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Ribble Valley
Borough Council

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Dear Councillor

The next meeting of the **ACCOUNTS AND AUDIT** Committee will be held at **6.30 pm** on **WEDNESDAY, 8 FEBRUARY 2023** in the **Council Chamber, 13 Church Street, Clitheroe, BB7 2DD.**

I do hope you can be there.

Yours sincerely

M. H. Scott

CHIEF EXECUTIVE

AGENDA

1. **APOLOGIES FOR ABSENCE**
2. **TO APPROVE THE MINUTES OF THE PREVIOUS MEETING** (Pages 3 - 8)
3. **DECLARATIONS OF DISCLOSABLE PECUNIARY, OTHER REGISTRABLE AND NON REGISTRABLE INTERESTS**

Members are reminded of their responsibility to declare any disclosable pecuniary, other registrable or non-registrable interest in respect of matters contained in the agenda.

4. **PUBLIC PARTICIPATION**

ITEMS FOR DECISION

5. **CLOSURE OF ACCOUNTS TIMETABLE 2022/23** (Pages 9 - 38)
Report of Director of Resources - enclosed
6. **INTERNAL AUDIT CHARTER 2023/24** (Pages 39 - 40)
Report of Director of Resources - enclosed

ITEMS FOR INFORMATION

7. **INTERNAL AUDIT PROGRESS REPORT 2022/23** (Pages 41 - 58)
Report of Director of Resources enclosed

8. **AUDITORS ANNUAL REPORT 2021/22** (Pages 59 - 80)
Report of Grant Thornton enclosed
9. **AUDIT PROGRESS REPORT** (Pages 81 - 98)
Report of Grant Thornton enclosed
10. **OMBUDSMAN REPORT** (Pages 99 - 100)
Report of Chief Executive enclosed
11. **REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES**
12. **EXCLUSION OF PRESS AND PUBLIC**

ITEMS FOR DECISION

ITEMS FOR INFORMATION

Electronic agendas sent to members of Accounts and Audit – Councillor David Berryman (Chair), Councillor Susan Bibby, Councillor Judith Clark, Councillor Kerry Fletcher, Councillor Stewart Fletcher, Councillor Jonathan Hill, Councillor Richard Newmark, Councillor David Peat OBE, Councillor James (Jim) Rogerson, Councillor Richard Sherras and Councillor Robin Walsh (Vice-Chair).

Contact: Democratic Services on 01200 414408 or committee.services@ribblevalley.gov.uk

Minutes of Accounts and Audit

Meeting Date: Wednesday, 23 November 2022, starting at 6.30 pm
Present: Councillor D Berryman (Chair)

Councillors:

J Clark	D Peat
K Fletcher	J Rogerson
S Fletcher	R Sherras
R Newmark	R Walsh

In attendance: Director of Resources, Head of Financial Services, Internal Audit Manager and Georgia Jones (Grant Thornton)

498 APOLOGIES FOR ABSENCE

Apologies for absence were received for the meeting from Councillor Sue Bibby

499 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 28 September 2022 were approved as a correct record and signed by the Chairman.

500 DECLARATIONS OF DISCLOSABLE PECUNIARY, OTHER REGISTRABLE AND NON REGISTRABLE INTERESTS

There were no declarations of disclosable pecuniary, other registrable or non-registrable interests.

501 PUBLIC PARTICIPATION

There was no public participation.

502 ANNUAL GOVERNANCE STATEMENT

The Director of Resources sought Committee's approval of the Annual Governance Statement for 2021/22.

Members were reminded that all councils are required to prepare an Annual Governance Statement each year in accordance with the "Delivering Good Governance in Local Government Framework" and to publish the extent to which they comply with their own Local Code of Corporate Governance. This code includes how the Council has monitored the effectiveness of its governance arrangements in the previous financial year and details any planned changes in the coming period.

