sector. We will therefore increase the volume and scope of our audit work to ensure an adequate level of audit scrutiny and challenge over the assumptions that underpin PPE valuations.
New standards and developments	1,500	You are required to respond effectively to new accounting standards and we must ensure our audit work in these new areas is robust. This year we responded to the introduction of IFRS16.
Revised planning fee	60,500	
Engaging an auditors' expert	2,500	Due to the complexity of the Council's Firepool scheme valuation, we were required to engage an independent valuer as an auditor's expert to gain assurance that the values reported by the Council were appropriate.
Covid-19	9,075	Over the past six months the current Covid-19 pandemic has had a significant impact on all of our lives, both at work and at home. The impact of Covid-19 on the audit of the financial statements for 2019/20 has been multifaceted. This includes: <ul style="list-style-type: none"> revisiting planning - we have needed to revisit our planning and refresh risk assessments, materiality and testing levels. This has resulted in the identification of a significant risk at the financial statements level in respect of Covid-19 necessitating the issuing of an addendum to our original audit plan as well as additional work on areas such as going concern and disclosures in accordance with IAS1 particularly in respect to material uncertainties; management's assumptions and estimates - there is increased uncertainty over many estimates including pension and other investment valuations. Many of these valuations are impacted by the reduction in economic activity and we are required to understand and challenge the assumptions applied by management. Financial resilience assessment – we have been required to consider the financial resilience of audited bodies. Our experience to date indicates that Covid-19 has impacted on the financial resilience of all local government bodies. This has increased the amount of work that we need to undertake on the sustainable resource deployment element of the VFM criteria necessitating enhanced and more detailed reporting in our ISA260; and remote working – the most significant impact in terms of delivery is the move to remote working. We, as other auditors, have experienced delays and inefficiencies as a result of remote working, including the delays in receiving accounts, quality of working papers, and delays in responses. These are understandable and arise from the availability of the relevant information and/or the

Appendix A – Somerset West and Taunton Council audit fee variations – Further analysis (Cont'd)




Audit area	£	Rationale for fee variation
		availability of key staff (due to shielding or other additional Covid-19 related demands). In many instances the delays are caused by our inability to sit with an officer to discuss a query or working paper. Gaining an understanding via Teams or phone is more time-consuming.
Client delays and overruns	10,000	<p>As set out in the audit findings report and earlier in this report, we experienced delays during our audit process in 2019/20, and the quality of working papers required improvement. This additional fee reflects some of the additional time spent by the audit team on the 2019/20 audit due to these issues. The key areas of delay included:</p> <ul style="list-style-type: none"> • draft financial statements not being available in line with agreed timescales, with notification at short notice. We received copies of the main statements 31 July 2020 and a further set of accounts 5 August 2020, however these still did not include the Narrative Report; • late receipt of key supporting working papers. We did not receive all working papers in accordance with this time scale and set out below further examples of some of the challenges faced: <ul style="list-style-type: none"> ○ the working paper to support the Expenditure and Funding Analysis was omitted from the working papers provided and a copy of the requested payroll reconciliation was not received until February 2021; ○ we experienced significant delays obtaining the appropriate listing of year end debtors and creditors, with the final listings not received until 20 November 2020. The creditors listing omitted the transactions related to receipts in advance, and we received a listing 2 December 2020 with a balance of £341k still being investigated; and ○ queries in respect of the Council's IT general controls were requested 29 July 2020 and were finally received 1 December 2020. • we encountered a number of challenges in respect of our work on property plant and equipment, including: <ul style="list-style-type: none"> ○ capital additions and REFCUS listings being provided at a project rather than transactional level; ○ a request for confirmation of the valuation basis used for land and buildings valued in the financial year taking over a month to be responded to; and ○ queries on investment properties raised 16 October 2020 being finally resolved 4 December 2020 which identified multiple adjustments to be made to the accounts as a result, with a material overall impact. • we identified a number of adjustments to the financial statements, including prior year adjustments with a material impact on the current year and opening balances that required us to consult with our internal quality team. <p>The above provide examples of issues identified during the audit that resulted in the audit taking significantly longer to complete than originally anticipated. We have already discussed plans for the 2020/21 audit with management to identify the lessons learned for both ourselves and management to ensure that these issues do not arise again in 2020/21.</p>
Total proposed final audit fees	82,075	

Appendix B - Action plan




We identified nine recommendations for the Council as a result of issues identified during the course of our audit. We agreed our recommendations with management and we will report on progress on these recommendations during the course of the 2020/21 audit. The matters reported here are limited to those deficiencies that we identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

Assessment	Issue and risk	Recommendations
 Medium	Medium Term Financial Plan The Council's medium term financial plan includes reliance on reserves in the medium term to bridge the budget gap. Whilst an adequate level of resources exists in the medium term, the Council should continue to monitor this and replenish reserves, or find alternative forms of savings to bridge the budget gap.	Management should continue to monitor the medium term financial plan and the reliance on reserves to bridge the budget gap. Management response Agreed. Savings plans will continue to be developed for the short-medium term. Management is mindful of the proposed implementation of unitary structure for local government in Somerset which if approved will provide longer term opportunities for savings.
 Medium	Commercial Strategy The Council's Commercial Strategy is a key strategy within its medium term financial planning, and involves the use of income from investment properties to generate savings. The Spending Review in November 2020 announced that councils will now be expected to demonstrate their capital plans do not include any borrowing to buy assets purely to produce a yield. This may impact upon the Council's ability to fulfil its Commercial Strategy.	Management should continue to review the impact of this announcement on the commercial strategy, and consider alternative sources of funding as appropriate. Management response Agreed. The Council can access a variety of sources for debt and does so as part of the capital and treasury management plans. The S151 Officer will investigate further alternative sources of long term funding if PWLB cannot be used.
 Medium	Counter fraud reporting It was identified that there was no formal counter fraud reporting at the Audit, Governance and Standards Committee.	We recommend that management introduce counter fraud reporting regularly at the Audit, Governance and Standards Committee. Management response Agreed. An annual fraud update report is included in the Audit Governance and Standards Committee Forward Plan for March 2021.




Controls

-  High – Significant effect on control system
-  Medium – Effect on control system
-  Low – Best practice




Appendix B - Action plan (continued)

Assessment	Issue and risk	Recommendations
 Medium	Quality of working papers and audit evidence <p>We identified that the quality of working papers, such as creditors and debtors listings, were not to the required standard. Additionally, we identified that sample evidence provided in relation to areas such as capital additions and REFCUS were not based on appropriate third party evidence. This has resulted in delays in the audit process.</p>	<p>We recommend that the Council make improvements to the quality of the working papers identified and provide training to employees around the quality of audit evidence to be provided.</p> <p>Management response</p> <p>Agreed. We have engaged additional temporary capacity within the finance service, with objectives including delivering improvements in the preparation and delivery of financial reporting. This will include building on learning from the challenges faced and ensuring working papers are produced in line with standards clarified through this year's audit.</p>
 Medium	Assets not revalued <p>The Council have a 5 year rolling programme for revaluing land and buildings. In the intervening years, we would expect the Council to review all assets which have not been revalued to identify if there are any material misstatements from the last valuation. This exercise has not been undertaken by the Council in year.</p>	<p>We recommend that the Council put in place a formal process to review all land and building assets not revalued in year to identify if material misstatements exist.</p> <p>Management response</p> <p>In order to address the risk of material misstatement, consideration was given to the assets not revalued. The analysis was shared with external audit and identified that the Council is currently undertaking formal valuations of almost all property assets within three years. High value assets or those that might be subject to significant risk of valuation gain or impairment are valued more frequently. We are working on a documentation process for the informal review of assets not subject to a formal valuation and this will be rolled out commencing from the 2020/2021 financial year end.</p> <p>The Council agrees to undertake its previously identified commitment relating to the documentation process in 2020/21.</p>
 Medium	Ownership of historic assets <p>Our review of opening balances identified several material assets which had been grouped at the time of purchase, and the Council was unable to prove their ownership of these, due to changes in the financial systems and the historic nature of the assets.</p>	<p>We recommend that the Council review all assets within their fixed asset register in advance of the 2020-21 audit with an aim to proving the continued ownership and use of assets.</p> <p>Management response</p> <p>Discussions are continuing to clarify the nature of the issue being raised, and to find a mutually agreeable way forward that is a proportionate and effective response to that issue.</p>




Controls

-  High – Significant effect on control system
-  Medium – Effect on control system
-  Low – Best practice

Appendix B - Action plan (continued)

Assessment	Issue and risk	Recommendations
 Medium	Bank statements The Council's bank provides bank statements up to 15 months prior to the date of the request. This resulted in issues in obtaining appropriate evidence for some income transactions.	We recommend that the Council save monthly copies of bank statements such that evidence can be provided as part of the audit process. Management response Problems arose due to a mix of the creation of the new Council and Covid and will not be repeated. Confirmed that monthly bank statements will be available for the 2020/21 financial year and thereafter.
 Low	Firepool Valuation Terms of Reference An internal expert was used by the Council to undertake the valuation of the Firepool scheme. No terms of reference exist for this engagement.	It is best practice that terms of reference be in place for all valuation engagements – internal or external. Management response Agreed. Firepool has been added to the external valuations for 2020/21 and will fall within their terms of reference.
 Medium	Year end payroll reconciliation A year end reconciliation between the payroll system, general ledger and financial statements had not been undertaken as part of the working papers requested. This reconciliation was undertaken during the audit process, and due to the time elapsed since year end, contained some errors.	We recommend that management put processes in place to complete timely payroll reconciliations. Management response Agreed. Revised processes being identified and implemented.

Controls

-  High – Significant effect on control system
-  Medium – Effect on control system
-  Low – Best practice



Audit, Governance and Standards Committee – 12 April 2021

External Audit – Audit Plan 2020/21

This matter is the responsibility of Executive Councillor Henley, Corporate Resources

Report Author: Martin Henwood, Corporate Finance Advisor

1 Executive Summary

- 1.1 This report introduces the External Audit Plan for 2020/21. This is prepared by our external auditors, Grant Thornton, and is detailed in the appendix to this report.
- 1.2 The report summarises their approach to the 2020/21 audit programme, together with the audit view on risk and materiality, plus an extended view on value for money reflecting the new requirements placed on them.

2 Recommendations

- 2.1 Members are requested to consider and note the External Audit Plan for 2020/21 received from Grant Thornton.

3 Background and key detail of the Report

- 3.1 Each year our external auditors, Grant Thornton, provide a plan which details their approach to the audit work required in respect of the preceding financial year (2020/21). Specifically this audit work focuses on the provision of an audit opinion in relation to the accounts, value for money (VFM) and associated key risks.
- 3.2 The plan for 2020/21 is set out in Appendix A.
- 3.3 The externally required changes on 'Accounting Estimates and related disclosures' (pages 7, 8 and 9) due to the updated ISA 540 are likely to have the most significant impact on the preparation and audit of the accounts. These changes relate to whether the entries in the accounts are reliable i.e. robust and resilient.
- 3.4 The nature and extent of evidence required for audit under ISA540 is a quantum leap from that required in previous years. It will be difficult to provide this for 2020/21 given these requirements are not necessarily formally reflected in our current systems. There has been minor recognition of this as an issue nationally in the usual preparation/training seminars, so SWT will not be alone when these problems arise. This is a potentially significant risk for the timely delivery of the 2020/21 accounts.

4 Links to Corporate Aims / Priorities

- 4.1 This report links to the Council's aim of achieving financial stability.

5 Finance / Resource Implications

- 5.1 The report sets out the external auditors' view on key risk areas for the Council and their approach to auditing them.
- 5.2 Included within the plan is an indication of the audit fees proposed to be charged by Grant Thornton for the main audit. As shown on page 15 of their report the proposed fee is £68,500, some 46% higher than the £47,000 scale fee set through the 5-year contract procured via Public Sector Auditor Appointments (PSAA), covering accounts for the years 2018/19 to 2022/23. It should be noted this does not include any allowance for the impact of COVID on delivery of the audit or scope of work this year, creating a risk of a further increase in fees proposed by Grant Thornton. In addition, any failure to provide a full set of working papers to a standard acceptable to the auditor, and/or any delay in response to queries by officers or partners could further result in additional fees being requested.
- 5.3 Officers will need to prioritise activity related to the audit on a timely basis to ensure the audit can be completed on time and minimise the risk of additional fees. The scope of audit testing proposed in order to meet regulation and audit standards will inevitably cost the Council more in officer time, although it is difficult to quantify this at this stage. This will however detract resources from other discretionary priorities as officers prepare for and support the delivery of the audit this year.

6 Legal Implications

- 6.1 The Local Audit and Accountability Act 2014 sets out the framework for audit of local authorities.

Democratic Path:

- Audit Governance and Standards Committee – 12 April 2021

Reporting Frequency: Annually

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Somerset West and Taunton Council Audit Plan

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Key matters

Factors

Council developments

2020/21 is the second year of Somerset West and Taunton Council ('the Council'), which was formed by merging two predecessor councils – Taunton Deane Borough Council and West Somerset District Council. The audit of the Council's 2019/20 financial statements posed challenges due to the impact of the pandemic and remote working. We have held meetings with the Council's Finance Team to discuss lessons learnt, and put in place mechanisms for a smoother audit process in 2020/21.

In February 2021, a public consultation was launched in relation to the local government reorganisation plans in Somerset. The Stronger Somerset plan would see the County Council and four district councils in Somerset form two unitary councils, whilst the One Somerset plan would see the same authorities replaced by a single unitary. We will continue to have discussions with the Council around the proposals for reorganisation as part of our value for money, work once the outcomes of the public consultation are known.

Impact of Covid-19 pandemic

The Council has been supporting residents and businesses throughout the Covid-19 pandemic by delivering critical services. The Council administered significant values of Government grant schemes to businesses in 2020, and also distributed the Council Tax Hardship Funding received from Central Government. Somerset West and Taunton Council has also been working with the neighbouring district councils, Somerset County Council, other statutory bodies and partners on joint initiatives to support people across the county including the Somerset Coronavirus Support Helpline, the employment of Covid Wardens, Active Travel arrangements, and employment, careers and skills support. Accounting for this increased expenditure, and specifically the multitude of Government grants received in year, will require the Council to consider each funding stream separately and we have already engaged with the Council on this area.

The Council also refreshed their financial strategy and medium term financial planning in October 2020 as the original strategy was approved in early 2020, prior to the onset of the pandemic, as since then there has been a significant impact on the national and local financial environment, as well as on service demands.

We will review the Council's medium term financial planning, and the impact of Covid-19 on financial planning as part of our value for money work.

Due to the pressures faced by organisations in the public sector as a result of the pandemic, we are aware that could be increased incentive and opportunity for organisations to manipulate their financial statements. We have not identified a significant risk of fraud in relation to revenue or expenditure at this stage, however we will review the Council's arrangements around the receipt of Covid-19 funding in forming our assessment of whether a significant fraud risks exists.

Our response

- We will consider your arrangements for managing and reporting your financial resources as part of our work in completing our Value for Money work.
- We will review progress against the recommendations raised in our 2019/20 Audit Findings Report, and provide Audit, Governance and Standards Committee members with an update as part of our Audit Findings Report in September 2021.
- We will continue to provide you with sector updates via our Audit Committee updates.
- The Council's valuer reported a material uncertainty in regards to the valuation of properties in 2019/20 due to the Covid-19 pandemic and we expect significant uncertainty will continue in 2020/21. We identified a significant risk in regards to the valuation of properties – refer to page 6.
- As a firm, we are absolutely committed to audit quality and financial reporting in the local government sector. Our proposed work and fee, as set further in our Audit Plan, has been discussed with your S151 Officer

Introduction and headlines

Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Somerset West and Taunton Council ('the Council') for those charged with governance.

Respective responsibilities

The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of Somerset West and Taunton Council. We draw your attention to this document.

Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the:

- Council's financial statements that have been prepared by management with the oversight of those charged with governance (the Audit, Standards and Governance committee); and
- Value for Money arrangements in place at the Council for securing economy, efficiency and effectiveness in your use of resources.

The audit of the financial statements does not relieve management or the Audit, Governance and Standards Committee of your responsibilities. It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Council is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Council's business and is risk based.

Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Management override of controls;
- Valuation of property, plant and equipment; and
- Valuation of the pension fund net liability.

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

Materiality

We have determined planning materiality to be £1.98m (PY £1.74m) for the Council, which equates to approximately 1.8% of your prior year gross expenditure. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. Clearly trivial has been set at £99k (PY £87k).

Value for Money arrangements

We have not identified any risks of significant weakness from our initial planning work. Our key areas of focus will include:

- Medium term financial planning, and impacts of Covid-19 on financial planning;
- The Council's Commercial Strategy in light of emerging national guidance and the Covid-19 pandemic; and
- Progress against the Annual Governance Statement Action Plan.

Audit logistics

Our interim visit will take place in March 2021 and our final visit will take place between July and September 2021. Our key deliverables are this Audit Plan, our Audit Findings Report and our Auditor's Annual Report. Our audit approach is detailed in Appendix A.

Our proposed fee for the audit at the planning stage is £68,500 (PY: £82,075) for the Council, subject to the Council delivering a good set of financial statements and working papers. Both the current and prior year fees are subject to PSAA approval.

We have complied with the Financial Reporting Council's Ethical Standard (revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
The revenue cycle includes fraudulent transactions (rebutted)	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Council, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition; • opportunities to manipulate revenue recognition are very limited; and • the culture and ethical frameworks of local authorities, including Somerset West and Taunton Council mean that all forms of fraud are seen as unacceptable. <p>Therefore at the planning stage we do not consider this to be a significant risk for Somerset West and Taunton Council. We will continue to consider this risk as we progress through the audit, especially in relation to the Covid-19 funding received by the Council in the financial year.</p>
Valuation of the pension fund net liability	<p>The Council's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the Council's pension fund net liability as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • update our understanding of the processes and controls put in place by management to ensure that the Council's pension fund net liability is not materially misstated and evaluate the design of the associated controls; • evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; • assess the competence, capabilities and objectivity of the actuary who carried out the Council's pension fund valuation; • assess the accuracy and completeness of the information provided by the Council to the actuary to estimate the liability; • test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuary's report; • undertake 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 • obtain assurances from the auditor of Somerset Pension Fund as to the controls surrounding 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.

Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of land and buildings (Including Council Dwellings, Investment Properties and Surplus Assets)	<p>The Council revalues its land and buildings on a rolling five-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions. Additionally, management will need to ensure the carrying value in the Council's financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, given a rolling programme is used.</p> <p>The Council also has investment properties which must be valued annually at 31 March. The Council's portfolio of Council Dwellings is revalued five-yearly, with an indexation exercise applied in intervening years in accordance with the "Beacon" methodology.</p> <p>We therefore identified valuation of land and buildings, including council dwellings, investment properties and surplus assets, as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • evaluate the competence, capabilities and objectivity of the valuation expert; • write to the valuer to confirm the basis on which the valuation was carried out; • challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding the Council's valuer's report and the assumptions that underpin the valuation; • test revaluations made during the year to see if they had been input correctly into the Council's asset register; and • evaluate the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end.
Management over-ride of controls	<p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate the design effectiveness of management controls over journals; • analyse the journals listing and determine the criteria for selecting high risk unusual journals; • test unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration; • gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence; and • evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.

Accounting estimates and related disclosures

The Financial Reporting Council issued an updated ISA (UK) 540 (revised): *Auditing Accounting Estimates and Related Disclosures* which includes significant enhancements in respect of the audit risk assessment process for accounting estimates.

We raised two recommendations in our 2019/20 audit in relation to the Council's estimation process for the valuation of land and buildings.

Introduction

Under ISA (UK) 540 (Revised December 2018) auditors are required to understand and assess an entity's internal controls over accounting estimates, including:

- the nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- how management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- how the entity's risk management process identifies and addresses risks relating to accounting estimates;
- the entity's information system as it relates to accounting estimates;
- the entity's control activities in relation to accounting estimates; and
- how management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Audit, Governance and Standards Committee members:

- understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- evaluate how management made the accounting estimates?



Accounting estimates and related disclosures

Additional information that will be required

To ensure our compliance with this revised auditing standard, we will be requesting further information from management and those charged with governance during our audit for the year ended 31 March 2021.

Based on our knowledge of the Council we have identified the following material accounting estimates for which this is likely to apply:

- valuations of land and buildings, including investment properties and Council Dwellings;
- depreciation;
- year end provisions and accruals;
- credit loss and impairment allowances;
- valuation of defined benefit net pension fund liabilities; and
- fair value estimates.

The Council's Information systems

In respect of the Council's information systems we are required to consider how management identifies the methods, assumptions and source data used for each material accounting estimate and the need for any changes to these. This includes how management selects, or designs, the methods, assumptions and data to be used and applies the methods used in the valuations.

When the models used include increased complexity or subjectivity, as is the case for many valuation models, auditors need to understand and assess the controls in place over the models and the data included therein. Where adequate controls are not in place we may need to report this as a significant control deficiency and this could affect the amount of detailed substantive testing required during the audit.

If management has changed the method for making an accounting estimate we will need to fully understand management's rationale for this change. Any unexpected changes are likely to raise the audit risk profile of this accounting estimate and may result in the need for additional audit procedures.

We are aware that the Council uses management experts in deriving some of its more complex estimates, e.g. asset valuations and pensions liabilities. However, it is important to note that the use of management experts does not diminish the responsibilities of management and those charged with governance to ensure that:

- all accounting estimates and related disclosures included in the financial statements have been prepared in accordance with the requirements of the financial reporting framework, and are materially accurate; and
- there are adequate controls in place at the Council (and where applicable its service provider or management expert) over the models, assumptions and source data used in the preparation of accounting estimates.



Estimation uncertainty

Under ISA (UK) 540 we are required to consider the following:

- how management understands the degree of estimation uncertainty related to each accounting estimate; and
- how management address this estimation uncertainty when selecting their point estimate.

For example, how management identified and considered alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the point estimate used.

The revised standard includes increased emphasis on the importance of the financial statement disclosures. Under ISA (UK) 540 (Revised December 2018), auditors are required to assess whether both the accounting estimates themselves and the related disclosures are reasonable.

Where there is a material uncertainty, that is where there is a significant risk of a material change to the estimated carrying value of an asset or liability within the next year, there needs to be additional disclosures. Note that not all material estimates will have a material uncertainty and it is also possible that an estimate that is not material could have a risk of material uncertainty.

Where there is material estimation uncertainty, we would expect the financial statement disclosures to detail:

- what the assumptions and uncertainties are;
- how sensitive the assets and liabilities are to those assumptions, and why;
- the expected resolution of the uncertainty and the range of reasonably possible outcomes for the next financial year; and
- an explanation of any changes made to past assumptions if the uncertainty is unresolved.

Planning enquiries

As part of our planning risk assessment procedures we have made enquiries of management which we will factor into our risk assessment process. This document will be presented to a future Audit, Governance and Standards Committee.

Further information

Further details on the requirements of ISA (UK) 540 (Revised December 2018) can be found in the auditing standard on the Financial Reporting Council's website:

[https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-\(UK\)-540_Revised-December-2018_final.pdf](https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-(UK)-540_Revised-December-2018_final.pdf)

Other matters

Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- we read your Narrative Report and Annual Governance Statement to check that they are consistent with the financial statements on which we give an opinion and our knowledge of the Council;
- we carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with requirements set by CIPFA;
- we carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions;
- we consider our other duties under legislation and the Code, as and when required, including:
 - giving electors the opportunity to raise questions about your 2020/21 financial statements, consider and decide upon any objections received in relation to the 2020/21 financial statements;
 - issuing a report in the public interest or written recommendations to the Council under section 24 of the Local Audit and Accountability Act 2014 (the Act);
 - application to the court for a declaration that an item of account is contrary to law under section 28 or a judicial review under section 31 of the Act; and
 - issuing an advisory notice under section 29 of the Act.
- we certify completion of our audit.

Other material balances and transactions

Under International Standards on Auditing, "irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure". All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

Going concern

As auditors, we are required to obtain sufficient appropriate audit evidence regarding, and conclude on:

- whether a material uncertainty related to going concern exists; and
- the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements.

The Public Audit Forum has been designated by the Financial Reporting Council as a "SORP-making body" for the purposes of maintaining and updating Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (PN 10). It is intended that auditors of public sector bodies read PN 10 in conjunction with (ISAs) (UK).

PN 10 has recently been updated to take account of revisions to ISAs (UK), including ISA (UK) 570 on going concern. The revisions to PN 10 in respect of going concern are important and mark a significant departure from how this concept has been audited in the public sector in the past. In particular, PN 10 allows auditors to apply a 'continued provision of service approach' to auditing going concern, where appropriate. Applying such an approach should enable us to increase our focus on wider financial resilience (as part of our VfM work) and ensure that our work on going concern is proportionate for public sector bodies. We will review the Council's arrangements for securing financial sustainability as part of our Value for Money work and provide a commentary on this in our Auditor's Annual Report (see page 12).

Materiality

The concept of materiality

Materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality for planning purposes

We have determined financial statement materiality based on a proportion of the gross expenditure of the Council for the financial year. In the prior year we used the same benchmark. Materiality at the planning stage of our audit is £1.98m (PY £1.74m) for the Council, which equates to approximately 1.8% of your forecast gross expenditure for the year. We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be £20k for senior officer remuneration due to the sensitivity of these disclosures.

We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.

Matters we will report to the Audit Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit, Standards and Governance Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the Council, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £99k (PY £87k).

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Audit, Governance and Standards Committee to assist it in fulfilling its governance responsibilities.

Prior year gross operating costs

£110.068m

Materiality

£1.98m

Council financial statements materiality
(PY: £1.74m)



■ Prior year gross operating costs

£0.099m

Misstatements reported to the Audit, Governance and Standards Committee
(PY: £0.087m)

Value for Money arrangements

Revised approach to Value for Money work for 2020/21

On 1 April 2020, the National Audit Office introduced a new Code of Audit Practice which comes into effect from audit year 2020/21. The Code introduced a revised approach to the audit of Value for Money (VFM).

Page 52 There are three main changes arising from the NAO's new approach:

- a new set of key criteria, covering financial sustainability, governance and improvements in economy, efficiency and effectiveness;
- more extensive reporting, with a requirement on the auditor to produce a commentary on arrangements across all of the key criteria, rather than the current 'reporting by exception' approach; and
- the replacement of the binary (qualified / unqualified) approach to VFM conclusions, with far more sophisticated judgements on performance, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

The Code require auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under three specified reporting criteria. These are as set out below:



Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years)



Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information



Value for Money approach

As part of our planning work, we considered whether there were any risks of significant weakness in the body's arrangements for securing economy, efficiency and effectiveness in its use of resources that we needed to perform further procedures on. We may need to make recommendations following the completion of our work. The potential different types of recommendations we could make are also set out below.

Key areas of focus

The Council's medium term financial planning has been significantly impacted by the Covid-19 pandemic. We have not identified any risks of significant weaknesses from our initial planning work to date, however we will continue our review of your arrangements, including reviewing your Annual Governance Statement, before we issue our auditor's annual report. Our Value for Money work will primarily focus on the aspects listed below but may increase in scope as further work is performed.

- medium term financial planning, and impacts of Covid-19 on financial planning;
- the Council's Commercial Strategy in light of emerging national guidance and the Covid-19 pandemic; and
- progress against the Annual Governance Statement Action Plan.

Potential types of recommendations

A range of different recommendations could be made following the completion of work on risks of significant weakness, as follows:



Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

Audit logistics and team

Planning and
risk assessment

Interim audit
March 2021

Audit Governance and
Standards Committee

April 2021

Audit Plan
and Results
of Interim
Audit Work

Year end audit
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Jackson Murray, Key Audit Partner

Responsible for overall quality control, accounts opinion and Value for Money conclusion, final authorisation of reports and risk communication with management and the Audit, Governance and Standards Committee.



Aditi Chandramouli, Audit Manager

Responsible for the overall management of all audit fieldwork including the accounts audit, review of work performed by the in-charge auditor and attendance at Audit, Governance and Standards Committee and liaison meetings.



Chrissa Viente, Audit Incharge

Responsible for management of audit fieldwork including accounts audit, coordination of work completed by audit assistants and coordination of the work of specialists and advisors.

Audited body responsibilities

Where audited bodies do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other audits. Where the elapsed time to complete an audit exceeds that agreed due to a client not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to a client not meeting their obligations we are not able to guarantee the delivery of the audit to the agreed timescales. In addition, delayed audits will incur additional audit fees.

Our requirements

To minimise the risk of a delayed audit, you need to ensure that you:

- produce draft financial statements of good quality by the agreed timetable you have agreed with us, including all notes, the Narrative Report and the Annual Governance Statement;
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we will share with you;
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples for testing;
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit; and
- respond promptly and adequately to audit queries.

Audit fees

In 2019, PSAA awarded a contract of audit for Somerset West and Taunton Council to begin with effect from 2019/20. The fee agreed in the contract was £53,000 for the first year of the engagement, and £47,000 for subsequent years. Since that time, there have been a number of developments, particularly in relation to the revised Code and ISA's which are relevant for the 2020/21 audit.

As referred to on page 12, the 2020/21 Code introduces a revised approach to our VFM work. This requires auditors to produce a commentary on arrangements across all of the key criteria, rather than the current 'reporting by exception' approach. Auditors now have to make far more sophisticated judgements on performance, as well as issue key recommendations if any significant weaknesses in arrangements are identified during the audit. We will be working with the NAO and other audit firms to discuss and share learning in respect of common issues arising across the sector.

The new approach will be more challenging for audited bodies, involving discussions at a wider and more strategic level. Both the reporting, and the planning and risk assessment which underpins it, will require more audit time, delivered through a richer skill mix than in previous years. Our estimate is that for your audit, this will result in an increased fee of £9,000 (16%). This is in line with increases we are proposing at all our local audits.

Additionally, across all sectors and firms, the FRC has set out its expectation of improved financial reporting from organisations and the need for auditors to demonstrate increased scepticism and challenge and to undertake additional and more robust testing, as noted in the number of revised ISA's issued by the FRC that are applicable to audits of financial statements commencing on or after 15 December 2019, as detailed in Appendix 1.

As a firm, we are absolutely committed to meeting the expectations of the FRC with regard to audit quality and public sector financial reporting. Our proposed work and fee for 2020/21, as set out below, is detailed overleaf and has been discussed with the S151 Officer.

	Actual Fee 2018/19	Proposed Fee 2019/20	Proposed fee 2020/21
Somerset West and Taunton Council	£71,728*	£82,075**	£68,500**
Total audit fees (excluding VAT)	£71,728	£82,075	£68,500

*This cost represents the total of fees charged for the previous Taunton Deane Borough Council and West Somerset District Councils.

**Fees are subject to PSAA approval.

Assumptions

In setting the above fees, we have assumed that the Council will:

- prepare a good quality set of accounts, supported by comprehensive and well presented working papers which are ready at the start of the audit;
- provide appropriate analysis, support and evidence to support all critical judgements and significant judgements made during the course of preparing the financial statements; and
- provide early notice of proposed complex or unusual transactions which could have a material impact on the financial statements.

Relevant professional standards

In preparing our fee estimate, we have had regard to all relevant professional standards, including paragraphs 4.1 and 4.2 of the FRC's [Ethical Standard \(revised 2019\)](#) which stipulate that the Engagement Lead (Key Audit Partner) must set a fee sufficient to enable the resourcing of the audit with partners and staff with appropriate time and skill to deliver an audit to the required professional and Ethical standards.

Audit fees – detailed analysis

Scale fee published by PSAA	£47,000
Ongoing increases to scale fee first identified in 2019/20	
Raising the bar/regulatory factors	£2,500
Enhanced audit procedures for Property, Plant and Equipment	£1,750
Enhanced audit procedures for Pensions	£1,750
Brought forward ongoing fee from 2019/20	£53,000
New issues for 2020/21	
Additional work on Value for Money (VfM) under new NAO Code	£9,000
Increased audit requirements of revised auditing standards (including ISA 540/ISA 240/ISA 700)	£6,500
Total proposed audit fees at planning (excluding VAT)	£68,500

Independence and non-audit services

Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons, relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We confirm that 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. We have complied with the Financial Reporting Council's Ethical Standard (Revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council.

Other services

The table set out the other services provided by Grant Thornton UK LLP that were identified.

The amounts detailed are fees agreed to-date for audit related services to be undertaken by Grant Thornton UK LLP in the current financial year. These services are consistent with the Council's policy on the allotment of non-audit work to your auditors. Any changes and full details of all fees charged for audit related and non-audit related services by Grant Thornton UK LLP and by Grant Thornton International Limited network member Firms will be included in our Audit Findings report at the conclusion of the audit. No non-audit services are provided to the Council.

None of the services provided are subject to contingent fees.

Service	Fees £	Threats	Safeguards
Audit related			
Certification of Housing Capital receipts grant	£5,000	Self-Interest (because this is a recurring fee)	The level of this recurring fee taken on its own is not considered a significant threat to independence as the fee for this work is £5,000 in comparison to the total proposed fee for the audit of £68,500 and in particular relative to Grant Thornton UK LLP's turnover overall. Further, it is a fixed fee and there is no contingent element to it. These factors all mitigate the perceived self-interest threat to an acceptable level.
Certification of Housing Benefits grant	£20,000*	Self-Interest (because this is a recurring fee)	The level of this recurring fee taken on its own is not considered a significant threat to independence as the fee for this work is £20,000 in comparison to the total proposed fee for the audit of £68,500 and in particular relative to Grant Thornton UK LLP's turnover overall. Further, it is a fixed fee, with clear additional charges based upon errors identified which are agreed by the Council, and there is no contingent element to it. These factors all mitigate the perceived self-interest threat to an acceptable level.

*Covers the base cost of this work and includes the cost of 2 sets of additional testing. Additional errors identified are agreed with the Council and in accordance with the requirements of the DWP, additional testing is undertaken on each error. This additional testing is charged at £1,200 per set of additional tests. In 2020/21, we are aware of 6 sets of additional testing that will be required due to issues identified in our 2019/20 work. Further errors identified during our 2020/21 work will result in further additional costs. Therefore, at the planning stage we expect the cost will be £24,800. This may increase following completion of our work and we will report the final fee to the Audit, Governance and Standards Committee following the conclusion of our work.

Appendix 1: Revised Auditor Standards and application guidance

FRC revisions to Auditor Standards and associated application guidance

The following Auditing Standards and associated application guidance that were applicable to 19/20 audits, have been revised or updated by the FRC, with additional requirements for auditors for implementation in 2020/21 audits and beyond.

	Date of revision	Application to 2020/21 Audits
ISQC (UK) 1 – Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Service Engagements	November 2019	✓
ISA (UK) 200 – Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing (UK)	January 2020	✓
ISA (UK) 220 – Quality Control for an Audit of Financial Statements	November 2019	✓
ISA (UK) 230 – Audit Documentation	January 2020	✓
ISA (UK) 240 – The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements	January 2020	✓
ISA (UK) 250 Section A – Consideration of Laws and Regulations in an Audit of Financial Statements	November 2019	✓
ISA (UK) 250 Section B – The Auditor’s Statutory Right and Duty to Report to Regulators of Public Interest Entities and Regulators of Other Entities in the Financial Sector	November 2019	✓

Appendix 1: Revised Auditor Standards and application guidance continued

	Date of revision	Application to 2020/21 Audits
ISA (UK) 260 – Communication With Those Charged With Governance	January 2020	✓
ISA (UK) 315 – Identifying and Assessing the Risks of Material Misstatement Through Understanding of the Entity and Its Environment	July 2020	
ISA (UK) 500 – Audit Evidence	January 2020	✓
ISA (UK) 540 – Auditing Accounting Estimates and Related Disclosures	December 2018	✓
ISA (UK) 570 – Going Concern	September 2019	✓
ISA (UK) 580 – Written Representations	January 2020	✓
ISA (UK) 600 – Special considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)	November 2019	✓
ISA (UK) 620 – Using the Work of an Auditor’s Expert	November 2019	✓
ISA (UK) 700 – Forming an Opinion and Reporting on Financial Statements	January 2020	✓

Appendix 1: Revised Auditor Standards and application guidance continued

	Date of revision	Application to 2020/21 Audits
ISA (UK) 701 – Communicating Key Audit Matters in the Independent Auditor’s Report	January 2020	
ISA (UK) 720 – The Auditor’s Responsibilities Relating to Other Information	November 2019	
Practice Note 10: Audit of Financial Statements of Public Sector Bodies in the United Kingdom	December 2020	



Audit, Governance and Standards Committee – 12 April 2021

External Audit – Progress Report and Sector Update

This matter is the responsibility of Executive Councillor Henley, Corporate Resources

Report Author: Martin Henwood, Corporate Finance Advisor

1 Executive Summary

- 1.1 The attached report provides the Audit Governance and Standards Committee with a progress update regarding the work of the external auditors, Grant Thornton, together with information relating to emerging issues which may be relevant to the Council.

2 Recommendations

- 2.1 Members are requested to consider and note the Progress Report and Sector Update received from Grant Thornton.

3 Background and Full details of the Report

- 3.1 The Council's external audit function is undertaken by Grant Thornton. The external auditors, as part of their work, provide regular progress updates to Members via the Audit, Governance and Standards Committee together with updates in relation to emerging national issues which may be of relevance to the Council.
- 3.2 The update report is set out in the Appendix.

4 Links to Corporate Aims / Priorities

- 4.1 This report links to the Council's aim of achieving financial stability.

5 Finance / Resource Implications

- 5.1 No material implications related to this report. The final housing benefit subsidy claim, totalling £30.5m for the year, was increased by £306 following the audit.

6 Legal Implications

- 6.1 The Local Audit and Accountability Act 2014 sets out the framework for audit of local authorities.

Appendix:

Somerset West and Taunton Progress Report and Sector Update March 2021

Democratic Path:

- Audit Governance and Standards Committee – 12 April 2021

Reporting Frequency: Twice yearly

Contact Officers

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Somerset West and Taunton Council Audit Progress Report and Sector Update

Year ending 31 March 2021

March 2021
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Section	Page	
Introduction	3	The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.
Progress at March 2021	4	
Certification of Claims and Returns	6	
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Introduction

Your key Grant Thornton team members are:

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Key Audit Partner

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Engagement Manager

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This paper provides the Audit, Governance and Standards Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a summary of emerging national issues and developments that may be relevant to you as a local authority.

Members of the Audit, Governance and Standards Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk.

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at March 2021

Financial Statements Audit

We began our initial planning audit work for the 2020/21 audit in March 2021. We expect to begin our work on your draft financial statements in July.

Our planning fieldwork included:

- updating our review of the Authority's control environment;
- updating our understanding of the Authority's financial systems; and
- understanding how the Authority makes material estimates for the financial statements.

The results of our work to date are included in this report.

We have issued a detailed audit plan, setting out our proposed approach to the audit of the Authority's 2020/21 financial statements, and this is included as a separate agenda item.

We will report our work in the Audit Findings Report and aim to give our opinion on the Statement of Accounts by the end of September 2021.

Value for Money

The new Code of Audit Practice (the "Code") came into force on 1 April 2020 for audit years 2020/21 and onwards. The most significant change under the new Code is the introduction of an Auditor's Annual Report, containing a commentary on arrangements to secure value for money and any associated recommendations, if required.

The new approach is more complex, more involved and will make more impact. Please see pages 10 to 12 for further details.

Progress at March 2021 (cont.)

Other areas

Certification of claims and returns

We certify the Authority's annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions (DWP). The certification work for the 2019/20 claim was completed on 17 March 2021, and the findings are included on the next page. The certification work for the 2020/21 claim has not yet begun. We anticipate that we will report our findings to the Audit, Governance and Standards Committee in January 2022 or soon after.

We also certify the Authority's annual Pooling of Housing Capital Receipts return in accordance with procedures agreed with the Ministry of Housing, Communities & Local Government. (MHCLG). The certification work for the 2019/20 return was completed on 10 February 2021. The certification work for the 2020/21 return has not yet begun.

Meetings

We met with Finance Officers in March 2021 as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

We provide a range of workshops, along with network events for members and publications to support the Authority. Your officers attended our Financial Reporting Workshop in February 2021, which helped to ensure that members of your Finance Team were up to date with the latest financial reporting requirements for local authority accounts.

Further details of the publications that may be of interest to the Authority are set out in our Sector Update section of this report.

Certification of claims and returns

We completed the certification of Housing Benefit claim for Somerset West and Taunton Council on 17 March 2021. We also completed the certification of Pooling of Housing Capital Receipts on 10 February 2021. Our findings are set out below.

Housing Benefits Claim

The draft claim form identified total subsidy claimed of £30,499,654. The claim was amended and qualified, and the final claim form reflected subsidy claimed of £30,499,960. The following errors were noted in our report:

- Rent allowances – An error was identified in prior years in relation to rent liability. The Council tested 40 additional cases, and we re-performed a sample. This resulted in an extrapolated error value of £1,214.
- Modified schemes – An error was identified in prior years where the claimant was not in receipt of war pensions. The Council tested all claims in relation to Modified Schemes subsidy, and we re-performed a sample. A claim amendment of £455 was made.
- HRA Rent Rebates – An error was identified in the initial testing where the state pension had been incorrectly calculated, leading to overpaid benefit. The Council tested 40 additional cases, and we re-performed a sample. This resulted in an extrapolated error value of £152.
- HRA Rent Rebates – An error was identified in the initial testing where the personal pension had been incorrectly calculated, leading to overpaid benefit. The Council tested 40 additional cases, and we re-performed a sample. This resulted in an extrapolated error value of £10.
- Non-HRA Rent Rebates – An error was identified in the initial testing where benefit had been overpaid as the claimant had not moved into the property. The Council tested all claims in Cell 011, and we re-performed a sample. A claim amendment of £87 was made.
- Non-HRA Rent Rebates – An error was identified in the initial testing where expenditure had been classified in Cells 14 and 15, but should have been in 12. The Council tested all claims in Cells 04 and 15, and we re-performed a sample. A claim amendment of £6,060 was made.
- There were also 4 additional errors brought forward from the previous year which were tested by the Council and re-performed by the audit team in, which did not result in any additional errors in 2019-20, and hence are considered closed

Pooling of Housing Capital Receipts

There were a number of exceptions and errors identified during the certification process. We issued our report of factual findings on 10 February 2021. The errors resulted in overall expenditure on the claim being understated by £728,488. We have reported this to MHCLG via our Accountant's Report.

Audit Deliverables

2020/21 Deliverables	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the Audit, Governance and Standards Committee setting out our proposed approach in order to give an opinion on the Authority's 2020/21 financial statements and the Auditor's Annual Report on the Authority's Value for Money arrangements.	March 2021	Complete, and included on this agenda
Interim Audit Findings We will report to you the findings from our interim audit and our initial value for money risk assessment within our Progress Report.	March 2021	Complete, and included on this agenda
Audit Findings Report We anticipate that the Audit Findings Report will be reported to the September Audit, Governance and Standards Committee.	September 2021	Not yet due
Auditors Report This is the opinion on your financial statements.	September 2021	Not yet due
Auditor's Annual Report This Report communicates the key issues arising from our Value for Money work.	September 2021	Not yet due

Results of Interim Audit Work

The findings of our interim audit work undertaken to date, and the impact of our findings on the accounts audit approach, are summarised in the table below:

	Work performed	Conclusions and recommendations
Entity level controls	<p>We have obtained an understanding of the overall control environment relevant to the preparation of the financial statements including:</p> <ul style="list-style-type: none"> • communication and enforcement of integrity and ethical values; • commitment to competence; • participation by those charged with governance; • management's philosophy and operating style; • organisational structure; • assignment of authority and responsibility; and • human resource policies and practices. 	Our work has identified no material weaknesses which are likely to adversely impact on the Authority's financial statements.
Walkthrough testing	<p>We have completed walkthrough tests of the Authority's controls operating in areas where we consider that there is a significant risk of material misstatement to the financial statements.</p> <p>Our work to date has not identified any issues which we wish to bring to your attention. Internal controls have been implemented by the Authority in accordance with our documented understanding.</p>	Our work has not identified any weaknesses which impact on our audit approach.
Journal entry controls	We have reviewed the Authority's journal entry policies and procedures as part of determining our journal entry testing strategy and have not identified any material weaknesses which are likely to adversely impact on the Authority's control environment or financial statements.	Our work has not identified any weaknesses which impact on our audit approach. Detailed journals testing will be completed as part of the final accounts audit.
Opening Balances	We have reviewed the Council's brought forward opening balances as at 1st April 2020, and compared them against the audited 31st March 2020 balances to ensure that opening balances had been appropriately brought forward.	Our work has not identified any variances between the prior year closing balances and current year opening balances.

Sector Update

Authorities continue to try to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider local government sector and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below:

Public Sector

Local
government

The new approach to Value for Money

The nature of value for money work

Section 20 and 21 of the Local Audit and Accountability Act 2014 (the Act) require auditors to be satisfied that the body “has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources”. The auditor’s work on VFM arrangements is undertaken in accordance with the Code and its supporting statutory guidance. The Comptroller and Auditor General has determined through the 2020 Code and guidance that the key output from local audit work in respect of VFM arrangements is the commentary as reported in the Auditor’s Annual Report. It is therefore not a VFM arrangements ‘conclusion’ or an ‘opinion’ in the same sense as the opinion on the financial statements themselves. The Act and the Code require auditors to consider whether the body has put in place ‘proper arrangements’ for securing VFM. The arrangements that fall within the scope of ‘proper arrangements’ are set out in ‘AGN 03 Auditors’ work on VFM arrangements’, which is issued by the NAO. When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under three specified reporting criteria:

Financial sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services, including how the body:

- ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- plans to bridge its funding gaps and identifies achievable savings;
- plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;

- ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

Governance

How the body ensures that it makes informed decisions and properly manages its risks, including how the body:

- monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- approaches and carries out its annual budget setting process;
- ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed;
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee; and
- monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests).

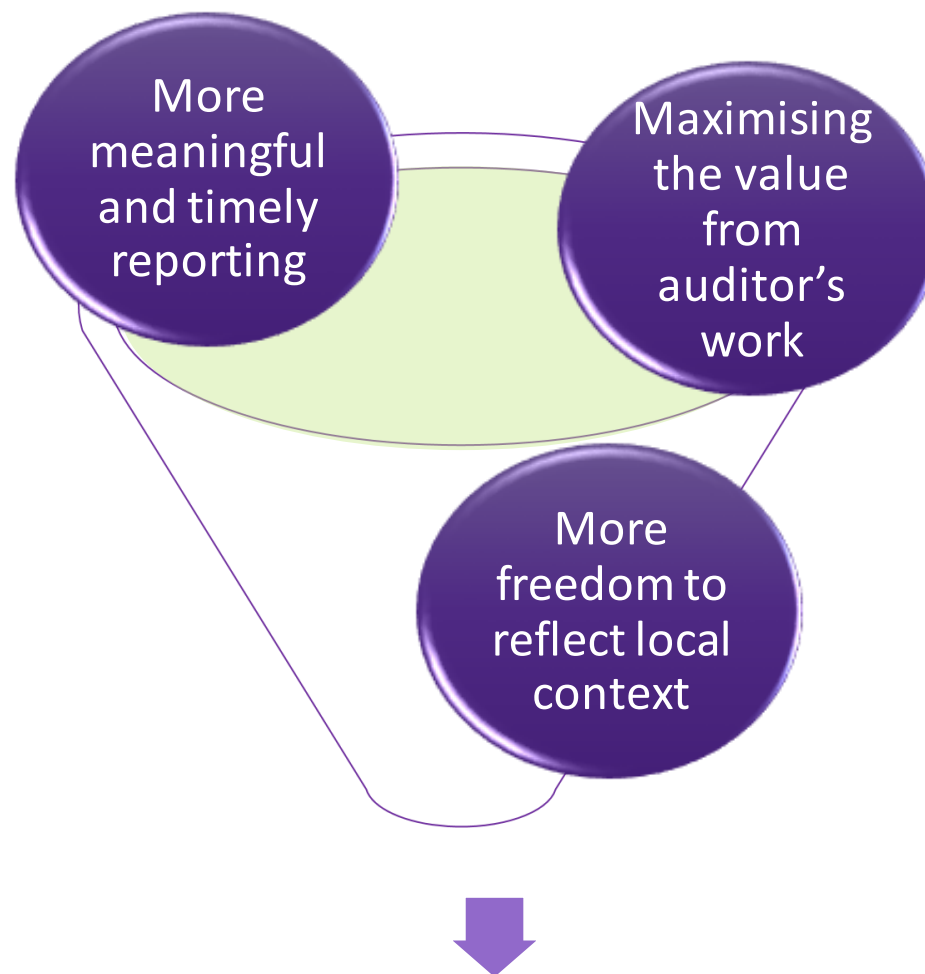
The new approach to Value for Money

Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services, including:

- how financial and performance information has been used to assess performance to identify areas for improvement;
 - how the body evaluates the services it provides to assess performance and identify areas for improvement;
 - how the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve; and
- where the body commissions or procures services, how the body ensures that this is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits.

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VFM arrangements commentary and recommendations

The new approach to Value for Money

The table below details what will be reported in the Auditor's Annual Report:

Section of report	Content
Commentary on arrangements	An explanation of the VFM work that has been undertaken during the year, including the risk assessment and any further risk-based work. It will also highlight any significant weaknesses that have been identified and brought to the body's attention. The commentary will allow auditors to better reflect local context and draw attention to emerging or developing issues which may not represent significant weaknesses, but which may nevertheless require attention from the body itself.
Recommendations	Where an auditor concludes that there is a significant weakness in a body's arrangements, they report this to the body and support it with a recommendation for improvement.
Progress in implementing recommendations	Where an auditor has reported significant weaknesses in arrangements in the previous year, the auditor should follow up recommendations issued previously and include their view as to whether the recommendations have been implemented satisfactorily.
Use of additional powers	Where an auditor uses additional powers, such as making statutory recommendations or issuing a public interest report, this should be reported in the auditor's annual report.
Opinion on the financial statements	The auditor's annual report also needs to summarise the results of the auditor's work on the financial statements.

The table below details the three types of recommendations that auditors can make. Auditors may make recommendations at any time during the year.

Type of recommendation	Definition
Statutory recommendation	Where auditors make written recommendations to the body under Section 24 and Schedule 7 of the Local Audit and Accountability Act 2014. A recommendation of this type requires the body to discuss and respond publicly to the report.
Key recommendation	Where auditors identify significant weaknesses in a body's arrangements for securing value for money, they have to make recommendations setting out the actions that the body should take to address them
Improvement recommendation	Where auditors do not identify a significant weakness in the body's arrangements, but still wish to make recommendations about how the body's arrangements can be improved

Revised auditing standard: Auditing Accounting Estimates and Related Disclosures

In the period December 2018 to January 2020 the Financial Reporting Council issued a number of updated International Auditing Standards (ISAs (UK)) which are effective for audits of financial statements for periods beginning on or after 15 December 2019. ISA (UK) 540 (revised): Auditing Accounting Estimates and Related Disclosures includes significant enhancements in respect of the audit risk assessment process for accounting estimates.

Introduction

Under ISA (UK) 540 (Revised December 2018) auditors are required to understand and assess an entity's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the entity's risk management process identifies and addresses risks relating to accounting estimates;
- The entity's information system as it relates to accounting estimates;
- The entity's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Audit, Governance and Standards Committee members:

- understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- evaluate how management made the accounting estimates?

Additional information that will be required for our March 2021 audits

To ensure our compliance with this revised auditing standard, we will be requesting further information from management and those charged with governance during our audit for the year ended 31 March 2021 in all areas summarised above for all material accounting estimates that are included in the financial statements.

Based on our knowledge of the Authority we have identified the following material accounting estimates for which this is likely to apply:

- valuations of land and buildings, including investment properties
- depreciation
- year end provisions and accruals
- credit loss and impairment allowances
- valuation of defined benefit net pension fund liabilities
- fair value estimates; and
- valuation of level 2 and level 3 financial instruments.

The Authority's Information systems

In respect of the Authority's information systems we are required to consider how management identifies the methods, assumptions and source data used for each material accounting estimate and the need for any

changes to these. This includes how management selects, or designs, the methods, assumptions and data to be used and applies the methods used in the valuations.

When the models used include increased complexity or subjectivity, as is the case for many valuation models, auditors need to understand and assess the controls in place over the models and the data included therein. Where adequate controls are not in place we may need to report this as a significant control deficiency and this could affect the amount of detailed substantive testing required during the audit.

If management has changed the method for making an accounting estimate we will need to fully understand management's rationale for this change. Any unexpected changes are likely to raise the audit risk profile of this accounting estimate and may result in the need for additional audit procedures.

Page 78 We are aware that the Authority uses management experts in deriving some of its more complex estimates, e.g. asset valuations and pensions liabilities. However, it is important to note that the use of management experts does not diminish the responsibilities of management and those charged with governance to ensure that:

- all accounting estimates and related disclosures included in the financial statements have been prepared in accordance with the requirements of the financial reporting framework, and are materially accurate;
- there are adequate controls in place at the Authority (and where applicable its service provider or management expert) over the models, assumptions and source data used in the preparation of accounting estimates.

Estimation uncertainty

Under ISA (UK) 540 (Revised December 2018) we are required to consider the following:

- how management understands the degree of estimation uncertainty related to each accounting estimate; and
- how management addresses this estimation uncertainty when selecting

their point estimate.

For example, how management identified and considered alternative methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the point estimate used.

The revised standard includes increased emphasis on the importance of the financial statement disclosures. Under ISA (UK) 540 (Revised December 2018), auditors are required to assess whether both the accounting estimates themselves and the related disclosures are reasonable.

Where there is a material uncertainty, that is where there is a significant risk of a material change to the estimated carrying value of an asset or liability within the next year, there needs to be additional disclosures. Note that not all material estimates will have a material uncertainty and it is also possible that an estimate that is not material could have a risk of material uncertainty.

Where there is material estimation uncertainty, we would expect the financial statement disclosures to include:

- What the assumptions and uncertainties are;
- How sensitive the assets and liabilities are to those assumptions, and why;
- The expected resolution of the uncertainty and the range of reasonably possible outcomes for the next financial year; and
- An explanation of any changes made to past assumptions if the uncertainty is unresolved.

How can you help?

As part of our planning risk assessment procedures we routinely make a number of enquiries of management and those charged with governance, which include general enquiries, fraud risk assessment questions, going concern considerations etc. Responses to these enquires are completed by management and confirmed by those charged with governance at an Audit Committee meeting. For our 2020/21 audit we will be making additional

enquires on your accounting estimates in a similar way (which will cover the areas highlighted above). We would appreciate a prompt response to these enquires in due course.

Further information

Further details on the requirements of ISA (UK) 540 (Revised December 2018) can be found in the auditing standard on the Financial Reporting Council's website:

[https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-\(UK\)-540_Revised-December-2018_final.pdf](https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-(UK)-540_Revised-December-2018_final.pdf)

Insight into accounting for grants in local government financial statements – Grant Thornton

The government has provided a range of financial support packages throughout the COVID-19 pandemic.

We have issued a brief bulletin aimed at helping local government bodies identify the key things they should consider when determining the accounting treatment for these grants in their financial statements for 2020/21.

Page 80
There are no changes to the accounting treatment for grants as required by the CIPFA Code of Practice on Local Authority Accounting. What has changed, is the extent of additional funding to support the cost of services, offset other income losses along with grant packages to be paid out to support local business. Local authorities need to consider the nature and terms of the various COVID-19 measures in order to determine whether there is income and expenditure to be recognised in the Comprehensive Income and Expenditure Statement in 2020/21.

The report highlights the factors to consider, including:

- where the funding is to be transferred to other parties, is the authority acting as principal or as agent?
- are there grant conditions outstanding?
- is the grant a specific or non-specific grant?

Our bulletin provides you with links to further information on the various support packages and summarises features that may be relevant to your judgements as you determine the appropriate accounting treatment.

Local authorities need to demonstrate their judgements on the accounting treatment to be reasonable and soundly based and, where these have a significant effect on the accounts, to ensure they include sufficient disclosures to meet the requirements of IAS 1:122.

A copy of the full report has been provided to your finance team. Please ask your engagement leader if you would like to receive a copy.



Local government finance in the pandemic – National Audit Office

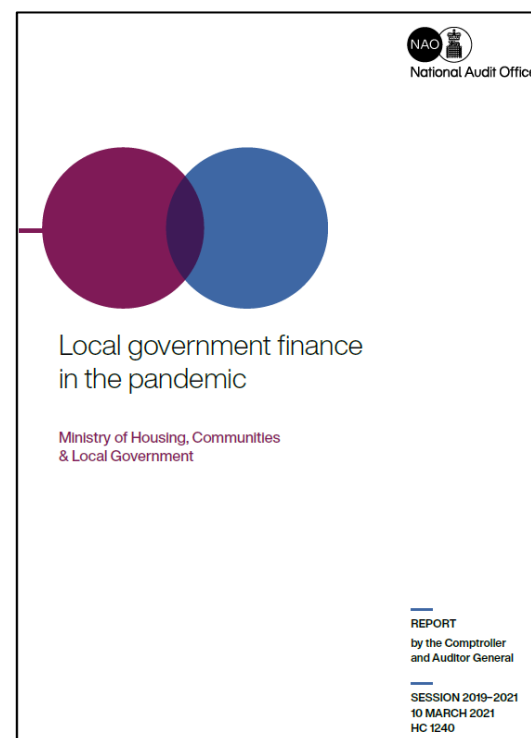
The National Audit Office (NAO) report, published in March, notes “The COVID-19 pandemic has been an unprecedented public health and economic emergency. Local authorities in England have made a major contribution to the national response to the pandemic, working to protect local communities and businesses, while continuing to deliver existing services. The pandemic has in turn placed significant pressure on local authorities’ finances, which in many cases were already under strain going into the pandemic.”

The NAO report examines if the Department’s approach to local government finance in the COVID-19 pandemic enabled it to assess and fund the costs of new services which local authorities have been asked to deliver. It also examines whether the Department fulfilled its responsibilities in securing financial sustainability across the sector.

The NAO report concludes “Steps taken by the government, led by the Department, have supported local authorities in the COVID-19 pandemic response. The Department’s successful monthly collection of data and continued intensive engagement with the sector provided a good evidence base to underpin the financial and other support provided by government. Action by the Department and wider government to support the sector has averted system-wide financial failure at a very challenging time and means that the Department has managed the most severe risks to value for money in the short term.

However, the financial position of local government remains a cause for concern. Many authorities will be relying on reserves to balance their 2020-21 year-end budgets. Despite continuing support into 2021-22 the outlook for next year is uncertain. Many authorities are setting budgets for 2021-22 in which they have limited confidence, and which are balanced through cuts to service budgets and the use of reserves.”

The NAO report found that “the combined impact on spending and non-tax income in 2020-21 is £9.7bn – equivalent to 17.6% of revenue expenditure. So far the government has announced £9.1bn of financial support, leaving a deficit of £605m.”



The full report can be obtained from the NAO website:

[Local government finance in the pandemic - National Audit Office \(NAO\) Report](#)

Good practice in annual reporting – National Audit Office

The National Audit Office (NAO) state that the guide, launched in February, “Sets out our good practice principles for good annual reporting and provides illustrative examples taken from public sector organisations who are leading the way in this area.

The guide draws on examples of good practice from within each of the six sections of an Annual Report:

- Strategy
- Risk
- Operations
- Governance
- Measures of success
- Financial performance

The NAO also state that the guide “provides further examples where bodies have made their context more understandable to the reader through use of graphics and clear language and signposting.”

However, The NAO observe “Done well, reporting in the public sector enables the public and Parliament to understand – with ease and confidence – an organisation’s strategy and the risks it faces, how much taxpayers’ money has been spent and on what, and what has been achieved as a result.”

Further, the NAO note “The significant impacts of the pandemic emerged in the UK in mid-March 2020. This means that, for many organisations, the reporting impact will be greater in 2020-21 than in the prior year. Transparent annual reporting will help stakeholders understand the impact of COVID-19 on an organisation’s strategy, plans and operational and financial performance.”



The full report can be obtained from the NAO website:

<https://www.nao.org.uk/report/good-practice-in-annual-reports-february-2021/>

2019/20 audited accounts – Public Sector Audit Appointments

In December 2020 Public Sector Audit Appointments (PSAA) published figures relating to the audit of 2019/20 local authority financial statements.

PSAA report “Audit arrangements in local councils, police, fire and other local government bodies are continuing to exhibit signs of stress and difficulty. In the latest audit round, focusing on 2019/20 financial statements and value for money arrangements, fewer than 50% of bodies’ audits were completed by the revised target of 30 November.

Figures compiled by PSAA, the organisation responsible for appointing auditors to 478 local bodies, reveal that 55% (265) of audit opinions were not issued by 30 November. This is a further deterioration on 2018/19 audits when 43% of opinions (210 out of 486) were delayed beyond the then target timetable of 31 July.

This year’s timetable has been deliberately eased by Ministers in recognition of the underlying pressures on the audit process and the significant added complications arising from the COVID-19 pandemic. The pandemic has posed practical challenges for bodies in producing accounts and working papers, and for auditors to carry out their testing. Both sets of staff have had to work remotely throughout the period, and the second national lockdown came at a critical point in the cycle.

Questions and concerns about the potential implications of the pandemic for some bodies have meant that both finance staff and auditors have needed to pay particular attention to the financial position of each entity. Additionally, following a series of increasingly challenging regulatory reviews, auditors have arguably been more focused than ever on their professional duty to give their opinion only when they are satisfied that they have sufficient assurance.”



The news article can be found here:

[News release: 2019/20 audited accounts – PSAA](#)

CIPFA Financial Resilience Index

The Chartered Institute of Public Finance & Accountancy's (CIPFA) Financial Resilience Index is a comparative tool designed to provide analysis on resilience and risk and support good financial management.

CIPFA note "CIPFA's Financial Resilience Index is a comparative analytical tool that may be used by Chief Financial Officers to support good financial management, providing a common understanding within a council of their financial position.

The Index shows a council's position on a range of measures associated with financial risk. The selection of indicators has been informed by extensive financial resilience work undertaken by CIPFA over the past five years, public consultation and technical stakeholder engagement.

Section 151 officers may also use the index in their annual report to the council setting out the proposed budget for the year and medium-term financial strategy.

While the impact of COVID-19 resulted in a delay to the publication of the index, it is still able to provide a comprehensive pre-COVID baseline, illustrating the financial resilience of authorities as they entered the pandemic."

CIPFA found that "there was a real-terms reduction of £800m in the level of reserves in 2020 compared with the previous year. At the end of March 2020 council reserves levels stood at £24.6bn, around 3% lower than £25.4bn recorded at the same period in 2019."

CIPFA note "The index is made up of a set of indicators. These indicators take publicly available data and compare similar authorities across a range of factors. There is no single overall indicator of financial risk, so the index instead highlights areas where additional scrutiny should take place in order to provide additional assurance. This additional scrutiny should be accompanied by a narrative to place the indicator into context."



The Financial Resilience tool is available on the CIPFA website below:

<https://www.cipfa.org/services/financial-resilience-index-2021?crdm=0>



Somerset West and Taunton Council

Audit, Governance and Standards Committee – 12 April 2021

Summary of Level 1 and 2 Internal Audit Actions

This matter is the responsibility of the Portfolio Holder for Corporate Resources

Report Author: Malcolm Riches, Business Intelligence & Performance Manager

1.0 Executive Summary / Purpose of the Report

- 1.1 The purpose of this report is to update the Committee on progress against level 1 and 2 Internal Audit Actions **as at the end of February 2021**.

2.0 Recommendation

- 2.1 The Committee reviews the overdue actions contained in the report and notes progress to date.

3.0 Risk Assessment

- 3.1 It is important to ensure that the Council has actioned the high priority actions that come out of Internal Audit reports in order to strengthen governance arrangements.

4.0 Background and Full details of the Report

- 4.1 The Council has engaged the South West Audit Partnership (SWAP) to carry out its Internal Audit functions; checking the adequacy of controls and procedures across the whole range of Council services.
- 4.2 At the start of each financial year an audit plan is agreed between SWAP and the Council which identifies the areas of highest potential organisational and operational risk within the Council.
- 4.3 When an audit takes place a report is provided to the service manager concerned which gives an audit conclusion and opinion.
- 4.4 Any control or procedural weaknesses are identified within an action plan appended to the audit report.
- 4.5 All findings will be allocated one of 3 priority ratings as follows:

Priority 1	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management
Priority 2	Important findings that need to be resolved by management
Priority 3	Finding that requires attention

- 4.6 Each finding within the action plan contains a target implementation date which has been agreed between SWAP and the service manager concerned.
- 4.7 All priority 1 and 2 recommendations are captured in a register to ensure progress against the recommendations can be tracked and progress reported to the Audit, Governance and Standards Committee.
- 4.8 This report gives the Committee a progress update on all priority 1 and 2 audit actions, including those where the agreed remedial action is overdue. A summary of the priority 1 and 2 actions is provided in Appendix A.
- 4.9 The current position as at 28th February
- 16 audit actions currently open (see Appendix 1)
 - 3 audit reports with all Priority 1 and 2 actions completed since the last report (see appendix 1)
 - 8 audit actions completed since the last report in December (see Appendix 2)
 - 2 audit actions currently overdue as at 28/2/21. Please see Appendix 2 for more details about the current progress on these.

5.0 Links to Corporate Strategy

- 5.1 There are no direct links to corporate aims/priorities although good governance and robust controls form part of the overarching Governance Framework within which the Council operates.

6.0 Finance / Resource Implications

- 6.1 Unmitigated risks identified by SWAP could expose the Council to unanticipated claims, expenditure or exposure to fraud.

7.0 Legal Implications

- 7.1 There are no direct legal implications within this report although unmitigated risks could expose the Council to unanticipated claims.

8.0 Climate and Sustainability Implications

- 8.1 None arising from this report.

9.0 Safeguarding and/or Community Safety Implications

- 9.1 None arising from this report.

10.0 Equality and Diversity Implications

10.1 None arising from this report.

11.0 Social Value Implications

11.1 None arising from this report.

12.0 Partnership Implications

12.1 None arising from this report.

13.0 Health and Wellbeing Implications

13.1 None arising from this report.

14.0 Asset Management Implications

14.1 None arising from this report.

15.0 Data Protection Implications

15.1 None arising from this report.

16.0 Consultation Implications

16.1 None arising from this report.

17.0 Scrutiny Comments / Recommendation

17.1 The Terms of Reference within the Constitution set out that this is a matter for the Audit, Governance and Standards Committee and not the Scrutiny Committee.

Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – Yes**
- **Cabinet/Executive – No**
- **Full Council – No**

Reporting Frequency: Quarterly

Contact Officers

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APPENDIX 1

Summary/Status of Audit Reports

					Position as at 28th February 2021	
Report	Status	Date	Judgement	Priority 1 and 2's identified	Priority 1/2 actions still open	Overdue (as at 28/2/21)
Debtors 2019/20	Final	21/02/2019	Partial	4	1	0
Main Accounting System 2019/20	Final	09/04/2020	Partial	2	1	0
Financial Resilience 2019/20	Final	04/06/2020	Reasonable	1	1	0
Grounds and Open Spaces	Final	9/10/2020	Limited	7	4	0
Procurement	Final	26/10/2020	Limited	5	5	2
Financial Control and Reporting	Final	18/12/2020	Reasonable	1	1	0
Ethical Governance & Culture	Final	04/02/2021	Limited	3	3	0
				23	16	2

Audit Reports with 1 & 2 Actions Completed (Since December Report)

Report	Status	Date	Judgement	Priority 1 and 2's identified	Priority 1/2 actions still open	All 1/2 actions complete
Banking Arrangements 2019/20	Final	16/12/2019	Partial	1	0	YES
Business Continuity Planning	Final	19/05/2020	Reasonable	1	0	YES
Creditors – Key Controls 2019/20	Final	13/08/2020	Partial	3	0	YES

Appendix 2 – Update on Priority 1 and 2 Audit Recommendations as at 28th February 2021

Audit Report	Recommendation	Priority Scoring	Responsible Officer	Target Date	Progress	RAG Status
Banking Arrangements 2019/20	Start the procurement process for a new banking contract	2	Strategic Procurement Officer	31/10/2020	In light of the proposal to move to a different Local Authority structure across Somerset, it is probably not feasible to undertake a full tendering process at this point, as the banking arrangements would require further changes under any new agreed structure. The Council is therefore not taking any further action at the present time. However, the Council does have a pricing structure in place from April 2019 and this took the best prices from West Somerset Council and Taunton Deane Borough Council to get an agreed pricing structure for Somerset West and Taunton Council. A legal request has been sent to discuss extending this arrangement until the new Authority structure within Somerset comes into being.	COMPLETED
Debtors 2019/20	Ensure that reconciliations between Open Contractor and the General Ledger are completed. Procedure notes should be created so that another officer can pick up the reconciliation if required	1	AD for Finance	(Original 30/09/2020) New date: 31/03/2021	Good progress is being made with completing task charging for closed jobs. BI reports are being developed, to enhance info to budget managers. Testing has confirmed that closed items in OC are accurately posted to the GL, and a report detailing open items has been created. Due to complexity, a full reconciliation in a single report is too complex but sampling provides alternative means of assurance. EO and H&C directorates are exploring options to cease using OC for the new financial year.	In Progress
Main Accounting 2019/20	Ensure that a process to reconcile the OC system to the General Ledger is developed and a procedure written. Also to ensure that the OC codes are amended to ensure they post to the correct location on import.	2	Finance Business Partner	(Original 30/09/2020) New date: 31/03/2021	Good progress is being made with completing task charging for closed jobs. BI reports are being developed, to enhance info to budget managers. Testing has confirmed that closed items in OC are accurately posted to the GL, and a report detailing open items has been created. Due to complexity, a full reconciliation in a single report is too complex but sampling provides alternative means of assurance. EO and H&C directorates are exploring options to cease using OC for the new financial year.	In Progress
Creditors – Key Controls 2019/20	We recommend that the Finance Business Partner ensures bank details are validated before being set-up and that a record of the check should be retained detailing who completed the check and the name of the person they were confirmed by and when. Separate reporting on new suppliers should be set up to identify duplicate suppliers and new/changed suppliers to support monitoring and improving held information.	1	Finance Business Partner	31/10/2020	The process has been updated reflecting the risk highlighted in the audit, with further bank verification checks completed. This represents reasonable action to mitigate the control risk therefore the action can be closed. Following strengthening of counter-fraud controls implemented for COVID grants during this year, the team plan to investigate the option to further strengthen this control in future utilising data validation with external agencies.	COMPLETED

Audit Report	Recommendation	Priority Scoring	Responsible Officer	Target Date	Progress	RAG Status
Creditors – Key Controls 2019/20	We recommend that the Case Management Lead – Operational Support develops a suite of exception reports to support the payment run, these should be based on mitigating the highest risk first until there is increased satisfaction in the controls at input level	2	Case Management Lead - Accounts Payable	31/12/2020	The primary concern under this finding was around building in enough checks to ensure we are not making incorrect payments. There are a number of checks in place earlier in the supplier set up and purchase order/code and approve process, to mitigate the risk of payments being made incorrectly, and these have been discussed with SWAP. Where PO's under £500 not being approved are a particular concern, we have identified the need for one report to be created. This should identify payments being made against orders under the value of £500, to enable us to investigate multiple orders being raised against the same supplier and ensure that this is not being used inappropriately. It would suffice for this report and check to be carried out monthly. Both SWT and SWAP are therefore happy to close this action.	COMPLETED
Creditors – Key Controls 2019/20	We recommend that the Case Management Lead – Operational Support reviews the process for recording authorisations in the system to allow for a clear and accessible audit trail. A process should be identified to ensure an adequate separation of duties within the process to protect against fraudulent.	2	Case Management Lead – Operational Support	31/12/2020	In order for any supplier to be paid, they need to have a Supplier Record in the e5 system. New supplier and supplier amendment requests are checked to ensure data entered on the supplier record, matches those details provided in the supplier evidence. This reduces the risk of bogus suppliers being created and used fraudulently. The report requirement as identified in 1.2 also mitigates risk identified in this finding, as sample checking of orders under the value of £500 will be carried out on a monthly basis.	COMPLETED
Financial Resilience 2019/20	We recommend that the S151 officer ensures that the staff budget is fully costed and included in the MTFP. Shortfalls in budget should have robust saving plans in the short to medium term agreed with SMT.	1	S151 Officer/Chief Executive	Revised 31/3/2022 (Previous 31/12/2020)	Staffing budget = COMPLETE . The staff budget has been fully updated and reconciled in 20/21 budgets to reflect the new directorate structure completed during the year. This is also complete for the draft 21/22 budget. Savings = IN PROGRESS . Plans have been finalised for the draft 21/22 budget which is balanced, but uses £1.4m of reserves to temporarily address some of the budget gap. SMT will develop plans during 2021 to ensure sustainable savings are delivered to balance the projected gap in 22/23 financial year.	In Progress
Business Continuity Planning	Ensure that: <ul style="list-style-type: none"> Management across all services have brainstormed all potential risks to the delivery of their service functions, documented them and assigned responsibility for mitigating controls Management have fed high level risks that have a corporate impact into the Corporate Risk Register and in turn these are recognised within the Corporate BCP 	2	Director for Internal Operations	30/11/2020	Management has had to respond in a unique way to COVID and thus demonstrated flexibility and that existing processes have supported business continuity both locally and regionally, supporting all of the national Emergency Planning framework. High level risks have been and continue to be fed in real time into Gold command. This has occurred against a backdrop of changing legislative framework as the incident has unfolded. Outside of the emergency incident, teams are capturing this information which will also feed into lessons learned	COMPLETED

Audit Report	Recommendation	Priority Scoring	Responsible Officer	Target Date	Progress	RAG Status
Financial Control and Reporting 2020/21	The S151 Officer will arrange for the Monitoring Officer to revise role titles within the Financial Procedure Rules under delegated authority for such minor amendments. Guidance and templates will be updated to reflect current role titles and provide clearer definitions for the types of budget changes including virements to clarify the approvals required.	2	AD Finance and S151 Officer	Revised target date now 30/4/2021 (previous 31/01/2021)	The FPRs have been updated in December in draft and submitted to the Monitoring Officer in January for formal updating in the Constitution. The updated Constitution is scheduled for approval at Full Council on 27 April 2021	In Progress
Procurement Page 95	We recommend that the Strategic Procurement Specialist finalises the draft Procurement Strategy as per the Finance and Procurement team's Operational Plan, to ensure the council can be held accountable for the Strategy's adoption and progression. The progress of implementing the Procurement Strategy, together with the adaptation of the CPRs, should continue to be closely monitored by the Assistant Director Finance, to ensure its timely progression in accordance with agreed implementation timeframes.	2	Strategic Procurement Manager AD for Finance/S151 Officer	Strategy Revised 31/3/21 (previous 31/1/21)	Draft revisions of CPR's has been completed and submitted to the monitoring officer for formal approval and incorporation into the Constitution. The revised Strategy was taken to SMT on 31 January where there was a consensus that there was a need for some revisions to focus on a number specific areas and aspects. It is still anticipated the new strategy will be before the executive in early March. A draft procurement strategy has been prepared. We are currently on track to take forward to Executive and Council in March 2021 for approval in line with the Forward Plan agreed by SMT.	In Progress
Procurement	We recommend that the Strategic Procurement Specialist liaises with the Assistant Director Finance (S151 Officer) to: Set a timeframe for the completion and implementation of the procedural Procurement guidance for Procuring Officers. This guidance should include, but not be limited to, information as to how collaborative Procurement frameworks should be used to ensure the achievement of collaboration objectives and value for the council's money. Also set a timeframe for completing the development of, and for implementing, both Procurement training modules. They should also make an informed decision as to who will be required to complete both modules and should ensure that these modules align with the Procurement Strategy and procedural guidance once finalised, and with any other related council policies.	2	Strategic Procurement Specialist and Assistant Director Finance (S151 Officer)	Revised 31/3/21 (previous 30/11/2020)	This links to development of the procurement strategy. Timeframe agreed for developing the guidance is 31 March 2021, for roll out in Q1 of 2021/22. Procurement training modules to be rolled out during Q1-Q2 of 2021/22.	In Progress

Audit Report	Recommendation	Priority Scoring	Responsible Officer	Target Date	Progress	RAG Status
Procurement	<p>Review the CPRs to bring them up to speed with the current exemption process being used and ensure that the end-to-end process is designed to fully protect the council's interests. Any changes to the CPRs to reflect the current exemption process should be approved by the Monitoring Officer.</p> <p>Ensure that the PO reference(s) relevant to each register entry are obtained and entered into the waiver register, and that the Specialist implements a procedure to monitor and ensure that spending through exemption is in line with the authorised waiver value, or that further authorisation is obtained where an originally authorised waiver value is to be exceeded. Implement a process to report regularly to the Senior Management Team on the type and value of expenditure being processed through exemption.</p>	2	Strategic Procurement Specialist and Assistant Director Finance (S151 Officer)	31/01/2021	More robust Waiver register has been implemented to record PO details and values which will be reviewed to ensure compliance with estimated budget cost and that any overspends are recorded and interrogated with the originating officer.	In Progress
Procurement Page 96	<p>Completes a review of the contract register to ensure that all existing contracts are identified within, and that any spending off-contract is challenged with the relevant Officers as required.</p> <p>Ensures the reconciliation of the internal and external contract registers, to ensure they agree. This exercise should be performed at regular intervals going forward, to ensure the registers are maintained and up to date.</p>	2	Strategic Procurement Specialist	31/01/2021	The format and method publication is under review and being revised to enable open public access by the public of our contracts register via the e-Procurement portal which is being updated.	In Progress
Procurement	<p>We recommend that the Strategic Procurement Specialist liaises with the wider finance management team as intended, to develop and implement a proportionate suite of performance measures and reporting mechanisms that enable accountability and governance over the procurement function. Once developed, these should be documented, and this work should consider, but not be limited to, development of performance measures and monitoring in the following areas:</p> <ul style="list-style-type: none"> • Regular monitoring of, and reporting to the Senior Management Team on, the achievement of the Procurement cost savings stipulated in the MTFP • The achievement of the value for money, sustainable Procurement, and the social equality commitments within the draft Procurement Strategy • Analysis of spending against approved, contracted, and uncontracted suppliers • The achievement and benefit of collaboration in procurement (e.g. through use of procurement frameworks, or other procurement initiatives) 	2	Strategic Procurement Specialist	31/03/21	We will consider and develop performance measures as planned for not only the Procurement team but also across the council.	In Progress

Audit Report	Recommendation	Priority Scoring	Responsible Officer	Target Date	Progress	RAG Status
Grounds and Open Spaces 2020/21	We recommend the Open Spaces and Street scene Manager ensures invoices are raised as soon as jobs are completed.	1	Open Spaces and Street scene Manager	31/10/2020	All work undertaken in financial year 20/21 has been invoiced for. We are also up to date on invoicing on roundabout sponsorship and sports pitch bookings. Fortnightly monitoring meetings are in place between managers and business support staff to ensure that this continues.	COMPLETED
Grounds and Open Spaces 2020/21	We recommend the Open Spaces and Street scene Manager ensures that reconciliations are documented as follows: • At year end the continuing contracts for the old year on Open Contractor are reconciled to the new year. • On a monthly basis accepted quotes are reconciled to Open Contractor.	2	Open Spaces and Street scene Manager	31/10/2020	Process now in place to ensure these reconciliations are documented.	COMPLETED
Page 9 of 12 Grounds and Open Spaces 2020/21	We recommend the Open Spaces and Street scene Manager ensures that the quote template is updated to make clear cost breakdowns.	2	Open Spaces and Street scene Manager	31/12/2020	Quotes are broken down into more detail now, with matching itemised billing. This has helped with timely invoicing a great deal, as we're not getting enquiries and disputes because the invoice just says 'Grounds Maintenance April to June, £10k' Quote template also refreshed with references to DLO etc removed	COMPLETED

Audit Report	Recommendation	Priority Scoring	Responsible Officer	Target Date	Progress	RAG Status
Ethical Governance & Culture	The Governance Manager will ensure that key documents such as the Money Laundering and Fraud Policy are regularly reviewed and updated and accessible to staff. There should be some consideration to ensuring that Members and Officers are regularly reminded of key documents, and where appropriate attest their understanding.	2	Governance Manager	31/3/21	There is a report on the Anti-Fraud Framework going to the Audit, Governance and Standards Committee on 12 April which includes Anti-Fraud Strategy, Anti-Bribery Policy, Anti-Money Laundering Policy and Whistleblowing Policy. These will then go forward to the Executive on 21 st April for sign off.	In Progress
Ethical Governance & Culture	The Governance Manager will ensure that an up-to-date record of all staff interests (potential or actual) is maintained. Staff should be reminded periodically of the requirement to declare interests in line with the Employee Code of Conduct.	2	Governance Manager	31/3/21	A form staff on interests has being drafted and communications will be done for all staff by the end April.	In Progress
Ethical Governance & Culture	<p>The Governance Manager/AD – Corporate will ensure that the induction and training process includes all the key policies that establish a strong ethical culture within the organisation including:</p> <ul style="list-style-type: none">• Whistleblowing procedures• Conflicts of interest• Money Laundering and Fraud"	2	Governance Manager to liaise with AD – Corporate.	31/3/21	Picked up with HR and Learning and Development to ensure that this gets added to the Induction process once the policies listed above have been through the democratic process	In Progress

Audit, Governance and Standards Committee – 12 April 2021

Anti-Fraud Framework

This matter is the responsibility of the Leader of the Council, Cllr Smith-Roberts

Report Author: Amy Tregellas, Governance Manager and Monitoring Officer

1 Executive Summary / Purpose of the Report

- 1.1 To present the Committee with the Anti-Fraud Framework, which consists of:
- The Anti-Fraud and Corruption Strategy (Annex 1)
 - Anti-Bribery Policy (Annex 2)
 - Anti-Money Laundering Policy (Annex 3)
 - Whistleblowing Policy (Annex 4)
- 1.2 To present the Committee with the confidential report on the provision of Counter Fraud and Error Services from Powys (Confidential Annex 5)

2 Recommendations

- 2.1 That the Committee recommends approval of the Anti-Fraud Framework and associated documents (listed as Annex 1-4 above) to the Executive.
- 2.2 The Committee recommends that the Executive note the confidential report on the Counter Fraud and Error Services (Confidential Annex 5)

3 Risk Assessment

- 3.1 Failure to have an appropriate Anti-Fraud Framework and these policies in place, the Council is at risk of not detecting fraud, corruption or financial irregularities. This could result in significant loss to the Council and damage its reputation.

4 Background and Full details of the Report

- 4.1 It is essential to have these policies in place to promote good governance and to ensure that the public services provided by the Council are delivered with both confidence and credibility.
- 4.2 The Council is committed to the principles of effective corporate governance as set out in the guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE), entitled 'Delivering Good Governance in Local Government (2016)'.
- 4.3 By having this framework of policies, the Council underpins the core principles of:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- Developing the entity's capacity including the capability of its leadership and the individuals within it.
- Managing risk and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

4.4 It is therefore recommended that the strategy and policies outlined in section 2.1 are approved, to ensure that the Council has a robust Anti-fraud framework in place.

5 Links to Corporate Aims / Priorities

5.1 Having effective and efficient governance arrangements and a robust Anti-Fraud framework is a fundamental element of being a 'well managed' council

6 Finance / Resource Implications

6.1 None arising from this report - Not having these documents could result in not detecting fraud, corruption or financial irregularities, which could result in a loss to the Council

7 Legal Implications

7.1 None arising from this report: Any legal requirements are embedded in the policies no new or additional implications arise

8 Environmental Impact Implications

8.1 None arising from this report

9 Safeguarding and/or Community Safety Implications

9.1 None arising from this report

10 Equality and Diversity Implications

10.1 None arising from this report

11 Social Value Implications

11.1 None arising from this report

12 Partnership Implications

12.1 None arising from this report

13 Health and Wellbeing Implications

13.1 None arising from this report

14 Asset Management Implications

14.1 None arising from this report

15 Data Protection Implications

15.1 None arising from this report

16 Consultation Implications

16.1 None arising from this report

Democratic Path:

- **Audit, Governance and Standards Committee – Yes**
- **Cabinet/Executive – Yes**
- **Full Council – No**

Reporting Frequency: Annually

List of Appendices (delete if not applicable)

Annex 1	Anti-Fraud and Corruption Strategy
Annex 2	Anti-Bribery Policy
Annex 3	Anti-Money Laundering Policy
Annex 4	Whistleblowing Policy
Annex 5 (Confidential)	Confidential Report on the provision of Counter Fraud and Error Services from Powys

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SWT Anti-Fraud and Corruption Strategy

Policy Statement

Fraud against Local Government is estimated to cost billions of pounds per year. This is a significant loss to the public purse. To reduce these losses Somerset West and Taunton Council is committed to:

- The highest standards of probity in the delivery of its services, ensuring proper stewardship of its funds and assets.
- The prevention of fraud and the promotion of an anti-fraud culture.
- A zero-tolerance attitude to fraud, requiring staff and Members to act honestly and with integrity at all times, and to report all reasonable suspicions of fraud.
- The investigation of a risk based response to all instances of actual, attempted or suspected fraud. The Council will seek to recover any losses and pursue appropriate sanctions against the perpetrators. This may include criminal prosecution, disciplinary action, legal proceedings and professional sanctions.
- The Local Government Fraud Strategy: Fighting Fraud Locally which means the Council will:



1. Introduction

- 1.1 The purpose of this strategy is to make clear to Members, employees, the general public and other bodies, Somerset West and Taunton (SWT) Council's approach to fraud and corruption.
- 1.2 SWT also demands that individuals and organisations with which it comes into contact, and particularly those to which it provides finance, act towards the Council at all times with integrity and without fraudulent or corrupt intent.
- 1.3 The threat from fraud and corruption is both internal and external. The Council's expectation is that Members and employees at all levels will lead by example to ensure high standards of propriety and accountability are established and strictly adhered to, and that personal conduct is above reproach at all times
- 1.4 The Council wishes to promote a culture of honesty and opposition to fraud and corruption based on the seven principles of public life. The Council will ensure probity in local administration and governance and expects the following from all Members, employees, agency workers, volunteers, suppliers and those providing services under a contract with SWT:
 - **Selflessness** – Act solely in terms of the public interest
 - **Integrity** – Avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships
 - **Objectivity** – Act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias
 - **Accountability** – Be accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
 - **Openness** – Act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
 - **Honesty** – Be truthful
 - **Leadership** – Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

1.5 The Council is committed to an effective suite of anti-fraud policies, which is designed to:

- Encourage prevention
- Promote detection
- Identify a clear approach for investigation

2. Definition of Fraud

2.1 The Council defines fraud as ‘any activity where deception is used for personal gain or to cause loss to another.’ Fraud can be committed in one of three ways:

- Fraud by false representation – Examples include providing false information on a grant or application, staff claiming to be sick when they are in fact fit and well, or submitting time sheets or expenses with exaggerated or entirely false hours and/or expenses.
- Fraud by failing to disclose information – Examples include failing to disclose a financial interest in a company SWT is trading with, or failing to disclose a personal relationship with someone who is applying for a job at the council.
- Fraud by abuse of position – Example of staff who order goods and services through the Council’s accounts for their own use.

2.2 While fraud is often seen as a complex financial crime, in its simplest form, fraud is lying. Some people will lie, or withhold information, or generally abuse their position to try to trick someone else into believing something that is not true.

3. Definition of Corruption

3.1 The Council defines corruption as the abuse of entrusted power for private gain; involving the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

4. Culture

4.1 SWT Council has a responsibility for the proper administration of public funds and wishes to emphasise the importance it places upon probity, financial control and honest administration. The Council’s arrangements for the prevention and detection of fraud and corruption will be kept under constant review. Suspected irregularities will be vigorously pursued and appropriate action will be taken.

4.2 The Council anticipates that Members, employees and the public will support its approach by reporting matters of genuine concern.

4.3 Employees may report such matters to their line managers, Assistant Director or Director. Employees may also report matters to the Monitoring Officer or

Section 151 Officer. The Council assures employees raising such concerns that they will be fully supported, and they will have nothing to fear from reprisals and there will be no adverse impact on their personal situation. Where anonymity is requested, this will be guaranteed.

- 4.4 Members and the public may report any concerns to the Monitoring Officer, S151 Officer or the Chief Executive. Requests for confidential treatment will be honoured.
- 4.5 Members of the public can also make complaints through the Council's Complaints Procedure.
- 4.6 Where appropriate, matters may be passed to the Council's Internal Auditors, South West Audit Partnership (SWAP) for investigation of any allegations of fraud or corruption received, and does so through clearly defined procedures and standards.
- 4.7 Fraud and corruption are serious offences and employees and Members may face disciplinary action if there is evidence that they have been involved in these activities. Where criminal offences are suspected consideration will be given to pursuing criminal sanctions which may involve referring the matter to the police.
- 4.8 In all cases where the Council has suffered a financial loss, appropriate action will be taken to recover the loss.
- 4.9 In order to make employees, Members, the public and other organisations aware of the Council's continued commitment for taking action on fraud and corruption, details of completed investigations, including sanctions applied, will be publicised where it is deemed appropriate.

5. The Role of Employees

- 5.1 Somerset West and Taunton Council expects its employees to be alert to the possibility of fraud and corruption and to report any suspected fraud or other irregularities to the officers listed in section 4.3.
- 5.2 Employees are expected to comply with the appropriate Code of Conduct and the Council's policies and procedures.
- 5.3 Employees are responsible for complying with Somerset West and Taunton Council's policies and procedures and it is their responsibility to ensure that they are aware of them. Where employees are also members of professional bodies they should also follow the standards of conduct laid down by them.
- 5.4 Employees are under a duty to properly account for and safeguard the money and assets under their control/charge.

- 5.5 Employees are required to provide a written declaration of any financial and non-financial interests or commitments, which may conflict with SWT's interests. SWT's Contract Procedure Rules specify that employees who have a direct or indirect financial interest in a contract shall not be supplied with, or given access to any tender documents, contracts or other information relating to them, without the authority of the senior manager.
- 5.6 Failure to disclose an interest or the acceptance, or offering of an inappropriate reward may result in disciplinary action or criminal liability. Staff must also ensure that they make appropriate disclosures of gifts and hospitality – both offered and accepted.
- 5.7 Managers at all levels are responsible for familiarising themselves with the types of fraud that might occur within their directorates and the communication and implementation of this strategy.
- 5.8 Managers are expected to create an environment in which their staff feel able to approach them with any concerns that they may have about suspected fraud or any other financial irregularities.

6. The Role of Elected Members

- 6.1 As elected representatives, all Members of Somerset West and Taunton Council have a duty to act in the public interest and to do whatever they can to ensure that the Council uses its resources in accordance with statute as well as ensuring value for money for local taxpayers.
- 6.2 This is achieved through Members operating within the Constitution which includes the Member Code of Conduct, Financial Procedure Rules and the Contract Procedure Rules.
- 6.3 Members are required to adhere to the Members' Code of Conduct, which has been formally adopted by SWT. As part of the compliance with this code, Members are required to declare to the Council's Monitoring Officer when elected, and update when circumstances dictate, relevant interests. These are recorded in the register maintained for this purpose by the Monitoring Officer.
- 6.4 Members are required to notify the Council's Monitoring Officer of any gift or hospitality over the value of £25.

7. Prevention

- 7.1 The Council recognises that a key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage. In particular, written references should be obtained regarding the known honesty and integrity of potential staff before employment offers are made.

- 7.2 The Council reviews its Constitution and Codes of Conduct on a regular basis. These place a duty on all Members and employees to act in accordance with established best practice when dealing with the affairs of the Council.
- 7.3 Section 151 of the 1972 Local Government Act requires that every local authority shall make arrangements for the proper administration of its financial affairs. This includes maintaining strong financial management underpinned by effective financial controls and an adequate and effective system of internal audit. The Section 151 Officer also has to produce Financial Procedure Rules for adoption by the Council.
- 7.4 Significant emphasis is placed on the thorough documentation of financial systems, and every effort is made to continually review and develop these systems in line with best practice to ensure efficient and effective internal controls. The adequacy and appropriateness of the Council's financial and other systems is independently monitored by both Internal and External audit.
- 7.5 The primary responsibility for the prevention and detection of fraud is with management. They must ensure that they have the appropriate controls in place, that they are operating as expected and being complied with. They must ensure that adequate levels of checks are included in working practices, particularly financial. It is important that duties are organised in such a way that no one person can carry out a complete transaction without some form of checking or intervention process being built into the system.

8. Detection and Investigation

Internal Audit

- 8.1 Internal Audit, South West Audit Partnership (SWAP) is responsible for the independent appraisal of controls and for assisting managers in the investigations of fraud and corruption.
- 8.2 SWAP includes proactive fraud work in its annual audit plan, identifying potential areas where frauds could take place and checking for fraudulent activity.

Working with others and sharing information

- 8.3 The Council is committed to working and co-operating with other organisations to prevent fraud and corruption and protect public funds. The Council may use personal information and data-matching techniques to detect and prevent fraud, and ensure public money is targeted and spent in the most appropriate and cost-effective way. In order to achieve this, information may be shared with other bodies responsible for auditing or administering public funds including, but not

limited to, the Cabinet Office National Fraud Initiative, the Department for Work and Pensions, other local authorities, HM Revenue and Customs, and the Police.

- 8.4 Somerset West and Taunton Council participates in the National Fraud Initiative (NFI). This requires public bodies to submit a number of data sets (to the Cabinet Office) for example payroll, pension, and accounts payable (but not limited to these) which is then matched to data held by public and private sector bodies. Enquires are made into any positive matches (e.g. an employee on the payroll in receipt of housing benefit).

Fraud Investigation Team

- 8.5 Powys Council carry out Fraud Investigations for SWT in respect of Counter Fraud and Error Services

Whistle-blowing

- 8.6 Despite the best efforts of officers and auditors, frauds are sometimes discovered by chance or whistle-blowing and, as indicated earlier, the Council has a Whistle-blowing Policy to enable such matters to be properly dealt with.

Investigation

- 8.7 The Council's Disciplinary Procedures are used where any investigation indicates improper conduct on the part of staff.
- 8.8 Depending on the nature and extent of the allegations, Internal Audit works closely with management and other agencies such as the Police to ensure all allegations and evidence are properly investigated and reported upon.
- 8.9 The Council expects the Police to independently prosecute offenders where financial impropriety is discovered.
- 8.10 The Council is committed to the risk based investigation of all instances of actual, attempted and suspected fraud committed against the Council and the recovery of funds and assets lost through fraud.
- 8.11 Any suspected fraud, corruption or other irregularity should be reported to the Monitoring Officer and S151 Officer. They will decide on the appropriate course of action to ensure that any investigation is carried out in accordance with Council policy and procedures, key investigation legislation and best practice. This will ensure that investigations do not jeopardise any potential disciplinary action or criminal sanctions.

9. Training and awareness







- 9.1 The successful prevention of fraud is dependent on risk awareness, the effectiveness of training (including induction) and the responsiveness of staff throughout the Council.
- 9.2 Management will provide induction and ongoing training to staff, particularly those involved in financial processes and systems to ensure that their duties and responsibilities are regularly highlighted and reinforced.
- 9.3 Internal Audit will provide fraud awareness training, where appropriate and on request.

10. Policies and Procedures – Further reading

- 10.1 In addition to this strategy there are a range of policies and procedures that help reduce the Council's fraud risks. These include:
- Anti-Bribery Policy
 - Anti-Money Laundering Policy
 - Whistleblowing Policy
 - The SWT Members Code of Conduct
 - The SWT Officers Code of Conduct
 - Disciplinary Policy
 - Financial Regulations
 - Contract Procedure Rules

11. Summary

- 11.1 SWT's Anti-Fraud Framework covers the following areas

 ulture	creating a culture in which beating fraud and corruption is part of daily business
 apability	ensuring that the range of counter fraud measures deployed is appropriate to the range of fraud risks
 ompetence	having the right skills and standards
 ommunication	raising awareness, deterring fraudsters, sharing information, celebrating successes
 apacity	deploying the right level of resources to deal with the level of fraud risk
 ollaboration	working together across internal and external boundaries: with colleagues, with other local authorities, and with other agencies; sharing resources, skills and learning, good practice and innovation, and information.

SWT Anti-Bribery Policy

1.0 Introduction

- 1.1 Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage. Bribes can take a variety of forms and might include cash, gifts and hospitality, a contract award, or gaining inside information about up and coming work. They're given to someone with the intention of influencing them to act in a way that favours an individual or a company.
- 1.2 No-one employed by, or doing business on behalf of the Council, should ever offer, make, ask for, or accept a payment, gift or favour in return for favourable treatment, or to gain a business advantage.
- 1.3 Under the UK Bribery Act 2010 it is illegal to:
- offer a bribe
 - agree to offer a bribe
 - accept a bribe
 - agree to accept a bribe
 - request a bribe
 - fail to prevent bribery in a commercial organisation (this means a company failing to have adequate procedures in place to prevent anyone associated with a company – employees, or anyone working on the company's behalf, such as a contractor or agent – committing offences against the UK Bribery Act).
- 1.4 Bribery is a criminal offence (more information in Appendix A). We do not, and will not, pay bribes or offer improper inducements to anyone for any purpose, nor will we, accept bribes or improper inducements.
- 1.5 To use a third party as a conduit to channel bribes to others is a criminal offence. We will not engage indirectly in or otherwise encourage bribery.
- 1.6 Somerset West and Taunton Council does not tolerate any form of bribery in its business and is committed to the prevention, deterrence and detection of bribery. We have zero-tolerance towards it. We aim to maintain anti-bribery compliance as "business as usual", rather than as a one-off exercise.
- 1.7 Somerset West and Taunton Council is determined to protect itself, its employees and the public from acts of Bribery, therefore it is unacceptable to:
- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given

- give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure
- accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- engage in activity in breach of this policy.