The report noted that:

- The Annual Governance Statement is a backward-looking review of how the Council had performed in relation to the principles set out at the beginning of each year in its own Local Code of Corporate Governance.
- In reviewing how the Council and its staff and members had acted over the period of the review, evidence had also been gathered to support the Report's conclusions.
- There had been one issue raised in the review and details of this had been given in the report.

- The Annual Governance Statement had to be published alongside the Council's Statement of Accounts and that this is currently on the Council's website together with a draft (subject to audit) copy of the Statement of Accounts.

RESOLVED THAT COMMITTEE

Approve the Annual Governance Statement 2021/22 as attached to the report.

503

AUDIT FINDINGS REPORT - GRANT THORNTON

Georgia Jones, Key Audit Partner submitted a report on behalf of Grant Thornton which outlined their audit findings and key matters arising from the audit of the Council's financial statements for the year ending 31 March 2022.

She reminded members that under International Standards of Audit and the National Audit Office, Grant Thornton are required to report on whether the Council's financial statements give a true and fair view of the Council's financial position and its income and expenditure for the year.

She informed Committee that:

- The audit had been prepared in line with the appropriate codes of practice.
- Their work is substantially complete, and subject to the outstanding matters set out in the report, including receipt of the management representation letter and review of the final set of financial statements, currently there were no matters that would require modification of their audit opinion.
- Grant Thornton anticipated providing an unqualified opinion on the financial statements subject to the outstanding matters being resolved and that there were no significant issues to be brought to Committee's attention.
- Georgia Jones asked to put on record her thanks to the Head of Financial Services and his team for their work.

The Chairman thanked Grant Thornton for their work.

RESOLVED THAT COMMITTEE

Accepted the external auditors audit findings report.

504

LETTER OF REPRESENTATION

The Director of Resources submitted a report which included a Letter of Representation that Grant Thornton had required to be signed before they could sign off the accounts.

The letter set out assurances from the Council to Grant Thornton that relevant accounting standards had been complied with and gave further assurances that the Council had disclosed information, which if it was withheld, would undermine the accuracy and reliability of the Statement of Accounts.

RESOLVED THAT COMMITTEE

Approve the letter of representation to Grant Thornton for 2021/22.

505

APPROVAL OF AUDITED STATEMENT OF ACCOUNTS 2021/22

The Director of Resources submitted a report asking Committee to formally approve the Statement of Accounts for 2021/22 following completion of the audit.

The Head of Financial Services reminded Members that their role in approving the Statement of Accounts, following the conclusion of the audit, was to demonstrate their ownership of the statements, their confidence in the Director of Resources and the process by which accounting records are maintained and the statements prepared.

He reported that:

- The deadline for the publication of the draft accounts had been met and the Statement of Accounts (subject to Audit) had been made available on the Council's website from 29 July 2022.
- There had been a final outturn surplus of £427,000 during the year compared with the Revised Estimate which showed a surplus of £198,000 and the Original Estimate which showed a deficit of £400,000
- The Council had added £617,956 to earmarked reserves for revenue purposes and taken £456,429 from earmarked reserves to fund the capital programme. The overall net movement was £161,527 added to earmarked reserves.

The Chairman thanked the Head of Financial Services and his staff for all their hard work in achieving the closedown of the accounts.

RESOLVED THAT COMMITTEE:

Approve the audited Statement of Accounts for 2021/22.

506

CONSULTATION ON AUDITOR APPOINTMENT FROM 2023/24

The Director of Resources submitted a report for information on the latest stage in the PSAA work on appointing auditors from 2023/24 and of the response that had been made to the associated consultation which closed 14 November 2022.

Members were informed that Grant Thornton had been successful in winning a contract in the procurement and that it was proposed by PSAA that they be appointed as the auditor for Ribble Valley Borough Council for five years from 2023/24.

The council had been required to respond to the proposals by 14 November 2022 either accepting the appointment or explaining why the proposed appointment should not be made. The response had been emailed on 14 November to say the council were satisfied with the proposed appointment.

Notification had also been received informing us that further consultation would take place about the associated scale fees from 2023/24 and that this would be undertaken by 30 November 2023. It had been suggested these may increase by around 150%. A further report would be presented to committee in due course for consideration on this matter.

507

CIPFA POSITION STATEMENT – APPOINTMENT OF CO-OPTED INDEPENDENT MEMBERS

The Director of Resources submitted a report providing further information relating to the role and function of co-opted members.

Members were reminded that at their last meeting a summary of the Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement : Audit Committees in Local Authorities and Police 2022 had been presented and further information had been requested.

The report went on to outline the role and function of co-opted members and the proposed responsibilities in relation to this committee. The co-option of an independent member would help bring additional knowledge and expertise, but the member would not have any voting rights.

Should this introduction be made, it would require a change to the governance arrangements within the Constitution, consideration of remuneration, length of term and the recruitment process.

A report for decision would be brought to a future meeting.

508

INTERNAL AUDIT PROGRESS REPORT

The Director of Resources submitted a report for information on progress in delivery against the 2022/23 Internal Audit Plan covering the period September 2022 to October 2022.

The report included the main area of focus since the last meeting which was Amenity Cleansing and highlighted the reviews that were in progress, along with:

- An overview of internal audit output delivery
- The results of key performance indicators, and
- Progress against the PSIAS Quality Assurance Improvement Plan

Committee were informed that the Council was also implementing a programme of improvement with regard to risk management. A baseline assessment had had been undertaken, reviewed, and ratified and a programme of training rolled out across key stakeholders.

509

WHISTLEBLOWING POLICY

The Chief Executive submitted a report informing committee of the Council's review of its Whistleblowing Policy 2022.

CIPFA recommend that 'leaders in public sector organisations have a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management'.

The amendments were intended to ensure that the Policy reflects best practice, and that there was clear oversight and recording by the Monitoring Officer. This would also ensure that investigations would be undertaken correctly and in a timely way. The policy would be reviewed and approved annually going forward.

On 8 November 2022, Policy and Finance committee has considered, approved and recommended adoption of the revised policy to Council on 13 December 2022.

510

REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from representatives on outside bodies.

511

EXCLUSION OF PRESS AND PUBLIC

There were no items under this heading.

The meeting closed at 7.30 pm

If you have any queries on these minutes please contact the committee clerk, Olwen Heap 01200 414408 olwen.heap@ribblevalley.gov.uk.

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

meeting date: 8 FEBRUARY 2023
title: CLOSURE OF ACCOUNTS TIMETABLE 2022/23
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To remind members of the statutory requirement to closedown our accounts by 31 May 2023 and publish them including any certificate, opinion or report issued by the auditor, by 30 September 2023.
- 1.2 To inform members of the benefits of closing down early, in particular the good governance aspects.
- 1.3 To consider the detailed timetable to be adhered to if we are to achieve the required deadlines.

2 BACKGROUND

- 2.1 The Accounts and Audit Regulations 2015 set out detailed requirements in relation to duties and rights, and also brought in changes to the key deadlines for approval of the statement of accounts and completion of the audit.
- 2.2 The Regulations have important implications for local authorities in terms of planning to ensure critical tasks are met and the approval of accounts carried out by set deadlines.
- 2.3 The Accounts and Audit (amendment) Regulations 2021 (SI no 2021/263) came into force on 31 March 2021 and amended the draft and final accounts publication deadlines for relevant bodies from 1 June and 31 July to 1 August and 30 September for the following 2 accounting years – i.e. 2020/21 and 2021/22. As such, the deadline for the 2022/23 **unaudited** Statement of Accounts will now revert to 1 June.
- 2.4 The Accounts and Audit (Amendment) Regulations 2022 moved the deadline for the publication of the **audited** Statement of Accounts for 2022/23 onwards from 31 July to the 30 September. The regulations also moved the deadline for the 2021/22 audited Statement of Accounts to 30 November.