2.0 Aims and Scope of this Policy

- 2.1 This policy provides a coherent and consistent framework to enable Council employees to understand and comply with the Bribery Act 2010.
- 2.2 We require that all staff, permanent, temporary and agency:
- act honestly and with integrity at all times and to safeguard the Council's resources for which they are responsible
 - comply with the spirit, as well as the letter, of the laws under which the Council operates
- 2.3 This policy applies to all of the Council's activities. For partners, joint ventures and suppliers, we will seek to promote policies and conduct consistent with the principles set out in this policy.
- 2.4 This policy also applies to Members, volunteers and consultants.

3.0 This Council's commitment to action

- 3.1 The Council commits to:
- Setting out a clear anti-bribery policy and keeping it up to date
 - Making all employees aware of their responsibilities to adhere strictly to the policy at all times
 - Training all employees so that they can recognise and avoid the use of bribery by themselves and others
 - Encouraging employees to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately
 - Rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution
 - Taking firm and vigorous action against any individual(s) involved in bribery
 - Include appropriate clauses in contracts to prohibit bribery.

4.0 Facilitation payments

- 4.1 Facilitation payments are not tolerated and are illegal. They are unofficial payments made to public officials in order to secure or expedite actions.

5.0 Gifts and hospitality

- 5.1 Our Gifts and Hospitality policies applying to employees and Members give guidance on acceptance of gifts and hospitality.

6.0 Public contracts and failure to prevent bribery

- 6.1 Under the Public Contracts Regulations 2015, a company is automatically and perpetually debarred from competing for public contracts where it is convicted of an offence relating to bribery or corruption.

7.0 Staff responsibilities

- 7.1 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Council or under its control. All staff are required to avoid activity that breaches this policy.
- 7.2 You must ensure that you read, understand and comply with this policy. You must also raise concerns as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.
- 7.3 As well as the possibility of civil action and criminal prosecution, staff who breach this policy will face disciplinary action, which could result in dismissal for gross misconduct.

8.0 Raising a concern

- 8.1 As a first step you should normally raise concerns with your line manager, Assistant Director or Director. This depends, however, on the seriousness and sensitivity of the issues involved and who is thought to be involved. If you believe that management is involved, you should approach the Chief Executive, Monitoring Officer or S151 Officer.
- 8.2 If a Councillor(s) is involved then you should always approach the Monitoring Officer or the Chief Executive. Concerns are better raised in writing. You should set out the background and history of the concern, giving names, dates and places where possible, and the reason why you are particularly concerned about the situation. If you do not feel able to put your concern in writing, you can ask to meet the appropriate officer. The earlier you express the concern, the easier it is to take action.

- 8.3 Although you are not expected to prove the truth of an allegation, you will need to demonstrate that there are sufficient grounds for your concern and that you believe it is substantially true.
- 8.4 If you have any questions about these procedures, please contact the Monitoring Officer or S151 Officer.

9.0 Policies and Procedures – Further reading

- 9.1 In addition to this strategy there are a range of policies and procedures that help reduce the Council's fraud risks. These include:
- Anti-Fraud Strategy
 - Anti-Money Laundering Policy
 - Whistleblowing Policy
 - The SWT Members Code of Conduct
 - The SWT Officers Code of Conduct
 - Disciplinary Policy
 - Financial Regulations
 - Contract Procedure Rules

The Bribery Act 2010

There are four key offences under the Bribery Act 2010:

- bribery of another person (section 1)
- accepting a bribe (section 2)
- bribing a foreign official (section 6)
- failing to prevent bribery (section 7)

The Bribery Act 2010 (http://www.opsi.gov.uk/acts/acts2010/ukpga_20100023_en_1) makes it an offence to offer, promise or give a bribe (Section 1). It also makes it an offence to request, agree to receive, or accept a bribe (Section 2).

Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. An organisation will have a defence to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

Penalties

An individual guilty of an offence under sections 1, 2 or 6 is liable:

- On conviction in a magistrates court, to imprisonment for a maximum term of 12 months (six months in Northern Ireland), or to a fine not exceeding £5,000, or to both
- On conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both

Organisations are liable for these fines and if guilty of an offence under section 7 are liable to an unlimited fine.

Is the Council a “commercial organisation”?

The guidance states that a “commercial organisation” is any body formed in the United Kingdom and “...it does not matter if it pursues primarily charitable or educational aims or purely public functions. It will be caught if it engages in commercial activities, irrespective of the purpose for which profits are made. There are circumstances in which we will be a commercial organisation for the purposes of section 7. This policy is intended to ensure that we have in place the necessary procedures to act as a defence to a section 7 offence.

What are “adequate procedures”?

Whether the procedures are adequate will ultimately be a matter for the courts to decide on a case-by-case basis. Adequate procedures need to be applied proportionately, based on the level of risk of bribery in the organisation. It is for individual organisations

to determine proportionate procedures in the recommended areas of six principles (see below). These principles are not prescriptive. They are intended to be flexible and outcome focussed, allowing for the different circumstances of organisations. The detail of how organisations apply these principles will vary, but the outcome should always be robust and effective anti-bribery procedures.

Principle 1 - Proportionate procedures

An organisation's procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of the organisation's activities. They are also clear, practical, accessible, effectively implemented and enforced.

Principle 2 - Top level commitment

The top-level management are committed to preventing bribery by persons associated with it. They foster a culture within the organisation in which bribery is never acceptable.

Principle 3 - Risk Assessment

The organisation assesses the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment is periodic, informed and documented. It includes financial risks but also other risks such as reputational damage.

Principle 4 - Due diligence

The organisation applies due diligence procedures, taking a proportionate and risk based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

Principle 5 - Communication (including training)

The organisation seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

Principle 6 - Monitoring and review

The organisation monitors and reviews procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.

This Council is committed to proportional implementation of these principles.

SWT Anti-Money Laundering Policy

1.0 Introduction

- 1.1 Money laundering can be defined as “a process that makes money with an illegal origin appear legal so that it may be used”. Legislation concerning money laundering (the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017 (as amended)) has broadened the definition of money laundering and increased the range of activities caught by the statutory framework. As a result, the obligations now impact on areas of local authority business and require local authorities to establish internal procedures to prevent the use of their services for money laundering.

2.0 Scope of the Policy

- 2.1 This Policy applies to all employees of the Council and aims to maintain the high standards of conduct that currently exist within the Council by preventing criminal activity through money laundering. The Policy sets out the procedures, which must be followed (for example the reporting of suspicions of money laundering activity) to enable the Council to comply with its legal obligations. Within this policy the term employees refers to all employees as well as elected Members.
- 2.2 Anti-money laundering legislation places responsibility upon Council employees to combat money laundering and covers a very wide area of financial transactions, including possessing, or in any way dealing with, or concealing, the proceeds of any crime. It applies to all employees involved with monetary transactions.
- 2.3 Under the legislation it is a criminal offence to:
- Assist a money launderer;
 - **Inform** a person suspected to be involved in money laundering that they are suspected or that they are the subject of police investigations;
 - Fail to report a suspicion of money laundering and;
 - Acquire, use or possess criminal property.

3.0 Purpose

- 3.1 The legislative requirements concerning anti-money laundering procedures are extensive and complex. This Policy has been written to enable the Council to meet the legal requirements in a way that is proportionate to the risk to the Council of contravening this legislation.
- 3.2 The object of this policy is to make all employees aware of their responsibilities and the consequences of non-compliance with this policy.

- 3.3 An employee could potentially be caught within the money laundering provisions if they suspect money laundering and either become involved with it in some way and /or do nothing about it.
- 3.4 Whilst the risk to the Council of contravening the legislation is low, it is extremely important that all employees are familiar with their legal responsibilities:
Employees contravening the regulations can be faced with imprisonment (up to 14 years), a fine or both.

4.0 Money Laundering Requirements

- 4.1 Provision of training to relevant officers and staff (or contractors' staff) on the requirements of the legislation, including the identification of suspicious transactions, identity verification and reporting procedures.
- 4.2 Establishment of procedures for employees to report any suspicions to the Money Laundering Reporting Officer ("MLRO") – i.e. Paul Fitzgerald, Assistant Director – Finance and S151 Officer.
- 4.3 Designation of an officer as the Money Laundering Reporting Officer, who will receive any report, keep records and if considered appropriate, make reports to the National Criminal Intelligence Service (NCIS) - i.e. Paul Fitzgerald, Assistant Director – Finance and S151 Officer.
- 4.4 Under the legislation employees dealing with money transactions will be required to comply with certain procedures.

5.0 Procedures

- 5.1 When do I need to identify the person I am dealing with?
- When the Council is carrying out relevant business and: -
 - a) Forming a business relationship: or
 - b) Considering undertaking a one off transaction
- And: -
- a) Suspect a transaction involves money laundering; or
 - b) A payment is to be made for a series of linked one off transactions involving total payment of £10,000 (15,000 Euro) or more.
- 5.2 Not all of the Council's business is "relevant" for the purposes of the legislation regarding client identification. Relevant services as defined by the legislation include investments, accountancy and audit services and the financial, company and property transactions undertaken the council.
- 5.3 What Procedures do I use to identify the person?

Any employee involved in a relevant business should ensure the client provides satisfactory evidence of their identity personally, through passport/ photo driving license plus one other document with their name and address e.g. utility bill (not mobile) mortgage/building society/bank documents, card documents, pension/benefit book. Or corporate identity, this can be through company formation documents or business rates.

In circumstances where the client cannot be physically identified the employee should be aware: -

- a) That there is greater potential for money laundering where the client is not physically present when being identified;
- b) If satisfactory evidence is not obtained the relationship or the transaction should not proceed;
- c) If the client acts, or appears to act for another person, reasonable measures must be taken for the purposes of identifying that person.

Record Keeping Procedures

- 5.4 Each Service of the Council and contractors working for the Council conducting relevant business must maintain records of: -
 - a) Client identification evidence obtained; which must be kept for five years after the end of the transaction or relationship;
 - b) Details of all relevant business transactions carried out for clients for at least five years from the completion of the transaction. This is so that they may be used as evidence in any subsequent investigation by the authorities into money laundering. The Money Laundering Reporting Officer, must be informed of the existence and location of such records.
- 5.5 The precise nature of the records are not prescribed by law, however, they must provide an audit trail during any subsequent investigation, e.g. distinguishing the client and the relevant transaction and recording in what form any funds were received or paid.

6.0 The Money Laundering Reporting Officer

- 6.1 The Officer nominated to receive disclosures about money laundering activity within the Council is Paul Fitzgerald (Assistant Director – Finance and S151 Officer) i.e. The Money Laundering Reporting Officer (MLRO).
- 6.2 The Deputy Money Laundering Reporting Officers are Amy Tregellas (Monitoring Officer) and Steve Plenty (Finance Service Manager).

7.0 Internal Reporting Procedure

- 7.1 Where an employee is aware, that money laundering may have taken place (or may be taking place), he or she must contact the MLRO for guidance as soon as possible regardless of the amount being offered. In such circumstance, no money may be taken from anyone until this has been done.
- 7.2 Any person knowing or suspecting money laundering, fraud or use of the proceeds of crime must report this to the MLRO on the form(s) as attached.
- 7.3 Upon receiving the report the MLRO will consider all of the admissible information in order to determine whether there are grounds to suspect money laundering.
- 7.4 If the MLRO determines that the information or matter should be disclosed it would be reported to the National Criminal Intelligence Service (NCIS).
- 7.5 At no time and under no circumstances should an employee voice any suspicions to the person(s) suspected of money laundering, even if the NCIS has given consent to a particular transaction proceeding, otherwise the employee may be committing a criminal offence of informing. Therefore, no reference should be made on a client file to a report having been made to the MLRO. Should the client exercise their right to see the file, then such a note will obviously tip them off to the report having been made and may render the employee liable to prosecution. The MLRO will keep the appropriate records in a confidential manner.

8.0 Other Procedures

- 8.1 The Council will establish other procedures of internal control and communication as may be appropriate for the purpose of forestalling and preventing money laundering:
- **Regular receipts** - The Council in the normal operation of its services accepts payments from individuals and organisations e.g. in relation to council tax, sundry debtors etc. For all transactions under £2,000 the Money Laundering regulations do not apply but if an employee has reasonable grounds to suspect money laundering activities or proceeds of crime or is simply suspicious, the matter should still be reported to the MLRO.
 - **Cash receipts** – If the money offered in cash is £10,000 or more, then payment must not be accepted until the employee has received guidance from the MLRO or DMLRO.
 - **Refunds**- Care will need to be taken especially with the procedures for refunds. For instance, a significant overpayment that results in a repayment will need to be properly investigated and authorised before payment. **Note – all refunds should be made only to the source of the payment and not a**

different account. In the event of any suspicious transactions, the MLRO will be contacted to investigate the case. The possible perpetrator should not be informed.

- **Training** – The Council will take, or require its contractor to take, appropriate measures to ensure that relevant employees are:
 - a) Made aware of the provisions of these regulations, (under the Proceeds of Crime Act 2002, and the Money Laundering Regulations 2007 (as amended));
 - b) Given training in how to recognise and deal with transactions that may be related to money laundering.

9.0 Money Laundering Warning Signs

9.1 The following examples could indicate that money laundering is taking place:

- Transactions or trade that appear to make no commercial or economic sense from the perspective of the other party - a money launderer's objective is to disguise the origin of criminal funds and not necessarily to make a profit. A launderer may therefore enter into transactions at a financial loss if it will assist in disguising the source of the funds and allow the funds to enter the financial system.
- Large volume/large cash transactions - all large cash payments should be the subject of extra care and before accepting cash the reasons for such payments should be fully understood. Payments should be encouraged through the banking system to avoid problems.
- Payments received from third parties - money launderers will often look to legitimate business activity in order to assist in 'cleaning' criminal funds and making payments on behalf of a legitimate company can be attractive to both parties. For the legitimate company it can be useful source of funding and for the launderer the funds can be repaid through a banking system.

9.2 Examples of tell-tale signs of organised money laundering: -

1. Use of cash where other means of payment are normal
2. Unusual transactions or ways of conducting business
3. Unwillingness to answer questions/ secretiveness generally
4. Use of overseas companies
5. New companies
6. Overpayments of Council Tax where refunds are needed.

Disclosure Form to MLRO

Please complete and return to Paul Fitzgerald, Assistant Director Finance & S151 Officer

Date of disclosure

Date of event

Officer making disclosure:

Job title of officer:

Telephone details:

SUBJECT DETAILS

Title:

Surname:

Forename:

DoB:

IN THE CASE OF A LEGAL ENTITY (COMPANY)

Name:

Address:

Company Number (If known)

Type of Business:

VAT no (if known)

REASON FOR DISCLOSURE

Please provide an explanation of the activity and amounts. If you know or suspect what the offence behind the reported activity may be please provide details.

RECEIVED BY MLRO

Reference:

Date:

Signature:

SWT Whistle-blowing Policy

1.0 Introduction

- 1.1 Somerset West and Taunton District Council is committed to the highest possible standards of openness and accountability. In line with that commitment we expect both employees and members of the public who have serious concerns about any aspect of the Council's work to come forward and voice their concerns.
- 1.2 Whether you are an employee or a member of the public, you might be the first to realise that there may be something seriously wrong within the Council. This policy is intended to encourage and enable employees and members of the public to raise concerns within the Council rather than overlooking a problem.
- 1.3 This policy also explains how you can raise a concern without fear of victimisation, subsequent discrimination or disadvantage.

2.0 Who can use this policy?

- All members of the public
- All Employees (including Contractors, Agency and Temporary staff)
- External Contractors
- Suppliers
- Service providers

3.0 What is included in the policy?

- 3.1 There are existing procedures in place to enable staff to lodge a grievance relating to their own employment. This policy is intended to cover concerns that fall outside the scope of the grievance procedure. Thus any serious concern that a member of staff or a member of the public has about any aspect of service provision or the conduct of officers or members of the Council or others acting on behalf of the Council can and should be reported under this policy
- 3.2 This concern may be about something that is:
 - unlawful
 - against the Council's Standing Orders, Financial Procedure Rules and policies
 - against established standards of practice
 - improper conduct
 - amounts to malpractice
 - posing a danger to the health and safety of individuals

- likely to cause damage to the environment
- other conduct that gives you cause for concern

Please note that this is not a comprehensive list but is intended to illustrate the range of issues which might be raised under this Code.

4.0 Safeguards, Harassment or Victimisation

- 4.1 The Council recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisals from those who may be guilty of malpractice or from the Council as a whole. The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action in order to protect a person who raises a concern where they reasonably believe that the disclosure they are making is in the public interest even if they were mistaken. In addition employees have statutory protection against reprisals under the Public Interest Disclosure Act 1998 as revised by the Enterprise and Regulatory Reform Act 2013 and can refer their case to an Industrial Tribunal.

Confidentiality

- 4.2 As far as possible, the Council will protect the identity of any employee or member of the public who raises a concern and does not want his/her name to be disclosed, but this confidentiality cannot be guaranteed. It must be appreciated that any investigation process may reveal the source of the information and a statement by the person reporting the concern may be required as part of the evidence. Where an employee or member of the public has requested that their identity not be revealed, the Council will discuss the matter with them before embarking on any course of action whereby their identity will need to be disclosed.

Anonymity

- 4.3 Concerns expressed anonymously will be considered at the discretion of the Council although it must be appreciated that it is inherently difficult to investigate concerns expressed this way. It is hoped that the guarantees contained in this policy will provide sufficient reassurance to staff to enable them to raise concerns in person. However, in exercising the discretion, the factors to be taken into account would include:
- The likelihood of obtaining the necessary information
 - The seriousness of the issues raised
 - The specific nature of the complaint
 - The duty to the public.

False and Malicious Allegations

- 4.4 The Council will not tolerate the making of malicious or vexatious allegations. Acts of this nature will be treated as serious disciplinary offences. Disciplinary action, including summary dismissal for serious offences, will be taken against any employee found to have made malicious or vexatious claims.
- 4.5 In line with the Somerset West and Taunton Council Complaints Procedure examples of vexatious allegations are persistently complaining about a variety or number of different issues, persistently making the same complaint but not accepting the findings of any properly conducted investigation, and/or seeking an unrealistic outcome.
- 4.6 In addition a concern which is genuinely believed may prove to be unfounded on investigation – in which case no action will be taken against the person who raised the concern.
- 4.7 The Council will try to ensure that the negative impact of either a malicious or unfounded allegation about any person is minimised.

5.0 How to raise a concern if you are a member of the Public

- 5.1 You can raise your concern(s) with any of the following officers:

- Monitoring Officer – Amy Tregellas
a.tregellas@somersetwestandtaunton.gov.uk
- S151 Officer – Paul Fitzgerald
p.fitzgerald@somersetwestandtaunton.gov.uk
- Director of Internal Operations – Alison North
a.north@somersetwestandtaunton.gov.uk

If you would rather telephone – the number is 0300 304 8000

6.0 How to raise a concern if you are an employee of the Council

- 6.1 You should normally raise your concern(s) with your people manager or their manager. This depends, however, on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice. If you prefer (for whatever reason) or if you believe that management is involved, you can contact one of the individuals listed above.
- 6.2 Alternatively you can get confidential advice from your trade union or professional association. There is an independent charity called Public Concern at Work (020 7404 6609) www.pcaw.co.uk who have lawyers who

can give independent advice at any stage about how to raise a concern about serious malpractice at work.

- 6.3 You can also invite your trade union or professional association to raise a matter on your behalf.

7.0 Members of the Public and Employees

- 7.1 Concerns can either be raised orally or in writing. Normally it is preferable to put your concern in writing.

What you need to include

It would be helpful to us if you could provide the following information

- background
- the history
- reason for your concern
- names
- dates
- places

- 7.2 A flow diagram of the process is shown at the end of this Policy document.

8.0 How the Council will respond

- 8.1 The action taken by the Council will depend on the nature of the concern. Where appropriate, the concern(s) raised will be:

- investigated by senior management, internal audit (SWAP) or through the disciplinary process
- referred to the police
- form the subject of an independent inquiry

- 8.2 In order to protect the individual and the Council, an initial investigation will be carried out to decide whether a full investigation is appropriate and, if so, what form it should take. Concerns or allegations which fall within the scope of specific procedures (for example fraud, theft and corruption) will normally be referred for consideration under those procedures.

- 8.3 It should be noted that some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this would be taken before any investigation is completed.

- 8.4 Within ten working days of a concern being raised, the officer that you have raised your concern with will write to you:

- acknowledging that the concern has been received
 - indicating how he proposes to deal with the matter
 - Giving an estimate of how long it will take to provide a final response
- 8.5 If it is impossible for initial inquiries to be completed within ten working days, the situation will be explained in the letter of acknowledgement. Where a decision is made that no investigation will take place, the reasons for this will be provided.
- 8.6 The amount of contact between the officers considering the issues and you raising the concern will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information may be sought from the person raising the concern.
- 8.7 Where any meeting is arranged, you have the right to be accompanied by a union or professional association representative, relative or a friend who is not involved in the area of work to which the concern relates.
- 8.8 The Council will take appropriate steps to minimise any difficulties which you may experience as a result of raising a concern. For example, if an employee is required to give evidence in criminal or disciplinary proceedings, the Council will need to inform them and consider what steps are required to provide support.
- 8.9 The Council accepts that by raising a concern, you will need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will receive as much information as possible about the outcomes of any investigation.

9.0 How the Concern can be taken further

- 9.1 This policy is intended to provide you with an avenue to raise concerns within the Council. The Council hopes you will be satisfied with any action taken. If you are not satisfied with the outcome of your confidential allegation you can write to the Chief Executive and ask for the investigation and outcome to be reviewed. If you remain dissatisfied and you feel it is right to take the matter outside the Council, you may wish to take advice from your trade union, your local Citizens Advice Bureau, any of the external agencies listed in this policy, or your legal advisor on the options that are available to you.
- 9.2 Another option is that you may wish to rely on your rights under the Public Interest Disclosure Act 1998. This Act gives you protection from victimisation if you make certain disclosures of information in the public interest. The

provisions are quite complex and include a list of prescribed persons outside of the Council who can be contacted in certain circumstances. You should seek advice on the effect of the Act from the Monitoring Officer.

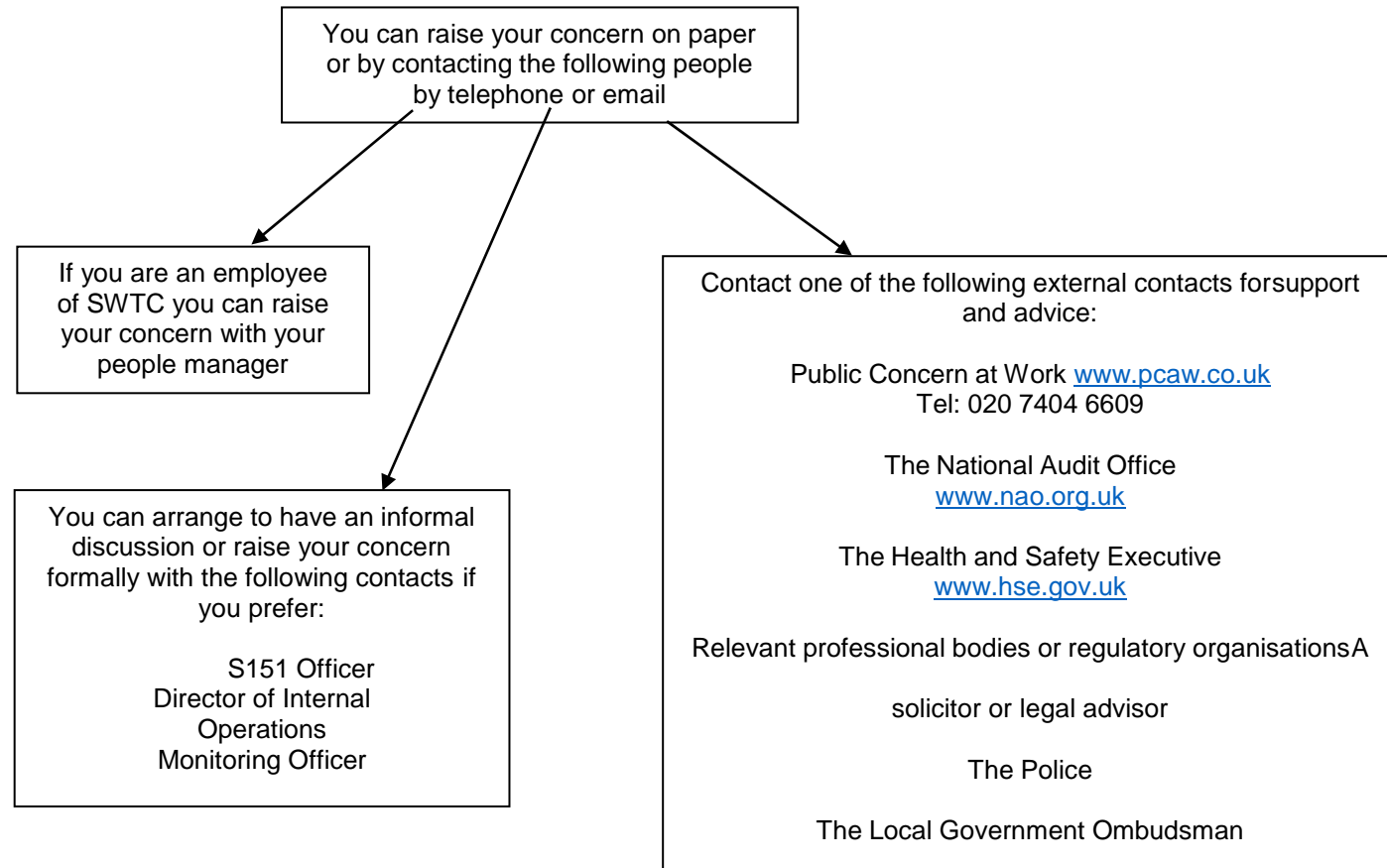
- 9.3 If you do take the matter outside the Council, you need to ensure that you do not disclose information where you owe a duty of confidentiality to persons other than the Council (e.g. service users) or where you would commit an offence by making such disclosures. This is something that you would need to check with one of the officers listed in “How to Raise a Concern” at the end of this Policy document.

10.0 The Role of the Monitoring Officer

- 10.1 The Monitoring Officer is responsible for ensuring that the Council adheres to this Policy. Their contact details are documented in this policy should you have any concerns with it. The Monitoring Officer is also responsible for reporting to the Council on any findings of improper or unlawful conduct following an investigation.

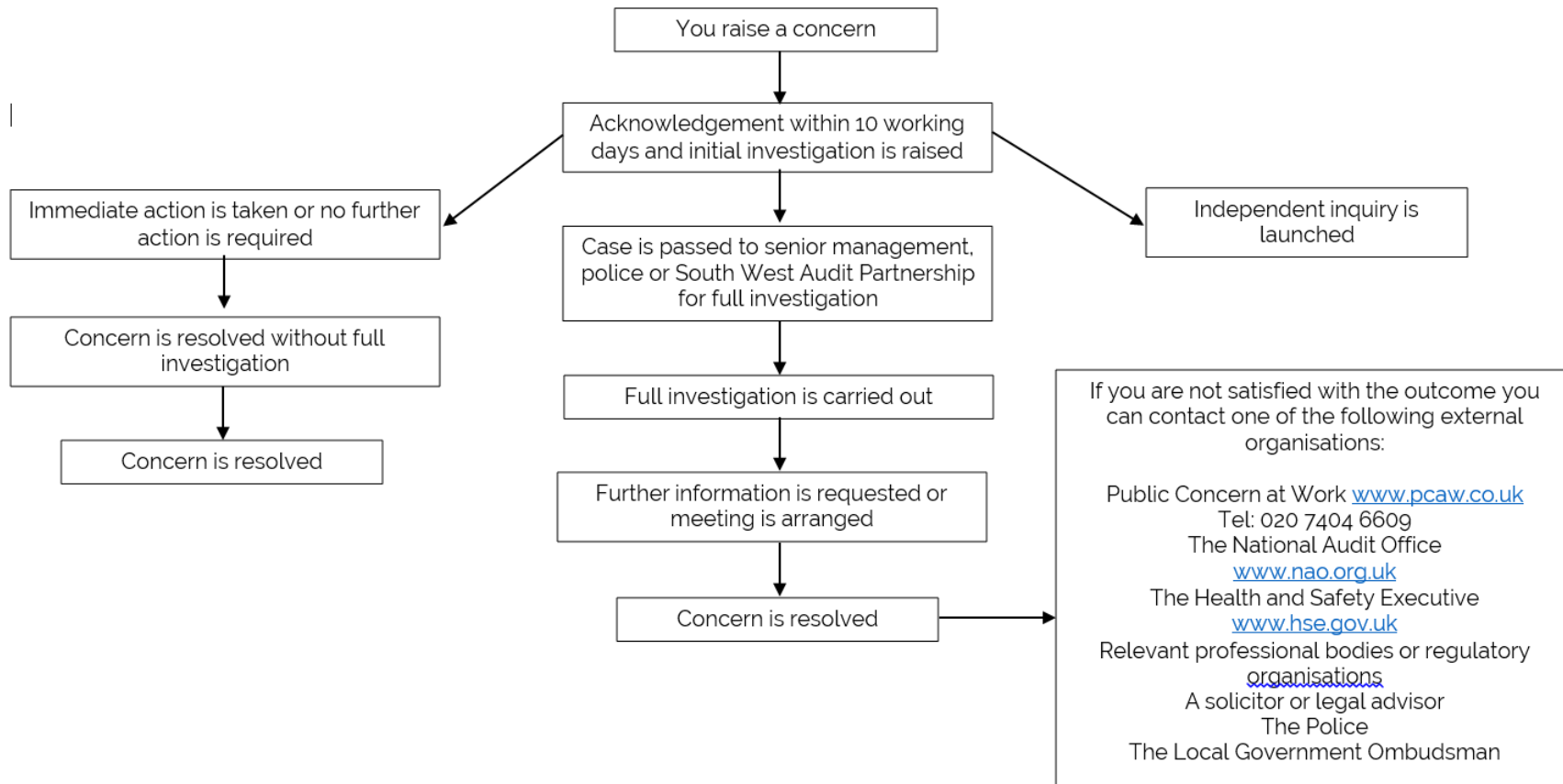
SWT Council Whistleblowing Policy

How to Raise Your Concern



SWT Council Whistleblowing Policy

How We Will Respond to Your Concern



Somerset West and Taunton Council

Audit, Governance and Standards Committee – 12 April 2021

Landlord Health and Safety Property Compliance Update Report

This matter is the responsibility of Executive Councillor Member Francesca Smith

Report Author: Ian Candlish, Assistant Director Housing Property

Report Date: 12th April 2021

1 Executive Summary / Purpose of the Report

- 1.1 This report provides an updated position for the main landlord health and safety property compliance disciplines. The Covid-19 pandemic continues to significantly impact upon our ability to progress with a number of the required actions since the last update provided to the Audit, Governance and Standards Committee on 7th December 2020. As well as resourcing issues (both internally, and for contractors), obtaining access from some vulnerable tenants who are shielding or are anxious about allowing people into their homes during the latest lockdown continues to create difficulties in maintaining compliance in some areas. However, we have continued with all compliance activities throughout the latest lockdown and have made considerable progress in many compliance areas.
- 1.2 In addition, an internal audit on Housing Compliance Governance and Reporting Processes has been carried out. This had an objective 'To provide assurance that housing compliance governance and reporting processes are adequately designed and operating effectively'. This provided an Assurance Opinion of 'Reasonable', with seven priority actions to be completed. We are developing a plan to undertake these actions.
- 1.3 The information within this report summarises the current compliance of Somerset West and Taunton Council in relation to the following six key areas:
 - Asbestos management
 - Electrical safety
 - Fire safety
 - Gas safety
 - Lift and Stair-lift management
 - Water safety

Each compliance area is monitored separately as defined by properties contained within either the Council's Housing Revenue Account (HRA) or General Fund (GF) accounts. HRA Blocks refer to all communal area(s) within the block (including any meeting halls), HRA Commercial refers to non-residential properties (e.g. shops or offices), HRA Dwellings refers to the individual property (e.g. house, bungalow, flat, etc.) and GF Property refers to the entire building.

1.4 The report identifies:

- Somerset West and Taunton Council's current compliance status (as at 19th March 2021).
- Comparative performance from the previous report submitted on 7th December 2020 wherever possible. This is shown in brackets on each dataset on the relevant table. Table properties have changed since the last report following completion of a validation process of required compliance activities, and the separation of properties for ease of servicing and reporting.
- Achievements and successes since the last report.
- Issues adversely affecting compliance and action being taken.
- Regulations / legislation which affects the way Somerset West and Taunton Council manages its property safety compliance.

1.5 Risk ratings and timescales:

- Somerset West and Taunton Council will review and where suitable use the ratings and timescales suggested by its approved contractors when receiving an inspection report.
- Where no timescales are given by the contractor, Somerset West and Taunton Council timescales as set out in its relevant policies will be adopted.
- Hazards deemed as urgent or as emergency works will be actioned as soon as reasonably practicable. This may include restricting access to areas immediately until the hazard can be removed.
- Somerset West and Taunton Council may at times review hazards and change their priority if the original priority does not reflect the current use of the building or if there has been additional measures put in place that reduces the overall risk.

1.6 The information presented within this report has been compiled from data supplied by the Housing Property team, persons responsible for compliance works, the facilities team and external contractors.

1.7 A review of all compliance areas against every property for which Somerset West and Taunton Council has property compliance responsibility has been undertaken. This review has led to improved data, resulting in an updated property compliance database which provides an improved monitoring capability for this activity, and an increased level of assurance on performance. As a result of this work, it should be noted that some of the existing property numbers have changed.

1.8 Following on from this review, we are continuing to pursue an approach that all potential compliance activities require checking. This task is considerable – there are over 18,000 property compliance checks required over the Council's overall stock portfolio, ranging from weekly checks to 5 yearly inspections. If there is any doubt about the validity of a previous survey or inspection we will re-inspect, or if best practice, or a change in regulations has occurred, we will programme in the necessary works. We have currently undertaken 94.9% of these validation inspections, with those outstanding due to a technical inspection being required which will be carried out as part of future Water Risk Assessments (WRA's), which have been programmed in.

1.9 A summary of key activities and successes since the last report include:

- Ongoing validation of all compliance areas against every property for which Somerset West and Taunton Council has property compliance responsibility.
- Further reassessment of suitable Risk Assessment and Method Statements (RAMS) to mitigate against Covid-19 risks to residents, staff and contractors.
- Additional procurement activity to deliver programmes of work to ensure 100% compliance; including water safety servicing, maintenance and remedial work, and additional electrical certification and remedial works.
- Production of a new compliance policy and associated procedures for Electrical Safety, and Lifts and Lifting Equipment.
- Continuing with Fire Risk Assessments and recommended remedial actions and maintenance inspections.
- Undertaking Gas Safety checks.
- Continuing with Water Risk Assessments and recommended remedial actions and maintenance inspections.
- Completion of an Internal Audit on Housing Compliance governance and Reporting Processes.

1.10 Whilst the works outlined in this report are undertaken to ensure safety, a number of them have a consequential effect of mitigating negative impacts on the environment and climate change. For example, regular servicing of gas boilers to maximise their efficiency, and fire safety measures to reduce the likelihood of fires occurring (such as fire safety housekeeping) both minimise the release of harmful emissions.

2 Recommendation

2.1 The contents of the report and progress being made in relation to landlord property safety compliance be noted.

3 Risk Assessment

3.1 Somerset West and Taunton Council has an obligation to comply with landlord statutory health and safety responsibilities. The required arrangements for managing these responsibilities are in place and activities are carried out in accordance with the relevant regulations, approved codes of practice and associated HSE guidance. These provide the default position of the organisation whether or not internal procedures, policies and practices exist.

4 Background and Full Details of the Report

4.1 Asbestos Management

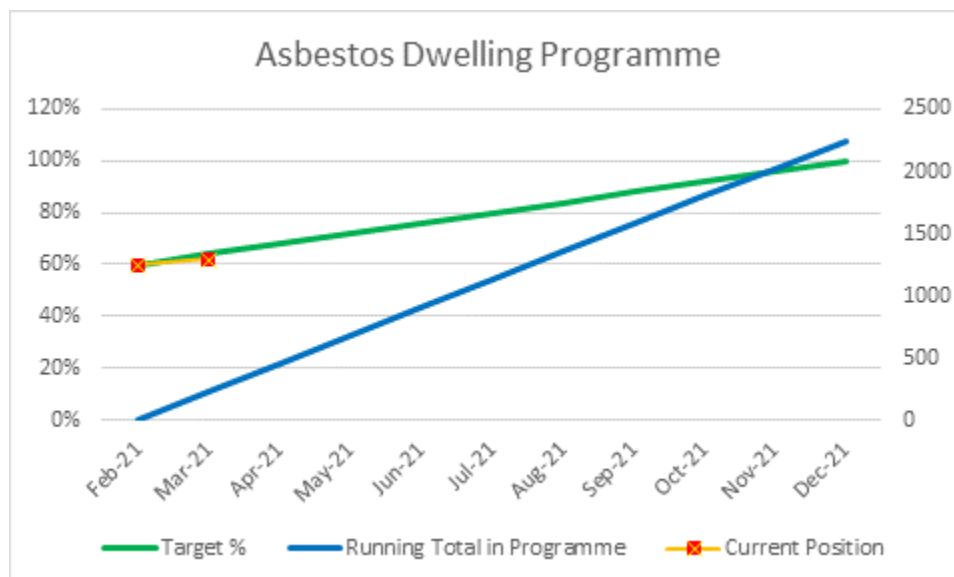
4.1.1 Further positive activities have been undertaken to progress asbestos management since the last report to this committee. Additional asbestos management surveys by specialist external contractors have been undertaken, together with the in-house re-inspection programme within our communal areas. Detailed updates are provided below.

- 4.1.2 Somerset West and Taunton Council has a legal duty to manage asbestos containing materials within areas deemed as non-domestic, as outlined in Regulation 4 of the Control of Asbestos Regulations 2012 (CAR2012). It should be noted that any domestic property where works are to be undertaken is deemed as a workplace under the Health and Safety at Work Act 1974, and therefore will require asbestos information to be supplied as part of the pre-construction information. This is a requirement of the Construction (Design and Management) Regulations 2015 (CDM 2015).
- 4.1.3 Somerset West and Taunton Council holds an Asbestos Register containing relevant asbestos information to keep its staff, contractors and visitors safe during normal activities. This information is held within a cloud based server and as a hard copy (commercial properties only) in the building compliance folder.
- 4.1.4 Somerset West and Taunton Council holds asbestos information on both its housing stock and GF Property. However, following a review of the data held, it has been decided that only surveys undertaken after August 2018 (which follow a more robust methodology) will be used to manage asbestos containing materials and supplied to contractors as pre-construction information. This will ensure that a detailed asbestos register of SWT's stock portfolio is maintained and surveys are suitable for works being carried out. Asbestos surveys to communal areas of flat blocks where required by Regulation 4 of CAR2012 have been undertaken, and a programme of updated domestic surveys to validate those currently held by the Council is underway. The approved Asbestos Procedures document allows for safe management of asbestos pending completion of these surveys, e.g. prior to undertaking construction work when asbestos-containing materials are most likely to be disturbed a 'refurbishment and demolition survey' is undertaken, and all void properties have an asbestos management survey undertaken prior to re-letting.
- 4.1.5 The following table provides an update of the current position in relation to asbestos surveys undertaken post-August 2018. **Where properties are found to contain asbestos (except for dwellings) they will be subject to future re-inspection.**

Property Account Type	Number of Properties	Number Surveyed	Future Re-inspection	Percentage Surveyed
HRA - Blocks	524	524	410	100% (100%)
HRA – Meeting Halls	18	18	9	100%
HRA – Guest Rooms	10	10	6	100%
HRA – Dwellings	5598	3449	N/A	62% (52%)
HRA - Commercial	3	3	1	100% (100%)
GF – All Properties	50	50	25	100% (96%)

Note: The programme of asbestos management surveys for HRA Dwellings is programmed for completion by December 2021.

4.1.6 The following graph shows progress of the HRA Dwellings asbestos management survey programme:



Note: We continue to have a number of refusals during the current lockdown period due to difficulty obtaining access from some vulnerable tenants who are shielding or are anxious about allowing people into their homes.

4.1.7 Following the asbestos surveys undertaken, where we have found asbestos present we have instigated a re-inspection programme. The following table provides an update of the current position in relation to asbestos re-inspections:

Property Account Type	Number of Properties	Number Surveyed	Percentage Surveyed
HRA - Blocks	410	410	100% (100%)
HRA – Meeting Halls	9	9	100% (100%)
HRA – Guest Rooms	6	6	100% (100%)
HRA - Commercial	1	1	100% (100%)
GF – All Properties	25	25	100% (97%)

4.2 Electrical Safety

4.2.1 Completion of electrical safety checks has been challenging during the Covid-19 pandemic. External contractors have experienced a high level of appointment refusals, in-house electricians have been required to focus on emergency electrical repairs, and difficulties with in-house staff resources due to self-isolation has made progress problematic.

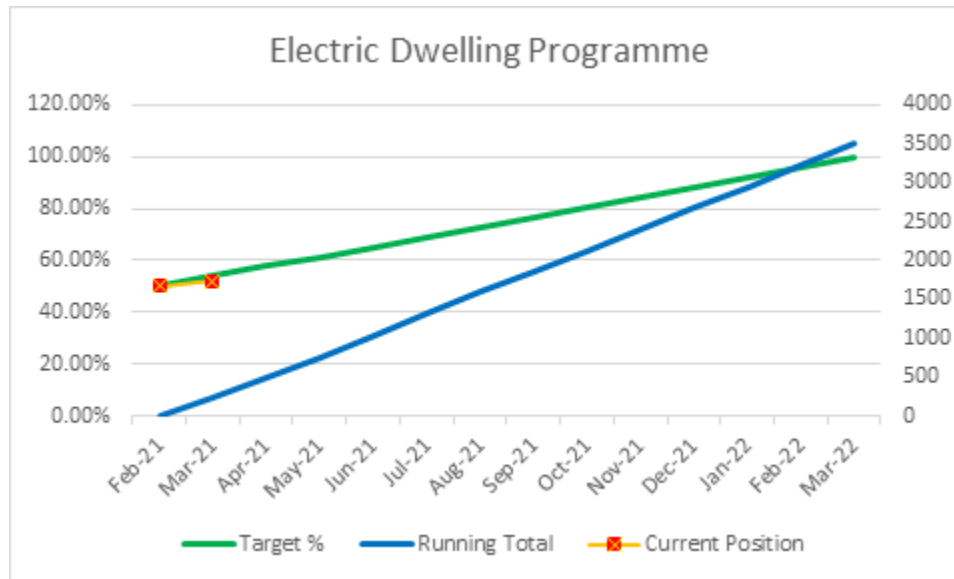
4.2.2 Somerset West and Taunton Council have a duty to periodically inspect and test electrical installations within its stock. All void properties have an electrical inspection undertaken prior to re-letting.

- 4.2.3 Somerset West and Taunton Council have an Electrical Safety Policy and associated procedures in place.
- 4.2.4 Somerset West and Taunton Council have adopted the following periodic inspections:
- Domestic Properties – 5 year cycle
 - Common Parts of domestic buildings – 5 year cycle
 - Commercial buildings owned and operated by SWT – As recommended from previous test certificate
- 4.2.5 Inspections are actively monitored by both the Housing Property team and the Property Compliance team to ensure that the periodic inspection regime is suitable from the amount and type of remedial works that are identified following inspection.
- 4.2.6 All electrical inspections are currently being undertaken by external contractors, project managed by the Housing Property team.
- 4.2.7 All Code 1 hazards ('Danger present - Risk of injury') which are identified during the inspection are rectified on site, and if they cannot be rectified the areas are made safe until works can be completed. Code 2 hazards ('Potentially dangerous') are programmed to be undertaken urgently. Any Code 3 hazards ('Improvement recommended') are reviewed and, if required, are included in future planned programmes.
- 4.2.8 The following table provides an update of the current position in relation to electrical inspections:

Property Account Type	Number of Properties	Number Inspected	Percentage Compliant
HRA - Blocks	337	335	99% (87%)
HRA – Meeting Halls	18	18	100% (94%)
HRA – Guest Rooms	10	10	100% (90%)
HRA - Dwellings	5727	2952	52% (47%)
HRA - Commercial	3	3	100% (67%)
GF - Properties	51	46	90% (92%)

Note: Electrical tests to HRA Dwellings are due for completion by end March 2022. All GF - Properties electrical tests have been undertaken, however the inspection reports are being validated as part of the rigorous process to check all data entered prior to being recorded as complete.

4.2.9 The following graph shows an updated HRA Dwellings programme for electrical inspections:



Note: During the course of this programme 732 electrical inspection certificates will expire – these have been included in this programme.

4.2.10 Portable Appliance Testing (PAT) is a statutory requirement under the Health and Safety at Work Act 1974, Electricity at Work Regulations 1989, Provision and Use of Work Equipment Regulations 1988, and the Management of Health and Safety Regulations 1999 to ensure electrical safety of portable electrical appliances.

The following table provides an update of the current position in relation to electrical portable appliances:

Property Account Type	Number of Properties	Number Inspected	Percentage Compliant
HRA - Blocks	0	0	N/A
HRA – Meeting Halls	18	13	72% (100%)
HRA – Guest Rooms	9	5	56% (100%)
HRA - Commercial	2	2	100%
GF - Properties	12	12	100%

Note: HRA – Meeting Halls and HRA – Guest Rooms are not currently in use due to the Covid lockdown. All PAT testing will be undertaken prior to reopening.

4.3 Fire Safety

4.3.1 Progress on fire safety continues to be challenging during the second lock down of the Covid-19 pandemic. However, a significant progress with our programme of new Fire Risk Assessments (FRA's) and remedial actions has been achieved. In

addition, following recommendations within FRA's to undertake further validation to check compliance of existing fire doors, these have been undertaken and have established a need to develop a further programme of replacement doors. Details of this programme will be provided to the next committee meeting.

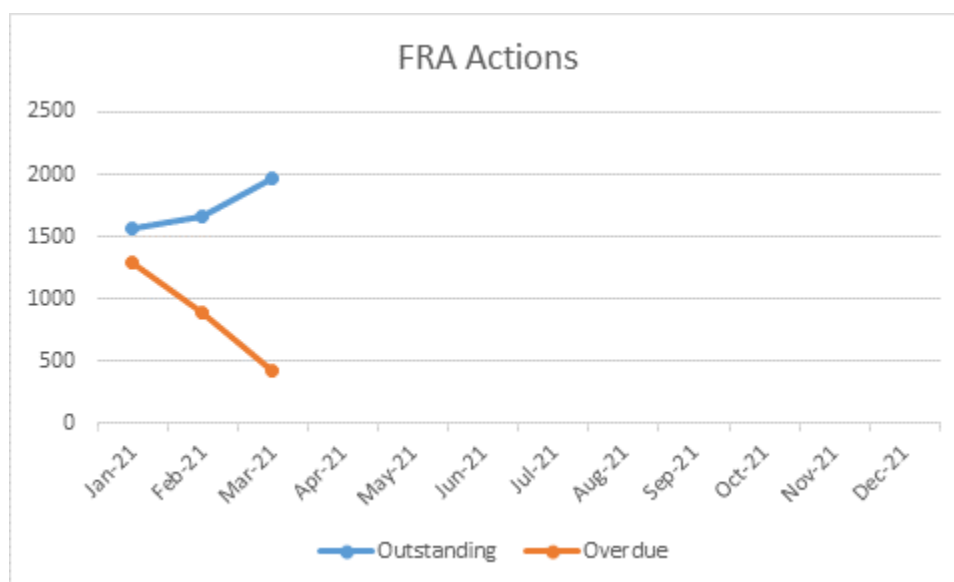
- 4.3.2 The Chief Executive is Somerset West and Taunton Council's responsible person – as defined in Article 3 of the Regulatory Reform (Fire Safety) Order 2005 (RRFSO2005). Article 9 of the RRFSO2005 requires that the responsible person must make a suitable and sufficient assessment of the risks to which relevant persons are exposed for the purpose of identifying the measures they need to take. To satisfy this requirement, Somerset West and Taunton Council undertake fire risk assessments to all properties deemed as non-domestic, including the communal areas of domestic buildings.
- 4.3.3 The duty to ensure that Article 9 of the RRFSO2005 is met is the responsibility of the Assistant Director Housing Property.
- 4.3.4 Somerset West and Taunton Council have a Fire Safety Policy and associated Procedures to ensure it manages this compliance activity in its property portfolio safely and in line with relevant legislation.
- 4.3.5 Current legislation states that Fire Risk Assessments should be reviewed regularly or when circumstances change relating to the property and / or its occupants.
- 4.3.6 Somerset West and Taunton Council have adopted the following timescales for fire risk assessment based on a risk rating:
- Communal areas to domestic blocks (excluding sheltered blocks) – Biennial with a review annually
 - Communal areas to sheltered blocks - Annually
 - Commercial Properties – Annually
 - Any high-risk properties identified via FRA's – Annually
- 4.3.7 All HRA blocks are 'low rise' (the majority of which are two storey), are mainly of traditional construction, and do not have any aluminium composite material (ACM) type cladding.