3 THE ACCOUNTS AND AUDIT REGULATIONS 2015

- 3.1 The principal matters covered by the regulations relevant to accounts preparation are:
 - the responsible financial officer must ensure that the accounting records kept by the authority are sufficient to enable the preparation of the statement of accounts
 - the statement of accounts is required to be prepared in accordance with the Regulations and proper practices in relation to accounts.
 - the responsible financial officer is required to certify that the accounts give a “true and fair view” of the financial position
 - at the point of certifying the accounts the authority must commence a 30 working day period for the exercise of public rights.

- advertisement of the 30 working day period for the exercise of public rights must be published on the council's website including a copy of the unaudited statement of accounts together with a declaration of the responsible financial officer as to the status of the accounts as unaudited and that they may be subject to change.
- conduct a review of the effectiveness of the system of internal control, which will feed into the preparation of the annual governance statement
- the authority is to allow access to the accounts and specified supporting documents during the period for the exercise of public rights
- following the conclusion of the period for the exercise of public rights, consider either by way of a committee or by the members meeting as a whole, the statement of accounts and approve the statement of accounts by a resolution of that committee or meeting.
- publication of the audited accounts is to be achieved by 30 September.
- as soon as reasonably practicable after conclusion of the audit publish a statement that the audit has been concluded and that the statement of accounts has been published, and the rights of inspection of the same.

The Regulations stipulate various responsibilities for the closure of accounts;

Members

- Consider the findings of the annual review of the effectiveness of the system of internal control and approve the annual governance statement
- following the conclusion of the period for the exercise of public rights and following the audit, consider the statement of accounts and approve the same and ensure that the statement of accounts is signed and dated by the person presiding at the committee at which that approval is given
- Where, following completion of an audit, the council receives any audit letter, committee must meet to consider its contents as soon as reasonably practicable.

Responsible Financial Officer

- Determining on behalf of the authority, and ensuring they are observed and kept up to date -
 - The form of its accounting records and supporting records; and
 - Its financial control systems
- Accounting records must, in particular, contain -
 - entries from day to day of all sums of money received and expended by the authority and the matters to which its income and expenditure or receipts and payments relate; and
 - a record of the assets and liabilities of the authority.
- The financial control systems must include
 - measures to ensure that the financial transactions of the authority are recorded as soon as, and as accurately as, reasonably practicable;

- measures to enable the prevention and the detection of inaccuracies and fraud, and the reconstitution of any lost records; and
- measures to ensure that risk is appropriately managed;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers.
- On behalf of the authority
 - sign and date the statement of accounts, and confirm that they are satisfied that it presents a true and fair view of the financial position of the authority at the end of the financial year to which it relates, and of the authority's income and expenditure for that financial year;
 - ensures that commencement of the period for the exercise of public rights takes place
- As soon as reasonably practicable after conclusion of an audit, publish on the website
 - a statement that the audit has been concluded and that the statement of accounts has been published
 - a statement of the rights of inspection conferred on local government electors and the address and hours during which, those rights may be exercised

4 GOVERNANCE ISSUES

4.1 The early production of the statement of accounts is an essential element of good governance, therefore enabling members to;

- Receive assurance that accounting systems have operated adequately and have been closed down satisfactorily
- Have confidence that the budget for the current year has a secure foundation
- Understand the corporate financial performance during the year and also the position at 31 March
- Adopt the statement of accounts

4.2 It is important that members are aware of the comfort gained from having the statement of accounts published and also that this comfort should be provided at the earliest opportunity.

5 OTHER ISSUES

Budget Implications

5.1 It is imperative that the accounts for the current year are closed as soon as reasonably practicable in order to inform the budget setting process for future years. This allows us to be in a position to consider the council's reserves and balances and areas of over/under spending with greater certainty.