The following table provides an update of the current position in relation to fire risk assessments:

Property Account Type	Number of Properties	Number Inspected	Percentage Compliant
HRA - Blocks	332	332	100% (45%)
HRA – Meeting Halls	18	17	94% (28%)
HRA – Guest Rooms	10	3 (8)	80% (30%)
HRA - Commercial	4	4	100% (100%)
GF - Properties	28	20	71% (71%)

Note: All outstanding FRA's are programmed for completion by end April 2021.

4.3.8 All remedial actions raised from FRA's are validated and required works actioned by the Property Compliance team, Housing Property team and the Housing team. These actions have been added to a programme of works which are being actively progressed. The following chart demonstrates this year's performance on FRA remedial actions:



Note: The number of outstanding FRA actions has increased following the recent accelerated programme of FRA's undertaken. However, the number of overdue actions has decreased despite this, due to a redeployment of resources within our Housing Property team during the current lockdown period.

The following table shows the current outstanding remedial actions:

Remedial Action Type	Number of Outstanding Actions	Number of Overdue Actions
Bin Store	1	1
Communal Fire Doors	191	97
Compartmentalisation	167	18
Compliance Management	57	12
Detection and Alarm	228	5
Electrical Improvement	259	80
Emergency lighting	160	8
Fire Signage	151	18
Flat Entrance Fire Doors	403	127
Flat Store Fire Doors	27	9
Flooring	21	21
Housekeeping	1	1
Means of Escape	16	0
Repairs, Testing and Maintenance	120	10
Tenancy Management	166	15

Total	1968 (1674)	422 (733)
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Note: the number of outstanding actions changes as the recommended remedial actions from the latest FRA's are received, as these will supersede previous FRA's. As works are undertaken to resolve existing remedial actions, and potentially additional recommended remedial actions are added from new FRA's (e.g. due to changes in legislation or best practice), then this becomes, in effect, a moving target.

4.3.9 The following table provides an update of the current position in relation to fire detection and emergency lighting inspections:

Property Account Type	Inspection Type	Number of Properties	Number Inspected	Percentage Compliant
GF – Properties	Fire Alarm: weekly test	19	19	100% (75%)
	Fire Alarm: 6 monthly service and test	20	19	95% (100%)
	Emergency Lighting: monthly service and test	27	26	96% (100%)
	Emergency Lighting: annual service and test	27	27	100% (93%)
HRA - Blocks	Fire Alarm: weekly test	8	8	100% (83%)
	Fire Alarm: 6 monthly service and test	8	8	100% (100%)
	Emergency Lighting: monthly service and test	102	102	100% (100%)
	Emergency Lighting: annual service and test	102	102	100% (100%)
HRA – Meeting Halls	Fire Alarm: weekly test	9	9	100%
	Fire Alarm: 6 monthly service and test	9	9	100%
	Emergency Lighting: monthly service and test	13	13	100%
	Emergency Lighting: annual service and test	13	13	100%
HRA - Guest Rooms	Fire Alarm: weekly test	0	0	N/A
	Fire Alarm: 6 monthly service and test	0	0	N/A
	Emergency Lighting: monthly service and test	1	1	100% (0%)
	Emergency Lighting: annual service and test	1	1	100% (0%)
HRA - Commercial	Fire Alarm: weekly test	1	1	100% (100%)
	Fire Alarm: 6 monthly service and test	1	1	100% (100%)
	Emergency Lighting: monthly service and test	2	2	100% (100%)

	Emergency Lighting: annual service and test	2	2	100% (100%)
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Note: All GF – Properties Fire Alarm: 6 monthly service and test, and Emergency Lighting: monthly service and test have been undertaken, but at the time of writing this report we are awaiting receipt of the signed reports.

4.4 Gas Safety

- 4.4.1 Gas Safety checks continue to be required by the Health and Safety Executive (HSE) during the current Covid-19 lockdown period. Gas safety checks, servicing and repairs to 'Domestic' type boilers are undertaken by the Housing Property team, and works to Commercial boilers are carried out by external contractors.
- 4.4.2 Somerset West and Taunton Council has a duty under Regulation 36 of the Gas Safety (Installation and Use) Regulations 1988 to carry out annual safety checks on gas appliances / flues and implement an on-going maintenance regime to ensure the safe operation of gas appliances and associated pipework where gas is present.
- 4.4.3 Somerset West and Taunton Council have a Gas Policy and associated procedures to ensure that they meet their statutory requirements.
- 4.4.4 As noted above, gas safety checks to 'Domestic' type boilers are carried out by the Housing Property team who issue the Landlord Gas Safety Record (LGSR) certificates. Monitoring of gas safety compliance to these properties is facilitated by the use of a dedicated software package, Plentific's 'XTag-Gas', which enables qualified engineers to sign in by touching their mobile device against a 'Tag' and an immediate geo-tagged, time-stamped and photo-verified account of all work carried out is then captured.
- 4.4.5 Somerset West and Taunton Council also undertake responsive repairs on gas appliances and systems owned by the Council, either following annual checks or breakdowns, together with a programme of planned replacements.
- 4.4.6 The following table provides an update of the current position in relation to gas safety:

Property Account Type	Number of Properties with Gas	Number Inspected	Percentage Compliant
HRA – Dwellings	4498	4497	99% (100%)
HRA – Blocks	3	0	0% (100%)
HRA – Meeting Halls	13	13	100%
HRA - Guest Rooms	0	0	N/A
HRA – Commercial	2	2	100% (100%)
GF – Properties	20	20	100% (100%)

Note: The HRA – Dwellings property is due to the tenant shielding causing an access issue, and the three HRA – Blocks are all related to communal boilers at Broomfield House where a consultant report has advised they require replacement. They have been made safe and procurement is underway for new boilers to be installed.

4.5 Lifts and Stairlifts

- 4.5.1 Maintaining compliancy for stairlift service and inspections during the current Covid lockdown period has been challenging due to difficulty obtaining access from some vulnerable tenants who are shielding or are anxious about allowing people into their homes. We continue to engage with residents to provide reassurance on how these works can be safely undertaken to encourage them to provide access wherever possible within government guidelines.
- 4.5.2 We are working with our new contractor for stairlift servicing and repairs to ensure they provide an effective service, including implementing all necessary processes to remain safe from Covid.
- 4.5.3 Regulation 9 of the Lifting Operations and Lifting Equipment Regulations 1998 (LOLER), requires Somerset West and Taunton Council to ensure all lifting equipment that is provided for use in work activities are inspected by a competent person at regular intervals.
- 4.5.4 Somerset West and Taunton Council have a Lift Policy and associated procedures to ensure that they meet their statutory requirements.
- 4.5.5 Somerset West and Taunton Council have currently adopted the following intervals for service and inspection:
- Stair-lifts – Annual service and inspection
 - Passenger Lifts – 6 Monthly service and inspection
- 4.5.6 The following table provides an update of the current position in relation to lift maintenance:

Property Account Type	Inspection Type	Number of Properties	Number Inspected	Percentage Compliant
HRA - Dwellings	Stair-lifts: Annual service and inspection	73	66	90% (97%)
HRA - Dwellings	Through floor lifts: 6 monthly service and inspection	3	3	100% (100%)
HRA - Blocks	Stair-lifts: Annual service and inspection	6	6	100% (100%)
HRA - Blocks	Passenger lifts: 6 monthly service and inspection	3	3	100% (100%)
GF - Properties	Passenger lifts: 6 monthly service and inspection	4	4	100% (75%)

Note: The HRA Dwellings stair-lifts showing as non-compliant are due to tenants shielding from Covid. They have advised that they are awaiting their second vaccination and will then agree to allow access.

4.6 Water Safety

- 4.6.1 Compliance to GF properties and HRA meeting halls, guest rooms and commercial properties for water safety management is currently undertaken by external contractors who undertake water risk assessments (WRA's), identify any potential hazards relating to legionella bacteria and carry out water temperature checks.
- 4.6.2 All HRA Dwellings also require consideration in regard to water safety and we are currently developing a programme to review and undertake the required WRA's during the year.
- 4.6.3 The Control of Substances Hazardous to Health Regulations 2002 and the HSE Approved Code of Practice (L8) The Control of Legionella Bacteria in Water Systems identifies Somerset West and Taunton Council's requirement to minimise the potential of legionella growth within its stock, including communal areas.
- 4.6.4 Somerset West and Taunton Council have a Water Safety Policy and associated Procedures to ensure that they meet their statutory requirements.
- 4.6.5 Somerset West and Taunton Council have adopted the following inspection regime:
- Risk assessments – interval period for re-inspection based upon recommendation in accordance within L8
 - Tank inspections (Communal stored water only) – Annual
 - Domestic properties inspections within a block where there is communal stored water – 100% inspection over 5 years (minimum of 20% per year)
 - Void Properties – Inspected at the time of being vacant (including undertaking any remedial works and flushing prior to re-letting)
 - Domestic Properties (no communal stored water) – Programme being developed
- 4.6.6 Remedial actions are carried out by external contractors and the Housing Property team.
- 4.6.7 The following tables provide an update of the current position in relation to water safety:

Water Risk Assessments

Property Account Type	Properties Requiring a Water Risk Assessment	Properties with a Water Risk Assessment	Percentage Compliant
GF - Properties	55	47	85% (61%)
HRA – Meeting Halls	18	10	56%
HRA – Guest Rooms	10	1	10%
HRA – Commercial	3	2	67%

Note: All GF - Properties WRA's have been undertaken, but at the time of writing this report we are awaiting receipt of the signed reports. As has been noted in previous sections of this report, HRA – Meeting Halls and HRA – Guest Rooms are not currently

in use due to the Covid lockdown and WRA's will be undertaken prior to their reopening. The outstanding HRA – Commercial property, and the GF - Properties are programmed in for completion by April 2021.

Monthly Temperature Checks

Property Account Type	Properties with Stored Communal Water	Properties with a monthly temperature check	Percentage Compliant
GF - Properties	38	32	84% (95%)
HRA – Meeting Halls	18	18	100%
HRA – Guest Rooms	10	10	100%
HRA – Commercial	3	3	100%

Note: A new contractor started these checks in February 2021 and we have now developed a programme with them to following their initial inspections. We anticipate meeting full compliancy by the end of April 2021.

5 Links to Corporate Strategy

No direct links.

6 Finance / Resource Implications

The 2021/22 budget has now been approved by Full Council, and this incorporates funding for property safety compliance related works.

7 Legal Implications

As noted in Section 3 of this report, Somerset West and Taunton Council has an obligation to comply with landlord statutory health and safety responsibilities. All of the specific legislative requirements are outlined under the relevant activity areas in Section 4 of this report.

8 Asset Management Implications

The property stock portfolio owned by Somerset West and Taunton Council is a substantial asset. This report outlines how health and safety compliance of this asset base is being managed.

Somerset West and Taunton Council

Audit, Governance and Standards Committee – 12 April 2021

Report of the Council Governance Arrangements Working Group

This matter is the responsibility of the Council Governance Arrangements Working Group – Chair, Councillor Ross Henley

Report Author: Amy Tregellas, Governance Manager and Monitoring Officer

1. Executive Summary / Purpose of the Report

- 1.1 The purpose of this report is to provide Members with an update on the work of the Council Governance Arrangements Working Group and to make recommendations as to how to proceed.

2. Recommendations

The Council Governance Arrangements Working Group recommends to Full Council that:

Relating to the 2022 Municipal Year

- 2.1 The Council moves to a Committee system of governance from the Council AGM on 10 May 2022, unless a decision is made to set up a Unitary Council for the area from 2023.
- 2.2 The Council proposes to the Unitary Shadow Authority that a committee system of governance is adopted, if set up as the principal council for the area.
- 2.3 The Council writes to the Chief Executives and Leaders of the County and Districts to request ask that they consider that the Shadow Authority governance arrangements are set up as a Committee system

Relating to the 2021 Municipal Year

- 2.4 That a second Scrutiny Committee is introduced from the AGM in 2021, and the name is changed to Policy and Scrutiny Committees for the 2021/22 Municipal Year with the focus being Corporate Policy and Scrutiny Committee and Community Policy and Scrutiny Committee. The split of workload for the two Policy and Scrutiny Committees (see Annex A at the end of this report) is approved
- 2.5 That the number of seats on both Policy and Scrutiny Committees is 15 from the start of the 2021/2022 Municipal Year

- 2.6 The Audit, Governance and Standards Committee is split into two separate Committees from the AGM in 2021, for the 2021/22 Municipal Year and becomes Audit and Governance Committee and Standards Committee. The Terms of Reference for both Committees (see Annex B and Annex C at the end of this report) is approved.
- 2.7 That the number of seats on the Audit and Governance Committee is 11 from the start of the 2021/2022 Municipal Year
- 2.8 That the number of seats on the Standards Committee is 9 from the start of the 2021/2022 Municipal Year
- 2.9 The role of Shadow Portfolio Holders is included within the Constitution as per the wording in Annex D to this report
- 2.10 Officers and Portfolio Holders are reminded of requirements to provide information and notifications to Ward Councillors as per the Member Officer Protocol
- 2.11 The Corporate Policy and Scrutiny Committee are asked to work with officers to consider a system for communicating reports to Members from representatives from outside bodies

3. Risk Assessment

- 3.1 The timing of a change of governance arrangements is the biggest risk.
- 3.2 The Localism Act 2011 states that, whilst the resolution to move to a Committee System can be taken at any point in the Municipal Year, the changes can only come into effect from the Council AGM (see section 8.1).
- 3.3 As outlined in later sections of this report and from professional officer advice, it is not logistically possible to move to a Committee system of governance from the AGM in 2021. No resolution has yet been made by Council, and as set out in sections 4.23 and 5, there are a number of steps to go through, once the resolution has been made.
- 3.4 In terms of the move to a Committee System from the AGM in May 2022 there are three main risks to consider, which are:
 - Risk 1 – The move to a Committee system being superseded by the move to a Shadow Unitary Authority. As set out in section 5, the shadow unitary Council arrangements would come into effect from 1 April 2022 and would run for 12 months before the Unitary Council went live from 1 April 2023. This would mean that a change to a Committee system would be in place for one year when the Council was in the process of being wound down. Therefore recommendation 2.1 covers this potential risk stating ‘The Council moves to a Committee system of governance from the Council AGM on 10 May 2022, unless a decision is made to set up a Unitary Council for the area from 2023’
 - Risk 2 – A report went to Council on 30 March 2021 outlining that the Community Governance Review for the Unparished Area is the key priority task for the Governance Team in the next 12 months. This was agreed by Council. Any further key projects will mean that additional resource would need to be allocated to the Governance Team and this has a knock on financial implication.

- Risk 3 – In terms of changing the schedule of meetings and adding more meetings in, the risk to be noted is that not only does this impact on the resource of the Governance Team, it also has wider implications for officers in other directorates who would attend Committee meetings. It must also be noted that the more time the Governance Team spend administering meetings the less time they have to deliver key projects such as the Community Governance Review for the Unparished Area of Taunton.

4. Background and Full details of the Report

- 4.1 The Local Government Association (LGA) and Centre for Public Scrutiny (CfPS) guidance titled '*Rethinking Governance: practical steps for councils considering changes to their governance arrangements*', when talking about the importance of good governance states:

'The difficult funding situation for local government means that councils are increasingly having to make decisions that will have profound, far-reaching implications both for the way that they and their partners deliver services, and on the lives of local people. These changes will involve a permanent shift in people's expectations of what local government does, and does not, do. They will also involve a shift in the way that councils work with others in their areas. Local people need the confidence to know that decisions made in their name are high-quality, evidence based and considered openly and accountably. This is why, now more than ever, good governance is vital. Councils have a responsibility to ensure that decision-making is as effective as it can be: decision making should critically benefit from the perspective of all councillors, but also be accountable, and involve the public.'

- 4.2 The Local Government Act 2000 made provision for the following governance structures:
1. Leader and Cabinet
 2. Elected Mayor and Cabinet
 3. Elected Mayor and Council Manager (withdrawn in 2007)

Section 31 of the Local Government Act 2000 allowed District Councils in two tier areas, with populations under 85,000 to remain as 4th option and to retain their Committee System arrangements.

- 4.3 The Localism Act 2011 allowed Principal Authorities to return to decision making by Committees. Following the introduction of the Localism Act in 2011, a number of Councils have reviewed their Council Governance Arrangements and made amendments where appropriate. However, if a Council moves to a Committee structure, it cannot change its governance arrangements again for a period of 5 years.

Council Governance Arrangements Working Group

- 4.4 At its meeting on 7 July 2020, Full Council resolved that:

- a) An all Member 'away day' was arranged to consider the items listed at section 4.5;
- b) A cross party Members Working Group was established to investigate the options and to report back through the appropriate democratic pathway;
- c) The Terms of Reference for the Council Governance Arrangements Working Group were approved; and

d) Seven Councillors were selected to form the Working Group along with the Portfolio Holder for Corporate Resources.

4.5 The Cross Party Working Group was set up and consisted of Councillors Henley, Lithgow, Mansell, Perry, Pugsley, Stone, Weston and Whetlor. Cllrs Henley and Whetlor were appointed as the Chair and Vice Chair, respectively, of the Working Group.

4.6 Throughout the review the Working Group used the guidance listed below:

- Local Government Association (LGA) and Centre for Public Scrutiny (CfPS) guidance titled '*Rethinking Governance: practical steps for councils considering changes to their governance arrangements*'
- CfPS guidance titled '*Musical Chairs: practical issues for local authorities in moving to a committee system*'
- CfPS guidance titled '*Rethinking Governance: A summary of council activities on governance change*' (published November 2020)

4.7 At the first meeting of the Working Group scoping of the work plan took place to consider:

- Research to gain an understanding of the models of governance to consider during the review
- Research to investigate the governance models that have been adopted by other councils
- The importance of getting the views of the wider Membership to get views on the current arrangements and further down the line to get views on the options being considered by the Working Group
- How best to get the views of the wider Membership due to the Coronavirus Pandemic preventing the holding of a Members Away Day

4.8 The decision was taken to draft a survey to send to all Members, in lieu of being able to hold a Members Away Day. The questions asked were:

1. What do you feel works well with the current governance arrangements – i.e. having an Executive system
2. What do you feel doesn't work well with the current governance arrangements?
3. What are your suggestions for improving the Council's governance arrangements?
4. Do you feel that you can influence policy and the decision-making process?
Yes/No/Unsure
5. Please explain your answer to question 4

A summary of the feedback from this survey is attached as Appendix 1

4.9 The CfPS Report titled '*Musical Chairs: practical issues for local authorities in moving to a committee system*' set out a number of reasons for making the change to governance arrangements. The common themes (as set out in their report) are:

- 'The move comes from a desire for backbench members to be more actively involved in decision-making;
- There is a prevailing view that a properly designed committee system will be just as swift for decision-making as the cabinet system;
- There is a view that scrutiny is somehow ineffective and unable to alter or influence executive decisions. We should expect that a wide range of evidence suggests that

this is by no means the case – in fact, scrutiny is able to demonstrate significant success in making concrete changes that affect people’s lives – changes that would not otherwise have occurred;

- The move will allow all councillors to develop a detailed subject expertise, enhancing the “added value” of member decision-making;
- The move will enhance transparency and democracy in a more general sense, and will link councils, councillors and local communities closer together.’

4.10 The results from the first Member survey, echoed many of the themes above and these became the aims and objectives of the Working Group. The overarching aim of the review was to enhance democracy, improve accountability and transparency.

4.11 The next stage of the work done by the Working Group was to consider the main types of governance models in operation (which are relevant to SWT):

- **Executive Arrangements - Leader and cabinet (also known as Executive)**

As outlined above, this system was brought in by the Local Government Act 2000 and is still the governance system that most councils operate. In some councils, individual members of the cabinet have decision-making powers; in others, decisions have to be made by the whole cabinet. Cabinet is led by a leader, who is elected by full council for a term determined by the council itself or on a four yearly basis (and will usually be the leader of the largest party on the council). These councils must have at least one overview and scrutiny committee.

- **Committee System**

Since the Localism Act this option is now available to all councils. Previously it was available only to district councils with populations under 85,000.

Committee system councils make most decisions in committees, which are made up of a mix of councillors from all political parties. These councils may have one or more overview and scrutiny committees but are not required to.

The way that Committee systems are set up can vary significantly and can include:

- The fully-fledged committee system, with significant autonomy between committees, and with little to no individual member delegation.
- A Committee system with a strong overarching committee to deal with cross cutting issues and provide oversight.
- A system with a more streamlined committee system that sees fewer committees, more delegation and some form of overview and scrutiny

- **Hybrid System**

Most commonly this is a hybrid between leader/cabinet and the committee system (with such an approach usually seen legally as being a modified version of the leader/cabinet system, and therefore not requiring a formal change via the Secretary of State under the Localism Act)

The way that Hybrid systems are set up can vary and could include:

- Cabinet Committees which shape policy and make recommendations to the Executive
- Policy Development Groups which shape policy and make recommendations to the Executive
- A number of Scrutiny Committees with different areas of focus
- Scrutiny Committees and Cabinet Advisory Groups

- 4.12 The Working Group then used the documents listed in section 4.6 to look at the examples of Councils that had carried out governance reviews and the models adopted by them. This included:
- Councils which considered a formal change, but decided against it and stayed with Executive arrangements
 - Councils which moved from Executive arrangements to a Committee System
 - Councils which moved from Executive arrangements to a Hybrid system
 - Councils which moved from Hybrid system to a Committee System
 - Councils which changed from Executive to Committee then back to Executive again
 - Councils which moved from a Committee system to Executive arrangements
 - Councils which are currently considering their governance arrangements
- 4.13 A total of 42 Councils were reviewed and officers then drilled down to obtain more detail for each Council. A summary of this information can be found in Appendix 2
- 4.14 Following this piece of work, the Working Group then put together some options of models that could be considered by the wider Membership. This included options for a Committee system and a Hybrid system either based on the SWT Corporate Priorities, Directorate areas or areas of Portfolio Holder responsibility. The Working Group discounted a number of options and narrowed the options to:
1. Executive arrangements – stay as we are
 2. Executive arrangements plus (with the potential to add an additional Scrutiny Committee as an option)
 3. Committee structure (to mirror the 4 Directorates)
 4. Hybrid System (to mirror the 4 Directorates)
- A summary of the options and costs can be found in Appendix 3
- 4.15 A survey was sent to all Members asking them to rank their preference of these options with 1 being their preferred option to 4 being their least preferred option. Members were also given the opportunity to provide feedback on each of the models. A summary of the survey responses can be found in Appendix 4
- 4.16 There was an excellent rate of response from Members with 51 responses (based on a total number of 58 Councillors – following the resignation of Cllr Martin Hill):
- In terms of Member's first preference the totals are:
- Executive/Executive plus = 21
 - Committee System = 28
 - Hybrid System = 2
 - 7 Councillors did not respond
- If you remove Hybrid as the least favoured option (and consider the two Councillors second preferred option) the figures then become:
- Executive/Executive plus = 23
 - Committee System = 28
 - 7 Councillors did not respond
- 4.17 The survey showed that the preferred option of Members was the Committee System. However, the Executive/Executive plus option was a close second place.

- 4.18 Following the outcome of the survey results, there was a clear steer from the Working Group that it was the appropriate time to take a report through the democratic pathway and to get a resolution from Council as to which option Members wished to proceed with. The Working Group are recommending that the Council moves to a Committee System of governance from the AGM on 10 May 2022 (see recommendation 2.1).
- 4.19 The Working Group are also keen that the Chief Executives and Leaders of the County and District Councils are written to, to ask them to consider setting up the Shadow Authority and new Unitary Council(s) as a Committee system of governance (reflected in recommendations 2.2 and 2.3)

Process, procedure and timescales

- 4.20 The Terms of Reference resolved by Council in July 2020, set out the democratic pathway for the report of the Council Governance Arrangements Working Group, which is to go to the Audit, Governance and Standards Committee and Executive before going to Full Council.
- 4.21 The report was considered by the Working Group at its meeting on the 24 March 2021. The scheduled timetable for the democratic pathway is:
- Audit, Governance and Standards (AGS) Committee – 12 April 2021
 - Executive – 21 April 2021
 - Full Council – 27 April 2021 or before the AGM on the same evening (due to the fact that we cannot hold virtual meetings after the 6 May 2021 and also taking into consideration the pre-election period)
- 4.22 To clarify, as per the Terms of Reference signed off by Council in July 2020, the AGS Committee and Executive will consider the report and give comments. However, Full Council is the decision making body and, whilst Council can consider the feedback from AGS and Executive, the decision rests with them.
- 4.23 In terms of timescales once a decision has been made by Council, the following steps would need to take place (assuming that the decision is to move to a Committee System):
- Step 1 – May 2021 – End October 2021
Design the new Committee System - Items to focus on would include:
 - What the structure would look like
 - How the structure would work
 - How decisions are made
 - Whether to keep an Overview and Scrutiny Committee
 - The roles and remit of each Committee
 - Whether the system would include delegation to individual Members
 - Ensuring that the aims and objectives for the review are fully addressed in the final structure and approach to decision making

The Working Group and wider membership would need to be involved with this design phase (perhaps through an Away Day – Covid restrictions permitting). The Localism Act 2011 requires the council to formally publish the proposal and consult on it – considering how we can improve the way we engage with our citizens

There is also an opportunity to hold wider stakeholder focus groups to get their views on any change of system

A report setting out what the new system would look like to go through the democratic pathway for approval by Full Council

- **Step 2 – November 2021 – End March 2022**
Once Step 1 has been completed and there is agreement as to what the arrangements will look like and operate, the Constitution will be reviewed and amended to reflect the new governance arrangements.
This would then need to go through the democratic pathway set out in the Constitution - AGS Committee and then Council for approval, prior to the May 2022 AGM
- **Step 3 – November 2021 – End April 2022**
Again, once Step 1 has been completed, a review of the Members Allowances Scheme would need to be completed by the Joint Independent Remuneration Panel and signed off by Council (the timescale for this is outside of our control as it is an 'independent' review – however it normally takes at least 3 months – and this has been confirmed by the JIRP who have confirmed that they would need to work to a 5-6 month timeframe)
This would then need to go before Council for approval, prior to the May 2022 AGM

5. Matters to draw to Members Attention

Timetable for delivery

- 5.1 Chapter 4 of Schedule 2 of the Localism Act 2011 requires that a change in formal governance arrangements must occur at a specified “change time”, which is at the council’s Annual General Meeting (AGM). Prior to the change time, the council needs to have resolved formally to make a governance change. This is as set out in the Localism Act 2011 and the legal implications section 8.1 of this report.
- 5.2 Whilst there is no minimum period of time between the resolution and the change time set out in legislation or the LGA and CfPS guidance, practically there does need to be enough time to deliver the steps outlined in section 4.23 above. The guidance documents set out in section 4.6 make it clear that ‘getting a new system right is more important than doing it quickly’ and it would be difficult to plan and deliver a new form of governance in an authority with less than six months’ notice of political intent’ i.e. a resolution of Council.
- 5.3 The Monitoring Officer has advised the Council Governance Arrangements Working Group that logistically SWT cannot bring a change of governance arrangements in from the AGM in 2021. To give due and proper consideration to the steps outlined in section 4.23 above, a timescale of at least 3-6 months is needed. Therefore, the earliest this could be brought in is from the AGM in May 2022, as the Council has not yet made a resolution as to which option it wishes to take.
- 5.4 Basildon Council has been quoted as an example of a Council that has changed its governance arrangements urgently and quickly. In this case, a motion was put before Council in December 2016 to go to a Committee system of governance. This was agreed and then officers had 5 months to do the design work, rewrite the Constitution and have the Members Allowances Scheme independently reviewed before the

change came into effect from their AGM in May 2017. This gave officers a timescale of approximately 5 months to implement the decision of the Council.

- 5.5 Whilst officers and the Working Group appreciate that a number of Members will be disappointed that the change of governance arrangements cannot come into place from the AGM in 2021, the Working Group has considered if a number of other, minor changes can be made from the AGM in 2021. These are set out in recommendations 2.4 to 2.11 and are as follows:
- That a second Scrutiny Committee is introduced from the AGM in 2021, and the name is changed to Policy and Scrutiny Committees for the 2021/22 Municipal Year with the focus being Corporate Policy and Scrutiny Committee and Community Policy and Scrutiny Committee. The split of workload for the two Policy and Scrutiny Committees (see Annex A at the end of the report) is approved
 - That the number of seats on both Policy and Scrutiny Committee is 15 from the start of the 2021/2022 Municipal Year
 - The Audit, Governance and Standards Committee is split into two separate Committees from the AGM in 2021, for the 2021/22 Municipal Year and becomes Audit and Governance Committee and Standards Committee. The Terms of Reference for both Committees (see Annex B and Annex C at the end of the report) is approved.
 - That the number of seats on the Audit and Governance Committee is 11 from the start of the 2021/2022 Municipal Year
 - That the number of seats on the Standards Committee is 9 from the start of the 2021/2022 Municipal Year
 - The role of Shadow Portfolio Holders is included within the Constitution as per the wording in Annex D to this report
 - Officers and Portfolio Holders are reminded of requirements to provide information and notifications to Ward Councillors as per the Member Officer Protocol
 - The Corporate Policy and Scrutiny Committee are asked to work with officers to consider a system for communicating reports to Members from representatives from outside bodies

Local Government Reorganisation in Somerset

- 5.6 As Members will be aware, the Government is currently consulting on both the Stronger Somerset and One Somerset set proposals to move to a Unitary model of Local Government from 1 April 2023 (as per current timescales).
- 5.7 The Secretary of State is anticipated to make his decision by June/July 2021, meaning that SWT will likely be entering into Shadow Authority arrangements for the new Authority from 1 April 2022.
- 5.8 This would mean that, potentially, the Council would be starting to operate a Committee system at the same time as the District and County Councils enter into the Shadow

Authority arrangements in April/May 2022. Part of the work of the Shadow Authority will be to set out and determine the governance arrangements of the new Unitary Council.

- 5.9 It would also mean that SWT would only operate the Committee System for the last 12 months of its life before becoming a Unitary Council from 1 April 2023. Therefore recommendation 2.1 includes the caveat not to proceed with a Committee system of governance if the decision is made to set up a Unitary Council(s) for the area from 2023.

Organisational Culture

- 5.10 The guidance published by the LGA and CfPS talks about the issue of organisational culture.
- 5.11 The LGA and CfPS guidance titled '*Rethinking Governance: practical steps for councils considering changes to their governance arrangements*' states 'No one governance system is intrinsically better than another and no system is more or less expensive to operate; however some systems allow more members to be directly involved in voting on decisions. It is important to note that activity at committee level is not the same as member involvement in policymaking. Member involvement in policymaking is a longer-term, more involved process and can happen under any governance option'
- 5.12 The CfPS guidance titled '*Musical Chairs: practical issues for local authorities in moving to a committee system*' states 'some councils think that changing governance arrangements will solve organisational and/or political problems or will result in "more democratic" governance. A focus on structure risks missing opportunities to think about cultures and values. Success will depend much more on the prevailing organisational and leadership culture in the organisation than the structure that is established – but this doesn't mean that structure isn't important...CfPS's long-standing view about council governance is that no one option is necessarily "better" or "worse" than any other. Good governance is about more than structures and processes – as we outlined in our "Accountability Works" research published in 2010. Political and organisational cultures, attitudes and behaviours are what make systems successful. Authorities seeking to change governance arrangements on the assumption that such a change will automatically make services more transparent, accountable and inclusive – whether for non-executive councillors or, more importantly, for the public – are mistaken.'

6. Links to Corporate Strategy

- 6.1 Having effective and efficient governance arrangements is a fundamental element of being a 'well managed' council
- 6.2 The governance arrangements of the Council also links to theme 2 within the SWT Corporate Strategy i.e. a transparent and customer focused council. Objective 7 - Review the Council's decision making arrangements to enable greater participation by all Councillors and the public.

7. Finance / Resource Implications

- 7.1 As per recommendation 2.1, and the risks highlighted in section 3, if we do not move to a unitary authority, there would then be a very strong expectation that SWT would

move to a committee system from May 2022. Resource would be needed to complete the work, at the same time as doing the Community Governance Review. Some resilience has been built into the Governance Team budget and it is proposed that this is kept under regular review. If additional resources are needed the Governance Manager will take a business case to the Senior Management Team for consideration.

- 7.2 The estimated financial costs of making a change to the Governance Arrangements are set out in Appendix 3. However, this comes with the caveat that they are best estimates only, and that finalised costs will only be available once a review of the Members Allowances Scheme has been completed by the Joint Independent Remuneration Panel. These costs would need to be factored into the budget for 2022/23
- 7.3 In terms of adding an additional Scrutiny Committee for the 2021/2022 Municipal Year, this would cost £4,665.
- 7.4 In terms of splitting the Audit, Governance and Standards Committee into separate Audit and Governance Committee and Standards Committee for the 2021/2022 Municipal Year, this would cost £2,346.
- 7.5 The total cost of making the minor changes for the 2021/2022 Municipal Year is £7,011.

8. Legal Implications

- 8.1 The Localism Act 2011 enables Councils to return to a Committee system of Governance and Chapter 4 of Schedule 2 states the following:

‘If the local authority is not currently operating a mayor and cabinet executive and the change does not provide for the local authority to operate a mayor and cabinet executive, a “relevant change time” ...is a time during—
(a) the first annual meeting of the local authority to be held after the resolution to make the change in governance arrangements is passed, or
(b) a later annual meeting of the local authority specified in that resolution.’
- 8.2 The Localism Act 2011 states that, whilst the resolution to move to a Committee System can be taken at any point in the Municipal Year, the changes can only come into effect from the Council AGM.
- 8.3 However, the Localism Act also makes it clear that if a Council moves to a Committee structure, it cannot change its governance arrangements again for a period of 5 years.

9. Climate and Sustainability Implications

- 9.1 None arising from this report

10. Safeguarding and/or Community Safety Implications

- 10.1 None arising from this report

11. Equality and Diversity Implications

- 11.1 None arising from this report

12. Social Value Implications

12.1 None arising from this report

13. Partnership Implications

13.1 None arising from this report

14. Health and Wellbeing Implications

14.1 None arising from this report

15. Asset Management Implications

15.1 None arising from this report

16. Data Protection Implications

16.1 None arising from this report

17. Consultation Implications

17.1 None arising from this report

Scrutiny/Executive Comments / Recommendation(s) (if any) – Comments from the Audit, Governance and Standards Committee and the Executive will be added to this section as the report moves through the democratic pathway.

Democratic Path:

- **Audit, Governance and Standards Committee – Yes** (12 April 2021)
- **Executive – Yes** (21 April 2021)
- **Full Council – Yes** (27 April 2021)

Reporting Frequency: Ad-hoc

List of Appendices (background papers to the report)

Appendix 1	First Member Survey feedback
Appendix 2	Review of other Council Governance Arrangements
Appendix 3	Options and costs for governance models
Appendix 4	Member survey feedback on the governance model options

Contact Officers

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Policy and Scrutiny Committees

It is suggested that the workload for the Corporate Policy and Scrutiny Committee and Community Policy and Scrutiny Committee are split as follows:

Corporate	Community
<p>Matters relating to the Internal Operations Directorate, including:</p> <ul style="list-style-type: none"> • Finance • Revenues and Benefits • Income Control • Procurement • Communications (Internal & External) • HR and People • Health & Safety • Payroll • Business Continuity • Internal Change • Information Technology • Governance • Business Intelligence 	<p>Matters relating to the External Operations & Climate Change Directorate, including:</p> <ul style="list-style-type: none"> • Climate Change • Emergency Planning • Coastal Protection • Asset Management • Parks & Open Spaces • Major contracts • Street Scene • Environmental Services • Regulatory Services • Commercial Services • Public Health & wellbeing
<p>Matters relating to the Development and Place Directorate, including:</p> <ul style="list-style-type: none"> • Regeneration capital projects • Taunton Garden Town • Commercial Investment Portfolio • Heritage • Hinkley • Strategic Place Planning • Development Management • Economic Recovery & Economic Growth 	<p>Matters relating to the Housing and Communities Directorate, including:</p> <ul style="list-style-type: none"> • Housing Revenue Account 30 year Business Plan • Tenancy Management • Sheltered and Extra Care Housing Service • Housing Options, Homelessness and Homefinder • Rough Sleepers • Safeguarding • Community resilience and engagement • Community grants • Housing Property (including repairs and maintenance, voids, safety compliance) • Housing development and regeneration (affordable housing, projects such as North Taunton)

	Woolaway Project and low carbon homes)
Performance Indicators relating to the areas under this Committee	Performance Indicators relating to the areas under this Committee
Budget Monitoring relating to the areas under this Committee	Budget Monitoring relating to the areas under this Committee
	Crime and Disorder Committee (as per S19 of the Police and Justice Act) with responsibility for scrutinising crime and disorder

AUDIT AND GOVERNANCE COMMITTEE

Membership and Meetings

The Audit and Governance Committee will be composed of:

- 11 elected Councillors, except any councillor who is a member of the Executive;

The Quorum for the Audit and Governance Standards Committee shall be 4 voting members of the Committee.

The Committee will normally meet on a quarterly basis.

Scope

The Audit and Governance Committee will have overall responsibility for governance and audit matters as set out in the terms of reference.

Terms of Reference

The Audit and Governance Committee will have the following roles and functions:

A. Corporate Governance

1. Oversee the Council's use of risk management.
2. Approving the Local Code of Corporate Governance.
3. Approving the Annual Governance Statement.
4. Considering and approving the Council's Risk Management Statement and Strategy.
5. Monitor and review the Council's internal and external audit functions.
6. Monitor and review the Council's systems of internal control
7. To make recommendations to the Council regarding any suggested major changes to the Constitution.
8. Monitoring and reviewing the operation of the Council's Constitution, particularly in respect of financial procedures and protocols, procurement procedures and guidelines.

9. Reviewing any corporate governance issue referred to the Committee by the Chief Executive, the Section 151 Officer or the Monitoring Officer, the Leader/Executive or any other committee of the Council.
10. Considering the Council's arrangements for corporate governance and necessary actions to ensure compliance with best practice, together with any relevant issues referred by the Leadership Team or Statutory Officers.
11. Considering the Council's compliance with its own and other published standards and controls.
12. Considering the annual report regarding complaints about the Council referred to the Local Government Ombudsman.
13. Approving payments or other benefits of a value greater than £5,000 arising from complaints to the Local Government Ombudsman.
14. Monitoring the effectiveness of the Council's policies and procedures that ensure sound governance arrangements, including:
 - a) whistle-blowing procedure;
 - b) anti-fraud and corruption policy;
 - c) anti-bribery policy and procedure;
 - d) complaints procedure;and making appropriate recommendations to the Executive.
15. Monitoring and auditing of the Council's equalities and diversity policies.

B. Audit and Accounts

1. Agreeing the internal and external audit plans and monitoring delivery of the plans.
2. Review and challenge any significant issues and the action plans arising in the annual audit report and management letter for the Council.
3. Monitoring the implementation of significant audit recommendations.
4. Raising the profile of internal control within the authority.
5. Reviewing and approving the annual Statement of Accounts and Narrative Statement.

6. To regularly review the effectiveness of overall governance arrangements for the Hinkley Point Project and receive both internal and external audit reports including those undertaken by EDF.
7. Considering reports dealing with the management and performance of the providers of the internal audit function.
8. Considering reports from internal audit on recommendations agreed with service leaders as a result of an internal audit review which have not been implemented within a reasonable timescale.
9. Considering specific reports submitted by the internal or external auditors.
10. Commenting on the scope and depth of external audit work and ensuring that it gives value for money.
11. Considering any other matter referred by the Section 151 Officer.

Annual Report

The Audit and Governance Committee must report annually to the Full Council on its work undertaken during the year, its future work programme and amended working methods if appropriate.

STANDARDS COMMITTEE

Membership and Meetings

The Standards Committee will be composed of:

- 9 elected Councillors, except any councillor who is a member of the Executive;
- 2 Independent co-opted persons who are not Councillors or officers of the Council (independent members);
- 2 co-opted members of any town/parish councils in the Council's area (town/parish members).

The Chair and Vice-Chair of the Committee shall be Councillors. Where a lead Councillor is appointed as a member of the Committee, they shall not be elected Chair or Vice-Chair.

The co-opted independent members and town/parish members will not be entitled to vote at meetings Standards Committee or any of its Sub-Committees.

The Quorum for the Standards Committee shall be 3 voting members of the Committee.

The Committee will normally meet on a quarterly basis.

Scope

The Council shall establish a Standards Committee to carry out its functions relating to ethical matters under the Localism Act 2011. The Standards Committee will have overall responsibility for ensuring probity, propriety and ethics in the organisation.

Terms of Reference

The Standards Committee will have the following roles and functions:

1. Promoting and maintaining high standards of conduct by Councillors and co-opted members.
2. Assisting Councillors and co-opted members to observe the Councillors' Code of Conduct.
3. Advising the Council on the adoption or revision of the Councillors' Code of Conduct.
4. Monitoring the operation of the Councillors' Code of Conduct.
5. Advising, training or arranging to train district, town and parish Councillors and any co-opted members on matters relating to the Councillors' Code of Conduct and wider propriety issues, including issuing guidance where appropriate.

6. Granting dispensations to Councillors and any co-opted members from requirements relating to interests set out in the Councillors' Code of Conduct or delegating such power to a sub-committee, who will be authorised to determine such dispensations based on principles agreed by the Committee.
7. Advise on the management of statutory and other registers of interest and gifts/hospitality received.
8. Advise the Council on possible changes to the Constitution in relation to the key documents and protocols dealing with members' conduct and ethical standards.
9. Determining, by delegating such power to a sub-committee or by way of a hearing, those allegations of misconduct by district, town or parish councillors within Somerset West and Taunton or co-opted members where a formal investigation has found evidence of failure to comply with the Code of Conduct and where a local resolution has not been agreed.
10. Determining, by delegating such power to a sub-committee or following a hearing, on action to be taken against any Councillor or co-opted member found to have failed to comply with the Code of Conduct.
11. Making recommendations, by delegating such power to a sub-committee or following a hearing, to any town or parish council in the Council's area on action to be taken against any Councillor or co-opted member of that town or parish council found to have failed to comply with that Council's Code of Conduct.
12. Implementing, monitoring and reviewing the operation of the Code of Conduct for staff.
13. Considering any other matter referred by the Monitoring Officer.

Hearings Sub-Committee

The Hearings Sub-Committee shall conduct local hearings on misconduct allegations against Councillors and co-opted members of the district council or town or parish councils within Somerset West and Taunton. These hearings shall be conducted in accordance with the Arrangements for Dealing with Standards Allegations.

The Hearings Sub-Committee shall be politically balanced and comprise of 3 voting members of the Standards Committee. The composition of the Sub-Committee shall be determined by the Monitoring Officer after consultation with the Chair of the Standards Committee. A Chair shall be elected from among the voting members.

The Independent Person must be present when misconduct complaints against councillors and co-opted members are being considered by the Hearings Sub-Committee.

At least one co-opted town/parish member of the Committee and one independent member, together with the Independent Person, must be present when misconduct

complaints against members or co-opted members of Town/Parish councils are being considered by the Hearings Sub-Committee.

Following on from a Hearing, the Hearings Sub-Committee may make a decision including the use of the following actions/penalties:

- Reporting its findings to Council (or to the Town/Parish Council) for information;
- Recommending to the Councillor's Group Leader that a Councillor be removed from any or all Committees or Sub-Committees of the Council;
- Recommending to the Leader of the Council that a Councillor be removed from the Executive, or removed from particular Portfolio responsibilities should the complaint refer to a Portfolio holder;
- Instructing the Monitoring Officer to (or recommend that the Town/Parish Council) arrange training for a Councillor;
- Removing (or recommend to the Town/Parish Council that a Councillor be removed) a Councillor from all outside appointments to which he/she has been appointed or nominated by the authority (or by the Town/Parish Council);
- Withdrawing (or recommend to the Town/Parish Council that it withdraws) facilities provided to a Councillor by the Council, such as a computer, website and/or email and Internet access;
- Restricting contact to named officers or requiring contact be through named officers;
- Excluding (or recommend that the Town/Parish Council exclude) a Councillor from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings;
- Publish its findings in respect of the Councillor's conduct
- Issue a formal letter of advice as to future conduct to the Councillor;
- Request that the Councillor tender an apology to such persons as were aggrieved by his or her actions; or,
- Where the Monitoring Officer and the Independent Person are not satisfied that the Councillor has tendered the apology described above or completed such training as arranged above, then the Monitoring Officer shall report the matter to the Chair of the Audit, Governance and Standards Committee who shall cause a meeting of the Hearings Sub-Committee to take place with the purpose of resolving to apply an alternative sanction.

Shadow Portfolio Holders

It is recommended that the following is added to the Roles and Responsibilities section of the Constitution:

Shadow Portfolio Holder

Purpose of Role:

To assist the Leader of the majority opposition group by providing informed comment and advice in respect of their particular shadow portfolio and with regard to the work being undertaken by the current Portfolio Holder.

Duties and responsibilities (in addition to those of a Ward Councillor):

- a) To provide constructive challenge to the policies of the administration.
- b) To assist in shaping the policy of the opposition group with regard to its shadow portfolio.
- c) To liaise and work with other shadow portfolio holders on cross-cutting areas of responsibility.
- d) To receive briefings at regular intervals from senior officers of the Council as required. These briefings may be held together with the Executive Members if this can be agreed, or separately if it cannot. Service officers will alert Shadow Executive Members to issues of importance affecting their shadow portfolio.
- e) To participate effectively as a member of the Shadow Executive by becoming thoroughly conversant with the area of expertise relevant to their specific portfolio

Member Survey Feedback

The questions asked were:

1. What do you feel works well with the current governance arrangements – i.e. having an Executive system
2. What do you feel doesn't work well with the current governance arrangements?
3. What are your suggestions for improving the Council's governance arrangements?
4. Do you feel that you can influence policy and the decision-making process?
Yes/No/Unsure
5. Please explain your answer to question 4

Question 1. What do you feel works well with the current governance arrangements i.e. having an Executive system

Responses:

- Resource efficient – both in terms of officer time and cost
- Not working in silos
- Nothing. It's outdated, cumbersome, and undemocratic
- I think the best is having the current system – the executive style as it goes, to me, gets results.
- I have nothing to compare this with as it was in existence when I became a Cllr. I do feel, however, that there is not enough opportunity for back benchers to be quite so involved.
- I believe that the present of Executive system is more cost effective and a better use of members and officers time than the committee system
- Our governance system is AWFUL. The only things that work semi-ok in the current system are the bits that are not influenced by the Exec ie the regulatory committees but even they have been subject to a bit of top down tinkering re chair/vice chair nominations which was horrible. See also my comments re Q5. I had an open mind as to governance structures when I joined the Council. I would say it only took 6 months if that to grasp how bad an executive system is in terms of hoarding power, questionable decisions being made because of lack of democratic engagement and involvement, failing to utilise breadth of knowledge and expertise across councillor body, this awful 'us and them' culture. Even if we have only a couple of years left as an authority we need to ditch this rotten system and have modern, democratic replacement ready for next spring.
- I feel the current system works well and I personally wouldn't want to see a fundamental change
- I think the Member briefings are good

- Not much. It may allow the council to make some decisions more quickly in some circumstances where needed, but other systems can allow for this too. It provides figureheads to be quoted in the press, but that is possible under other systems too and in ways that are more representative of the whole council.
- I do not personally like Executive Systems and I would prefer the Committee structure, where all members feel equal. However, during the current pandemic crisis, I believe the Executive System has worked extremely well, to the benefit of local residents and tax payers. I also believe the Council should give more delegated power to the Leader in the event of an emergency, however this must always be transparent with a small time limit. I love the Newsletter, an excellent idea.
- Having great members of staff who are willing to help out as much as they can!
- No I don't think it works well. As a new member I didn't know what to expect but quickly realised that there was little point being a Councillor unless you were on the Exec. So we have 50+ Councillors the majority of whom are only able to contribute occasional comments. It's an awful waste of people's time.
- The current governance arrangements fall short of expectation. The exec system is, as far as I am concerned undemocratic. There is a complete lack of engagement with back benchers and this can lead to unsound decisions. Rather than embracing the views of other councillors it is very much a "do as we say approach". Regulatory committees work better and of course are made up with cross party mixture of councillors however, there is a sense recently that these are being subject to influence from the Exec. However, I consider that Scrutiny is purposely overloaded so that members do not have the time to properly scrutiny an item and often officers in attendance are not fully up to speed on the particular matter and thus cannot answer questions, promising follow up in writing. This often does not materialise and then has to be followed up. I do not consider that any part of the current governance system works well at all and this leads to bad decision making.
- Very little, The Scrutiny Committee is one of the most efficient committees whereby thus far, party politics does not interfere in the decision making process. Unfortunately the work of the Scrutiny Committee is rarely able to influence the executive policy. I have worked in private sector most of working life and most decisions were based on communicating and interacting with colleagues in a proactive way. I always encouraged good ideas by allowing colleagues the freedom to follow their passions and thinking with their heads. This culture is not possible with the current governance. Politicians of all persuasions must be closer to the decisions/actions as decision makers in local government or else, it is a pointless exercise. Consulting with council executives seems to be hard; we all should be working through the logic of their decisions, which makes managing politicians much easier, they hope! With current system there is no room for improvement. We should be looking for guidance from both the public and private sectors on some decisions. If your idea does not resonate with the member of executives or the leadership, you can spend many months or years to convince

them otherwise, this is not acceptable in today's world. This model of governance is the death nail in the coffin of democracy.

- I do not think that the Executive system involves the views of all councillors. We are able to comment but decisions have already been made.
- Seems to work reasonable well if you are in the controlling party. If you outside the executive of another party, whether governance is working is a bit of a mystery.
- The current system allows for quick decision making when this is required eg during the Initial lockdown of the Covid crisis. However this is not sufficiently democratic. Backbench councillors are not consulted about many decisions that are made by the Exec.
- With the possible exceptions of Licensing and Planning, both of which are quasi-judicial frankly not much. The "Strong Leader" model does and always will, fail to engage with anything other than a small number of "Hand-picked" Executive members. Whilst I personally do not agree, it could be argued that the "Strong Leader" model permits fast decision making. To my mind, this is a false positive. It only provides a thin veil of transparency and leaves most backbenchers feeling left outside the decision-making process. It does allow the Officers a simpler route to decision making. However, we must not lose sight of the old adage "Officers advise, but, members decide"
- Fair to say that it works in an operational sense and in a very few urgent situations it can deliver quick decision-making
- Every system has to have a balance, as we are currently using a Executive system it works as well as it can do when the political balance is tilted in one direction. This enables policies to be pushed through but makes the "other" members somewhat not involved in the day to day operations.
- I think this works well to the extent that it is effective and able to make firm and swift decisions to enable responses to crises like COVID and Brexit be effectively managed. I am aware that it seems to exclude backbench councillors in some decisions but when I was a backbench Cllr at work I did not have time to do more than I did in keeping up with decisions and actions and reading Cttee Agendas and minutes.
- The cycle of Scrutiny before Exec before Full Council works well in most instances but often it feels that decisions come to us already worked up so it's difficult to say no to them, or to have a really informed debate about them. I think the briefing sessions work really well as it's very much open discussion and information-giving without pressure to push something through. Having Exec portfolio holders in a sense relieves ordinary councillors from a degree of burden of responsibility as it's the PHs who take the rap when the things go wrong, as well as receiving the public's ire, which is sometimes unreasonable and uninformed. The Exec. also carry the workload. It is my impression that some members don't appreciate the hours and commitment put in by the Executive

members. I do appreciate it. Having an Executive possibly makes decision making easier and faster as there are fewer individuals to reach consensus but of course they are acting on behalf of the larger councillor group, so the decisions should be made democratically. I like the way in which officers do the communicating with councillors and give guidance on process as I feel their neutrality and professionalism work as a useful buffer where there might be political differences or personality clashes. Cross-party committees to my mind are working really well. The political balance is helpful and most members think independently and work collaboratively. Having a specialist area in which you can become more knowledgeable and skilled at decision-making (eg Planning) is helpful.

- Planning and Licensing are cross party and their decisions are transparent, although by the nature of the services, not always received well by everyone. One can argue that the decision making process is quicker under a strong leadership model, but this must be weighed against whether the decisions prove to be good ones or not. In recent times our Council is making decisions about investment of very large sums in various projects. Would a specific economic development/ investment committee with cross party membership with the relevant experience not be serving us better in these circumstances? From an officer perspective, having to persuade just one portfolio holder or 10 Exec members of a course of action is much easier than a cross party committee, but is this a good thing ?
- The Executive system is sub-standard, concentrates too much strategic decision making in a small group and lacks true transparency. I suppose there are some inherent benefits in terms of swift decision making etc, but hard to muster a significant number of positives.
- As a new councillor, I perhaps do not have as much as others to compare with, however, I have been surprised at how little really I am consulted or asked queries. Particularly when it comes to matters that impact the community I represent. The briefings are a positive for me, and have enabled a greater understanding of the delivery of the council. Training when it has happened has been good, and I have always felt the officers have genuinely done their best on at times tricky issues. I have found the IT and IPAD system to work well and can see there is good sense in many of the ways things are done. I know to start with the change was a challenge for some councillors but most have embraced it. I do wonder whether there may need to be an assertive outreach approach to councillors who struggle more with the technology, as I worry it impacts their ability to contribute at times. I am not always the most assertive person often choosing to sit back and observe, and consider my response. Sometimes other more vocal councillors have had quite some table time and I am not sure this is always great. But I know officers and executives are aware of this and make efforts to ensure all are heard. Certainly on a number of occasions I have been very grateful to James for allowing space for questions/comments to be heard and answered.
- I'm happy with the current system.

- I feel that I must give the same answer to both questions, the decisions which go before full council are made by the Portfolio Holder and Officers with little or no input from members. The first time members see them it is normally at a members briefings, by which time its to late to add or remove anything. Member Briefings in my opinion are no more than questions and answer sessions, where the Portfolio Holder and Officers are only interesting in justifying their decisions and not listening to general members. If an item does manage to get to scrutiny it's normally too late to make major changes before the item gets to the Full Executive and Full Council, as the three meetings come very close together.
- It is easier to make urgent decisions with the current system and the pfh is accountable when making a decision
- Expedited decision-making, no endless committee discussions, easy for public to identify a single member-level point of contact, easier for the ruling group to implement their manifesto,
- Having Briefing sessions to give us some information.
- The decision-making process is clear, simple and relatively speedy. Exec members can make decisions themselves where possible. It doesn't require much evening attendance or endless committee meetings.
- I don't know how it works behind the scenes but perhaps portfolio holders have the opportunity to explore what mutually beneficial, or possible unintended consequences for each other's areas of responsibility might arise from their respective proposals in ways that a committee system might not easily allow. Officer briefings are an important aspect of the current arrangements, but could presumably be continued under a committee system.

Question 2. What do you feel doesn't work well with the current governance arrangements?

Responses:

- Could be improved with addition of Policy Advisory Groups
- Most things, it is undemocratic
- Knowing who to contact and having to use the member support through the Jess McVie team
- I personally feel there is too much responsibility given to too few people
- No system is perfect but cannot see any obvious improvements.
- Currently under the Executive system: Only a small handful of councillors (9) are involved in formulating policy and shaping decisions. We have 59 elected members who have a wealth of experience, knowledge and expertise but this is not utilized. That's a waste and carries the risk of flawed policy making through ignoring relevant insights and expertise. I can tell my colleagues 'oi I used to work

for the Disability Rights Commission and worked on the Equality Act when it was going through parliament and you are trampling all over the Equality Act by not making provision for blue badge holders whose impairment necessitates parking really close to key services' they are not listening, that expertise is apparently irrelevant, not needed, not welcome GRRRRRR!!!! There is a democratic deficit. Power is concentrated in far too few hands. This creates an unfortunate arrogance frankly. A small coterie only hold power, they can then impose a line on the rest of their political group (with threats of disciplinary action if you deviate) and that group has an inbuilt majority. Thus matters brought to full council tend to be foregone conclusions rather than be debated and decided on their merits. There is insufficient scrutiny and challenge - there is just one scrutiny committee so they don't have time to examine everything and their recommendations can simply be ignored by the Executive. In addition I feel that ordinary councillors are not provided with enough information to be able to assess different policy options because officers see themselves as serving the exec so there are behind the scenes discussions and we get a 'version' but not the full whammy. Also I feel members of the public are often made to feel like a nuisance and not accorded enough time to have their say or even enough respect. They have no opportunity to put decision makers really on the spot. Some processes allow for no public involvement - eg SWT can extend leases with no public engagement process. Too much power is delegated to officers. The lack of any directory of staff creates the impression that the machine wants to keep us at arms length! I think we can be trusted not to be plonkers and treat officers with respect and if we don't we would get taken to the cleaners anyway. Local ward members are not routinely consulted on decisions affecting their ward. There is a culture of secrecy - what happened to the BID vote? Are we actually buying commercial properties? Where is that 600 page document commissioned with public money under last administration setting out business case for a new Brewhouse?

- Scrutiny has a real value and maybe the one Committee is somewhat overloaded
- I feel the current system works well and I personally wouldn't want to see a fundamental change
- There is a lack of clarity. Who is taking decisions and accountable – officers or portfolio holders? Some PHs seem more confident in their roles than some who appear mostly led by officers and look like they barely know what they are doing. There is a big lack of involvement for other political groups, apart from the one group making up the administration. Scrutiny is little substitute for being involved in policy development and deciding on project implementation. There is a lack of opportunities for involvement of backbench councillors, especially those not in the largest group. It is known that the administration has regular group meetings to discuss policy and decisions, which are held behind closed doors and give extra access for those in that one group to the executive and PHs. With a committee system that type of group meeting should be OK, but with an executive/cabinet model it just further excludes those in other groups.
- I believe it fails to include all members at all times. Also, there is definitely a divide between Taunton and West Somerset, something which could take years

to overcome, if ever. Only time will tell. Mind you, the current Covid 19 crisis has put a lot of extra pressure on the system, which has worked well. Also, I would rather attend a meeting in person, then do a meeting with zoom, which I find very impersonal.

- Having to go around the houses instead of being able to go direct to the department/officer concerned. Not knowing who does what. We should have a directory of officers to be able to contact either by phone or email. Having to go to one person and then wait a few days or a week or more is not ideal when the public want answers there and then.
- I'm not impressed with the system of local government. It's very slow and time consuming- but much of that time is wasted as decisions are made by few and presented to Full Council as fait a complete.
- Power is concentrated in the hands of the few and decisions are rarely challenged. Some councillors are fearful of challenging matters as they feel they may be victimised/ bullied. Within the entire councillor group there are many specific skill sets but these are untapped. This is inefficient. I also find the treatment of the public who bother to attend FC to be astonishing as they are not afforded time to state their particular case nor receive an adequate response to their issue. It is almost as if they are a nuisance. I consider too many matters are discussed behind closed doors. This culture of secrecy is not helpful in a body which is publicly accountable. I accept that some commercially sensitive decisions may have to be kept secret but there is a feeling that just about every item is deemed "confidential". Ward councillors are not always consulted on specific ward matters. This causes conflict in our communities as people expect answers from their councillors. Member briefings are more frequent and are merely a means to advise members of a conclusion rather than engagement in an inclusive consultation. Most councillors would like more engagement, more concise reports and that both PH and officers clearly show they have grasped the issues which they are presenting and willingly answer questions
- The failure of the current system to even listen to, let alone respond to community concerns is a major problem. Decisions are made and then the councillors and public have to accept them. As local authorities gain more autonomy through reduced central government funding, council executives/leaders will be increasingly held to account for progress against expectations. This is unfair. They will be accountable for all decision making, understanding and taking action on the voice of the public and translating central government policy at a local level is often challenging. If it does not enjoy the support of cross party it will turn possible advocate to outright opposition both within the council and in the public, which cannot be sustainable.
- A fait accompli
- Transmission to all members.
- The present system is divisive, with two groups within a governing party ie Exec and non Exec. The Exec have considerably more interaction with council officials

and because they are seen as the important Executive Councillors officials will also be far more proactive when dealing with them. Officials are not in contact with ward councillors like myself on matters the Exec are dealing with. They also fail to be in contact on other local issues that impact on the ward I represent. The culture discourages contact. It is bizarre that I have even got the impression that councillors should keep officers at arms length and not even contact them. The lack of any directory of staff with a list of officers and phone numbers was an early sign of this approach. A committee system would be more democratic and use the experience and the abilities of all councillors eg business and financial. I am a member of the Licensing Committee but it has only had a few meetings since May last year. Officials obviously make nearly all the decisions.

- The current Scrutiny processes do not really add value, no matter how much it suggests alterations to the Executive all those suggestions can and are dismissed in short order unless they are very minor. This system does not allow or even listen to the ideas or questions from Councillors from all walks of life and many with great experience in the world of business. This leaves Councillors who are not members of the Executive frustrated and disillusioned in their backbench roles. It is also incredibly wasteful of an enormous and varied pool of talent. Genuine concerns from the communities we represent should be catered for not brushed aside. Members Briefings are mostly used to TELL Councillors of decisions that have already been made. This engenders a feeling of disenfranchisement in backbenchers of all parties or none. The local member should be informed of any important or contentious issues in their ward as they will have to help sell the idea to their residents.
- 1. The majority of councillors in both the ruling group and opposition parties feel excluded from meaningful participation in policy-making and decision-taking. The result is disaffection and disillusionment among cllrs who were keen to stand for election but lack the time or possibly skills to be a member of the Exec. 2. Portfolio Holders have very heavy workloads, the equivalent of a near full-time job in some cases. Many cllrs cannot give this commitment but would still more involvement in SWT work than they currently have. 3. The existence of a small Exec group encourages secrecy and unnecessary use of confidentiality. This excludes and alienates many other cllrs. Officers tend to treat the Exec as “real” cllrs and the rest of us as nuisances.
- When the political balance is tilted in one direction as is the case currently suggestions made by those member not in the political majority tend to be looked on with distrust and general discounted those ideas. We loses the sight of the fact that good ideas are not limited to those of the majority party or if fact other people. This enables policies to be pushed through but makes the “other” members somewhat not involved in the day to day operations.
- There is clearly deep misgivings amongst Cllrs about this Strong Leadership system from both those who have experienced a Cttee system in the past and from some, like me, who have never experienced it. People feel excluded from decision making and despite regular briefings and group meetings they still do not feel fully part of the process and so are alienated by it. The issue has become increasingly difficult for both members and Executive and in my view

needs to be addressed urgently. I suspect that the SMT also prefer to deal with an Executive but I do not feel that is a justification for keeping it.

- As stated in my previous answer, some decisions come to us already worked up and it feels as if we are heavily persuaded to vote them through or there would be negative consequences. I don't doubt that these are usually the right decisions and I trust on the whole the judgement of both the Executive and the officers, (as a new councillor I often feel I'm making decisions within areas outside my skill-set and specialist knowledge, despite training) but it doesn't always feel democratic. The current system also requires us to be a "jack of all trades" and sometimes members are voting on issues they don't know a great deal about.
- The Executive system concentrates decision-making and power in the hands of a few members. This is a poor arrangement as it does not make use of the abilities and knowledge of the majority of cllrs. Exec members, and especially the Council Leader, are often overloaded with information and decisions while the skills of other members are neglected. The scrutiny process does not work. However constructive and positive the discussions at scrutiny the impact on decisions is usually marginal or negligible. By the nature of the Scrutiny process, it has to deal with a very wide range of issues and policies across the Council, and sometimes beyond, but with a very limited say in the actual policy. This is a very inefficient and ineffective process which takes up a lot of members time but with little impact on policy. The ineffectiveness of the process is a source of frustration for Scrutiny members as well as other cllrs. It is not just opposition members that feel that the process does not allow a better decision-making process, many members of the majority group also feel disenfranchised. Members briefings have become more frequent and are often a means of telling us what has been decided and why, rather than a real attempt of consultation. Council meetings are often too long, partly as a result of members not having had a chance to make their key points previously. Councils under a strong leadership model are more likely to make disastrous mistakes as the experience and benefits of collective decision-making can be ignored. The enormous cost of the recent so-called transformation process is an example. The extremely costly decision to allow all officers to claim redundancy payments is perhaps a good example of a basic mistake which would surely have been picked up by a committee process.
- Too much decision making in too small a group. Scrutiny is effectively "after the fact" and therefore limited in power to influence. Large numbers of members not part of it, and therefore not representing the views of electorate. Broadly (currently) urban dominated. Would be equally bad if it were rural dominated by the way. The system needs to reflect the spectrum of the community. Currently drives too much focus towards Taunton. Does not effectively capitalise on the broad wealth of experience across the elected membership. People could contribute more. Officers are accountable to Executive but can be unresponsive to other members, with little consequence.
- It seems that some portfolio holders embrace the role, but others there is a lack of communication and consultation. It surprises me that with the broad spectrum of experience in elected councillors this is not tapped into more. I have acted as a shadow portfolio since being elected but have not been given any opportunity

to deliver on this, despite pushing both the portfolio holder and lead officer. It feels like there is a closed shop on this from some in the leading party. Though I know colleagues have had a very different experience so assume some of this is down to individual traits. However, if there were a formal expected system this would reduce this, and I think allow for more collaboration and broader spectrum of opinion. While I appreciate it may slow decision making down at times, I think also think a better engagement with councillors earlier on in issues might help and make officers jobs easier in coming to a good decision, though appreciate this could make processes long. It would be useful to have a full list of working groups/task&finish etc. I have offered to help in a number of different ways but not heard anything back. I have also found it hard to engage with some of the existing processes. I have tried to attend Planning Training as a substitute. But on a number of occasions training for this has happened at a time not defined, in or around the end of the planning committee. I don't think this worked well and should have been at a different set time. While planning members were there they were often tired after a meeting or for those not there had no way of knowing the right timing, and on one occasions despite following all that was asked of me it still went ahead at a different time.

- If you mean the officers in the governance team, then I think they do a good job, particularly under the current Covid restrictions.
- I feel that I must give the same answer to both questions, the decisions which go before full council are made by the Portfolio Holder and Officers with little or no input from members. The first time members see them it is normally at a members briefings, by which time its to late to add or remove anything. Member Briefings in my opinion are no more than questions and answer sessions, where the Portfolio Holder and Officers are only interesting in justifying their decisions and not listening to general members. If an item does manage to get to scrutiny it's normally too late to make major changes before the item gets to the Full Executive and Full Council, as the three meetings come very close together.
- It can stifle debate and be seen as a system that's not very inclusive.
- Heavy load of Exec/Full Council meetings though, given the size of the programme, understandable. Would be worse with a committee system though. Maybe greater delegation to PHs? A second scrutiny committee would help with their workload. Maybe also split off Audit as a separate committee.
- Confidential agenda items not being available on the mod gov site or given directly to Cllrs
- Some Councillors don't understand the democratic path of Group, Exec, Scrutiny, FC - this does seem to vary widely and it could be explained simply for each paper. As a result, some councillors feel left out of the process, simply because they don't understand it.
- It doesn't enable 'back-bench' councillors across all groups to contribute their knowledge and ideas in a deliberative process of policy development. Cllrs

represent a range of communities and have many different areas of experience, expertise and perspectives that can enrich the process and outcomes.

Question 3. What are your suggestions for improving the Council's governance arrangements?

Responses:

- Could be improved with addition of Policy Advisory Groups
- Bring in a Committee system, and a Scrutiny Committee that does not have a majority membership that reflects the majority on the Council. Scrutiny needs to be able to halt a Council, with a political majority, running roughshod over the whole Council.
- Members being able to contact officers direct when they need to
- We should revert back to the Committee system so that Cllrs could be involved in a more specific topic rather than expected to be "masters of all".
- No system is perfect but cannot see any obvious improvements.
- SWT should abandon the Executive /'strong leader' model and adopt a modern, democratic committee system so that power is dispersed, consensus is the goal and every Councillor can have a real voice and contribute their insight and expertise to public policy and decision making. This would be pretty much cost neutral in terms of allowances (chairs replace exec members etc); ideally one would build in some extra policy/ democratic services capacity. Doubtless there will be training needs. My feeling is anything spent on getting a more robust, open, democratic system is money well spent and will save money by preventing copy decisions. You would still have a leader elected by full council who can represent us externally and provide leadership internally. The executive would go. You could have around 7 -8 committees with places (11 councillors) allocated in proportion to political group representation each with a Chair and Vice Chair(of different political persuasions). I would go for something along these lines:

Strategic Committees:

- Policy and resources committee - responsible for overall strategic direction and budget, resource planning and allocation, emergency planning, equality and human rights, economic development, anything that doesn't fit neatly under another committee, made up of chairs/ vice chairs of cttees or nominated reps from political groups. Leader of Council would Chair. This cttee I would have responsible for commercial investment decisions (see below)
- Climate change and environment - climate strategy, tackling ecological emergency, coastal protection, active travel and green transport, parks and green spaces, biodiversity, waste and recycling (to feed through reps into Somerset waste partnership board - currently there is insufficient democratic input I feel)
- Housing and Planning - strategic planning, local plan, HRA, council house building programme, estate regeneration, housing standards, hmo licensing,

regulation of private sector housing, building control, heritage (another option is have cttee devoted to Housing and have one dealing with Planning and transport)

- Internal services/ operations - finance, IT and HR, assets
- External services/ operations (Kingston calls theirs 'Community and Engagement,') - communications, public engagement, crematorium, arts and culture, leisure, electoral services , voluntary sector grants and partnerships

Regulatory type committees:

- Development control
- Licensing
- Plus Audit, Governance and Standards Committee(could this be incorporated in internal services?)

All committees need to have a focus on equalities and inclusion and carbon neutrality. The new member/officer working group on Equalities should continue and have a link into Policy and Resources and be a resource for all committees. Obviously Full Council would continue to meet regularly to debate key issues, approve policies and strategies, decide the budget in feb, to appoint councillors to outside bodies with provision for petitions, motions etc as now. I think members need more opportunity to have things on agenda that matter to their constituents. So Modern Committee System that's the really big and most important change we need. In addition: I think delegation schemes need reviewing. Even in pandemic scenarios there can and should be more elected member control over decisions. Re the leisure services contract by the time we got a say our hands were effectively tied by decision of CEO to begin shovelling money Everyone Active's way. I want to see modern committee system where in between meetings there can be dialogue and involvement ongoing through email etc and mechanism for urgent things to be voted on remotely when necessary by whole committee.

I will be in a minority no doubt but I still find it completely and utterly shocking that a tiny coterie gets to decide massive commercial investments - it's just beyond my comprehension. Appalling. Decision to buy gaumont went through full council rightly so - all the stuff about oh we need to be fleet of foot is a distraction, we managed to consider that purchase (gaumont) utilizing the democratic process. In new committee system I would run these decisions through policy and resources and if time the full council.

New protocol for consulting and informing ward councillors about decisions affecting our ward. I was incandescent when a fun fair turned up in my park at the end of August with no prior notification and in the middle of a pandemic – should have been blatantly obvious this was sensitive and should have been guided by political steer from elected members not officer just deciding.

More transparency across the board. The commercial investment strategy should never have been debated in secret. I will never recover from the horror of that, never. Shocking. When there are genuinely confidential matters fine discuss in camera but at least give us all the full info - too often I feel people are sticking their hands up willy nilly for stuff they don't understand which is the opposite of good governance.

I really wish there was a provision against party political whipping in local government - I have come to despise that with avengence. Carry people with you but accept the fact there will be divergent views would be a more mature approach. It is totally inappropriate in my view – a lot of decisions are not political

they are business decisions so people should be allowed to use their professional judgment, in any case our first duty is to our communities not party. Unfortunately I expect this will be left up to political groups and without scope of review.

- I do wonder if a policy advisory group for each portfolio holder might be a good idea.
- Maybe a group of 4 people cross party who could discuss in a private forum ideas with the Portfolio Holder and lead officers to help steer policy in a cohesive way. I would see this as being led by Portfolio Holder and the topics for discussion coming mainly from them or lead officers
- I think the briefings are good
- Switch to a committee system, with representation in relation to group size and committee chairs to speak on behalf of the committee. I don't think Scrutiny would be needed as there would be a greater spread of views on the committees, which should improve decision-making and result in scrutiny being undertaken at the same time on the committees. There would be a committee with a co-ordinating and strategic role, including for developing the annual budget.
- As the Council is coming to an end within the next two years, I would personally leave the Council's governance arrangements alone. It would be a waste of time and money to change things now.
- Go to Committee working. Have a dedicated person in each department who can answer councillor's questions.
- Fewer Councillors! Committees that are cross party, trained, with working parties to inform decision making by dedicated Councillors.
- The current system should be disbanded and a modern committee system introduced. This gives every councillor a voice, regardless of their political beliefs. This system would work across parties, members could focus on matters which interest them and for which they have experience. It would streamline council meetings making them more efficient. A committee system would also ensure that a full democratic process is respected. It is likely to be cost neutral. There will still be a Leader for external representation and internal leadership. The remainder of the Exec would be abandoned and 6-10 committees could be formed with members and a Chair and Vice Chair of different political persuasions. I would like to see political neutrality across the whole regime. I would also like a position where dialogue and involvement can take place at short notice for specific urgent matters. Covid has taught us we need to be more agile and remote voting etc is wholly acceptable in certain situations
- We need a change from strong leader cabinet model to a more open, transparent and democratic committee system, whereby positive and productive contributors are encouraged-not discouraged. We should capture

the best local knowledge and expertise in order to come up with solutions to future challenges that lies ahead, one that bubbles from the community, a bottom up strategy, not a top down one. We need to be able to work effectively and proficiently/profitably with external suppliers and delivery partners. Flexibility, agility, proper decision-making process and expert project management will be prized skills in the new-look future new authority, where it is vitally important to reach out to all parties.

- A committee system which involves more councillors in decision making.
- Wider communication
- We need to abandon the undemocratic, strong leader cabinet model in favour of a more open and accountable committee system. The local knowledge and expertise of all councillors should be valued far more. Committee debate will allow many good alternative ideas to develop.
- An immediate change to a modern Committee system. There would be no loss of power to the majority group because the Executive Councillors would simply move over to become Chair of the Committee (with casting vote) the majority group would have under political proportionality rules a majority on each Committee. All these new Committees would attract members from all parties or none with either knowledge or interest in each subject. When the decisions have been made and if required, go onto Full Council for ratification then those items are going with the support of the Committees recommending them to Full Council. This will allow for smoother Full Council meetings negating the rehash of old arguments. The membership of Committees should be no more than 11 members, with political proportionality. The members of any Committee would have more engagement with Officers advising that Committee and would therefore be fully engaged with the process. There should be a minimum of two Scrutiny Committees. There should be two regulatory Committees Licensing and Planning/Development Control. A Climate Committee. A Council Property Committee dealing with all Council-owned assets. A strategic Committee and both an External and an Internal operations Committees. There should be an overarching Policy & Resources Committee chaired by the Council Leader and having all the Committee Chairs as members.
- Move to a Committee system which the provision for each chair to be able to take quick pre-emptive decisions if the need arises.
- To engage member that are not involved in the portfolio level, it should be about taking suggestions/ideas no matter where they come from and not those used for council business aimed at capital political gain.
- As a matter of urgency we should divide the Scrutiny Committee into 2 committees as was previously the case and set up a Town Council for Taunton. This should happen without delay. I should like to see a report on what Committees would be needed to run a Council under the Committee

system and that the Full Council should get an opportunity to review and vote on these proposals in time for them to be implemented in April 2021.

- I would certainly like to explore different models of a committee system to see what the implications would be and how things would change. I understand that one criticism of the committee system is that councillors will be expected to attend more meetings and attendance is crucial. I can see this may be a problem but recently I seem to be spending most weekday afternoons and evenings attending meetings or briefings anyway (and weekends reading the documents)! I think that greater ownership of decisions would reduce cross-party conflict and indeed between members of the ruling group. But I do want to know the downsides.
- The establishment of a modern committee system is essential. This would have the following advantages :-
 - 1) Cross party membership would be a democratic consensual approach to decision making.
 - 2) Members would be able to focus their efforts on subjects in which they are particularly interested or have particular skills or knowledge.
 - 3) All members would feel involved, be able to influence actual decisions within a system of proportional party representation and cooperation.
 - 4) Full Council meetings would be likely to be shorter and an affirmation of policies in which all has had the chance to participate.
 - 5) The Chair of each committee would be in a position to take all views into account and come to Full council in the knowledge that the democratic process has been respected.
 - 6) Members of all parties and none would have better access to officer advice and be likely to spend time seeking information which they feel they need to take decisions.Some changes to the way committees have operated in the past at the two Councils should be considered. Some of these might be :-
 - 1) Two stage reports to committees, an initial report outlining the proposal with a relatively short report which can either be approved as is or members may feel that more info was required and ask for a second more comprehensive report before deciding.
 - 2) The number of members on each Committee could be reduced to 13 or 11 perhaps, depending on the nature of the committee.
 - 3) The time each member is allowed to speak could be limited in some way if the Chair felt it necessary. We all know that sometimes members can take too long to get to the point! A limit of 5mins on each item might be appropriate.
 - 4) There would be some sort of overall Policy and Resources committee, chaired by the Leader and having Chairs of committees but with a proportional representation. This would enable the Leader to focus on the big issues and co-ordination of Council policy.There may be other ways of modifying the committee system to make it as relevant as possible to present day circumstances and further discussion on this would be welcome.

- Like many others, a Committee system would seem to address the core issues of centralisation of decision making and lack of reference to full council.
- I would suggest a skills audit of councillors would be useful to identify possible strengths and supports that could be utilised in working with officers. This I understand could be utilised if a committee system were in place. I also think this would support better decisions as often there is a lot of complex information and if only a few analyse then crucial detail may be missed. When first elected I also put myself forward to be a councillor trustee for an organisation in the community, and this was from a list of councillor representations. However, I have never been asked to report back on this, or given a template/process to do so. This feels like a vital part of the council having a sense of its community and a lost opportunity. I also think a briefing on this would be useful, in terms of how councillor trustees etc might make best endeavour of this.
- We have direct lines into the team, what we need is direct dial numbers to a contact in each department to gain better responses for those we represent.
- A committee system would allow the views and ideas of members to be put forward and fully debated before any decisions are made and they go to full council. I for one would feel that I would be able to put my views across one way or another. It also removes the danger of a strong willed officer pushing through ideas that a weaker Portfolio Holder may be willing to accept. Also as committees would be made up of cross party members the decisions would reflect the views of the whole council
- A hybrid version of the current system
- Heavy load of Exec/Full Council meetings though, given the size of the programme, understandable. Would be worse with a committee system though. Maybe greater delegation to PHs? A second scrutiny committee would help with their workload. Maybe also split off Audit as a separate committee.
- More reports from non committees through there stages of working. Effectively more info of what is going on behind the scenes ,not just the final report .
- Some Councillors don't understand the democratic path of Group, Exec, Scrutiny, FC - this does seem to vary widely and it could be explained simply for each paper. As a result, some councillors feel left out of the process, simply because they don't understand it.
- A Committee system along with officer/expert briefings and, where appropriate/desirable, utilising well worked out methods of public consultation.

Question 4. Do you feel that you can influence policy and the decision-making process?

Yes	8
No	13
Unsure	8
No response	2

Question 5. Please explain your answer to question 4

- Political balance of Council
- Whilst a member of the Council might feel they can make suggestions, some of which could be taken into account, the “ruling party” can/could become dictatorial
- Working with other Councillors to do so. For my part too, being an Executive member is advantageous
- Councillors should work together to get the best results. When they do things certainly seem much better.
- Every member has the chance to influence policy through speaking at Full Council, Executive and Scrutiny. Whether the ruling group will act on good suggestions from opposition members is another matter but always has been and always will be
- No but there have been exceptions, as a rule though, no. In general the exec system especially when combined with political whipping make for a sorry situation where most councillors just feel like window dressing – ‘oh look this is democratic we have elected members in the room’ but the power lies with senior officers primarily followed by the Exec. By the time we get a look in it is often too late to change trajectory or there is unwillingness to take a different approach, things have been largely stitched up. I think exec feels it needs to defend its line rather than listen and adjust and change (although there have been examples of enlightened exec members occasionally going with councillors’ view, ok actually only one I can think of!) Exceptions:- when cross party committees/groups are involved at the beginning of a process, eg scrutiny during initial development and scoping of climate change strategy I felt our input actually did some good and was heeded as the post holder and officer concerned were very open to suggestions. Ditto Local Plan member steering group – chaired by opposition member, good old mix of people, it feels like we are all equal and can contribute and again, because we were involved at the beginning it was worth the effort writing and submitting pages of notes!
- I feel I can influence decisions via our group meetings primarily. Where groups complain about lack of info I don’t think that the council is to blame for that it is a group issue

- Barely at all. I sat on a working group intended to be involved in developing policy and recommending this to the Council for decision. However, the process was poorly managed, so that policy discussions were nearly non-existent. We had presentations when officers, in effect, told us what policy would be and seemed to have little interest in our views. Only the views of Portfolio Holders seemed to count, which were presumably given at other times elsewhere. This gives the appearance of the real policy making being a secretive process hidden from most councillors. The only effective opportunities to contribute to policy appeared to be when allowed to submit comments on draft papers. However, it appeared officers then decided on what went in the final version and there was NO cross-party or wider debate or discussion on different options or possibilities. It appears that having Portfolio Holders can stifle other forms of policy making and encourages officers to look to work with them. It can then depend on the characteristics and abilities of the Portfolio Holder whether others may be involved. Some seem able and willing to listen to others. Some appear to lack what would be needed to fulfil the role in this way. There is no official role for shadow PHs, which, possibly, might allow a small improvement, but moving to a committee system should be far better.
- As an individual elected member I believe I have very little influence on policy, this is because the Council is political. Where the winner takes all, under the current decision-making process, at this present time we have a Liberal Democrats administration in control. Who knows, in two years' time it could well be a Conservative administration or another group. All top appointments are made to the Cabinet System from the winning party. Not a very inclusive system, especially if you are an independent elected member not affiliated to any political group.
- Decisions are made by ??? I am not sure who does make the decisions and therefore would have no idea if I could influence them or the policies of the council.
- If I was willing and able to devote more time, and eg get on the Exec or Chair a Committee then maybe it would be possible to influence policy, but I'm not! Consequently my skills and experience and decision making ability are not utilised.
- Generally not as often feel totally ignored. Councillors are often consulted at a late stage where a decision has effectively been made by the exec. Some of these decisions are fine but there are some which have been found to be lacking. Often we are subjected to the "closed mind syndrome". It is in fact quite demoralising to have to listen to some unsound decisions being voted through for various reasons but often because of a lack of member's understanding, sometimes because briefings recommendations do not cover the bigger picture and are rushed through with limited time for consideration.
- NO, I fear the executives have the monopoly on most important decision-makings and any influence to change the policy will take years, unless it has executives support and it is inline with their thinking. Most executives have their own priorities and are influenced by officers and are not professionally/adequately

equipped to bring the rest of the councillors on board from the start. As we have witnessed with overseeing the transformation that has taken a few years and yet to function effectively, we are still taking the necessary steps to fill some skill gaps. We need a good mix of knowledge/expertise to complement and guide officers for the best outcome. One thing that is lacking within the executives is commercial mindset as it will be a top priority in years to come for the team and as the local councils will shrink, along with, project management skills, flexibility, a clear vision and digital expertise to combat future challenges. Tapping in to the expertise that we have across party politics will help and support future decision-making.

- It seems to be a done deal by the Executive
- As a member of the minority party I don't feel I have any influence on council activity.
- Generally no with a few exceptions. I feel the Executive have a monopoly on many decisions and often other councillors are unaware of the issue or the decision. Consultation with ward councillors is inadequate by the Exec and council officials. On a few occasions I have been completely unaware of issues that affect my ward and didn't know about meetings arranged to deal with these issues.
- The material decisions are seemingly made before they reach the Committee and the current Executive appear to defend the decisions rather than discuss any potential for an alternative, possibly even better outcome for the people we serve. We must be seen to be responsive to our electorate after all, without their votes we would not be Councillors.
- Only through informal means such as lobbying and relying on friendships among cllrs. It needs to be hard-wired into the system. Let me give an example; I'm a councillor very interested in Ec Dev. Where is the routine opportunity for me to influence policy in this area? Marcus K does a good job as PH but there is no Cllr group or working party around him, just the relevant officers. So beyond bending Marcus's ear on an informal basis, what am I supposed to do. I could table issues at LD group meetings, but what about the 29 or so cllrs who are not Lib Dem's?
- Unfortunately, where an unbalance situation exists there is a tendency to marginized any help offered as coming from other motives particularly those coming from outside the current majority party. This does a disservice to not just other members but also to the public at large not just those who voted for them or not. It is very difficult in these circumstances to influence policy and the decision-making process; a good example of how this is played out in practice is the make up of the members on the investment board. Initial discussions made it clear the make up of the board would not include any members outside the Executive although this by far one of the most important functions of this council. However after a lot of lobbying a concession was made to have a non-voting member included on the board but they were not able to vote - why.? It was made clear that any member outside the Executive was not trusted to vote in line with

the other members and concerns maybe raised by the non-exe member and delay the proceedings consequently although an outside the Executive could attend the board they could not vote. This attitude does not encourage engagement in the policy and the decision-making process hence the lack of participation.

- Yes. I do to some extent but I am part of the Executive. When I was a backbencher I did not really understand how the Council worked or how decisions could be influenced and made but that is clearer to me now. Were I to be campaigning or particularly passionate about a particular issue or matter I think that my path to get that issue dealt with would, as a backbencher, be far more difficult notwithstanding that I am in the majority party for the time being. I think some experienced Cllrs were used to dealing directly with officers of the previous Council and that they feel much less effective with new officers that they do not know. I think that this has compounded the problem of disaffection with the current system.
- I haven't answered question 4 because none of the answers really fit for me. I can influence the decision-making process in that, as part of the ruling group, I can vote in Group meetings, and of course I can vote in Full Council. However, there will be times when my vote will be influenced by Group loyalty. There have been times when I have shaped policy but on the whole I feel more as if my role is one of scrutinising decisions that come to me fully formed. I have made suggestions which have not been taken up but I am well aware that too often members push for their own areas of interest without awareness of the big picture.
- Comments as follows:
 - 1) If decisions are taken by a few Exec Councillors why would I want to be a Councillor?
 - 2) How can I represent those who elected me if I have so little say in the decisions of the Council?
 - 3) As a democrat, I wish to see members of all parties and none have some meaningful say in the decisions of the Council.
 - 4) Why should I support the Council's decisions if I have had no meaningful involvement in them?
 - 5) Why should I have to spend so many hours listening to debates about details of Council activities in which I have little interest and which are not relevant to those who elected me, and yet not have say in those issues which do ?
 - 6) I would like the time I spend on Council work to be relevant to those issues which are most relevant to me and my electorate and make my contribution effectively and efficiently, preferably on issues about which I have some expertise.The current system does not do that
- Not enough. As per answers above, the Executive system puts too much emphasis on the few and does not empower the rest. This permeates into the whole organisation and results in an authority that does not always respect the importance of those democratically elected yet not at the top table.

- Yes but not as much as I would like. I have found the briefings provided to councillors a great benefit and grateful to James/others from introducing these. I do my best to attend all, and the timings of these are good. Sometimes I wonder if a greater range of options might need to be presented at these briefings though, as sometimes it feels like a decision has already been made and therefore we are just being told what has been done/is going to happen. I also feel that again if there were a committee system more input to come to the right decision could be achieved. I am often surprised at some of the comments statements that happen in Full Council when those ideas and details could have perhaps been addressed in an earlier stage. With regard to my earlier suggestion of a skills audit and interests audit I think this would also allow for councillors to really contribute in key areas they have knowledge and interest. Though recognising there will always be less interesting areas that will still need councillor time, and we cannot all be deployed on the key areas. Overall I think there could be more collaboration which would I think bring about more ownership from councillors.
- We started off well post election, lots of working together etc. Now this has lessened considerably. Involvement of the opposition parties is important. We have some excellent councillors, their opinions and ideas should be sought.
- As above in question 1/2 all I done at present is to vote on decisions put forward by executive and officers with no input at all and very little chance to challenge the decisions I feel are weak or not in the best interests of the people that elected myself. I have over the last year questioned why am I wasting my time being a councillor if no one is prepared to listen or take notice. It's not always wise to go with those that shout the loudest be they councillor or officer.
- I feel I know how to ask the right questions and can approach pfh s direct with ideas
- I know who to speak to on any issue.
- Most unlikely - Being a member of a minority group
- Democratic path offers plenty of opportunity for involvement of members.
- If you're not part of a deliberative process, but are presented with limited choices already determined by vote within the ruling group there are limited opportunities to have an impact on decisions.

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
Plymouth City Council (Unitary)	No Change – operate Executive arrangements. Have cabinet of 10, 4 Scrutiny Committees and other Committees, Boards and Panels	57 Councillors – 30 Labour, 17 Conservative & 10 Independent	Didn't change. Review design principles were open and transparent, accountable, responsive, inclusive, clear, flexible and best for Plymouth. Decided that Strong Leader Model was the most efficient for decision making. Decided to develop the Executive model instead of changing arrangements.	262,100	Urban Unitary Council Area of 30.82 sq miles (79.83 sq km)	No
Lancashire County Council	No Change – operate Executive arrangements. Have a Cabinet of 8, 4 Scrutiny Committees and other Committees Have Cabinet Committees and Working Groups, 5 x Champions (Older People, Young People, Parishes, Disabled People and Armed Forces and Veterans) and 5 x Lead Members (Young People, Health & Adult Services, Highways and Transport, Cultural Services and HR & Property)	84 Councillors – 44 Conservatives, 30 Labour, 5 Independents and 4 Liberal Democrats Currently have 1 vacancy	Didn't change. A Working Group gathered evidence and presented three options to the Council in December 2014 – these were Cabinet Model, Hybrid Model and Committee Model. The presented the advantages and disadvantages of each model. The Working Group felt there was a significant issues in relation to the Committee system of balancing the need to keep decision making efficient and streamlined, and yet to ensure there were sufficient meetings in the calendar. A motion was put to the Council by the Leader to retain the Cabinet system. However the Working Group was retained and a report went to AGM in May 2015 to consider changes to the governance arrangements.	1,219,799	Area of 1,187 sq miles (3,075 sq km) Covers Blackburn with Darwen, Blackpool and Lancashire	Yes
Derby Council (Unitary)	No Change – operate Executive arrangements. Have a cabinet of 8, Scrutiny Boards and Scrutiny Review Boards and other Committees. Also have Neighbourhood Boards, Neighbourhood Forums and Ward Committees	51 Councillors – 19 Conservatives, 4 Independent, 2 Labour & Co-operative, 13 Labour, 8 Liberal Democrat and 5 Reform Derby	Didn't change. Local news reported a heated debate on the subject at the Council meeting in January 2020. Administration pushed through decision to remain with Executive arrangements as the Working Group couldn't reach a decision after two years work on alternative arrangements.	257,302	Urban Unitary Council Area of 30.13 sq miles (78.03 sq km)	Yes
Isle of Wight (Unitary)	No Change – operate Executive arrangements. Have a Cabinet of 10, 4 Policy and Scrutiny Committees and other regulatory Committees and Boards	40 Councillors – 24 Conservatives, 8 The Island Independents Group, 2 Liberal Democrats, 2 Independent Members Group, 2 Island Independent Network and 2 Independent	Didn't change. The motion for reviewing the governance arrangements was tabled by a Councillor in the run up to an election (March 2017) so the Council decided not to consider it. Felt it was more appropriate for the matter to be considered after the election – doesn't appear to have been re-tabled yet. The issue appears to have been the Executive model not being designed for a 'no overall control' Council	141,771	Unitary Council Area of 146.80 sq miles (380.20 sq km)	Yes
North Somerset (unitary)	No Change – operate Executive arrangements. Have a Cabinet of 10, 6 Policy and Scrutiny Panels and Regulatory Committees	50 Councillors – 16 Independent, 13 Conservative, 11 Liberal Democrat, 6 Labour and 3 Green Currently have 1 vacancy	Didn't change. In 2012 a Councillor laid a motion for a change from Cabinet to Committee system but it was defeated.	215,052	Unitary Council – mostly rural in nature Area of 144.30 sq miles (373.80 sq km)	Yes

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
Thanet District Council	No Change – operate Executive arrangements. Cabinet of 5, 1 Overview and Scrutiny Committee, Regulatory Committees and a number of Advisory Groups and Working Groups	56 Councillors – 25 Conservative, 18 Labour, 7 Thanet Independents, 3 Green and 2 Independents. Currently have 1 vacancy	Didn't change. A motion was put to Full Council on 10 July 2014 but the Council voted not to debate it.	141,922	Area of 39.90 sq miles (103.30 sq km)	No
Chelmsford City Council	No Change – operate Executive arrangements. Cabinet of 5 plus 5 Cabinet Deputies (support Cabinet Members with specific areas of responsibility. Have 10 members of a Shadow Cabinet (from two opposition groups) Have 1 Overview and Scrutiny Committee and Regulatory Committees	57 Councillors – 30 Liberal Democrats, 21 Conservatives, 5 Chelmsford Independents Group Currently have 1 vacancy	Didn't change. A motion went to Council on 16 th July 2019 requesting that the Council went back to a Committee system. The reasons argued were that it widened decision making and was a constructive and transparent way to get things done. Other speakers suggested that the Cabinet system could take several different forms and be just as inclusive as a Committee system. An amendment was put and the resolution made was 'This Council will have a more open governance system where all councillors will input into formulating both key decisions and strategic policies of the City Council, and the Officers of the Council will take most of the day to day decisions about the running of the Council and provision of service. Any other proposals for amending the governance system will be brought to the Governance Committee.' No discussions appear to have taken place at the Governance Committee since this meeting	178,388	Area of 130.80 sq miles (338.80 sq km)	No
Cambridge City Council	No Change – operate Executive arrangements. Executive of 8, 4 Scrutiny Committees and Regulatory Committees. They also have 4 Area Committees which are made up of the relevant Ward Councillors and they make decisions about local issues	42 Councillors – 25 Labour, 12 Liberal Democrats, 1 Independent Currently have 4 vacancies	Didn't change. Considered a report and resolved to take no action	124,798	Area of 15.71 sq miles (40.70 sq km)	No
West Sussex County Council	No Change – operate Executive arrangements. Executive of 9, 5 Scrutiny Committees and a number of Regulatory Committees. Also have 11 County Local Committees covering Ward patches – aim of involving the public in decision making	70 Councillors – 51 Conservatives, 8 Liberal Democrats, 4 Labour, 4 Independents and 2 Independent Conservatives Currently have 1 vacancy	Didn't change. A motion was put before Council but was defeated	863,980	Area of 769.00 sq miles (1,991.00 sq km)	Yes

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
Fenland District Council	No Change – operate Executive arrangements. Cabinet of 10, 1 Scrutiny Committee and a number of Regulatory Committees	39 Councillors – 25 Conservatives, 10 Independent, 2 Liberal Democrats and 1 Green Currently have 1 vacancy	Didn't change. Motion put forward by one Councillor and it was heavily defeated due to the Council having more important priorities to address	101,850	Area of 211.00 sq miles (546.50 sq km)	No
Cornwall County Council	No Change – operate Executive arrangements. Cabinet of 10, 6 Overview and Scrutiny Committees, a number of Regulatory Committees and a number of Scrutiny Inquiries and Task and Finish Groups	123 Councillors – 43 Conservatives, 34 Liberal Democrats, 32 Independent, 4 Labour, 4 Mebyon Kernow, 3 Independent Alliance and 2 Non aligned Currently have 1 vacancy	Didn't change. Governance arrangements were considered when Cornwall became a Unitary Council. Established an independent governance commission which looked at the proposals in more detail. This has resulted in adopting an informal approach which looks more like a hybrid system – Cabinet plus.	569,578	Area of 1,369 sq miles (3,546 sq km)	Yes
Bristol City Council (Unitary)	No Change – operate directly elected Mayor plus Executive arrangements. Cabinet of 10, a number of Scrutiny Commissions, Committees and Boards. Have a number of Regulatory Committees. Also have 6 Area Committees and a Member Forum Committee.	Mayor plus 70 Councillors – 36 Labour, 14 Conservatives, 11 Green and 9 Liberal Democrats. Currently have 1 vacancy	A referendum for a directly elected Mayor was held. Some Councillors were hopeful of a 'no' vote enabling a move back to a Committee system. However the result of the referendum was 'yes'.	463,377	Area of 42.40 sq miles (109.70 sq km)	No
London Borough of Sutton	Committee System – 5 Committees plus two Boards, 1 Scrutiny Committee, number of Regulatory Committees and 6 Local Committees	54 Councillors – 33 Liberal Democrats, 18 Conservatives and 3 Sutton Independent Residents	To enable a consensual approach to policymaking with a greater number of Councillors to be involved with policy formulation and assessment over a wider range of responsibilities than under the Executive system.	206,349	Area of 16.93 sq miles (43.85 sq km)	No
Nottinghamshire County Council	Committee System – 6 Committees, 1 Scrutiny Committee and a number of Regulatory Committees	66 Councillors – 32 Conservatives, 22 Labour, 6 Ashfield Independents, 4 Mansfield Independents, 1 Liberal Democrat and 1 Independent The Council is currently governed by a coalition of the Conservative Party and Mansfield Independents	Moving to the Committee system was a manifesto commitment of the Conservative party	332,900	Area of 28.81 sq miles (74.61 sq km)	Yes
Brighton and Hove City Council (Unitary)	Mayor plus Committee System – 5 Policy Committees, 1 Overview and Scrutiny Committee for Health, several Regulatory Committees.	54 Councillors – 19 Green, 18 Labour, 13 Conservative and 4 Independents	Had problems with an Executive system due to no overall control and the largest minority party making most of the key decisions. Moved back to Committee system in 2012 as felt to be the most open, democratic and accountable system for the political makeup – despite the	290,885	Area of 31.97 sq miles (82.79 sq km)	No