Practical Issues

5.2 The closedown timetable shows that we are planning to present the audited statement of accounts at the proposed meeting of this committee on Wednesday 27 September 2023 for approval (**subject to approval of the proposed committee meeting timetable for 2022/23**).

5.3 **It is important that all members endeavour to attend this meeting in order to ensure that the meeting is quorate.**

Timetable

5.4 Based on our past experience, the availability of our external auditors and the statutory deadlines, we have determined a timetable for the closure of our accounts as attached at Annex 1. We firmly believe it is important that all staff are aware of the importance of achieving these deadlines and understand the vital roles they also play. As you will see from the timetable, a number of tasks have already begun or been completed.

5.5 You will see this timetable is considerably detailed and clearly indicates who is responsible for which actions. We have used our experience from last year's closure to inform this year's deadlines. Again we intend to monitor when we actually achieve each individual task in order to inform future timetables.

6 RECOMMENDED THAT COMMITTEE

6.1 Endorse the suggested approach for the closure of the 2022/23 accounts.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

AA3-23/LO/AC
19 January 2023

For further information please ask for Lawson Oddie.

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
1	Wed	11-Jan-23	Contact valuer to arrange for desktop review valuations	Head of Financial Services	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>		
2	Fri	13-Jan-23	Distribution of Officer and Member Interests forms with pay slips	Admin Officer/Mayor's Secretary HR Officer Systems and Payments Manager			
3	Tues	31-Jan-23	Deadline for return of Officer and Member Interests Form	Admin Officer/Mayor's Secretary Senior Accountant <i>(Health and Housing Committee)</i>			
4	Fri	10-Feb-23	Lancashire Pension Fund – Request for pensions data check	Head of Financial Services	Systems and Payments Manager		
5	Mon	13-Feb-23	Send email to Heads of Service asking them to review the balance sheet Plant and Equipment items	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>	All Heads of Service		
6	Fri	24-Feb-23	Deadline date for confirmation of pensions data to Your Pensions Service	Head of Financial Services	Systems and Payments Manager		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
7	Fri	24-Feb-23	Deadline for responses from Heads of Service following their review of balance sheet Plant and Equipment items	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>	All Heads of Service		
8	Mon	27-Feb-23 and on-going	Detailed review of "open" purchase orders , i.e. cancel/match up to invoice/keep under review to accrue, Ensure GRNs up to date	Procurement Assistant	All Senior Accountants		
9	Mon	13-Mar-23	Inform PAs of the deadline for receipt of holiday and lieu time records into the accounts section, in order to ensure records are up to date.	Senior Accountant <i>(Health and Housing Committee)</i>	All PAs Community Leisure and Sports Development Manager Store Person/Admin Officer Admin Officer/Mayor's Secretary		
10	Mon	13-Mar-23	Update Intranet pages relating to the Closure of the Accounts.	Senior Accountant <i>(Health and Housing Committee)</i>	Accounting Technician <i>(Policy and Finance Committee and Planning Committee)</i>		
11	Mon	13-Mar-23	Circulation of closure email and estimated creditor/debtor sheets	Senior Accountant <i>(Health and Housing Committee)</i>			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
12	Mon	13-Mar-23	All staff responsible for entering year end invoices onto Financials to have been contacted and any training required arranged.	Systems and Payments Manager	Payments Assistant		
13	Mon	13-Mar-23	Latest date for depreciation journal transactions to be entered on Civica Financials	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>			
14	Mon	20-Mar-23	Send Request for all utilities meter readings to be taken as at 31 March 2023	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>	Accounting Technician <i>(Policy and Finance Committee and Planning Committee)</i> Head of Engineering Services Principal Surveyor		