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
			decision making process being too slow and sometimes agreements being hard to reach. Currently considering reviewing it again as there is a view that the Council's committee system is not fit for purpose and doesn't allow for timely decision making.			
London Borough of Barnet	Mayor plus Committee System – 8 Committees, 3 Area Committees, 1 Health Overview and Scrutiny Committee and a number of Regulatory Committees	63 Councillors – 38 Conservatives, 24 Labour and 1 Independent.	To enable Members to shape Council policy and to be more inclusive	395,869	Area of 33.49 sq miles (86.75 sq km)	No
Hartlepool Borough Council (Unitary)	Committee System – 5 Policy Committees, 2 Neighbourhood Forums and a number of Regulatory Committees. From May 2013 has operated as a Committee system with a Leader and Ceremonial Mayor	33 Councillors – 6 Hartlepool Independent Union, 6 Independents, 6 Labour, 4 Conservatives, 4 Socialist Labour Party, 2 Putting Seaton First, 1 For Britain Movement and 1 Veterans and People's Party Currently has 3 vacancies	A petition was submitted requesting a referendum to remove the executive Mayoral role – local people approved a move to a Committee System	93,663	Area of 36.12 sq miles (93.56 sq km)	No
Reading Borough Council (Unitary)	Committee System – 4 Committees and 2 Sub-Committees and a number of Regulatory Committees	46 Councillors – 26 Labour, 10 Conservatives, 4 Green, 4 Labour and Co-operative and 2 Liberal Democrats	Concerns with how the Scrutiny of the Council was working therefore wanted to reinstate a form of Committee system. Requirements were that it didn't cost any more than the Executive system, must be more transparent and allow the public to better engage with the Council. They did not wish to reintroduce the old style of Committee system but a committee structure that was fit for purpose	161,780	Area of 15.60 sq miles (40.40 sq km)	No
London Borough of Kingston upon Thames	Committee System – 6 Strategic Committees, 4 Neighbourhood Committees and 3 Neighbourhood Sub-Committees, 1 Scrutiny Panel and 1 Health Overview and Scrutiny Panel and a number of Regulatory Committees. Whilst they have Committees they still have a Leader and 8 Portfolio Holders	48 Councillors – 37 Liberal Democrats, 9 Conservatives and 1 Green Currently have 1 vacancy	Introduced Committee system in 2012. Felt that some aspects of the old Committee system had worked relatively well in the past so wanted to move to Committee arrangements. The Council had called for a more democratic style of decision making which would increase the involvement of Councillors.	177,507	Area of 14.39 sq miles (37.26 sq km)	No
Cambridgeshire County Council	Committee System – 8 Policy and Service Committees, Health Scrutiny Committee and a number of Regulatory Committees	61 Councillors – 35 Conservatives, 16 Liberal Democrats, 6 Labour, 2 Independent and 2 St Neots Independent Group	Wished to change to encourage more open democracy and to allow more Councillors to participate in the debate. The effectiveness of the new arrangements were reviewed in 2014 and the feedback was that it had transformed decision making, enabling the diverse viewpoints and needs of their communities to	653,537	Area of 1,310.00 sq miles (3,390.00 sq km)	No

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
			be more involved in the detail and the way decisions are made. The 2015/16 business plan has been developed with “closer and stronger cross party political engagement”			
Wirral Metropolitan Borough (Unitary)	Committee System – 8 Policy and Services Committees, 1 Health and Wellbeing Board and a number of Regulatory Committees	66 Councillors – 31 Labour, 20 Conservatives, 6 Liberal Democrats, 3 Independents and 2 Green. Currently have 4 vacancies The Council is governed by a minority Labour administration	Members wanted to adopt a “more democratic” model of governance and to weaken the power of the Council’s Leader and Cabinet. Opposition Councillors suggested that bad decisions were being made without proper Scrutiny. The ruling administration did not vote in favour of this change but were outnumbered by the opposition groups. Conservative Group leader felt that the Cabinet arrangements did not endear people to work collaboratively Council faced some negative press coverage over the potential financial cost of between £70,000 and £200,000 of implementing the change of structure	324,011	Area of 60.60 sq miles (157.00 sq km)	No
Basildon District Council	Committee System – 6 service committees, 4 Sub-Committees and 3 Regulatory Committees Moved to Committee System in May 2017	42 Councillors – 20 Conservatives, 15 Labour, 4 Independent Group, 2 Wickford Independents and 1 Non aligned Independent	Wanted most decisions on Council functions to be dealt with by politically balanced committees subject to the general oversight of the Council. No individual Member of the Council has decision making powers – collective decision making.	187,199	Area of 42.50 sq miles (110.00 sq km)	No
Arun District Council	Currently operating as a Cabinet System but resolved to move to a Committee System from May 2021 (15 th January 2020). Latest draft suggests that there will be 6 Service Committees and 4 Regulatory Committees	54 Councillors – 21 Conservatives, 18 Liberal Democrats, 7 Independents, 2 Arun Independent Group, 2 Greens, 2 Independents and 1 Labour Currently 1 vacancy	Changes due to go live in May 2021. Contentious decision where some Councillors felt that it was being rushed and didn’t have enough information or assurance as to how the new system would operate. Wanted to make their decisions better for residents and giving councillors a greater say in those decisions. Strengthen the link between residents and their local Councillors. Feeling that cabinet members had been able to hide at distance from the local community. It was also suggested that the council’s culture was wrong rather than the organisation.	160,758	Area of 85.30 sq miles (220.90 sq km)	No
Worcester District Council	Committee System – 3 Committees and a number of Regulatory Committees	35 Councillors – 16 Conservatives, 15 Labour, 3 Green and 1 Liberal Democrat	A motion was carried in November 2016 to change to the Committee system, citing the Council’s political contestability and suggesting that the Committee system would make it easier to manage a Council over no overall control	101,222	Area of 12.85 sq miles (33.28 sq km)	
Stroud District Council	Committee System – 6 Committees which also incorporate the Regulatory functions	51 Councillors – 20 Conservatives, 15 Labour, 9 Green, 2 Liberal Democrat, 1 Conservative (no Group) and 3 Independents. Currently 1 vacant seat.	The current Leader and Executive model had excessive delegation and decisions were made by only a few Members. He wanted more Members to be engaged in the decision making process and more public involvement	119,964	Area of 177.90 sq miles (460.7 sq km)	Yes

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
		Council is led by a cooperative alliance of the Labour, Green and Liberal Democrat parties	eg by watching the webcast, attending meetings or submitting questions.			
Newark and Sherwood District Council	Committee System – 4 Committees and 4 Regulatory Committees	39 Councillors – 27 Conservatives, 7 Labour, 3 Independents and 2 Liberal Democrats	In 2012 the Council was no overall control and this caused problems with decision making hence the decision to move back to a Committee structure.	122,421	Area of 251.50 sq miles (651.30 sq km)	Yes
Great Yarmouth Borough Council	Committee System came into effect from May 2016. 4 Committees and 4 Regulatory Committees	39 Councillors – 20 Conservatives, 15 Labour, 3 Independents and 1 UKIP	There were debates about switching to Committee system and the costs involved so they were keen to fit the system to the budget. Reason for change was two examples of where back bench Members felt that decisions had been made without debate relating to a local ice rink and the sacking of the previous CEO. Non Executive Members felt this would not happen under a Committee system.	99,336	Area of 67.40 sq miles (174.50 sq km)	No
Kent County Council	Hybrid – Have Executive plus model. Executive of 10, 6 Cabinet Committees which shape policy and make recommendations to the Executive, 1 Scrutiny Committee plus 4 health related Overview and Scrutiny Committees and a number of Regulatory Committees. Also have a number of Select Committees that arise from the work of the Scrutiny Committee	81 Councillors – 65 Conservatives, 7 Liberal Democrats, 5 Labour, 1 Independent, 1 Green, 1 Independent Swanscombe and Greenhithe Residents Association and 1 Swale Independents	It was felt that Members skills and knowledge acquired from vocational and life experience was not fully utilised under Executive arrangements. Hybrid arrangements proposed to strengthen policy development, more robust decision making and greater accountability of decision makers. Key outcome to make decision making process more open and transparent. Cabinet Committees will provide an important contribution to policy development. Key objectives were to: <ul style="list-style-type: none"> • Streamline the committee infrastructure • Make the decision making process more robust and accessible • Provide non-executive Members with the opportunity to shape policies and major decisions • Ensure the impact on the Member's Allowances scheme is cost neutral 	1,581,555	Area of 1,443.00 sq miles (3,738.00 sq km)	No
Oxfordshire County Council	Hybrid – Have Cabinet plus model. Cabinet of 10, 2 Scrutiny Committees and a number of Regulatory Committees. Also have 3 Cabinet Advisory Groups which examine topics selected by	Councillors – 29 Conservatives, 13 Liberal Democrats, 11 Labour, 3 Independents (part of Conservative Independent Alliance), 3 Independent non grouped, 3 Labour and Co-operative and 1 Green	A motion was put before the Council by the opposition to bring about greater engagement and savings. More like traditional leader-Cabinet model. Cabinet establishes a range of time limited “advisory groups” to provide advice and guidance on developing policy.	691,667	Area of 1,006.00 sq miles (2,605.00 sq km)	No

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
	the Cabinet which align to the Corporate Priorities	Operate with a Conservative Independent Alliance				
Sevenoaks District Council	Hybrid – Cabinet plus model. Cabinet of 6 plus 6 Advisory Committees as per the Cabinet Portfolios (undertake work on policies and submit recommendations to Cabinet) Also have 1 Scrutiny Committee and a number of Regulatory Committees	54 Councillors - 46 Conservatives, 3 Independents, 3 Liberal Democrats, 1 Labour and 1 Ungrouped	Concerns around the lack of inclusion in policy initiation and development. Opted for this model to improve this	120,750	Area of 142.50 sq miles (369.20 sq km)	Yes
Tunbridge Wells Borough Council	Hybrid – Executive plus model. Executive of 5, 3 Cabinet Advisory Boards, 1 Overview and Scrutiny Committee and a number of Regulatory Committees	48 Councillors - 28 Conservatives, 9 Liberal Democrats, 4 Labour, 4 Tunbridge Wells Alliance and 2 Independent Currently have 1 vacancy	The change was made in April 2012. It stemmed from the Leader of the Council being concerned that the current Cabinet structure: <ul style="list-style-type: none"> • Provided for a disconnect between Cabinet Members and the wider membership of the Council • Led to a reduction in open discussion of key decisions and reduced transparency • Led to an over emphasis on post decision scrutiny • Increased distrust with the public and the local media • Created a confusing system of member working groups that were not transparent and open What were the aims of the review? <ul style="list-style-type: none"> • Greater involvement of non-executive members in the development of Cabinet decisions • Basic principle that all key decisions will be discussed and developed by the relevant Advisory Board prior to a decision by Cabinet • Provide for greater participation and greater ownership of Council decisions • Reduce the number of call-ins 	118,724	Area of 127.90 sq miles (331.30 sq km)	Yes
London Borough of Wandsworth	Hybrid – Executive plus model. Executive of 9, 6 Overview and Scrutiny Committees and a number of Regulatory Committees	60 Councillors – 33 Conservatives, 26 Labour and 1 Independent	To increase Member involvement in shaping policy.	329,677	Area of 13.23 sq miles (34.26 sq km)	No
York City Council (Unitary)	Hybrid – Executive plus model. Executive of 10, 6 Policy and Scrutiny Committees, a number of Scrutiny Review Task	47 Councillors – 21 Liberal Democrats, 17 Labour, 3 Green, 2 Conservative, 2 York Independent Group and 2 Independent	The Council used the change of Legislation in the Localism Act 2011 to consider its arrangements and how decisions are made. Local people need to be confident that such decisions are evidence based and considered openly and accountably.	210,618	Area of 105.00 sq miles (271.90 sq km)	No

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
	Groups, and a number of Regulatory Committees. They also have 21 Ward Committees and Executive Member Decision Making Sessions which are public meetings and formally minuted		Wanted Members to more involved in aspects of policy development.			
Guildford District Council	Hybrid – Executive plus model. Executive of 8, 2 Executive Advisory Boards, 1 Overview and Scrutiny and a number of Regulatory Committees	48 Councillors – 17 Guildford Liberal Democrats, 16 Residents for Guildford and Villages, 4 Conservatives, 4 Conservatives Independent Group, 3 Guildford Greenbelt Group, 2 Labour and 1 Independent. Currently have 1 vacancy	The council considered change options by way of a scrutiny review, which also involved an independent person. The review took evidence in public, including from a local campaign group. It recommended the adoption of hybrid arrangements. The review highlighted the value of increased councillor involvement in decisions. The need for increased public awareness of both the Council's governance arrangements and the role of councillors was called for. However the review group was against a formal change from a leader and executive model.	148,998	Area of 104.60 sq miles (270.90 sq km)	No
London Borough of Richmond upon Thames	Hybrid to Committee – 5 Committees, Policy and Performance Review Board and a number of Regulatory Committees	54 Councillors – 39 Liberal Democrats, 11 Conservatives and 4 Green	Felt that Executive arrangements were not involving Members in shaping policy and the decision making process. In May 2018 they adopted a hybrid style pre-decision arrangement where a new set of committees was set up to mirror council directorates and consider decisions before they came to be made by Cabinet. In May 2019 moved to Committee System following a motion.	198,019	Area of 22.17 sq miles (57.41 sq km)	No
Cheshire East (Unitary)	Hybrid to Committee? Currently they have a Cabinet of 10, 4 Overview and Scrutiny Committees and a number of Regulatory Committees	82 Councillors – 32 Conservative, 24 Labour, 17 Independent Group, 4 Liberal Democrats, 2 Real Independents and 2 non grouped	The council resolved to adopt a committee system form of governance in May 2019. The original plan was to adopt the committee system from May 2020, but this was delayed following detailed study of the issues by the Council's constitution committee. Members and officers continue to consider the final design of a new system in detail.	384,152	Area of 450.00 sq miles (1,166.00 sq km)	Yes
South Gloucestershire (Unitary)	Committee then back to Leader-Cabinet. Have an Executive of 8, Health Scrutiny Commission and a number of Regulatory Committees	61 Councillors – 32 Conservatives, 17 Liberal Democrats and 11 Labour. Currently have 1 vacancy	Early adopter of moving to Committee structure in 2012 but moved back to the Executive arrangements after the 5 years had passed in 2017. It was felt that Executive arrangements better reflect the political reality of a majority council.	285,093	Area of 191.90 sq miles (496.90 sq km)	No

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
			The operation of executive arrangements provides an opportunity for more streamlined and efficient decision making.			
Norfolk	Committee then back to Leader-Cabinet. Cabinet of 10, 1 Scrutiny Committee, and a number of Regulatory Committees. They also have 3 Select Committees	84 Councillors – 54 Conservatives, 16 Labour, 9 Liberal Democrats, 3 Independents and 1 non-aligned Independent. Currently have 1 vacancy	Early adopter of moving to Committee structure in 2012 but moved back to the Executive arrangements after the 5 years had passed in 2019. Looks like the changes were made following a peer review and due to moving from no overall control to a Conservative majority.	907,760	Area of 2,080.00 sq miles (5,380.00 sq km)	Yes
Melton Borough Council	Committee to Executive - Cabinet of 5, Scrutiny Committee and a number of Regulatory Committees	28 Councillors – 20 Conservatives, 6 opposition and 2 Independents	Moved from the old style Committee System to Leader and Cabinet Model to support the Council's ambitions and to become a more agile and commercial council. This is a key component of realising the Council's commercial and wider ambitions to have a quick and efficient decision making process.	51,209	Area of 185.90 sq miles (481.4 sq km)	Yes
Swale District Council	Under consideration Currently operating Executive arrangements. Cabinet of 7, 1 Scrutiny Committee, a number of Regulatory Committees and 4 Area Committees	47 Councillors – 16 Conservatives, 11 Labour, 10 Swale Independent Alliance, 4 Independents, 3 Liberal Democrats, 2 Green and 1 UKIP	The Council has considered a change in governance alongside a wider constitutional review. Changes to area committees were taken forward, but further discussion of future governance models was deferred after having been discussed by councillors in July 2019. Discussing the objectives of a constitutional review, councillors considered that clear lines of demarcation, involving more Members in decision-making; timeliness of decision-making; working more effectively with the public; the additional burden on officer time and the costs of a new system were all of importance. They also considered that maintaining a strong role for scrutiny was important.	150,082	Area of 144.60 sq miles (374.5 sq km)	No
York City Council (Unitary)	Under consideration – see above	See above	Currently operating Hybrid arrangements (see above). In September 2019 the Council's Cabinet decided to undertake a full review of the Council's formal governance arrangements. However, the Coronavirus pandemic has resulted in no further updates being submitted to the Cabinet.	210,618	Area of 105.00 sq miles (271.90 sq km)	No
Uttlesford	Under consideration Currently operating Executive arrangements. Cabinet of 6, 1 Scrutiny Committee and a number of Regulatory Committees. Also have 2 Cabinet	39 Councillors – 22 Residents for Uttlesford, 5 Liberal Democrats, 4 Conservatives, 2 Greens, 2 Independents and 2 Thaxted and Eastons Independent Group.	A report was presented to Council in July 2019 to establish a member working group, to consider options relating to governance change. The Council's leadership considered that it would be possible to make changes to come into force in May 2020.	91,284	Area of 247.60 sq miles (641.20 sq km)	Yes

Appendix 2 – Review of other Council Governance Arrangements

Name of Council	System/Structure of Governance	Political Makeup	Reasons for change	Population size	Demographics	Sparse Member?
	Committees and a number of Cabinet Working Groups	Currently have 2 vacancies	Later in the year, the Working Group resolved that, instead of proposing changes for May 2020, instead a (non-public) “shadow committee” should be established to experiment with cross-party working and decision-making, evaluated through comparison with the authority’s existing governance arrangements.			

Note:
As a point of reference the area of Somerset West and Taunton is 459 sq miles (1,188 sq km)

Options for Governance Arrangements

	Option 1 - Current arrangements – Executive Arrangements	Option 2 - Current arrangement (Executive Arrangements) plus minor changes	Option 3 – Committee system (links to Directorate Structure)	Option 4 – Hybrid (links to Directorate Structure)
Structure	<p>Council Executive of 10 Scrutiny Committee (15)</p> <p><u>Regulatory:</u> Audit, Governance and Standards Committee (11) Planning Committee (15) Licensing Committee (15)</p>	<p>Council Executive of 10</p> <p>Policy & Scrutiny Committee (Corporate)</p> <p>Policy & Scrutiny Committee (Community)</p> <p><u>Regulatory:</u> Audit & Governance Committee Standards Committee Planning Committee Licensing Committee</p>	<p>Council</p> <p>Strategy and Resources Committee Internal Operations Committee External Operations and Climate Change Committee Development and Place Committee Housing and Communities Committee</p> <p><u>Regulatory:</u> Audit, Governance and Standards Committee Planning Committee Licensing Committee</p>	<p>Council Executive (max 10) Scrutiny Committee</p> <p>Internal Operations Policy Development Group (PDG) External Operations and Climate Change PDG Development and Place PDG Housing and Communities PDG</p> <p><u>Regulatory:</u> Audit, Governance and Standards Committee Planning Committee Licensing Committee</p>
Political make up	All Committees except the Executive are politically balanced	All Committees except the Executive are politically balanced	All Committees are politically balanced	All Committees except the Executive are politically balanced
Democratic pathway and decision-making	As currently – decision making bodies are Executive and Council	As currently – decision making bodies are Executive and Council	Committees and Council	PDG consider and shape policy and then make recommendations to the

	Option 1 - Current arrangements – Executive Arrangements	Option 2 - Current arrangement (Executive Arrangements) plus minor changes	Option 3 – Committee system (links to Directorate Structure)	Option 4 – Hybrid (links to Directorate Structure)
				Executive (and Council if appropriate)
Special Responsibilities	<ul style="list-style-type: none"> • Chair & Vice Chair appointed by Council annually. • Leader appointed every 4 years • Leader selects Executive Members • Chair of Scrutiny appointed by Council annually • All other Chairs and Vice Chairs appointed annually at first meeting of Committee after AGM (by the Committee Members) 	<ul style="list-style-type: none"> • Chair & Vice Chair appointed by Council annually. • Leader appointed every 4 years • Leader selects Executive Members • Chairs of Scrutiny appointed by Council annually • All other Chairs and Vice Chairs appointed annually at first meeting of Committee after AGM (by the Committee Members) 	<ul style="list-style-type: none"> • Chair & Vice Chair appointed by Council annually. • Leader appointed every 4 years • All other Chairs and Vice Chairs appointed annually at first meeting of Committee after AGM (by the Committee Members) 	<ul style="list-style-type: none"> • Chair & Vice Chair appointed by Council annually. • Leader appointed every 4 years • Leader selects Executive Members • Chairs of Scrutiny appointed by Council annually • All other Chairs and Vice Chairs appointed annually at first meeting of Committee after AGM (by the Committee Members)
Number of Committees	6	8	9	10
Number of staff	4	5	6	6
Cost of Governance Model	£539,087 See spreadsheet for breakdown	£575,675 See spreadsheet for breakdown	£575,246 See spreadsheet for breakdown	£607,625 See spreadsheet for breakdown

	Option 1 - Current arrangements – Executive Arrangements	Option 2 - Current arrangement (Executive Arrangements) plus minor changes	Option 3 – Committee system (links to Directorate Structure)	Option 4 – Hybrid (links to Directorate Structure)
Difference in cost to current arrangements	£0	£36,588	£36,159	£68,538
Comments	N/A	<p>The addition of an extra Scrutiny Committee would require an additional member of staff to be able to carry out the Committee Support and also the Scrutiny Officer function</p> <p>There would also be additional costs for the Chair of Scrutiny and Chair of Standards</p>	<p>With a Committee system it is likely that the JIRP would include an SRA for the Committee Chairs and also Committee Vice-Chairs</p> <p>For 9 Committees anticipating that 6 members of staff would be needed.</p>	<p>If the size of the Executive was reduced to Leader plus 5 that would save £30,060 from the cost listed above</p> <p>For 10 Committees anticipating that 6 members of staff would be needed.</p> <p>Assumed that PDGs would meet every 2 months i.e. 6 meetings a year. Anticipated SRA allowance to be the same as AGS and Licensing Chairs.</p> <p>If meetings are more regularly e.g. monthly then likely the SRA for Chairs would be the same as Planning & Scrutiny i.e. £4,665</p>

	Option 1 - Current arrangements	Option 2 - Current arrangement plus minor changes	Option 3 – Committee system (links to directorate structure)	Option 4 – Hybrid (links to directorate structure) 4 PDGS
Basic Allowance	£297,596.00	£297,596.00	£297,596.00	£297,596.00
<u>SRAs:</u>				
Chair of Council	£4,665.00	£4,665.00	£4,665.00	£4,665.00
Vice-Chair of Council	£2,346.00	£2,346.00	£2,346.00	£2,346.00
Leader of the Council	£15,889.00	£15,889.00	£15,889.00	£15,889.00
Portfolio Holders	£67,635.00	£67,635.00	N/A	£67,635.00
Chair of Scrutiny	£4,665.00	£9,330.00	N/A	£4,665.00
<u>Regulatory:</u>				
Chair Planning	£4,665.00	£4,665.00	£4,665.00	£4,665.00
Chair AGS	£2,346.00	£0.00	£2,346.00	£2,346.00
Chair Licensing	£2,346.00	£2,346.00	£2,346.00	£2,346.00
Chair Audit & Governance	£0.00	£2,346.00	£0.00	£0.00
Chair of Standards	£0.00	£2,346.00	£0.00	£0.00
Committee Chairs	£0.00	£0.00	£37,575.00	£9,384.00
Committee Vice Chairs	£0.00	£0.00	£11,730.00	£0.00
Staffing	£136,934.00	£166,511.00	£196,088.00	£196,088.00
Total cost	£539,087.00	£575,675.00	£575,246.00	£607,625.00

Council Governance Arrangements Working Group
Governance Options Survey feedback

	Option 1 Executive	Option 2 Exec Plus	Option 3 Committee	Option 4 Hybrid
Councillor 1	-	-	1	-
Councillor 2	-	-	1	-
Councillor 3	4	2	3	1
Councillor 4	-	-	1	-
Councillor 5	-	-	1	-
Councillor 6	2	1	-	-
Councillor 7	-	-	1	-
Councillor 8	-	-	1	-
Councillor 9	1	2	4	3
Councillor 10	1	2	4	3
Councillor 11	-	-	1	-
Councillor 12	-	-	1	-
Councillor 13	1	2	4	3
Councillor 14	2	1	-	-
Councillor 15	2	1	-	-
Councillor 16	2	1	-	-
Councillor 17	1	2	4	3
Councillor 18	-	-	1	-
Councillor 19	2	1	4	3
Councillor 20	-	1	-	-
Councillor 21	-	-	1	2
Councillor 22	3	2	1	4
Councillor 23	-	-	1	-
Councillor 24	-	-	1	-
Councillor 25	2	1	4	3
Councillor 26	4	3	1	2
Councillor 27	-	-	1	-
Councillor 28	3	2	4	1
Councillor 29	-	-	1	-
Councillor 30	-	-	1	-
Councillor 31	3	2	1	4
Councillor 32	-	-	1	-
Councillor 33	-	-	1	-
Councillor 34	-	-	1	-
Councillor 35	-	-	1	-
Councillor 36	2	1	3	4
Councillor 37	1	2	3	4
Councillor 38	1	2	4	3
Councillor 39	-	-	1	-
Councillor 40	2	1	-	-
Councillor 41	-	-	1	-
Councillor 42	2	1	-	-

	Option 1 Executive	Option 2 Exec Plus	Option 3 Committee	Option 4 Hybrid
Councillor 43	2	1	-	-
Councillor 44	1	-	-	-
Councillor 45	1	-	-	-
Councillor 46	4	3	1	2
Councillor 47	-	-	1	-
Councillor 48	-	-	1	-
Councillor 49	1	2	4	3
Councillor 50	1	2	4	3
Councillor 51	-	-	1	-
Councillor 52				
Councillor 53				
Councillor 54				
Councillor 55				
Councillor 56				
Councillor 57				
Councillor 58				
TOTAL	10	11	28	2

Note* - As Cllr Hill has resigned with immediate effect the number of SWT Cllrs is 58
The listing above has been done in a random order so as to ensure that responses are anonymous.

In terms of Member's first preference the totals are:

- Executive/Executive plus = 21
- Committee System = 28
- Hybrid System = 2
- 7 Councillors have not yet responded.

If you remove Hybrid as the least favoured option (and consider the two Councillors second option) the figures then become:

- Executive/Executive plus = 23
- Committee System = 28
- 7 Councillors have not yet responded.

In terms of the option that people classed as their least favourite i.e. score of 4, the figures are, as follows:

- Executive/Executive plus = 3
- Committee System = 10
- Hybrid System = 4
- 34 Cllrs declined to rank an option as their least preferred option.
- 7 Councillors have not yet responded.

Comments

General

My last choice would be to go back to the old Committee system, a time consuming Committee process which would not expedite decision making. The third choice (Hybrid) although more expensive could I believe bring some benefits in decision making and understanding.

I have also sent in the circulated form for completeness. However I wish that the attached be registered with all members of the working group as my survey response.

As we are the life support stage of SWT, I think that option 1 and 2 are the most pragmatic taking on board external issues and public perception.

My ultimatum view is a compromise of systems, albeit I am wary of the implications on staff time. If the constitution can be amended to allow the constitution to be changed anytime in the year, i.e. on governance arrangements, my preference of options remain. However, if this is not the case and the change of system would need to be voted on by May, which for me would be vastly inadequate preparation time, I would switch my first and second preference around. The crucial flaw in Option 3 is a lack of leadership.

My vote is for The third choice with Committee system it allows greater involvement by all councillors. I'm not saying the current system is no good but that personally we could do better I don't see any value in the fourth option to me it just appears bureaucratic

I think in an ideal world I'd be supporting a hybrid system, but based on the costs shown I think that's a non starter. I would also theoretically support an additional Scrutiny committee as our current agendas are regularly over burdened. However, as there are only two years left for the lifespan of this Council I see no benefit in changing the current system and will therefore support that option. I believe this whole exercise has been unnecessary and has needlessly used valuable resources in your governance team.

I am mindful that in order for Council decisions to have a proper basis which cannot be legally challenged, the system that gives rise to them has to be grounded in a formally adopted Constitution. Members have to accept that they cannot adopt a new system on the hoof, but that the Constitution will have to be changed and adopted first before any new system can operate; and we have to accept that as a process that cannot be rushed. The elephant in the room remains FOLGIS. It seems to me a monumental waste of Officer time and resources to be making changes that might only last for a few months.

Final comment. As unitary appears to be Central Government's preferred option in just over 2 years I find this whole operation pointless and a waste of officer time.

Expensive change shortly before moving to a new Unitary Council(s) is an unwise use of resources.

Sorry am not bothering to rank – option 3 all the way - none of the other options have ANY merit. If we are going to do governance reform, as we must, let us do it properly. I would not underestimate the urgent need for change – many of us new

councillors feel completely disillusioned, we feel we are prevented from doing our jobs effectively in serving our communities by the rotten governance system where a group of 9-10 hog power and ignore the rest. The democratic deficit is appalling!!!!

I appreciate we've been asked for to rank the options, however the only option I would choose is option 3. To rank the remaining options would be misleading, as I wouldn't vote for them. My only concern is the cost of changing systems (officer time) with Unitary becoming a reality in May next year.

The existing arrangement seems on the face of it to be the preferred option, it does suffer from the closing down and stifling of discussion from the majority party particularly if the Council Chair is from that same party. It would seem to me that any change at the current time would bring unnecessary expensive change on the very eve of moving to a new Unitary Council(s) a complete waste of money and time.

Option 1 – Executive arrangements i.e. staying as we are

As we are the life support stage of SWT, I think that option 1 and 2 are the most pragmatic taking on board external issues and public perception.

I do not like the Exec system because it favours political parties by allowing a small cabal of Councillors in a ruling group to dominate a Council and stifle debate. Under the Exec system backbench and opposition Councillors have little opportunity to get involved and are little more than voting fodder.

Too little engagement with wider membership on key decisions, resulting in limited perspectives and narrow decisions.

I believe that having an executive does allow for simple representation for the different functions for the public and press. It also allows for Mundane or emergency decisions to be made more easily. However it can mean decisions that would interest councillors and the public in ways that are unexpected can be decided without consultation.

The current system is not democratic. Many members feel disenfranchised and unable to be involved in the decisions which affect the electorate who put their trust in them to act on their behalf.

We can't stay as we are

The present system doesn't allow non-Exec councillors enough influence in decision making. Officers and the Executive decide on proposals and then present to Full Council, often without sufficient notice, and the chance to amend and fully understand what is being proposed. There aren't enough committees and one committee, Licensing, rarely ever meets.

In my view the current arrangements are the most efficient and accountable so far devised to run a Political Authority (which SWAT is likely to remain).

We should move away from any option involving a one-party Executive or Cabinet. Having a one-party Executive is a hindrance to the fair and efficient operation of the council. It compounds the problems of the unfair first past the post voting system by allowing a minority to run the council. These tensions increase in councils, such as SWT, where the largest group hold a small majority of the seats. More groups and councillors should be genuinely involved in decisions, which is likely to lead to more factors being taken into account and better decisions taken. The Executive system has many other problems, including a lack of transparency and a blurring of accountability between officers and portfolio holders, with many decisions apparently being taken behind closed doors. Because Portfolio Holders are firstly chosen because of their party colours, some appear to lack competency in doing the job, which is bad for the council and the communities we serve

Best option

This simply is not getting the best out of elected councillors and their knowledge of their community's and their own expertise and skills.

Don't feel this is working as well as it might. Insufficient buy in from councillors.

Although as a party we would like a committee system I don't think this is practical in the time left before unitary so I would be willing to stay as we are.

I personally think we should just leave things as they are. We have more than enough to deal with right now without having to waste officers' time on this when who knows what will be happening later this year and into next.

I think option 1 has served the council very well.

Being this close to a new kind of administration ie unitary we should be focusing our time money and officers on the future of democracy not on changing something that may only be in existence for 1 year

This would be completely unacceptable. Lib Dems took control of SWT on basis of a manifesto which committed to introducing a modern committee system. The current arrangements mean councillors outside the Executive are little more than 'window-dressing'/ 'useful idiots' rather than able to exercise any real power or involvement and this in turn impacts on the quality of decisions and public policy interventions. Anything that retains powers in the hands of Leader and handpicked bods is a NO GO in my book.

This arrangement is fairly effective and agile but it has led to complaints about the joint audit & governance scrutiny being overworked.

The system has only got to last 2 years until unitary, it is cheap and all understand how it works. To change to any other system will be more expensive and take at least a year to get it to run smoothly.

The only viable option in my view is the introduction of a Full Committee system no later than April 2021. The Executive arrangement is not working for most Councillors

and should be terminated as soon as possible and the Committee system introduced with immediate effect.

The current system needs updating to make sure All councillors views are taken into consideration.

The current system is not sustainable, whereby an individual makes a decision and the rest have to follow.

It's hard to keep most cllrs motivated and engaged when they feel so excluded from policy-making and decision-taking.

This arrangement is clearly not working and is not sufficiently transparent. Back bench councillors' views are totally disregarded

Option 2 – Executive arrangements with an extra Scrutiny Committee and splitting the Audit, Governance and Standards Committee into two – Audit & Governance Committee, Standards Committee

Support this as a hybrid model due to the life expectancy of the council

Pointless. Seems like it will fall between the gaps.

The one scrutiny committee which we have is largely ignored by the Executive and they simply argue against almost all recommendations which scrutiny make. There would simply be 2 scrutiny committees which would be ignored.

This is not much different to the current system

I don't believe this would make any difference. Scrutiny doesn't have much teeth anyway.

I feel that there is little to be gained, but if it helps create greater member engagement, pragmatically it might be worth doing.

We should move away from any option involving a one-party Executive or Cabinet, for reasons given above (option 1).

Cannot see much advantage

This still does not address the involvement issues as referenced in comments on 1.

I think this would be an improvement on the current system and hope we can bring it in for the beginning of the next municipal year.

My preferred option is option 2 - Wonder if at all relevant now we are probably going to unitary in some form in a years time

The previous council had two scrutiny committees, corporate and community which looked at items relevant to those titles. This enabled councillors who were interested in certain subjects to sit on or attend and be involved in the debates and recommendations. Having the two committees also involved more councillors and there was more time for different subjects to be covered. I was unhappy during the transformation and said so that the council was only having one scrutiny committee and the reason was to save costs.

The current system with informal policy advisory groups (PAG) would enable back bench members to be involved in discussions and also allow officers to bring ideas informally for discussion

Bit pointless. This would be moving deckchairs around when the deck has rotted. An extra scrutiny committee would just be an extra committee for the Exec to ignore so more time wasted for councillors.

This arrangement presents the best way forward in my mind, by maintaining a working Executive and providing more scrutiny committees where needed.

I think staying as we are is fine but 2 gives a little more balance for scrutiny which I think is reasonable given the volume of work

The current system with two committees (AG & Standards) is frankly a non starter and offers nothing new or useful.

Scrutiny is only advisory and the Executive can ignore any recommendations made.

What is the point, scrutiny committee has no teeth, and they are advisors

Changes are too small to address issues above i.e. It's hard to keep most cllrs motivated and engaged when they feel so excluded from policy-making and decision-taking.

This would appear to be particularly burdensome

Option 3 – Committee System designed on the Directorate Structure

If SWT was not coming to an end and we had far more information on this, i would review it further as to full cost, time and impact on working arrangements eg when will the committees meet, how long does a decision take, who would decide on evictions in housing portfolio, how do curveball events get dealt with, what is cost of set up etc

This seems a fairer way to enable and ensure the widest participation in decision making. The ruling group would still control committees but it would allow a much wider involvement for all Councillors.

In the absence of proper discussion, which committees would bring, we are left with the chaotic scenes we have witnessed in recent Full Council meetings. Committees will enable all members to have an input into issues in which they have some skills, knowledge or interest at any early stage when these are most needed, rather than at a late stage when any changes will be blocked.

A Committee Structure would allow all councillors to be more involved and encourage a 2 way process of engagement. It would allow councillors to choose and focus on a committee they are interested in with some knowledge or expertise. Councillors would have more confidence in Full Council proposals and feel that the minor details have also been adequately scrutinised.

In my view this is the least desirable option: slow, less focussed, and - as I have pointed out to others - it is likely to have to be more tightly politically whipped and therefore (counterintuitively perhaps) is the option where backbenchers will have least room for manoeuvre.

This is by far the best option. It is very important to give all groups a greater say and to give more members a greater opportunity to be involved in developing policy and taking decisions through committees, especially in areas in which they have an interest. A committee system should allow a greater variety of voices to be genuinely taken into account in council decision making, so being better for the council and the communities we serve.

Delayed decision making

This option allows for all councillors to be involved and does not cause the financial cost to go up as significantly as option 4.

I like the idea of linking with the Directorate structure, a logical move so that officer/budget implications, etc are in line. Pleased this does not involve significant extra costs.

I think if we could have another year or two to design and work out the details plus train Cllrs how it would work then this might be the best option but in view of unitary coming I do not think we should attempt to make this change now

My vote would be for option three the committee system as hopefully this would give greater representation based on the make up of the council than the current system

I believe this is the only viable option.

Committee system worked in the past and will work now and therefore should be introduced as soon as possible

This would be a retrograde move for the council, it would slow down decision making. Councillors who are not members of the existing committees do not attend other committees so I wonder if there will be the interest or commitment to fill lots of different committees. The current council is nearing its end if unitary moves forward and setting up and changing the whole system of the council is an unnecessarily

time consuming operation. It also increases costs to the council which is already working hard to maintain standards of services for the residents of the area. Officers should be spending their time working on a review of the unparished area rather than on the system of governance of the council which has worked exceptionally well during a pandemic and post transformation.

Very strongly support this option for which there is a DEMOCRATIC MANDATE from electorate. I want this introduced for next municipal year. Finally ALL councillors would actually have a meaningful role and we would see more consensus-based policy and decisions. YES!!!! Have been having a close look at our existing constitution in preparation for serving on Constitution working group and comparing with committee system local authority decision structures and constitutional arrangements. Change would not be difficult to implement from that point of view.

I would like to have it noted that I strongly believe number 3 is the way to go, so I am all for the committee system.

This is a recipe for slow and difficult decision making, where every single decision is the result of late-night horse-trading and requiring a huge input of time from both committee members and officials. As originally envisaged, it would also have handed significant power away from the ruling group.

I feel this is the only option that would work well to enable very one to have their say. Much fairer system.

3 is definitely not ok in my opinion. It's very cumbersome and not responsive. Presumably if all Committees are politically proportionate then the ruling group could take all the chairs and vice chairs as you couldn't stipulate anything other than the ruling group taking those positions. I think the opposition parties would find this very irksome!!

The Committee System is in my view the only viable option as it allows Councillors with an interest or competence to sit on the committees that interest them and allows a much more collegiate and consensual approach to be made before going onto Full Council for ratification.

This is the most viable option and ideas/expertise can be used to the benefit of the committee.

The only viable option, whereby councillors with interests and expertise can choose which committee they can sit on to add value, debate/discuss issues in a proactive way rather than a chaotic ways that we have witnessed in recent full council meetings that goes on for ever!

Optimum system if we were not facing major time constraints due to re-organisation

Yes this is the only option I have voted for as I do not support any of the other option. Committee system would provide a more collaborative and transparent regime. A more modern and democratic government in these modern times.

This is the only viable option, it's more democratic than all of the others. I also believe that the number of Chairs should be handled in the same way as members of Committees. In that if one group has 51% of the Members on the Council, they should be allocated 51% of the Chairs, and 51% of the Deputy Chairs. Another group with 25% of the Members they should get 25% of the Chairs, and 25% of the Deputy Chairs.

Option 4 – Hybrid system designed on the Directorate Structure

If SWT was not coming to an end and we had far more information on this, i would review it further as to full cost, time and impact on working arrangements eg when will the committees meet, how long does a decision take, who would decide on evictions in housing portfolio, how do curveball events get dealt with, what is cost of set up etc

Any hybrid scheme will involve two sets of decision-making bodies and this will continue, or perhaps even accentuate, the conflict within the Council. This is the last thing we need.

This is too similar to the current system

A hybrid system is preferable to leaving the system as it is but is inadequate when compared to the Committee system.

I think this could offer the best of both world in keeping the accountability and speed of the Executive system but giving. Members a real sense of influence and engagement over Policy at all stages of its creation.

We should move away from any option involving a one-party Executive or Cabinet, for reasons given above (under option 1).

Most expensive

Creates a much bigger burden of cost, and I think will result in conflict between the old model and new with issues arising should executive move in a different direction to the committees.

Expensive.

I don't know enough about this and would have to find out more about how it would or could work before opting for it. Again I do not think we have enough time left before unitary to make this change.

Will not cut the mustard

This would again be moving deckchairs around when the deck has in fact rotted. Policy development committees would have no real power and just be extra committees for the Exec to ignore so more time wasted for councillors.

This is likely to set the policy development groups against the executive. It seems to combine the worst features of both systems into one gigantic bear-pit.

4 is ok

The Hybrid System is just a fudge which will make the whole decision making process more complicated and less inclusive leaving even more back bench councillors feeling left out of the process entirely and should not be considered for that reason alone.

A Hybrid will lead to going back to the old way of working.

The current system is not working; any hybrid will have a tendency to revert back to its original structure.

Best available short-term improvement

This looks unworkable and is likely to be very cumbersome and could cause delays in decision making

Audit, Governance and Standards Committee – 12 April 2021

Member Training and Development Policy

This matter is the responsibility of the Leader of the Council, Cllr Smith-Roberts

Report Author: Amy Tregellas, Governance Manager and Monitoring Officer

1 Executive Summary / Purpose of the Report

To present the Committee with the Training and Development Policy for Elected Members.

2 Recommendations

That the Committee recommends that Executive approves:

- a) Approves the Member Training and Development Policy
- b) Agrees to set up a cross party Members Working Group to focus on Member Training and Development (following the Member Working Group Protocol being approved by Council on 30th March)

3 Risk Assessment

- 3.1 Failure to appropriately train and develop Elected Members could impact on the quality of decision-making and the way in which the Council operates.

4 Background and Full details of the Report

- 4.1 The Council is committed to supporting the training and development of all elected Members to enable them to perform effectively in their role and to develop to meet future challenges.
- 4.2 Member Training and Development is a key element of the Council's Corporate Governance framework and is one of the seven key principles within the CIPFA/SOLACE framework 'Developing the entity's capacity including the capability of its leadership and the individuals within it.'
- 4.3 The SWT Member Training and Development Policy (attached as Annex 1), sets out the key elements of Member Training, including Induction training, Personal Development Reviews, an annual Training and Development programme and training and development sessions.
- 4.4 The Policy also sets out the roles and responsibilities of individual Members, Group Leaders, the Member Training and Development Working Group, Member Champion, the Executive and the Governance Team.

5 Links to Corporate Aims / Priorities

- 5.1 Having appropriately trained and developed Members is a fundamental element of being a 'well managed' council

6 Finance / Resource Implications

- 6.1 None arising from this report

7 Legal Implications

- 7.1 None arising from this report

8 Environmental Impact Implications

- 8.1 None arising from this report

9 Safeguarding and/or Community Safety Implications

- 9.1 None arising from this report

10 Equality and Diversity Implications

- 10.1 None arising from this report

11 Social Value Implications

- 11.1 None arising from this report

12 Partnership Implications

- 12.1 None arising from this report

13 Health and Wellbeing Implications

- 13.1 None arising from this report

14 Asset Management Implications

- 14.1 None arising from this report

15 Data Protection Implications

- 15.1 None arising from this report

16 Consultation Implications

- 16.1 None arising from this report

Democratic Path:

- **Audit, Governance and Standards Committee – Yes**

- Cabinet/Executive – Yes
- Full Council – No

Reporting Frequency: Ad-hoc

List of Appendices (delete if not applicable)

Annex 1	SWT Member Training and Development Policy
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Contact Officers

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SWT Member Training and Development Policy

Policy Statement

Somerset West and Taunton Council is committed to delivering its mission statement “Bring the urban rural renaissance to Somerset West and Taunton, by putting our customer at the heart of everything we do, building communities in which they can thrive and making our built and natural environment the best it can be financially and sustainably.”

Elected Members are integral to achieving the council’s mission, the council’s strategic objectives and the delivery of high quality services.

The Council is committed to supporting the training and development of all elected Members to enable them to perform effectively in their role and to develop to meet future challenges and is committed to ensuring that:

- All Members should have access to appropriate training and development activities to enable them to acquire the knowledge and skills required to be an effective SWT Member and Ward Councillor.
- A planned and structured approach to Member training and development will to be taken.
- Access to training and development activities to be transparent and equitable.
- Training and development, wherever possible, should be linked to the Member skills and knowledge framework.
- Elected Member training and development activities should be adequately resourced within the available Member Training budget.
- Elected Members are encouraged to identify their own development needs and participate fully in training and development activities.
- An agreed Elected Member Training and Development Plan will be produced each year. This plan will be linked to the Council's Strategic Plan, the roles and function of Councillors and the key changes affecting the Council's priorities.
- All Elected Members will have a Personal Development Plan that identifies current training and development needs and planned development.

1.0 Introduction

- 1.1 It is vital that Members of the Council are supported in all their diverse roles on the Council and this policy sets out the Council's commitment to providing a consistent and structured approach towards developing and supporting members in:
- Carrying out their existing roles efficiently, including effective community leadership;
 - Preparing for future roles on an individual basis;
 - Undertaking their specific duties and responsibilities;
 - Contributing to improving the effective organisation of the Council;
 - Keeping up to date with new legislation and changing policies
- 1.2 To demonstrate its commitment in recognising the potential and value of a well trained organisation, the Council proposes to work towards achieving Member Development Charter status, which adopts nationally recognised good practice guidelines in respect of Member training and development.

2.0 A Councillor's Role

- 2.1 Once elected a Member must represent the best interests of their residents, the Council and the District working in partnership. In performing their duties, Members will have the following roles:
- Representing the local interests of the community they are elected to serve (Ward Councillor)
 - Setting and developing council policies
 - Helping to shape and advise upon the policies of others (partners with whom the Council works)
 - Scrutinise and investigate the Council's work and activities and the work and activities of others (statutory partners)
 - Promoting and maintaining high standards of behaviour across the Council and its parishes
 - Consider and determine applications for planning and licensing consents and related issues
 - In addition to their roles as community representatives councillors may be appointed to:
 - The Executive
 - Scrutiny Committee
 - Planning Committee
 - Licensing Committee
 - Audit, Governance and Standards Committees
 - Outside Bodies
- 2.2 This policy is built around supporting all councillors in their particular roles, taking account of their diverse needs.

3.0 Aims and Objectives

- 3.1 The aims and objectives of this Policy are:

- To establish a culture whereby continuous Member training and development is seen as a key component to the success of the organisation.
- To equip Members with the skills and knowledge necessary to deliver high quality services which are valued by their customers.
- To ensure that all Members, are trained to a level at least appropriate to their roles and responsibilities, recognising the importance of their roles within the Council, their ward area and on outside bodies.
- To ensure that support is available enabling individuals to acquire and develop a full range of skills to maximise their ability and capacity to deliver
- To encourage to take responsibility for their continuing professional development whilst reinforcing that they are key to enabling the Council to achieve its aims and objectives
- To clearly define roles and responsibilities in respect of Member training and development
- To identify adequate resources to meet the objectives of the learning and development programme

4.0 How we will deliver the Aims and Objectives

4.1 We will deliver the aims and objectives by:

- Providing a planned approach to Member Development
- Involving Members in their training and development, from planning the learning programme through to delivery and evaluation
- Maximising training and development opportunities for Members through partnership with other organisations and neighbouring authorities
- Ensuring that the contribution that Member training and development makes to meeting the Council's aims is evaluated and recognised
- Supporting individual training and development, valuing and recognising the skills and experiences that councillors bring with them
- Identifying individual training and development needs through an annual Personal Development Review session
- Adopting a Member Training and Development Programme with clear objectives and links to the aims of the Council, the roles and functions of members and the key changes affecting the Council's priorities
- Delivering training and development in innovative and creative ways to make the best use of the resources available to the Council and ensure value for money;
- Ensuring that every Member is empowered to take responsibility for their own training and development

- Being flexible about the delivery of training and development, taking into account the diverse needs of individual councillors

4.2 Specifically, the key strategic elements are:

Induction

4.2.1 A comprehensive induction programme of training and development for every newly elected Member, enabling them to 'fast track', learning about the organisation and supported by the following:

- An induction day to meet key people and learn more about corporate and constitutional processes
- An induction pack setting out the entitlements, support and guidance available, together with other useful information about the Council and its processes;
- An induction booklet which Members will work their way through and complete all relevant training
- A 'buddy' from the Governance Team who will act as their point of contact for any queries
- A 1-2-1 with their Governance Team 'buddy' to discuss the support available to them and to identify any individual needs;
- A six month review (1-2-1) with their Governance Team 'buddy' to check 'satisfaction' levels and to identify any areas where more information or training is needed

Personal Development Reviews

4.2.2 All Members will be offered the opportunity to have a Personal Development Review (PDR) on an annual basis to:

- Get feedback from Members as to how things are going and to find out what is working well and what isn't working quite so well
- Identify individual training and development needs
- Check how the outcomes from previous PDRs have progressed
- Find out if their role has changed – and assist with any support or development that they require

Annual Training & Development Programme:

4.2.3 An annual training and development programme will be developed in consultation with the Member Training and Development Working Group based on:

- Identified needs from Personal Development Reviews (PDR's);
- Identification of 'mandatory' training that all Members should receive and balancing this with other training needs or requests
- The requirements of new legislation and emerging corporate themes;
- the Corporate Strategy and emerging corporate themes;
- ethical and governance requirements and changing standards;

- the impact of any scrutiny recommendations in terms of changing corporate practice;
- emerging themes or developments from partners

Training and Development Sessions

4.2.4 A wide range of training and development sessions will be available:

- Internal training and development sessions
- Member Briefings on specific topics
- Training and development videos that Members can watch at their leisure
- Mandatory training modules
- Attendance at seminars and conferences to inform learning on specific and specialist subjects, for instance as an Executive or Scrutiny Member or serving on a particular Committee;

5.0 Roles and Responsibilities

5.1 In order to ensure that Member Training and Development is embedded throughout the Council, the following groups and individuals have the following roles and responsibilities within the Council:

Individual Members

5.2 Individual Members are responsible for their own training and development by:

- All Members are expected to undertake and complete an induction process, including attendance on an induction programme and the completion of an induction booklet
- Participating in training and development activities each year, designed to assist them in their role within the Council.
- Undertaking any 'mandatory' training on areas that all Members need to have an understanding and awareness of
- Undertake training before becoming a Member (or substitute) on specialist Committees including:
 - Planning Committee
 - Licensing Committee
 - Scrutiny Committee
 - Audit, Governance and Standards Committee
- Highlighting any training and development needs through the Governance Team and via the annual Personal Development Review
- Undertaking IT training, if appropriate, to assist the Member get up to speed with how the Council works
- Providing feedback on any training and development undertaken

Group Leaders

5.3 Group Leaders will actively promote Member training and development within their group

Member Training and Development Working Group

- 5.4 The Member Training and Development Working Group (MTDWG) will be a cross party Executive Working Group who will oversee Member training and development on behalf of the Council and will:
- Review the Member Training and Development Policy on an annual basis to ensure that it is still fit for purpose
 - Work with Officers to develop the Member Skills and Knowledge Framework
 - Act as ambassadors for training and development and positively support and encourage other Councillors to identify training needs and take advantage of development opportunities.
 - Ensure that a comprehensive induction programme is made available to all newly elected Members
 - Ensure that all Members are encouraged to take part in a Personal Development Review (PDR) on an annual basis
 - Ensure that an annual training and development programme is drafted, meeting the identified needs through the PDR process and that delivery reflects individual learning style preferences
 - Explore and identify new approaches to learning and development and to encourage a culture of lifelong learning
 - Evaluate the effectiveness and value for money of all learning activity by continuously monitoring feedback from Members
 - Consider reports and updates from the Governance Team on the member training budget.
 - Identify the critical information needs of Members and the most effective ways of communicating that information
 - Promote citizenship and local democracy in the District
 - Develop and maintain an Action Plan for Member training and Development
 - Ensure all seminars, briefings, advice and other formal learning opportunities are designed and delivered in relation to the Council's Corporate Priorities.
 - Promote mentoring support for all new councillors and those who require mentoring when changing role.
 - Ensure that pre-induction materials and briefings are made available for prospective councillors in the community and an induction programme is offered to every newly elected councillor.
 - Identify opportunities for sharing learning activities with officers, partners, the voluntary sector and other Councils where appropriate – ensuring that the Council is getting value for money for training

Member Champion for Training and Development

- 5.5 The Member Champion for Training and Development will:
- Communicate the importance of training and development to Members
 - Present any reports from the MTDWG to the Executive

- Act as a sounding board and provide a critical friend challenge for matters relating to Member Training and Development

Executive

5.6 The Executive will:

- Review and approve the Member Training and Development Policy and any subsequent revisions
- Ensure that the Member Training and Development programme reflects the strategic objectives for Somerset West and Taunton Council
- Ensure that a culture of lifelong learning is developed for all Members at Somerset West and Taunton Council
- Ensure there is genuine commitment across the council to support the training and development of all Members
- Monitor the effectiveness of the Member Training and Development Policy by receiving half-yearly update reports from the Member Training and Development Working Group.

Governance Team

5.7 The Governance Team will support Member Training and Development by:

- Providing support to Members and the MTDWG for matters relating to Member Training and Development
- Providing officer support in relation to the preparation of agenda and minutes relating to meetings of the MTDWG
- Providing 1-2-1 support ('buddy' system) to newly elected members as part of their planned induction programme
- Devising and delivering in consultation with the MTDWG a programme of induction training for new Councillors
- Carry out the Personal Development Review with Members once a year
- Devising and delivering, in consultation with the MTDWG, a comprehensive annual training and development programme for all Members based on the needs identified through PDR's and other essential training
- Provide administrative support for all training and including communication with Members and provision of feedback to providers
- Managing the Member training budget in consultation with the MTDWG
- Keep a record of all Member Training including attendance logs
- Collate the feedback and evaluation from Members relating to any training and development they have received
- Advising and assisting the MTDWG in carrying out their role

Somerset West and Taunton Council

Audit, Governance and Standards Committee – 12 April 2021

Constitution Update Report

This matter is the responsibility of the Leader of the Council, Cllr Federica Smith-Roberts

Report Author: Amy Tregellas, Governance Manager

1 Executive Summary / Purpose of the Report

- 1.1 To present the Committee with a number of proposed changes to the Constitution.

2 Recommendations

That the Committee recommends to Full Council that:

- 2.1 The number of Members on the Planning Committee is reduced from 15 to 11 from the start of the 2021/22 Municipal Year
- 2.2 A minimum of Five Councillors are trained to be able to substitute for members of their own political group in the absence of a Planning Committee member of their political group.
- 2.3 The number of public speakers for each application going before the Planning Committee is set out as follows:
- Up to 5 supporters (including the applicant/agent)
 - Up to 5 objectors
 - Town/Parish Council representative
 - County Councillor
 - Ward Member(s)
- 2.4 The Planning Committee Procedure (attached as Appendix A) is adopted and added to the Constitution, as well as being published on the SWT website
- 2.5 Planning Committee meetings should be 4 hours maximum (with the Chair having discretion to conclude an agenda item if part way through), and the procedure rules within the Constitution amended to only allow 2 x 30 minute extensions beyond the original 3 hour meeting.
- 2.6 Regular breaks are introduced for 15 minutes every two hours (to be taken off the duration of the meeting)
- 2.7 Where there is a controversial planning application going before the Planning Committee, that a single item agenda meeting is held.

- 2.8 Site visits for the Planning Committee are introduced for specific reasons only, and follow the guidance set out on the revised Planning Committee Member's Code of Good Practice (Appendix B)
- 2.9 The number of Members on the Licensing Committee is reduced from 15 to 11 from the start of the 2021/22 Municipal Year
- 2.10 That the amended Financial Procedure Rules (Appendix C) are approved

3. Risk Assessment

- 3.1 Failure to have robust governance arrangements in place could impact on the Council's control environment and ability to operate in an economic, efficient and effective manner. This could lead to recommendations being made by Internal and External Audit.

4. Background and Full details of the Report

- 4.1 The purpose of this report is to make some recommendations for change to the Constitution to improve the democratic process.

Planning Committee

- 4.2 The first set of proposed improvements relates to the operation of the Planning Committee. These changes have been discussed with the Planning Advisory Service (PAS) during their recent review.
- 4.3 The Planning Committee can often be the most visible part of the way that decisions within the Council are made, and can impact on public perception. It is therefore important that the Committee operates well.
- 4.4 The Council has had a number of lengthy Planning Committee meetings over the last two years, which has generated negative feedback from Members, officers and the public. Therefore, a number of changes are proposed which, it is anticipated will improve the democratic process and the way that the Committee operates. This in turn will improve public perception of the Planning Committee.

Number of Members on the Committee

- 4.5 Currently there are 15 Members on the Planning Committee. Discussions with PAS endorsed reducing the number of Members on the Planning Committee from 15 to 11.
- 4.6 It is suggested that a reduction in the number of Members would allow for more focused debate, improved accountability and consistency of decision-making, and would give the ability to conduct business with greater efficiency and effectiveness.

- 4.7 Section 101 of the Local Government Act 1972 provides for a local authority to arrange for the discharge of its functions by a committee. The SWT Constitution delegates the powers relating to town and country planning and development control to the Planning Committee. The Committee has made delegations to Officers, which are included within the Planning Committee terms of reference and the scheme of delegation.
- 4.8 It is local choice as to the size of the Planning Committee. The Association of Democratic Services Officers (ADSO) suggest that 'the size of a Committee can range from very small, say 7 members up to 20 plus members. Best practice would generally err on the side of smaller rather than larger.' Discussions with PAS concluded that 11 is the optimum number for SWT, with a pool of appropriately trained substitute Members.
- 4.9 **Recommendations:**
- ***The number of Members on the Planning Committee is reduced from 15 to 11 from the start of the 2021/22 Municipal Year***
 - ***That a minimum of Five Councillors are trained to be able to substitute for members of their own political group in the absence of a Planning Committee member of their political group.***

Public speakers & length of speeches

- 4.10 Currently there are no restrictions on the number of members of the public that are able to speak on planning applications. This can mean that, when an application is contentious there can be a significant number of public speakers, which can up a significant amount of time.
- 4.11 Some examples of meetings where there has been 10 or more public speakers, in the last 12 months are as follows:

Date of meeting	Application details	Public Speakers	Length of meeting
25 February 2021 (virtual meeting) 3 applications	42/20/0042 – Erection of a foul pumping station at Comeytrove/Trull	Objectors = 28 Supporters = 1 Parish Council= 1 Ward Members = 6 Total = 36	Started at 1pm, finished at 8.20pm Duration – 7 hours & 20 minutes
19 November 2020 (virtual meeting) 9 applications	36/19/0032, 36/19/0033, 36/19/0034 & 36/19/0035 – agricultural building Lower Huntham Farm, Stoke St Gregory	Objectors = 5 Supporters = 4 Parish Council= 1 Ward Members = 0 Total = 10	Started at 1.15pm, finished at 7.25pm Duration – 6 hours & 10 minutes

Date of meeting	Application details	Public Speakers	Length of meeting
16 July 2020 (virtual meeting) 3 applications	3/37/18/015 – 136 dwellings at Cleeve Hill	Objectors = 20 Supporters = 1 Parish Council= 0 Ward Members = 2 Total = 23	Started at 1pm, finished at 6.35pm Duration – 5 hours & 35 minutes

In respect of all other applications considered in the last 12 months, the number of public speakers has been below 10.

- 4.12 The December 2019 Local Government Association (LGA) and PAS guidance *'Probity in Planning: Advice for councillors and officers making planning decisions'* covers the area of public speaking at Planning Committees and states:

'Whether to allow public speaking at a planning committee or not is up to each local authority. Most local planning authorities do allow it and some authorities film and broadcast committee meetings. As a result, public confidence is generally enhanced and direct lobbying may be reduced. The disadvantage is that it can make the meetings longer and sometimes harder to manage. Where public speaking is allowed, clear protocols should be established about who is allowed to speak, including provisions for applicants, supporters, ward councillors, parish councils and third party objectors. In the interests of equity, the time allowed for presentations for and against the development should be the same, and those speaking should be asked to direct their presentation to reinforcing or amplifying representations already made to the local planning authority in writing.'

- 4.13 Benchmarking of other District Councils in Somerset and Devon found the following, in terms of the number of speakers:

Council	Number of Public Speakers
Somerset West and Taunton Council	No limit
Sedgemoor District Council	7 speakers – one supporter, one objector, Parish Council, Ward Councillor(s), County Councillor, Portfolio Holder and Applicant/Agent
Mendip District Council	Three speakers – one supporter, one objector and Parish/Town Council
South Somerset District Council	Town/Parish Council, Objectors, Supporters, Applicant/Agent and District Ward Member. No clear limit on number of speakers but it

Council	Number of Public Speakers
	does say that where there are a number of people wishing to speak they are encouraged to choose one spokesperson
Mid Devon District Council	One Objector, one from applicant/ agent/ supporter, Parish Council, Ward Member(s)
East Devon District Council	Major applications – 5 supporters, 5 objectors, the agent/applicant and Parish/Town Council Minor/Other applications – 2 supporters, 2 objectors, the agent/applicant and Parish/Town Council The agenda lists whether the application is Major or minor/other
Exeter City Council	One objector, one supporter, agent/applicant
North Devon District Council	Up to six supporters, up to six objectors, Parish/Town Council, Applicant/Agent
Torridge District Council	Two objectors, Two supporters (including the agent/applicant) and Town/Parish Council
Teignbridge District Council	Major applications – two objectors and two supporters Other applications – one objector and one supporter
South Hams District Council	One objector, one supporter & Town/Parish Council If there is more than one supporter or objector then only one person can be chosen as the spokesperson
West Devon District Council	One supporter and one objector

For all other District Councils in Somerset and Devon, they have a limit on the number of public speakers.

- 4.14 It is suggested that limiting the number of public speakers for each application going before the Planning Committee would give the ability to conduct business with greater efficiency and effectiveness and reduce the length of meetings, which is beneficial for Members, officers and members of the public. It is not proposed to change the length of time for each speaker and that will remain as 3 minutes.

4.15 **Recommendations:**

- **The number of public speakers for each application going before the Planning Committee is set out as follows:**
 - **Up to 5 supporters (including the applicant/agent)**
 - **Up to 5 objectors**
 - **Town/Parish Council representative**
 - **County Councillor**
 - **Ward Member(s)**
- **The Planning Committee Procedure (attached as Appendix A) is adopted and added to the Constitution, as well as being published on the SWT website**

Length of meetings

- 4.16 As alluded to in earlier sections of this report, the length of the Planning Committee can often exceed 4 hours. Analysis of the 32 Planning Committee meetings that have taken place since SWT came into being on 1 April 2019, showed that 15 exceeded 4 hours, as follows:

Date	Start/Finish times	Duration
25 February 2021	1pm to 8.20pm	7 hours & 20 mins
19 November 2020	1.15pm to 7.25pm	6 hours & 10 mins
20 August 2020	1pm to 6.58pm	5 hours & 58 mins
6 August 2020	1pm to 5.39pm	4 hours & 39 mins
23 July 2020	1pm to 5.15pm	4 hours & 15 mins
16 July 2020	1pm to 6.35pm	5 hours & 35 mins
9 July 2020	1pm to 5.45pm	4 hours & 45 mins
12 March 2020	1pm to 5.24pm	4 hours & 24 mins
30 January 2020	1pm to 8.55pm	7 hours & 55 mins
5 December 2019	1pm to 5.45pm	4 hours & 45 mins
24 October 2019	1.15pm to 5.30pm	4 hours & 15 mins
3 October 2019	1pm to 5.44pm	4 hours & 44 mins
1 August 2019	1pm to 5.45pm	4 hours & 45 mins
11 July 2019	1pm to 5.10pm	4 hours & 10 mins
30 May 2019	1.10pm to 7.30pm	6 hours & 20 mins

In 15 out of 32 (47%) cases, the Planning Committee meetings have exceeded 4 hours. In 6 out of 32 (19%) cases, the Planning Committee exceeded 5 hours.

- 4.17 Long meetings run the risk of the focus and attention span of the participants being effected, and this risk increases the longer the meeting goes on for.
- 4.18 Council Procedure Rule 28, within the Constitution, states 'A meeting of Full Council or other committees including the Scrutiny Committee shall not exceed 3 hours in duration' (this excludes any time for comfort breaks). However, Procedure Rule 29 does allow the meeting to be extended for 30 minutes, once during the meeting. Procedure Rule 29.3 states 'However, the

Chair of the Council, Chair of Planning Committee or Chair of the Licensing Committee may decide otherwise in respect of the meeting they are chairing. This will generally only occur in exceptional circumstances.'

- 4.19 It is suggested that limiting the length of the Planning Committee meetings would focus the debate and give the ability to conduct business with greater efficiency and effectiveness, which is beneficial for Members, officers and members of the public. It is also suggested that for applications that are controversial in nature, and likely to attract a lot of public interest, that single agenda item meetings are held rather than other items being added to the agenda.

4.20 ***Recommendations:***

- ***Planning Committee meetings should be 4 hours maximum (with the Chair having discretion to conclude an agenda item if part way through), and the procedure rules within the Constitution amended to only allow 2 x 30 minute extensions.***
- ***Regular breaks are introduced for 15 minutes every two hours (to be taken off the duration of the meeting)***
- ***Where there is a controversial planning application going before the Planning Committee, that a single agenda item meeting is held.***

Site Visits

- 4.21 The Planning Committee Member's Code of Good Practice within the Constitution, states that 'Whilst it is not the practice for the Planning Committee to make site visits as a Committee, **do** make a personal visit to an application site if you do not feel you will be able to come to a fair decision without seeing the site. Always try to view the land or building concerned from a public vantage point, for example an adjoining road or a public footpath.'
- 4.22 This approach often raises challenge from members of the public, so it is suggested that site visits are introduced following the PAS guidance, which states 'Site visits are for observing the site and gaining a better understanding of the issues. Visits made by committee members, with officer assistance, are normally the most fair and equitable approach. They should not be used as a lobbying opportunity by objectors or supporters. This should be made clear to any members of the public who are there.'

4.23 ***Recommendations:***

- ***Site visits for the Planning Committee are introduced for specific reasons only and follow the guidance set out on the revised Planning Committee Member's Code of Good Practice (Appendix B)***

Licensing Committee

- 4.24 The second Committee to consider in terms of a proposed improvement relates to the operation of the Licensing Committee. As with Planning Committee, the Licensing Committee is classed as a Regulatory Committee. Therefore, it makes sense to mirror the number of Members on the

Committee to match the proposed change to the Planning Committee, i.e. reduce the number from 15 to 11.

- 4.25 When considering the size of the Licensing Committee, benchmarking against a number of other District Councils in Somerset and Devon, the numbers vary between 10 and 15 Members, with the average number being 12 Members:
- Sedgemoor District Council – 15 Members
 - Mendip District Council – 14 Members
 - South Somerset District Council – 15 Members
 - Torridge District Council – 10 Members
 - Teignbridge District Council – 11 Members
 - South Hams District Council – 12 Members
 - West Devon District Council – 10 Members
 - Mid Devon District Council – 12 Members
 - Average = 12.3 Members
- 4.26 It is proposed that no change is made to the process and procedure relating to Licensing Sub-Committees and that the number of Members remains at 3
- 4.27 **Recommendation:**
- ***The number of Members on the Licensing Committee is reduced from 15 to 11 from the start of the 2021/22 Municipal Year***

Audit, Governance and Standards Committee

- 4.28 The Council Governance Arrangements Working Group (CGAWG) Report is recommending that the Audit, Governance and Standards Committee is split into two separate Committees:
- Audit and Governance Committee
 - Standards Committee
- The recommendations to make this change are included in the CGAWG report.
- 4.29 The CGAWG report is also suggesting that the number of Members on each Committee is 11 for the Audit and Governance Committee and 9 for the Standards Committee. This is in line with the numbers that other local Councils have.
- The recommendations to make this change are included in the CGAWG report.
- 4.30 In terms of frequency of meetings, it is anticipated that the Audit and Governance Committee will follow the current Audit, Governance and Standards Committee timetable. However, it is suggested that the Standards Committee meets as and when needed.

5. Links to Corporate Strategy

- 5.1 Having a robust, effective and efficient governance framework in place is a

fundamental element of being a 'well managed' council and avoiding recommendations from Internal and External Auditors.

6. Finance / Resource Implications

6.1 None arising from this report

7. Legal Implications

7.1 The changes set out in the report are at the local discretion of the Council and do not breach legislation or have any legal implications

8. Climate and Sustainability Implications

8.1 None arising from this report

9. Safeguarding and/or Community Safety Implications

9.1 None arising from this report

10. Equality and Diversity Implications

10.1 None arising from this report

11. Social Value Implications

11.1 None arising from this report

12. Partnership Implications

12.1 None arising from this report

13. Health and Wellbeing Implications

13.1 None arising from this report

14. Asset Management Implications

14.1 None arising from this report

15. Data Protection Implications

15.1 None arising from this report

16. Consultation Implications

16.1 None arising from this report

Democratic Path:

- **Audit, Governance and Standards Committee – Yes**
- **Cabinet/Executive – No**
- **Full Council – Yes**

Reporting Frequency: Annually**List of Appendices (delete if not applicable)**

Appendix A	Protocol on Speaking at Planning Committee
Appendix B	Planning Committee Members Code of Good Practice

Contact Officers

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Planning Committee Procedure

This document sets out the detailed procedures of the Planning Committee that are in addition to the council's procedure rules within the Constitution, as well as giving answers to some frequently asked questions from the public regarding planning procedure.

The Planning Committee consists of 11 Councillors, drawn from each of the political groups within the Council. Members of the Executive are not eligible to sit on the Planning Committee

Prior to the Meeting

How do I know the application I am interested in is going to committee?

If an application is to be submitted to committee for consideration, you will be notified of this about a week before the meeting, if you are an applicant or their agent, or have commented on the application.

Where a proposal meets any of the following criteria, it shall be reserved to the Planning Committee for determination:

- Criterion 1: In the opinion of the Principal Planner or the Chair of the Planning Committee, the application is considered to be of a significant, controversial or sensitive nature.
- Criterion 2: The application is from an elected Councillor (or partner thereof) or member of Council staff (or partner thereof) and is recommended for approval.
- Criterion 3: The application is accompanied by an Environmental Impact Statement (EIA).
- Criterion 4: The application is a significant departure from the Council's statutory Development Plan and is recommended for approval.
- Criterion 5: Where there are conflicting views (giving clear planning reasons) from a Town/Parish Council or a Parish Meeting or a Ward Member as well as from not less than 4 individuals.

Any application which is not referred to Committee by virtue of the criteria listed above, but where conflicting representations have been received (including from statutory consultees), is referred to the Chair or Vice Chair of the Planning Committee before a decision is made. The Chair or Vice Chair may decide to refer any such application to the Planning Committee.

Can I see a copy of the committee agenda/officer's report?

Copies of the agendas for Planning Committee are published at least five clear working days before the meeting. Agendas can be accessed via the Council's website via the following link:

<https://democracy.somersetwestandtaunton.gov.uk/ieDocHome.aspx>

Registering to Speak at Planning Committee

If you would like to speak at a planning meeting, you will need to submit your request to a member of the Governance Team in advance of the meeting.

You can request to speak at a meeting by telephoning [01823 219735](tel:01823219735) or emailing your full name, application number and whether you are in support for or against the application along with your statement to the Governance Team using governance@somersetwestandtaunton.gov.uk

Any requests need to be received by 4pm on the day that provides 2 clear working days before the meeting (excluding the day of the meeting itself). For example, if the meeting is due to take place on a Thursday, requests need to be received by 4pm on the Monday prior to the meeting.

Please note that only written representations received by this date and time can be published and taken into consideration.

The Governance and Democracy Case Manager will take the details of your statement and will distribute them to the Committee prior to the meeting.

What can I include in my public statement?

Speakers should restrict their comments to material planning considerations only, examples are listed below:

- Government guidance and Local Plan Policies
- The Local Plan
- Highway safety and impact of traffic in the environment
- Design, appearance and layout – visual impact
- Residential amenity – privacy, loss of light, overbearing, noise, smells
- Conservation of buildings, trees and open land
- Need to safeguard the countryside or protected species of plant or animal
- The need for development
- Previous planning history of the site
- Case Law
- Appeal decisions

The following are examples of matters which are not material planning considerations:

- Private property rights such as covenants
- The applicant/developer's identity, morals, motives or past record

- Effect on the value of your property
- The fact that development has commenced without the benefit of planning permission
- Loss of a private view
- Private neighbour disputes.

Temporary measures during the Coronavirus Pandemic

Due to the Government guidance on measures to reduce the transmission of coronavirus (COVID-19), we will holding meetings in a virtual manner which will be live webcast on our website. Members of the public who would normally register to speak will be asked to provide a written statement instead, the statement will then be read out by the Governance and Democracy Case Manager after the Planning Officer has presented their report.

The link to each webcast will be available on the [planning meeting](#) page, but you can also access them on the [Somerset West and Taunton webcasting](#) website.

The Meeting

Are members of the public allowed to attend and/or speak at Planning Committee meetings?

All meetings of the Planning Committee are open to the public. At the moment, meetings are held virtually and not in the Council chamber due to the Coronavirus Pandemic.

Public Question Time is available at the beginning of the meeting for those present to ask questions about any item of the agenda, or to speak briefly by way of background or introduction to those questions, including planning applications.

Members of the public, Town/Parish Councils and Ward Members also have a right to speak at meetings of the committee during the consideration of planning applications.

How is each application considered at Committee?

Each application will be considered as follows:

- A report will be included on the agenda for all parties to have read prior to the meeting.
- The Chairman will announce the item to be considered, reading out the application number and description of the application.
- The Planning Officer will make a presentation on each application. This will be a summary of main points only as full details will be incorporated in the written report. A presentation will be used for visual presentations of plans, drawings,

layouts, elevations and other illustrative material which was not included in the report (this could also include any late or updated information).

- The officer recommendation on each application along with any conditions will be stated within the report
- The Chairman will then call on the registered speakers to speak for a maximum of 3 minutes each, in the following order:
 - Objector(s) – up to a maximum of 5 speakers (3 minutes each),
 - Supporter(s) – up to a maximum of 5 speakers, including the Applicant/agent (3 minutes each),
 - Town or Parish Council representative – 1 speaker (3 minutes);
 - Ward Member(s) (3 minutes each).

In the event of more than one objector or supporter wishing to speak, a spokesperson should be agreed between the objectors or applicant/supporters. If the objectors or applicant/supporters cannot reach agreement about who will speak, then the person who registered first will be given the opportunity to speak.

- Through the Chairman, Members of the Planning Committee may ask questions of any person who has spoken. Further, a Ward Member who has spoken may raise through the Chairman a point of order in order to correct a statement or error of fact which has been made during the course of the debate.
- At the conclusion of the public speakers, the Chairman will invite questions of fact/clarification from members of the committee to officers but no submission of views will be given at this stage. Officers will respond to queries with factual information.
- When all information has been received, the members of the committee will discuss and debate the application.
- The Committee will then take a decision on the application. This will be made by a councillor making a proposal which will need to be seconded before it can be voted on
- Once a proposal has been proposed and seconded the Chairman will make it clear upon which motion/amendment the vote is to be taken and ask for members to vote either in favour or against the application (individual votes will not be recorded unless specifically requested by Members of the committee). The Committee Clerk will count the votes so that everyone is aware of the result.
- The Chairman or Committee Clerk will state the decision of the committee on the application following the vote.

Is the meeting recorded?

All meetings of the committee are webcast meaning that members of the public can watch the meeting live or watch the recording at a time convenient to them, following the meeting.

You can find the link to the webcasting on the Council website and under each Planning Committee agenda. Any problems please contact governance@somersetwestandtaunton.gov.uk

The recordings will be available on the website for a period of 6 months.

What will be the order of items at the committee meeting?

The applications will normally be considered in agenda order. However, the Chairman may however at his/her discretion alter the running order.

Planning Committee Members' Code of Good Practice

1. Overview

The aim of this Code of Good Practice: to ensure that in the planning process there are no grounds for suggesting that a decision has been biased, partial or not well founded in any way.

The key purpose of Planning: to control development in the public interest to facilitate place-shaping and community planning as laid out in the Council's Development Plan.

Your role as a member of the Local Planning Authority: to make planning decisions openly, impartially, with sound judgement and for justifiable reasons.

When the Code of Good Practice applies: this code applies to Councillors at **all times** when involving themselves in the planning process. (This includes decision-making meetings of the Local Planning Authority or when involved on less formal occasions, such as meetings with Officers or the public and consultative meetings.) It applies as equally to planning enforcement matters or site-specific policy issues as it does to planning applications.

Councillors are reminded that this document is only for general guidance, as it cannot cover all eventualities. It is the individual Councillor's responsibility to act correctly under all circumstances. If you have any doubts about the application of this code to your own circumstances you should seek advice early from the Monitoring Officer or one of the Council's Solicitors, and preferably well before any meeting takes place.

2. Background

Planning has a positive and proactive role to play at the heart of local government. It is a powerful tool that helps councils achieve the ambitions of local communities. Good planning stimulates growth and promotes innovation. It helps to translate goals for healthier communities, higher employment, better housing, reduced congestion, educational attainment, safe and sustainable communities into action through well-designed medical centres, offices, universities, homes, roads and other facilities vital to achieving them.

Planning decisions involve balancing the needs and interests of individual constituents and the community with the need to maintain an ethic of impartial decision-making on what can be highly controversial proposals.

The planning process is complex and sometimes highly emotive. It is essential that members of the Planning Committee conduct themselves correctly to avoid

complaints which could have personal consequences and may, in some cases, involve the Council in substantial costs.

For many members of the public, the Planning Committee is the most visible operation of the Council, and one that can affect their lives most directly. Some stand to gain substantial financial benefit from the outcome of a Planning Committee decision.

This Code of Good Practice has therefore been prepared to provide members with additional guidance on their role on the Planning Committee.

3. Roles of Councillors and Officers

The planning system works best when the roles and responsibilities of the many participants essential to its effective operation are clearly understood. It is vital that elected Councillors understand their role and the context and constraints in which they operate.

Councillors

Councillors on the Planning Committee sit as a non-judicial body, but act in a semi-judicial capacity, representative of the whole local community in making decisions on planning applications. They must, therefore:

- a) Act fairly, openly and apolitically;
- b) Approach each planning application with an open mind, avoiding pre-conceived opinions;
- c) Carefully weigh up all relevant issues;
- d) Determine each application on its individual planning merits;
- e) Avoid undue contact with interested parties; and
- f) Ensure that the reasons for their decisions are clearly stated.

The above role applies also to Councillors who are nominated substitutes on the Planning Committee. Where a Councillor, who is neither a member of, nor a substitute on the Planning Committee, attends a meeting of the Committee, he or she is also under a duty to act fairly and openly and avoid any actions which might give rise to an impression of bias or undue influence.

Role of Planning Officers

Planning Officers advise Councillors on planning policy and planning applications. They will:

- a) Provide professional, objective and comprehensive advice;
- b) Provide a clear and accurate analysis of the issues;
- c) Advise on the Development Plan and other material considerations;
- d) Give a clear recommendation; and

- e) Implement the Committee's/Council's decisions (including those made by Officers under powers delegated to them).

4. Members' Code of Conduct

All Councillors must follow the rules laid out in the Members' Code of Conduct to ensure they are, and are seen to be, fair and impartial in their work as a Councillor.

Relationship to the Members' Code of Conduct

Always apply the rules in the Members' Code of Conduct first, which must be complied with. The Members' Code of Conduct can be found in your copy of the Council's Constitution.

Do then apply the rules in this Planning Code of Good Practice, which seeks to explain and supplement the Members' Code of Conduct for the purposes of planning control.

If you do not abide by this Code of Good Practice, you may put the Council at risk of proceedings on the legality or maladministration of the related decision, and yourself at risk of being named in a report made to the Audit, Governance and Standards Committee of the Council.

5. Development Proposals and Interests Under the Councillors' Code of Conduct

Do disclose the existence and nature of your interest at any relevant meeting, including informal meetings or discussions with Officers and other members. Disclose your interest prior to the commencement of discussion on the particular matter in which you have an interest.

Do then act accordingly.

Where your interest is either a disclosable pecuniary interest or a personal and prejudicial interest.

Do not participate, or give the appearance of trying to participate, in the making of any decision on the matter by the Local Planning Authority.

Do ask another ward member to represent the views of the ward. If this is not possible then it is recommended that you put those views in writing to the Committee.

Do not get involved in the processing of the application.

Do not seek or accept any preferential treatment or place yourself in a position that could give the public the impression you are receiving preferential treatment. In other words, if you have a personal and prejudicial interest in a planning application, you should not seek to use your position as a Councillor to discuss the matter with Officers and other Councillors when a normal member of the public would not have the same opportunity to do so.

Do be aware that, whilst you are not prevented from seeking to explain and justify a proposal in which you have a personal and prejudicial interest to an appropriate Officer (either in person or in writing), this Code of Good Practice places greater limitations on you in representing that proposal than would apply to a normal member of the public.

For example, where you have a personal and prejudicial interest in an application to be put before the Planning Committee, you would have to withdraw from the Committee Room whilst the meeting considers it, whereas an ordinary member of the public would be allowed up to the three minutes to address the Committee and to observe the meeting's consideration of the application. You are permitted to make a statement as per a member of the public, should you choose to do so, but then must withdraw from the meeting. If you declare a disclosable pecuniary interest, then you would also forego the right to make a statement as a member of the public and you must take no part in the proceedings whatsoever.

Do also be aware that, where:

- you have been significantly involved in the preparation, submission or advocacy of a planning proposal; or
- you have been appointed or nominated to an outside body or organisation by the Council as its representative; or
- you are a trustee or company director of the body submitting the proposal and were appointed by the Council;

you should always disclose a prejudicial as well as personal interest and withdraw from the meeting of the Planning Committee.

Do consider yourself able to take part in the debate on an application when acting as part of a consultee body (where, for example, you are also a member of the town/parish Council or you are both a Somerset West and Taunton Councillor and a Somerset County Councillor), provided:

- the proposal does not substantially affect the well-being or financial standing of the consultee body;

- you make it clear to the consultee body that:
 - your views are expressed on the limited information before you only;
 - you must reserve judgement and the independence to make up your own mind on each separate proposal, based on your overriding duty to the whole community and not just to the people in that area, ward, town or parish, as and when it comes before the Planning Committee and you hear **all** of the relevant information; and
 - you will not in any way commit yourself as to how you or others may vote when the proposal comes before the Planning Committee;
- you disclose the personal interest regarding your membership or role when the Planning Committee comes to consider the proposal;
- **Do** notify the Monitoring Officer in writing of your own applications, and those of relatives and close associates, and note that:
 - notification to the Monitoring Officer should be made no later than submission of the application;
 - the proposal will be reported to the Planning Committee where the Officers have recommended the application for approval; and
 - it is advisable that you employ an agent to act on your behalf on the proposal in dealing with Officers and any public speaking at the Planning Committee.

6. Fettering Discretion in the Planning Process

Before considering this section, it will be helpful to the reader to refer to the broad definition of the term ‘fettering a discretion’ which is set out at Annex A.

Do not fetter your discretion and therefore your ability to participate in the decision-making process by making up your mind, or clearly appearing to have made up your mind (particularly in relation to an external interest or lobby group), on how you will vote on any planning matter prior to its formal consideration at the Planning Committee without having heard the full discussion at the meeting.

Fettering your discretion in this way and then taking part in the decision will put the Council at risk of:

- a) Finding of maladministration; and
- b) Legal proceedings on the grounds of there being a danger of bias or pre-determination or a failure to take into account all of the factors enabling the proposal to be considered on its merits.

Do be aware that you are likely to be considered to have fettered your discretion where the Council is the landowner, developer or applicant and you have acted as, or could be perceived as being, a chief advocate for the proposal. Through such significant personal involvement, you will be, or perceived by the public as being, no longer able to act impartially or to determine the proposal purely on its planning merits.

Do not speak and vote on a proposal where you have fettered your discretion. You do not also have to withdraw, but you may prefer to do so for the sake of appearances.

Do explain that you do not intend to speak and vote because you have, or you could reasonably be perceived as having, judged (or reserve the right to judge) the matter elsewhere, so that this may be recorded in the minutes of the meeting.

Do take the opportunity to exercise your separate speaking rights as a ward member where you have represented your views or those of local electors and fettered your discretion, but do not have a personal and prejudicial interest.

Where you do:

- advise the Chair that you wish to speak in this capacity before commencement of the item;
- remove yourself from the member seating area for the duration of that item; and
- ensure that your actions are recorded.

7. Contact with Applicants, Developers and Objectors

Do refer those who approach you for planning, procedural or technical advice to Officers.

Do not agree to any formal meeting with applicants, developers or groups of objectors where you can avoid it. Where you feel that a formal meeting would be useful in clarifying the issues, you should never seek to arrange that meeting yourself but should request the Principal Planner to organise it. The Officer will then ensure that those present at the meeting are advised from the start that the discussions will not bind the Local Planning Authority to any particular course of action, that the meeting is properly recorded on the application file and the record of the meeting is disclosed when the application is considered by the Planning Committee.

Always:

- follow the rules on lobbying (see below);

- consider whether or not it would be prudent in the circumstances to make notes when contacted; and
- report to the Principal Planner any significant contact with the applicant and other parties, explaining the nature and purpose of the contacts and your involvement in them, and ensure that this is recorded on the planning file.

In addition in respect of presentations by applicants or developers:

Do not attend a planning presentation unless an Officer is present and/or it has been organised by Officers.

Do ask relevant questions for the purposes of clarifying your understanding of the proposals.

Do remember that the presentation is not part of the formal process of debate and determination of any subsequent application. This will be carried out by the Planning Committee.

Do be aware that a presentation is a form of lobbying and you must not express any strong view or state how you or other Councillors might vote.

8. Lobbying of Councillors

Discussions between a potential applicant and a Council prior to the submission of an application can be of considerable benefit to both parties and are encouraged. With the recognition of the need to allow and encourage Councillors to be champions of their local communities it is recognised that Councillor engagement in pre-application discussions on major development is necessary to allow Councillors to fulfil this role.

Do explain to those lobbying or attempting to lobby you that, whilst you can listen to what is said, it would prejudice your impartiality, and therefore your ability to participate in the Planning Committee's decision-making, to express an intention to vote one way or another or take such a firm point of view that it amounts to the same thing.

Do remember that your overriding duty is to the whole community not just to the people in your ward. You therefore need to make decisions impartially, that should not improperly favour, or appear to improperly favour, any person, company, group or locality.

Do not accept gifts or hospitality from any person involved in, or affected by, a planning proposal. If a degree of hospitality is entirely unavoidable, ensure it is of a minimum, its acceptance is declared as soon as possible and remember to register the gift or hospitality where its value is over £25 in accordance with the Council's rules on gifts and hospitality.

Do copy or pass on any lobbying correspondence you receive to the Principal Planner at the earliest opportunity.

Do promptly refer to the Principal Planner any offers made to you of planning gain or constraint of development, through a proposed S106 Planning Agreement, or otherwise.

Do inform the Monitoring Officer where you feel you have been exposed to undue or excessive lobbying or approaches (including inappropriate offers of gifts or hospitality) who will, in turn, advise the appropriate Officers to follow the matter up.

Do note that, unless you have a disclosable pecuniary interest or a personal and prejudicial interest, you will not have fettered your discretion or breached this Planning Code of Good Practice through:

- listening to, or receiving viewpoints from residents or other interested parties;
- making comments to residents, interested parties, other members or appropriate Officers, provided they do not consist of, or amount to, pre-judging seeking information through appropriate channels;
- being a vehicle for the expression of opinion or speaking at the meeting as a ward member, provided you explain your actions at the start of the meeting or item and make it clear that, having expressed the opinion or ward view, you have not committed yourself to vote in accordance with those views and will make up your own mind having heard **all** the facts and listened to the debate; or
- being a ward member, provided you explain your actions at the start of the meeting or item and make it clear that, having expressed the opinion or ward view, you have not committed yourself to vote in accordance with those views and will make up your own mind having heard **all** the facts and listened to the debate.

9. Lobbying by Councillors

Do not become a member of, lead or represent an organisation whose primary purpose is to lobby to promote or oppose planning proposals. If you do, you will have fettered your discretion and are likely to have a personal and prejudicial interest requiring your withdrawal from any Planning Committee meeting where the application is discussed.

Do join general interest groups which reflect your areas of interest and which concentrate on issues beyond particular planning proposals, such as the Victorian Society, CPRE, Ramblers Association or a local Civic Society. However, you will need to disclose a personal interest where that organisation has made representations on a particular planning application and make it clear to that organisation (if approached by them) and the Committee that you have reserved judgement and the independence to make up your own mind on each separate proposal.

Do not lobby fellow Councillors regarding your concerns or views nor attempt to persuade them that they should decide how to vote in advance of the meeting at which any planning decision is to be taken.

Do not decide or discuss how to vote on any planning application at any sort of political group meeting or lobby any other Councillor to do so. Political Group Meetings should **never** dictate how Councillors should vote on a planning issue. Any vote taken on political lines will leave the Council open to challenge as set out in section 4 of this code.

10. Site Visits

Whilst it is not standard practice for the Planning Committee to make site visits as a Committee, they can be useful in exceptional circumstances. Site visits are for observing the site and gaining a better understanding of the issues. Visits made by committee members, with officer assistance, are normally the most fair and equitable approach. They should not be used as a lobbying opportunity by objectors or supporters. This should be made clear to any members of the public who are there.

The Local Government Association (LGA) and Planning Advisory Service (PAS) guidance titled '*Probity in Planning: Advice for Councillors and officers making planning decisions*' suggests that a site visit is only necessary if:

- the impact of the proposed development is difficult to visualise from the plans and any supporting material, including photographs taken by officers
- the comments of the applicant and objectors cannot be expressed adequately in writing
- the proposal is particularly contentious.

The guidance also gives the following helpful points:

- visits should only be used where the benefit is clear and substantial. Officers will have visited the site and assessed the scheme against policies and material considerations already

- the purpose, format and conduct should be clear at the outset and adhered to throughout the visit
- where a site visit can be 'triggered' by a request from the ward councillor, the 'substantial benefit' test should still apply
- a record should be kept of the reasons why a site visit is called.

The need for site visits

It is important for the Planning Committee to have a clear rationale for undertaking organised site visits in connection with planning applications and that any visits are conducted properly and consistently. The purpose of a site visit is for Councillors to gain knowledge of the development proposal, the application site and its surroundings.

A decision by a Planning Committee to carry out a site inspection should normally only be taken where the impact of the proposed development is difficult to assess from the plans and any supporting information submitted by the applicant, or additional material provided by officers. Site visits cause delay and additional costs, and should only be carried out where Councillors believe a site visit is necessary to make such an assessment. Reasons should be given for the decision to make a site visit.

Who visits?

The Committee as a whole may undertake a site visit which if possible should be scheduled to take place in advance of the Planning Committee meeting at which the application will be discussed.

If the site visit is open to all members of the committee then those members who are not able to attend should carefully consider whether they will be in receipt of all relevant facts when the matter comes back before Committee for determination. Technical/professional consultees may exceptionally be asked to attend a site visit where it is anticipated that their presence on site will assist the Working Group or Committee gain knowledge of the proposal. If technical/professional consultees are requested to attend then reasons for that decision should be recorded. Procedure on Site

A detailed explanation of the proposals, and a summary of the officers' report and recommendations, will be made by the planning officer. Councillors will then be given the opportunity to ask questions and to view the site and surroundings from all relevant vantage points.

Site visits will normally involve Planning Committee members and officers, except for any consultee whose attendance has been specifically requested by the Planning Committee (e.g. the County Highway Authority or an Environmental Health Officer) to assist their understanding of the proposals.

Councillors should keep together during site visits and not allow themselves to be addressed separately. No decisions are made at site visits although observations may be made to the Committee. An officer will be present to take a written note of the key planning issues and information obtained from the site visit, to be reported to the subsequent meeting of the Planning Committee.

The Planning Officer and the Monitoring Officer will ensure that all correspondence in relation to site visits clearly identifies the purpose of a site inspection together with the format and conduct of the inspection, so that applicants/agents and interested parties are aware of it.

Informal Site Visits

Where a site visit by the Planning Committee is not appropriate, there are advantages in Councillors making their own individual site visits to gain knowledge of the development proposal, the application site and its surroundings.

Do make a personal visit to an application site if you do not feel you will be able to come to a fair decision without seeing the site. Always try to view the land or building concerned from a public vantage point, for example an adjoining road or a public footpath.

Do ensure that any particular observations you make during the site visit, which are not referred to either in the Principal Planner report or the visual presentation, are reported back to the Planning Committee, so that all Councillors have the same information.

Do ensure that you treat the site visit only as an opportunity to observe the site to clarify particular issues. Wherever possible, make the visit unaccompanied.

Do not hear representations from any other party during the visit. Where you are approached by the applicant, agent or a third party, advise them that they should make representations in writing to the Local Planning Authority and direct them to the Principal Planner.

Do not express opinions or views to anyone.

If you need to enter the site the subject of a planning proposal, **do not** do so without the consent of the owner or occupier and **do not** do so in circumstances where you believe you will not be able to abide by the Good Practice Rules as this can lead to the perception that the councillor is no longer impartial.

Do not accept an invitation to be shown around by either the applicant, agent or a third party unless you are accompanied by one of the Council's Planning Officers.

11. Public Speaking at Meetings

Do not allow members of the public to communicate with you during the Planning Committee's proceedings (orally or in writing) other than through the scheme for public speaking, as this may give the appearance of bias.

Do ensure that you comply with the Council's procedures in respect of public speaking.

12. Officers

Do not put pressure on Officers to put forward a particular recommendation. (This does not prevent you from asking questions or submitting views to the Principal Planner which may be incorporated into any Planning Committee report).

If you wish to discuss a particular planning proposal outside of any arranged meeting, **do** try to contact the relevant Case Officer or, in his/her absence, another Planning Officer or the Principal Planner.

Do recognise and respect that Officers involved in the processing and determination of planning matters must act in accordance not only with the Council's Code of Conduct for Employees but also their professional codes of conduct (primarily the Royal Town Planning Institute's Code of Professional Conduct). As a result, Planning Officers' views, opinions and recommendations will be presented on the basis of their overriding obligation of professional independence, which may on occasion be at odds with the views, opinions or decisions of the Committee or its Members.

13. Decision-Making

Do come to meetings with an open mind and demonstrate that you are open-minded.

Do comply with the requirements of the Town and Country Planning Act 1990 and make decisions in accordance with the Development Plan unless material considerations indicate otherwise.

Do come to your decision only after due consideration of all of the information reasonably required upon which to base a decision. If you feel there is insufficient time to digest new information or, that there is simply insufficient information before

you, request that further information. If necessary, defer a decision on an application for planning permission or refuse it.

Do not vote or take part in the meeting's discussion on an application unless you have been present to hear the entire debate, including the Officers' introduction to, or visual presentation in respect of, the matter.

Do have recorded the reasons for the Planning Committee's decision to defer any proposal.

Do make sure that if you are proposing, seconding or supporting a decision contrary to Officer recommendations or the Development Plan, that you clearly identify and understand the planning reasons leading to this conclusion/decision. These reasons must be given prior to the vote and be recorded. Be aware that you may have to justify the resulting decision by giving evidence in the event of any challenge.

14. Training

Do not participate in decision-making at meetings dealing with planning matters if you have not attended the mandatory planning training prescribed by the Council.

Do endeavour to attend any other specialised training sessions provided, since these will be designed to extend your knowledge of planning law, regulations, procedures, Codes of Practice and the Development Plans beyond the minimum referred to above and thus assist you in carrying out your role properly and effectively.

Annex A

A Broad Definition of the Term 'Fettering a Discretion'

Fettering a Discretion is one of those unfriendly and legalistic phrases which derive from the statutory basis which underlies all local government decision-making. Unfortunately, it is quite difficult to replace, or to translate into normal English. So, here's a broad definition instead:

It means that where a decision-making body (like a Council, or a Committee or an Executive Councillor) is obliged to exercise some discretionary power under statute, then it must **exercise** that discretion fairly, at the right time and only after taking all proper factors into account. (Deciding upon the fate of a planning application is a good example of such a discretion.)

If, instead of keeping that essential open mind, it can be seen that it (or its members) have already **committed** themselves, in one direction or another, **before the moment when that discretion must be exercised** (i.e. **after** all material factors have been considered) then they are said to have 'fettered their discretion'.

The consequence of such pre-judging can be dire. In a bad case, the validity of the decision could be challenged in a number of ways, including through the courts, with painful and expensive consequences for all concerned, including the Council itself, and for individual Councillors who have left themselves open to this criticism

Financial Procedure Rules

1.0 Introduction

- 1.0 The Financial Procedure Rules provide the framework for managing the financial affairs of the Council. They apply to every Councillor and Officer of the Council and anyone acting on its behalf.
- 1.1 The Financial Procedure Rules govern the way the Council undertakes financial planning, budget setting, budget monitoring and closing of the accounts. They should also clearly identify the way day to day financial administration is conducted and financial controls are exercised.
- 1.2 The Financial Procedure Rules are part of a wider set of operational and managerial arrangements. They help protect the Council and the public from poor decision making, theft, fraud and material error. They also offer significant protection to Officers and Councillors from undue criticism and accusations of impropriety.
- 1.3 All Councillors and staff have a general responsibility for taking reasonable action to provide for the security of assets, funds and resources under their control, and for ensuring that the use of these resources are legal, properly authorised and provides value for money.
- 1.4 The Section 151 Officer is responsible for issuing advice and guidance to underpin the Financial Procedure Rules that Councillors, Officers, and others acting on behalf of the Council are required to follow.
- 1.5 The Financial Procedure Rules will be reviewed regularly by the Section 151 Officer, at least every two years, and approved by Full Council.
- 1.6 The Section 151 Officer may choose to delegate responsibility to a nominated officer of the Council where appropriate.

2.0 Financial Governance

- 2.1 The Councillors (individually, and contained within Full Council, Executive and Committees) and Statutory Officers (Head of Paid Service, Monitoring Officer and Section 151 Officer) have key roles and responsibilities in relation to the financial administration and stewardship of the Council, as referenced in the Constitution.

3.0 Financial Planning and Management

3.1 Financial Strategy and Medium-Term Financial Plan

- 3.1.1 The Section 151 Officer, in consultation with the Senior Management Team and Executive Councillors, will maintain a Financial Strategy and Medium Term Financial Plan (MTFP) that covers a period of at least three years, including the current financial year.
- 3.1.2 The Council's Financial Strategy will purposely look strategically beyond the current financial period to consider the funding options available for the proposed delivery of future corporate priorities, as well as the continuity of service delivery, to ensure these are affordable and result in a balanced budget, and support the organisation's resilience and long-term financial sustainability.
- 3.1.3 The Medium Term Financial Plan will provide a high level strategic allocation of capital and revenue financial resources (for both the General Fund and the Housing Revenue Account) that align with the corporate priorities and plans contained within the Financial Strategy, including the forecasting of costs and future funding requirements and availability.
- 3.1.4 The Financial Strategy and Medium Term Financial Plan will be produced as part of the overall budget process each year and reported to Executive for approval during the autumn committee cycle. This will then be reported, in conjunction with the annual budget, council tax and rent proposals, to Full Council before 11 March of the proceeding financial year.

Budget Strategy

- 3.1.5 The Section 151 Officer, in consultation with the Senior Management Team and Executive Councillors, will provide a Budget Strategy for the proceeding financial year, which will form the foundations for the Annual Budget Setting process.
- 3.1.6 The Budget Strategy will provide a more detailed requirement of the strategic allocation of financial resources (both capital and revenue) that align with corporate priorities and plans for the proceeding financial year, including the level of council tax, balances and reserves, and the management of financial risks.
- 3.1.7 This will normally be reported alongside the Financial Strategy and Medium Term Financial Plan presented to Executive before seeking approval of Full Council before 11 March of the proceeding financial year.

Capital, Investment and Treasury Strategy

- 3.1.8 The Section 151 Officer, in consultation with the Senior Management Team and Executive Councillors, will each year prepare a Capital, Investment and

Treasury Strategy for the proceeding financial year, as required by the Prudential Code.

- 3.1.9 The Capital, Investment and Treasury Strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 3.1.10 The Capital, Investment and Treasury Strategy will be produced and reported in accordance with the annual budget setting timetable and presented to the Executive before seeking the approval of Full Council before the 31 March of the proceeding financial year.

Commercial Property Investment Strategy

- 3.1.11 The Director of Development and Place, in conjunction with the Section 151 Officer, is responsible for the preparation and review of a Commercial Property Investment Strategy (CPIS).
- 3.1.12 The CPIS will set out the governance arrangements and framework for Commercial Property Investments ensuring a consistent appraisal method, clarity on corporate risk and management, and provide the Council with an agile response to investment opportunities.
- 3.1.13 Full Council will be responsible for approving the CPIS. The Strategy will be reviewed and updated on an annual basis. Investment decisions are delegated to the Commercial Property Investment Board (CPIB) up to agreed thresholds, with individual items above this amount subject to Full Council approval. The thresholds are:

Decision Body	Acquisitions	Disposals
Full Council	£25,000,001 and above	£30,000,001 and above
Commercial Property Investment Board	Up to £25,000,000	Up to £30,000,000

Budget Setting

- 3.1.14 The Council has a statutory duty to set a balanced budget.
- 3.1.15 The Section 151 Officer is responsible for making the arrangements and issuing the guidelines for producing the Council's Revenue Budget and Capital Programme.
- 3.1.16 Senior Officers are responsible for ensuring that staff adhere to the timetable and requirements set out by the Section 151 Officer for the Budget Setting process, and provide any information and evidence required in relation to this.

3.1.17 In accordance with the agreed budget timetable, the detailed Budget Setting report, setting out the proposed revenue and capital spending proposals, will be presented to the Executive before seeking the approval of Full Council for the proceeding financial year.

3.1.18 In accordance with Section 25 of the Local Government Act 2003 a statement from the Section 151 Officer is required to confirm the robustness of the budget process and the adequacy of reserves.

Unless in exceptional circumstances or through further approval, expenditure shall not be incurred on behalf of the Council unless it is approved in the Capital or Revenue budget estimates.

Council Tax Setting

3.1.19 Full Council is responsible for setting the Council Tax Base. This responsibility shall be delegated to the Section 151 Officer, who will set the Council Tax Base for tax-setting purposes by 31 January for the proceeding financial year, and notify precepting and levying bodies of this figure by this date. The Section 151 Officer will notify all Councillors as part of the Budget Setting report presented to Full Council at the Council Tax Setting meeting.

3.1.20 Full Council shall set the level of Council Tax by 11 March for the proceeding financial year - as required by the Local Government Finance Act 1992.

3.1.21 In the event of any late changes such as budget amendments or preceptor demand notifications, Full Council have the provision to be able to delegate the final approval of the Council Tax Setting report including the tax determination to the Leader, which must incorporate the tax rate set by Full Council. Any decision taken by the Leader will be published to ensure transparency of governance.

Housing Revenue Account (HRA)

3.1.22 The Section 151 Officer is responsible for providing the HRA Revenue Budget and Capital Programme report, to include the Housing Rent proposals, for the proceeding financial year in line with the timetable and requirements out by the Section 151 Officer for the Budget Setting process.

3.1.23 The Housing Revenue Account Budget report and Housing Rent proposals will be shared with Tenants Strategic Group for consultation.

3.1.24 An updated overview of the HRA 30-Year Business Plan will be provided to the Executive prior to or with the Draft Budget for the proceeding financial year.

Fees and Charges

- 3.1.25 The Fees and Charges Strategy shall be agreed as part of the Financial Strategy during the autumn committee cycle.
- 3.1.26 Full Council shall give delegated authority to the Section 151 Officer to approve, and agree any amendments to, the fees and charges for the Council in line with the approved Fees and Charges Strategy, with the exception of:
- (a) Car Parking Charges
 - (b) Any others as determined by Council
- 3.1.27 All fees and charges shall be reviewed annually by Section 151 Officer in consultation with Directors and Assistant Directors as per the budget setting timetable.
- 3.1.28 As part of the overall budget process, the revenue budget will include the latest projection of income from fees and charges.
- 3.1.29 The Section 151 Officer will be responsible for publishing a Fees and Charges Register on the Council's website.

Earmarked Reserves Review

- 3.1.30 The Section 151 Officer shall determine adequate earmarked reserves to provide for future financial commitment and mitigate financial risks. Earmarked Reserves shall be set aside for specific purposes, and may include general contingencies.
- 3.1.31 The Section 151 Officer is responsible for undertaking an annual review of all Earmarked Reserves. Recommendations arising from the review will be presented to the Executive for approval alongside or in advance of the final budget and financial plan. The report will provide information on the review and highlight any proposals to return any funds to general balances.

Capital Programme

- 3.1.32 A five-year rolling Capital Programme will be prepared and reviewed annually to confirm the capital expenditure and financing requirement estimates for each financial year, based on the following principles:
- To maintain an affordable five-year rolling capital programme.
 - To ensure capital resources are strategically aligned with the Council's corporate priorities and statutory responsibilities.
 - To undertake prudential borrowing only where there are sufficient monies to meet, in full, the implications of capital expenditure, borrowing and running costs.

- To maximise available resources by actively seeking appropriate external funding and disposal of surplus assets.

3.1.33 The Section 151 Officer will be responsible for compiling the five-year Capital Programme including the associated capital financing, in consultation with Senior Officers, for consideration by the Executive before seeking the approval of Full Council. The programme will include:

- committed schemes that are in the process of completion;
- schemes for replacement / maintenance of existing assets;
- new starts for the following years;
- planned financing arrangements including through receipts from expected sales of assets and external grants and contributions expected.

3.1.34 The Capital Programme will be approved through the Budget Setting report.

3.1.35 Approval by the Council of the Capital Programme shall not automatically authorise expenditure but will:

- indicate that the necessary funds for the ensuing financial years shall be available for the scheme; and
- that the scheme can be prepared in detail.

3.2 Alternative Budget Motions

3.2.1 Any Councillor proposing to put forward to Council any amendment to the draft Budget or any alternative Budget should provide a copy thereof to the Section 151 Officer as soon as possible and at least 5 working days before the Council meeting so that they may advise Council whether the resulting amended or alternative budget would provide robust estimates and adequate reserves for the purpose of section 25 of the Local Government Act 2003.

3.3 Budget Management and Monitoring

3.3.1 The system of budget management and monitoring is used to ensure that all budgets and financial resources for which the Council is accountable, are allocated correctly and managed effectively.

3.3.2 The Section 151 Officer shall ensure that the Budget Holder has access to financial information to enable them to control expenditure and income for which they are responsible.

3.3.3 The Director will be the accountable officer for all budgets within their directorates. They will be responsible for establishing and maintaining a scheme of delegations for budgets to Budget Holders, which must be provided to the Section 151 Officer.

3.3.4 The Budget Holder will be responsible for managing budgets and other financial resources effectively and within approved limits.

3.3.5 The Section 151 Officer is responsible for providing further procedural advice on budget management and monitoring.

3.4 Making Changes to the Approved Budget

3.4.1 A virement is the transfer of budget from one specific area to another. This can either be a transfer within revenue budgets or capital budgets, but not between revenue and capital.

3.4.2 The Virement Scheme is intended to enable the Budget Holder to manage budgets with a degree of flexibility within the overall framework determined by the Council, and therefore optimise the use of resources.

3.4.3 **Revenue Virements:** Amendments to the revenue budget can only be made with approval as long as funds are available and as per the Virement Scheme table below:

Threshold	Decision
Over £150,000	Executive Decision (in consultation with the Section 151 Officer)
Above £50,000 and below £150,000	Director / CEO and Section 151 (in consultation with Executive Councillors / Portfolio Holders)
Up to £50,000	Assistant Director / Director / CEO (in consultation with the Finance Business Partner)
Any value related to revised budget coding, technical accounting and structural presentational changes not fundamentally changing the use of funds	S151 Officer

3.4.4 The Section 151 Officer shall ensure that where any revenue Virements have been approved, these will be included within the performance report presented to the Executive.

3.4.5 **Supplementary Budgets:** Authority to approve Supplementary Budgets shall be delegated as per the table below, provided that in each case general reserves remain at least 10% above the recommended minimum level.

Supplementary Revenue Budget Scheme Table

Threshold	Decision
£250,001 and above	Full Council
£150,001 to £250,000	Executive
Up to £150,000	Director / CEO and Section 151 Officer

3.4.6 The Section 151 Officer shall ensure that where any supplementary budgets have been approved, these will be included within the performance report presented to the Executive.

3.4.7 No revenue virement shall be allowed between the following budgets without approval of the Section 151 Officer;

- Financing charges e.g. capital
- Rates and other taxes
- Support Service Recharges
- Insurances

3.4.8 No revenue virement shall be allowed to or from the 'salaries' budget unless approved by the Director(s) in consultation with a Finance Specialist.

3.4.9 Where there is a corresponding and matching increase in income and expenditure, the following approval limits will apply:

Threshold	Decision
£50,001 and above	Executive Councillor and Section 151 Officer
£20,001 to £50,000	Assistance Director / Director / CEO and Section 151 Officer
Up to £20,000	Budget Holder

3.4.10 The Directors shall manage staff resources within the agreed budgeted establishment. Any changes to the permanent establishment must be within the approved budget and agreed by the Senior Management Team.

3.4.11 Any increase over and above the agreed budgeted establishment (in costs and full time equivalents) must be supported with proposals to cover the additional costs and submitted to the Senior Management Team for consideration and approval. Any changes must be notified to the Section 151 Officer.

- 3.4.12 **Capital Virements:** Amendments to the capital budget can only be made with approval as long as funds are available and as per the Virement Scheme table below:

Capital Virement Scheme Table

Threshold	Decision
£150,001 and above	Executive Decision (in consultation with the Section 151 Officer)
£50,001 to £150,000	Assistant Director / Director / CEO and Section 151 (in consultation with Executive Councillors / Portfolio Holders)
Up to £50,000	Head of Function (in consultation with the Finance Business Partner)

- 3.4.13 **Capital Additions:** Authority to approve Supplementary Capital Budgets shall be delegated as per the table below, provided that in each case the Section 151 Officer agrees the source of the additional funding, and any revenue implications are affordable within approved budget limits.

Supplementary Capital Budget Scheme Table

Threshold	Decision
£250,001 and above	Full Council
£150,001 to £250,000	Executive
Up to £150,000	Director / CEO and Section 151 Officer

- 3.4.14 The Section 151 Officer shall ensure that where any capital additions have been approved, these will be included within the performance report presented to the Executive.
- 3.4.15 **Funding Substitutions:** The Section 151 Officer is responsible for approving funding changes.
- 3.4.16 **Growth Programme and Community Infrastructure Levy (CIL):** Full Council is responsible for approving any total budget allocations to the Growth and CIL Programmes. The Executive is responsible for delivering the programmes within the total approved budgets. Allocations to individual projects may be approved in line with the following table.

Threshold	Decision
£250,001 and above	Portfolio Holder

Up to £250,000	Director of Place and Development
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3.5 Budget Monitoring

- 3.5.1 Directors and Assistant Directors have no authority to overspend revenue or capital budgets, or under-recover income budgets under their control, and are responsible for monitoring their budgets to ensure this situation does not arise.
- 3.5.2 In preparing any estimates of expenditure and income, Directors and Assistant Directors must give proper consideration to the implications in current and future years.
- 3.5.3 Directors and Assistant Directors shall notify the Section 151 Officer of all significant budget variations including underspends, over-recovery of income or windfall benefits arising within their revenue and capital budgets, regardless of whether offsetting savings or additional income have been identified.
- 3.5.4 Directors and Assistant Directors shall ensure that their managers do not enter into commitments / contracts before satisfying themselves there is sufficient approved budget provision.
- 3.5.5 All unauthorised expenditure shall be reported immediately by the Director or Assistant Director to the Section 151 Officer who will advise on the appropriate action.

3.6 Carry Forwards

- 3.6.1 The Section 151 Officer is responsible for approving the carry forward of all budgets and spending plans that span financial years i.e. timing difference and profiling.
- 3.6.2 The Section 151 Officer shall approve other individual carry forwards up to £150,000, with any above this amount being approved by the Executive.

3.7 Budget Monitoring – Capital

- 3.7.1 Once the Capital Scheme has been prepared in detail and the tenders have been obtained, the Director or Assistant Director shall compare the allocation of funds approved within the Capital Programme to the tendered bids and determine if further approval is required.
- 3.7.2 Further approval will be required in line with supplementary budget approval thresholds, subject to affordability being confirmed by the Section 151 Officer.

3.7.3 Approval to award a Capital Scheme contract will be as per Contract Procedure Rules.

3.7.4 A Capital Scheme must not commence until the relevant funding is in place to meet the approved budget for the Scheme. For example, capital receipts and / or capital grants have been received.

3.8 Leases

3.8.1 Directors and Assistant Directors shall ensure that credit arrangements, such as leasing arrangements, are not entered into without the prior approval of the Section 151 Officer and, if applicable, approval of the scheme through the capital programme.

3.8.2 The Section 151 Officer shall ensure that there is sufficient budget and calculate whether a lease or alternative financing arrangement provides best value and best fit with Capital and Treasury strategies.

3.9 Balances and Reserves

3.9.1 The Section 151 Officer shall advise the Executive and Full Council on prudent levels of general balances, revenue reserves and contingencies for the Council.

3.9.2 Applying transfers to and from the general balances and earmarked reserves will be the responsibility of the Section 151 Officer in line with the approved budget and any approved changes during the year.

3.10 Budget Monitoring – Reporting

3.10.1 The Section 151 Officer will report to the Executive, at agreed intervals, on the revenue and capital budgets and wider financial standing and will make recommendations for varying the approved budget where necessary.

3.10.2 Where overspending occurs on delegated budgets that cannot be covered by income savings or underspending elsewhere they shall be reported to the Executive and underwritten by balances for financial planning purposes. The Senior Management Team shall determine and report mitigating actions and any related recommendations to the Executive.

3.10.3 All service underspend and overspend over £20,000 shall be fully explained by the Budget Holder within the budget monitoring process to the Section 151 Officer with a mitigation plan where appropriate. All those over £50,000 will be reported to the Executive.

3.10.4 As soon as practicable after the end of the financial year the Section 151 Officer shall submit the financial outturn position to the Executive. This will include a comparison of budget against actual spending and an analysis of major variances.

3.11 Finance Comments in Reports

- 3.11.1 The responsible Councillor and/or Officer report authors must ensure relevant financial implications are included in any key decision reports, in consultation with the Section 151 Officer, Finance Business Partner or Finance Specialist.
- 3.11.2 Authors should provide draft reports to the Section 151 Officer, Finance Business Partner or Finance Specialist prior to any submission of reports so that they may produce any financial reports and / or comments on the financial or budgetary implications of this action. For draft reports this will be 5 working days before any interim review and for final reports this will be 5 working days prior to agendas being published.
- 3.11.3 Budget Holders shall consult with the Section 151 Officer on any unplanned policy matters or other matters affecting the finances of the Council.

3.12 Closing of Accounts and Statement of Accounts

- 3.12.1 The Council has a statutory responsibility to produce a Draft Statement of Accounts, and for these to be audited, approved and published online by the deadlines set within Accounts and Audit Regulations (currently 31 May for Draft Accounts and 31 July for Audited Accounts).
- 3.12.2 The Section 151 Officer is responsible for selecting and consistently applying suitable accounting policies, determining accounting procedures and records, and ensuring compliance with relevant Accounting Codes of Practice.
- 3.12.3 The Section 151 Officer is responsible for making the arrangements for closing the Council's accounts, for ensuring that the Annual Statement of Accounts is prepared in accordance with the relevant Code's, as well as all matters relating for their audit and public inspection.
- 3.12.4 Senior Officers are responsible for ensuring that staff adhere to the timetable and requirements set out by the Section 151 Officer for the closing of the accounts, and provide any information and evidence required in relation to this.
- 3.12.5 The Section 151 Officer shall sign and date the Statements of Accounts, stating his or her opinion in respect of the accounts presenting a true and fair view of the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March 2xxx.
- 3.12.6 The Audit, Governance and Standards Committee is responsible for approving the audited Statement of Accounts.

3.13 Treasury Management Framework

- 3.13.1 The Section 151 Officer is responsible for preparing a Capital Strategy, an Investment Strategy, a Treasury Management Strategy and a Minimum Revenue Provision (MRP) Policy in line with the relevant CIPFA codes and statutory guidance, to be presented to Full Council for approval by 31 March of the preceding financial year.
- 3.13.2 The purpose of these reports is to inform Councillors of the recommended strategy for effectively managing the Council's cash resources in accordance with the legislative and regulative frameworks, including the approach to borrowing and investments taking into account prudential borrowing limits and performance indicators.
- 3.13.3 These reports also set out the approach and operating limits that must be applied in treasury management activity.
- 3.13.4 The monitoring of treasury performance is the responsibility of the Audit, Governance and Standards Committee, who will receive mid-year and end of year treasury performance reports.
- 3.13.5 All executive decisions on borrowing, investment or financing, and administration shall be delegated to the Section 151 Officer, who is responsible for establishing and monitoring Treasury Management Practices.
- 3.13.6 All treasury management activity shall be undertaken by trained staff only and in accordance with the CIPFA Code of Practice for Treasury Management in Local Authorities, the Prudential Code, and the Council's Treasury Management Strategy, and comply with the Treasury Management Practices.

4.0 Financial Administration, Systems and Procedures

4.1 Introduction

- 4.1.1 The Section 151 Officer is responsible for determining the accounting procedures and records for the Council.
- 4.1.2 All officers working for or on behalf of the Council must follow the financial administration, systems and procedures set out below. These rules and regulations are essential to an effective framework of efficiency, accountability and control.
- 4.1.3 All accounting systems, procedures and records shall be subject to the approval of the Section 151 Officer. Any changes to existing systems and the introduction of new systems shall also be approved by the Section 151 Officer.

4.1.4 All Head of Functions will embed a culture of financial awareness and ensure that their officers and key partners are made aware of how their activities have a financial impact on the Council, either directly or indirectly.

4.1.5 All Officers will ensure that all financial transactions will be made through the Council's Accounting System.

4.2 Accounting

4.2.1 All accounting arrangements across the Council shall be in a manner approved by the Section 151 Officer, taking into account best practice guidance issued by relevant external bodies, such as CIPFA and the Government.

4.2.2 There must be adequate separation of duties to ensure that no one officer is able to handle any financial transaction from start to finish without there being some mechanism for independent checking. By finish is meant the completion of the accounting for the transaction.

4.2.3 All expenditure, income, assets and liabilities shall be completely and accurately accounted for within the Council's main Accounting System and any exceptions must be specifically authorised by the Section 151 Officer.

4.3 Income

4.3.1 The Section 151 Officer is responsible for drafting the Council's Income and Arrears Management Policy. Approval of the Policy shall be delegated to the Executive. This will be reviewed and approved by the Executive at least every three years, with any minor changes delegated to the Section 151 Officer in consultation with the Portfolio Holder.

4.3.2 The Income and Arrears Management Policy sets out the Council's policy and procedures in relation to the billing, collection and recovery of monies owed to the Council and is to be adopted across all functions within the Council.

4.3.3 The policy focusses on key aims and principles, priority of debt, vulnerability, methods of payment, payment arrangements, offsets, performance monitoring, data protection, segregation of duties and review.

4.3.4 The Section 151 Officer is accountable for the following, with Directors and Assistant Directors responsible for ensuring compliance within their services for :

- Administering all invoicing, credit notes, income and arrears collection
- Providing the systems and documentation required for collection and associated debt recovery

- Ensuring that claims for Government grants and other monies are made properly and promptly
- Ensuring that all monies received are properly receipted, recorded and banked promptly
- Administering the process for writing off irrecoverable debts and the monitoring and reporting of write off levels
- Ensuring that a proper scheme of delegation has been established and it operates effectively
- Notification of all monies due to the Council under contracts, leases or other agreements and the termination of use or change of user affecting this income
- Reporting income management performance information to the Executive

4.3.5 Officers should encourage payment in advance or at point of service delivery wherever possible as per the Income and Arrears Management Policy and minimise the amount of credit given to customers.

4.3.6 The Section 151 Officer may authorise payment by instalments if full payment cannot be obtained immediately, in accordance with the Income and Arrears Management Policy, unless otherwise prescribed in relevant legislation, such as council tax and business rates.

4.3.7 Directors and Assistant Directors must notify the Section 151 Officer of all monies due to the Council under contracts, leases or other agreements and the termination of use or change of user affecting this income.

4.3.8 Any sales made via electronic commerce accounts, for example eBay and Amazon, must have the individual account pre-approved by the Section 151 Officer, and held in the name of the Council and using the Councils banking details. Directors and Assistant Directors are responsible for ensuring that any staff in their areas use these accounts appropriately and in line with financial procedure rules.

Raising of Invoices

4.3.9 Officers responsible for raising invoices must ensure that VAT has been properly accounted for and the correct fee has been charged as per the approved fees and charges report, or any subsequent amendments.

4.3.10 The Directors are responsible for developing a scheme of discretionary discounts, in consultation with the Section 151 Officer.

Credit Notes

- 4.3.11 Any invoice of £1,000 and over, that requires cancellation via a Credit Note, will require Budget Holder approval. Any invoice below £1,000 will required approval from an Income Specialist.
- 4.3.12 A clear reason for the Credit Note must be provided, and all evidence must be held on the Council's document management system. This information will be reviewed periodically and action taken to reduce the number of occurrences.
- 4.3.13 Any Credit Note must not be authorised or processed by the same person who raised the original invoice.

Unallocated Income

- 4.3.14 All unallocated income shall be dealt with on a daily basis by either allocation to the correct account/invoice, transferred or refunded.

Aged Debt

- 4.3.15 The Budget Holder will periodically review the outstanding debts pertaining to their functional area, and take reasonable action to aid the collection of those debts and / or consider suspending the provision of goods / services to the customer until all payments due have been made.
- 4.3.16 For any irrecoverable debts, the Budget Holder will put forward a request to write off the debt.

Writing Off Bad Debts

- 4.3.17 The Section 151 Officer is responsible for the arrangements dealing with write off of irrecoverable debts.
- 4.3.18 Any write off per debtor greater than £25,000 in any year will be reported to the Executive for information.
- 4.3.19 Where a debt becomes uncollectable, any debts written off shall be in accordance with the following table:

Threshold	Council Tax & Business Rates, Sundry Income, Housing Benefit Overpayments & Housing Rents
£0 to £25	Customer Champion
£25-£100	Case Manager
£100-£1,000	Specialist / Senior Case Manager responsible for income activity
£1,000-£5,000	Director or Assistant Director
£5,000 +	Section 151 Officer

4.3.20 All write offs will be reported to the Section 151 Officer on a regular basis

4.4 Ordering of Supplies, Works and Services

4.4.1 All contracts and purchase orders are subject to the Contract Procedure Rules.

4.4.2 Directors must have systems in place to ensure that only authorised officers are allowed to place purchase orders, and that purchase orders are only raised when there is sufficient budget available.

4.4.3 Once the purchase has been agreed, the creation of an official purchase order using the Council's Accounting System will be required for all orders unless agreed by the lead Procurement Officer.

Authorisation of Purchase Orders

4.4.4 A register of approved authorisers will identify staff authorised to act on the Directors, Assistant Directors or Senior Officers behalf in respect of placing purchase orders and making payment, together with the limits of their authority.

4.4.5 A register of approved authorisers and authorised purchasers will be maintained within the Council's Accounting System.

Receipt of Supply

4.4.6 The receipt of supplies, works and services will be undertaken within the Council's Accounting System. The receipt will confirm that the supply is as requested and authorises the release of payment.

Payment of Supplier Invoices

- 4.4.7 The Section 151 Officer shall make arrangements for the payments of all monies due from the Council in accordance with the relevant legislative and statutory requirements.
- 4.4.8 Payment to a supplier will only be made on receipt of a valid and appropriately addressed tax invoice.
- 4.4.9 All invoices must reference a valid purchase order number, or customer account reference where a purchase order is not required e.g. for utilities contracts.
- 4.4.10 The Council is required to comply with the Late Payment of Commercial Debt Regulations. Any supplier issuing an invoice in error will be required to re-submit a valid invoice with an amended invoice date.

Payments in Advance

- 4.4.11 The Council will ordinarily only pay for goods, services and works upon receipt or completion.
- 4.4.12 Where such goods, services and works are essential and only available if paid in advance (e.g. e-commerce) then Officers, prior to authorising payments in advance, must undertake a risk assessment of the supplier or service provider defaulting.
- 4.4.13 All payments in advance in excess of £5,000 must be agreed with a Finance Specialist or Procurement Specialist and any in excess of £50,000 must be agreed by the Section 151 Officer.

Payment Methods

- 4.4.14 The Section 151 Officer must approve all banking, purchase and credit card arrangements across the Council, and must be satisfied with the safe keeping of all controlled banking stationery.
- 4.4.15 The Section 151 Officer will maintain a register of all bank and card acquiring contracts.
- 4.4.16 Cheques above certain financial limits set by the Section 151 Officer shall be manually countersigned by those designated officers authorised to do so by the Section 151 Officer.
- 4.4.17 Directors are responsible for ensuring that any staff in their areas that use the procurement Credit / Debit Cards adhere to the requirements of the Purchasing Card Guide and Terms and Conditions.

- 4.4.18 Any purchases made via the internet must be made in adherence to the Council's procurement procedures
- 4.4.19 Any purchases made via electronic commerce accounts, for example eBay and Amazon, must have the individual account pre-approved by the Section 151 Officer, and held in the name of the Council and using the Council's banking details. Directors are responsible for ensuring that any staff in their areas use these accounts appropriately and in line with financial procedure rules.

Petty Cash

- 4.4.20 The Section 151 Officer must approve all banking and Petty Cash acquiring arrangements across the Council, and must be satisfied with the safe keeping of all controlled banking stationery.
- 4.4.21 The Section 151 Officer must authorise all Petty Cash accounts and the Petty Cash Account Holder must comply with the rules set within the Petty Cash Guide and Terms and Conditions as prescribed by the Section 151 Officer.

Taxation

- 4.4.22 The Section 151 Officer is responsible for ensuring compliance with all relevant taxation regulations and guidance that affect the Council.
- 4.4.23 Directors must notify the Section 151 Officer immediately of all new areas of business and of any change of circumstances to ensure the impact on VAT has been reviewed. For example, buying or selling a property and / or undertaking new investment activity.

Planning Obligations Board

- 4.4.24 The Planning Obligations Board shall recommend budget allocations from the Community Impact Mitigation (CIM) Fund and other Hinkley S106 Funds for approval as per the following table.

Threshold	Decision
£250,001 and above	Full Council
Up to £250,000	Executive

4.5 Investments, Borrowing, Capital Financing and Trust Accounts

- 4.5.1 The Section 151 Officer shall ensure that the Council's money is properly managed and controlled in a way which balances risk with return but with the overriding consideration being given to the security and liquidity of the Council's investment.

- 4.5.2 All investments, except bearer securities, controlled by the Council shall be registered in the Council's name or in the name of nominees approved by the Executive.
- 4.5.3 All securities shall be held securely by the Council's bankers, or custodians approved at the Section 151 Officer.
- 4.5.4 The Section 151 Officer shall ensure that all borrowing is made in the name of the Council.
- 4.5.5 The Section 151 Officer shall ensure that all applicable trust funds are registered in the name of the Council.
- 4.5.6 The Section 151 Officer will provide regular monitoring reports to the Audit, Governance and Standards Committee.
- 4.5.7 The Section 151 Officer will report any breaches or amendments of the Prudential Code to Council.

4.6 Asset Management

Asset Register

- 4.6.1 The Finance Business Partner shall maintain a full and accurate register of all Council fixed assets.

Custody of Deeds

- 4.6.2 The Council's Solicitor shall have custody of the title deeds and other agreements under seal or hand of all land owned by the Council (together with all deeds and documents held as security for any monies owed to the Council) and are responsible for their safe-keeping.

Security

- 4.6.3 Directors shall be responsible for the proper security of all buildings, stocks, furniture, equipment and cash etc. within their services. They shall exercise a co-ordinating role on security issues and shall be consulted where it is felt that security is inadequate or in special circumstances.

Valuations

- 4.6.4 The Finance Business Partner will be responsible for ensuring that a valuation report is produced on an annual basis and used as part of creating the Statement of Accounts.
- 4.6.5 The Council will carry out a rolling programme of asset valuations to ensure that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years.

4.6.6 Valuations of land and buildings will be carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

4.6.7 Valuations of vehicles, plant, furniture and equipment will be based on current prices where there is an active second-hand market or latest prices adjusted for the condition of the asset.

Impairment

4.6.8 The Finance Business Partner is responsible for ensuring that assets are assessed at each year-end as to whether there is any indication that an asset may be impaired.

4.6.9 Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Condition Surveys

4.6.10 The Finance Business Partner shall ensure that condition surveys of all buildings and property assets in which the Council has a proprietary interest are carried out at least once every 5 years.

4.6.11 Survey details are to be recorded in appropriate systems and work programmes prepared in accordance with priorities set out in the Asset Management Plan.

Maintenance of Assets

4.6.12 Directors are responsible for implementing a system for the maintenance of assets, stocks and stores including regular stock checks and write offs when required.

Asset Management Plan

4.6.13 The Assistant Director – Climate Change and Assets is responsible for producing an Asset Management Plan. The Plan will be approved by Executive, with the monitoring of the delivery of that Plan delegated to Assistant Director – Climate Change and Assets.

4.6.14 The Asset Management Plan looks at how the Council's assets support achievement of the Council's objectives and the services it provides.

4.6.15 The Plan will set out principles, priorities and actions to ensure the assets are used and managed as efficiently and effectively as possible.

4.6.16 The Plan will be reviewed annually to take account of any changes in the Council's objectives or priorities.

Acquisition and Sale / Disposal of Assets

- 4.6.17 Except for Commercial Investment Properties which will be made in accordance of the Commercial Investment Property Strategy and related authority, all acquisitions and disposals of Council property shall be made in accordance with the approved governance arrangements or otherwise in accordance with the Council's Capital Strategy and its Asset Management Plan.
- 4.6.18 The Section 151 Officer shall be responsible for the appropriate accounting treatment of any acquisition and sale / disposal of assets.
- 4.6.19 All acquisitions and sale / disposal of assets shall be made in line with approved budgets and in consultation with the Section 151 Officer. The authority to approve acquisitions and sale / disposal of assets, except for Commercial Investment Property, shall be delegated as per the table below.

Threshold	Decision
£250,001 and above	Executive
Up to £250,000	Chief Executive or Director

- 4.6.20 In respect of receipts from sale of assets where values are less than £10,000: these net proceeds will be credited to the appropriate revenue budget.
- 4.6.21 In respect of receipts from sale of assets where values are more than £10,000: the net proceeds will be recorded as either capital receipts unless Statutory Guidance permits the use as Flexible Capital Receipts. The net receipts can then be used to fund revenue costs, provided the expenditure meets the requirements for qualifying expenditure under this guidance.

4.7 Payroll

- 4.7.1 The Head of Paid Service is responsible for producing a Pay Policy to be approved by the Executive by the 31 March of the proceeding financial year.
- 4.7.2 The Pay Policy sets out the Council's policy and procedures in relation to the payments of salaries and wages to all staff, including payments for other allowances, and for payment of allowances to Councillors, employed by the Council. This is to ensure that the risk associated with the public sector payroll system are managed effectively.

- 4.7.3 The Section 151 Officer is responsible for all payments of salaries and wages to all staff, including payments for other allowances, and for payment of allowances to Councillors. All payments must be made by BACS once a month through the Council's Payroll System.
- 4.7.4 Directors and their respective managers must notify central payroll team of all matters relating to the employment (including any changes) of officers so that the appropriate financial entries and payments can be made.
- 4.7.5 Officers will submit their expenses claims through the Council's Payroll System. The relevant manager will then validate the claim prior to online approval.

4.8 Somerset West Lottery

- 4.8.1 The Council will be an enabler for the lottery and use the contracted services of a licenced External Lottery Manager (ELM) to operate the lottery as per the Gambling Act 2005.
- 4.8.2 The Council will hold the relevant licence(s) obtained from the Gambling Commission as regulated by the Gambling Act 2005.
- 4.8.3 The Section 151 Officer, Directors and/or Assistant Directors may be registered as the 'responsible officers' with the Gambling Commission.
- 4.8.4 Any arrangements of administering the lottery will be delegated to the Director of Housing and Communities and Portfolio Holder in consultation with the Section 151 Officer.

4.9 Grants Paid out to VCS

- 4.9.1 The authority to award grants will be delegated by the Executive to the Grants Panel, and all decisions will be published.
- 4.9.2 In order to make the most effective use of the Council's grants schemes (as listed below) the Council needs to ensure applicants maximise match funding from other funders for their projects in the district.
- Somerset West Lottery Local Community Fund (SWL LCF)
 - Voluntary and Community Sector (VCS) Partner Grants
 - VCS Small Grants Scheme
- 4.9.3 The Council may choose to outsource this function to an external body to administer on behalf of the Council and present assessed applications to the Council's Grants Panel for consideration and approval.

4.10 Insurance

- 4.10.1 The Section 151 Officer is responsible for maintaining adequate insurance cover for the Council and keeping comprehensive records of all risks covered.
- 4.10.2 Directors must notify the Section 151 Officer immediately of all new areas of risk and of any change of circumstances likely to affect existing insurance risks.
- 4.10.3 Any incident which could give rise to an insurance claim must be promptly notified to the Section 151 Officer, by the relevant officer, who shall also inform the Police if appropriate.
- 4.10.4 The Section 151 Officer will handle all insurance claims with the insurance company if proceedings are issued.

4.11 Financial Inducements, Gifts, Hospitality and Promotional Offers

- 4.11.1 All staff must comply with the Employee Code of Conduct and Gifts and Hospitality Guidance and Procedures. Further advice should be sought from the Monitoring Officer.
- 4.11.2 All Councillors and staff must not accept inducements in the process of administering the financial affairs of the Council.

4.12 Declaration of Interest

- 4.12.1 All officers shall notify their Director and the Monitoring Officer in writing if they have a financial interest (direct or indirect) in any current or proposed contract of the Council. The Monitoring Officer shall record in a schedule to be kept for the purpose, particulars of any such notice given. Failure to disclose a financial interest in a contract is a criminal offence under section 117 of the Local Government Act 1972.
- 4.12.2 All officers shall advise their Director and the Monitoring Officer, to be incorporated into the schedule mentioned above, of any conflict of interest which has arisen or might arise because they are likely to be required or authorised to do something as a Council Officer, in which they have a personal or private interest.

5.0 Risk Management and Control of Resources

5.1 Risk Management

- 5.1.1 The Director of Internal Operations is responsible for preparing a Risk Management Strategy as part of the Governance Framework, and ensuring that Councillors and staff consider risk when dealing with Council business and key activities.
- 5.1.2 The Risk Management Strategy will be approved by the Executive, and reviewed at least every three years.

- 5.1.3 Risk management and control arrangements are the responsibility of management, and the Director of Internal Operations shall report on risk management arrangements and performance to the Audit, Governance and Standards Committee

5.2 Internal Control

- 5.2.1 Internal control refers to the systems of control devised by management to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
- 5.2.2 The Section 151 Officer is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.
- 5.2.3 It is the responsibility of Directors to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.
- 5.2.4 The Section 151 Officer shall undertake an annual review of the effectiveness of the systems of internal control, and key findings and actions reported within the Annual Governance Statement.

5.3 Internal Audit

- 5.3.1 Directors shall have regard to the principles of risk management, and to the Council's Risk Management Strategy. It is the responsibility of Internal Audit to review the adequacy and effectiveness of the Council's arrangements for risk management.
- 5.3.2 Under the Accounts and Audit Regulations 2015 the Council has a statutory obligation to have an adequate and effective system of internal audit.
- 5.3.3 The Section 151 Officer has the delegated authority for providing and maintaining this service.
- 5.3.4 The Internal Auditor is responsible for providing an internal audit function which meets the requirements of the Public Sector Internal Audit Standards (PSIAS). They are also responsible for providing an opinion, in support of the Annual Governance Statement, on how the Council's risk management processes identify, evaluate, monitor and report that controls are operating effectively within the Council.

5.3.5 Internal Audit is an assurance function that provides an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

5.3.6 Internal Audit has unrestricted access to all information (including records, computer files, databases, systems, property and personnel) across all functions and activities undertaken by the Council, or partners on the behalf of the Council where council information is held in order to review, appraise and report as may be necessary.

5.3.7 The Internal Auditor shall report to the Audit, Governance and Standards Committee all significant concerns that he/she may have over the adequacy and effectiveness of internal controls and risk management activities within the organisation.

5.4 External Audit

5.4.1 The council is responsible for approving the appointment of an external auditor. This shall be delegated to the Audit, Governance and Standards Committee.

5.4.2 The External Auditor has a responsibility to satisfy themselves that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. This judgement is based on criteria specified by the National Audit Office.

5.4.3 The Section 151 Officer, in conjunction with Directors, must ensure that the Council makes best use of resources, and taxpayers and service users receive value for money.

5.4.4 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

5.4.5 The Section 151 Officer is responsible for presenting the Audit Findings Report and the Annual Audit Letter to the Audit, Governance and Standards Committee.

5.4.6 The Section 151 Officer must advertise the Public Right of Inspection on the Council's website in line with Accounts and Audit regulations.

5.5 Counter-fraud and Anti-bribery

- 5.5.1 Section 151 of the Local Government Act 1972 requires every Local Authority to make arrangements for the proper administration of their financial affairs.
- 5.5.2 The Section 151 Officer is responsible for advising the Council on anti-fraud and anti-corruption strategies and measures. Approval of the policy is delegated by the Council to the Executive.
- 5.5.3 This policy provides a coherent and consistent framework to enable the organisation's staff and Councillors to understand and implement arrangements enabling compliance. In conjunction with related policies and key documents it will also enable Councillors/ staff and the public/ stakeholders to identify and effectively report a potential breach.

5.6 Money Laundering

- 5.6.1 The Section 151 Officer is responsible for preparing the Council's Money Laundering Policy (MLP) to be scrutinised by the Audit, Governance and Standards Committee and approved by the Executive.
- 5.6.2 The Money Laundering Policy (MLP) will be reviewed on a regular basis, at least every three years, and upon issue of new or updated relevant regulations.
- 5.6.3 This policy will ensure that there are adequate controls in place within the Council to counter money laundering activities and terrorist financing activities, in line with the Money Laundering Regulations 2017.
- 5.6.4 The Executive will appoint a Money Laundering Reporting Officer (MLRO).

5.7 Trading Units

- 5.7.1 It is the responsibility of the Section 151 Officer to advise on the establishment and operation of trading accounts and business units, and to determine the arrangements under which these are operated.
- 5.7.2 Directors must observe all statutory requirements in relation to trading accounts, including the maintenance of a separate revenue account to include all relevant income and expenditure, including overhead charged and an annual report in support of the Council's annual financial statements.
- 5.7.3 Directors must ensure that the same accounting principles are applied in relation to trading accounts as for other service units.

6.0 External Arrangements

6.1 Partnerships

- 6.1.1 Partnerships include any arrangements where the Council agrees to undertake, part fund or participate in a project with other bodies; either as a beneficiary of the project, or because the nature or status of the project gives the Council a right or obligation to support it. Where the Council is simply providing funding without assuming any obligation or risk relating to delivery of the project, this is not a partnership.
- 6.1.2 The Executive is responsible for approving the operational framework for the Council's participation in all strategic partnerships or joint working arrangements with other local public, private, voluntary and community sector organisations. This includes the arrangements for delegation to officers and the detailed arrangements for the provision of both financial and physical resources by the Council.
- 6.1.3 The Section 151 Officer and Monitoring Officer are responsible for promoting, maintaining and monitoring the same high standards of conduct with regard to legal and financial administration and accounting arrangements in partnerships that apply throughout the Council. They shall also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. They shall ensure that the risks have been fully appraised before agreements are entered into with external bodies. They shall ensure that all partnerships are included within the Partnership Register.
- 6.1.4 The approval of both the Section 151 Officer and the Monitoring Officer must be obtained prior to the Council entering into any formal partnership agreement. The approval of the Section 151 Officer must also be obtained where it is proposed that the Council adopts the role of 'Accountable Body' for a partnership.
- 6.1.5 Directors are responsible for ensuring that appropriate preparation work is undertaken and approvals are obtained before any negotiations are concluded in relation to work with external bodies.
- 6.1.6 A written partnership agreement must be produced that clearly establishes the responsibilities, rights, and obligations of the respective partners for managing the arrangement and the resources made available to the partnership.
- 6.1.7 The agreement must clearly set out the financial arrangements of the partnership including accounting, funding, assets, liabilities, insurances, tax accounting and risk management.
- 6.1.8 The agreement must also set out the arrangements in respect of unspent funding at each year end, unless this is to be returned to the Council as unspent money, and for addressing any overspend.

- 6.1.9 The agreement must also include HR advice in respect of employment rights and obligations including IR35 and TUPE implications.

6.1 External Funding (Including Grants)

- 6.1.1 The Section 151 Officer, in consultation with the relevant Director, is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- 6.1.2 Directors must advise the Section 151 Officer with details of all bids for external funding, as well as all grant and subsidy notifications by external bodies, as soon as they are received.
- 6.1.3 Directors are responsible for ensuring that the terms and conditions of all grants have been met properly.
- 6.1.4 Directors must not commit expenditure on projects requiring matched funding contributions until the external funding has been confirmed.
- 6.1.5 Directors are responsible for informing the Section 151 Officer promptly about such funding. Where such income is receivable against a grant claim the relevant Director shall provide written confirmation to the Section 151 Officer that all output and other grant requirements have been properly and fully met.

6.2 Work for Third Parties

- 6.2.1 The Section 151 Officer is responsible for providing specific guidance to Directors in respect of contractual arrangements for the provision of services to third parties or external bodies.
- 6.2.2 Work can only be undertaken for third parties where the Council has the legal powers to undertake the work.
- 6.2.3 With regard to the financial aspects of third party contracts, Head of Functions will:
- Comply with any guidance issued by the Section 151 Officer and will ensure that appropriate insurance arrangements are made.
 - Ensure that all costs arising from the provision of services to a third party are recovered and hence that there is no subsidy included within the contract.
 - Ensure that the Council is not unnecessarily exposed to the risk of bad debts.
- 6.2.4 A written agreement must be put in place between the Council and the third party, which details the services to be provided, over what period and at what price; this will be signed by both parties to the agreement.

- 6.2.5 Directors will provide information on the contractual arrangements to the Section 151 Officer in order that the appropriate disclosures can be made within the Council's annual statement of accounts.
- 6.2.6 The Director / Section 151 Officer / Solicitor shall be responsible for approving the contractual arrangements for any work for third parties or external bodies.
- 6.2.7 The relevant Senior Officer must ensure that any work carried out for third parties is not outside the Council's powers by formally seeking the opinion of the Council's Monitoring Officer before such an arrangement is entered into.
- 6.2.8 The Section 151 Officer will issue guidance on all financial matters in respect of providing third parties with services.
- 6.2.9 The relevant Senior Officer must ensure that:
- Proposals are costed properly in accordance with the guidance provided by the Section 151 Officer;
 - No contract is subsidised by the Council;
 - Appropriate insurance arrangements are made;
 - Wherever possible, payment is received in advance of the provision of the service;
 - The Section 151 Officer is provided with the appropriate information to enable a note to be entered into the Statement of Accounts; and
 - Information held or assets owned by the Council is/are not used to the detriment of the Council.
 - There is compliance with GDPR.

6.3 Alternative Delivery Models

- 6.3.1 The Section 151 Officer is responsible for providing specific technical guidance to Head of Functions in respect of financial arrangements for any proposal to deliver services via an alternative delivery vehicle. They shall also ensure that any such activities are properly recorded in the Council's accounts.
- 6.3.2 Legal advice shall be sought for the contractual arrangements for any alternative delivery model.
- 6.3.3 Any proposal to deliver services via an alternative delivery vehicle must be developed through the Council's business case governance framework to ensure that there is a robust planning and decision-making process in place.

- 6.3.4 Head of Functions are responsible for ensuring that necessary approval is obtained before any contract negotiations and/or financial transactions are entered into, and that all agreements and arrangements are properly documented.
- 6.3.5 There are various types of alternative delivery model, including, but not limited to:
- Local Authority Trading Company (LATC)
 - Joint Ventures - set up as separate corporate entities joining two or more parties for the purpose of executing a business undertaking
 - Charitable incorporated organisation - a corporate entity which is regulated by the Charities Commission
 - Social Enterprises - businesses trading for social and environmental purposes
 - Outsourcing – a contractual arrangement between the Council and a private provider for the delivery of an agreed service
 - Social Impact Bonds – contract to achieve agreed social outcomes through a programme of interventions delivered by a number of service providers
 - Joint Committee – joint bodies set up, by agreement, to discharge or carry out activities in conjunction with other local authorities
 - Unincorporated association

6.4 Transparency

- 6.4.1 To provide transparency in its stewardship of public funds the Council makes information available to the public in relation to its spending and are available to download via the Council's Open data portal. This brings together all our published datasets and other information of interest on one searchable database for anyone, anywhere to access.
<https://www.somersetwestandtaunton.gov.uk/open-data/>

Appendix A

List of supporting strategies, policies, plans and reports

- Financial Strategy and Medium Term Financial Plan
- Budget Strategy
- Capital Strategy
- Commercial Investment Strategy
- Revenue Budget and Capital Programme Report including ...
 - Council Tax Setting Report
 - HRA Revenue Budget and Capital Programme Report
 - HRA 30-Year Business Plan
 - Fees and Charges Register
 - Earmarked Reserves Review Report

- Capital Programme Report
- Performance Reporting
- Statement of Accounts
- Investment Strategy
- Minimum Revenue Provision Policy
- Treasury Management Strategy Statement
- Treasury Performance Reports
- Income and Arrears Management Policy
- Contract Procedure Rules
- Purchasing Card Guide and Terms and Conditions
- Petty Cash Guide and Terms and Conditions
- Asset Management Plan
- Payroll Policy
- Employee Code of Conduct
- Gifts and Hospitality Guidance and Procedures
- Risk Management Strategy
- Governance Framework
- Anti-Fraud and Anti-Corruption Policy
- Money Laundering Policy
- Partnership Working Operational Framework

-End of Document-

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