15	Mon-Fri	20-Mar-23 to 31-Mar-23	Continually ensure that all suspense accounts are cleared to nil	All Senior Accountants Systems and Payments Manager	Trainee Accounting Technician		
16	Mon-Fri	20-Mar-23 to 31-Mar-23	Continually review credit balances on Debtors prior to final run of Creditor Payments	Systems and Payments Manager	Payments Assistant		
17	Mon-Fri	20-Mar-23 to 31-Mar-23	Continually review disputed creditor invoices and debit balances prior to final run of Creditor Payments	Systems and Payments Manager	Payments Assistant		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
18	Fri	24-Mar-23	Request information from Onward Homes for VAT shelter arrangement	Senior Accountant <i>(Health and Housing Committee)</i>			
19	Fri	24-Mar-23	Send out year-end stocktake sheets	All Senior Accountants			
20	Wed	29-Mar-23	Last payment run BACS/cheque dated 31 March 2020. Payment run to include ALL outstanding creditor payments (excluding disputed payments)	Systems and Payments Manager	ICT Support Officer		
21	Wed	29-Mar-23	After last payment run, send email to all staff asking them not to enter any more creditor invoices until notified	Systems and Payments Manager			
22	Wed	29-Mar-23	Complete interim review and reconciliation of all capital income and expenditure.	Senior Accountant <i>(Health and Housing Committee)</i>			
23	Fri	31-Mar-23	Receipt of desktop asset revaluations data.	Head of Financial Services	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>		
24	Fri PM	31-Mar-23	Send email to all staff asking them not to use the purchasing, creditors or debtors modules of the Financials system until notified.	Systems and Payments Manager			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
25	Fri	31-Mar-23	<p><u>ALL stock takes</u> to be carried out:</p> <ul style="list-style-type: none"> • General Stores (Depot) • Paper • Canteen Stock • Civic Regalia 	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>	Accounting Technician <i>(Policy and Finance Committee and Planning Committee)</i> Store Person/Admin Officer Printing and Stationery Officer Admin Officer/Mayor's Secretary PA to Director of Community Services		
26	Fri	31-Mar-23	<p><u>ALL stock takes</u> to be carried out:</p> <ul style="list-style-type: none"> • Pool • Gallery/TIC 	Senior Accountant <i>(Community Services Committee and Economic Development Committee)</i>	Community Leisure and Sports Development Manager		
27	Fri	31-Mar-23	<p><u>ALL stock takes</u> to be carried out:</p> <ul style="list-style-type: none"> • Pest Control 	Senior Accountant <i>(Health and Housing Committee)</i>	Pest Control Officer		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
28	Fri	31-Mar-23	All relevant staff to have been contacted to notify them that all Goods Received Notes must be entered on to the Purchasing system where goods or services have been received by the end of the day on 31 March 2023	Procurement Assistant	Trainee Accounting Technician All staff responsible for purchasing		
29	Fri	31-Mar-23	Ensure All Creditor batches are closed and authorised and that Debtor invoices have all been authorised	Systems and Payments Manager	Payments Assistant		
30	Fri	31-Mar-23	Ensure Creditor and Debtor Reconciliation reports balance.	Systems and Payments Manager	Payments Assistant		
31	Fri	31-Mar-23	Ensure All Purchase Order requisitions are approved and authorised	Procurement Assistant	All staff responsible for purchasing		
32	Fri	31-Mar-23	Enter final emergency schedule for the year on to Creditors	Systems and Payments Manager	Clerical Assistant (Payments Team)		
33	Fri	31-Mar-23	All sundry debtor write off/write on adjustments to be completed	Systems and Payments Manager			
34	Fri	31-Mar-23	Ensure Creditors/Debtors balance reports & Aged Debtors reports are set to run at overnight	Systems and Payments Manager			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
35	Fri	31-Mar-23	<p>All income to be paid in to cash office (cards, cheques & cash) – See later instruction for any further income received on the 31 March after this paying-in:</p> <ul style="list-style-type: none"> ❖ Level D Reception/Planning ❖ Pool ❖ TIC/Gallery ❖ Car Parks • Joiner's Arms • Exercise Referral • Market 	Accounting Technician (Community Services Committee and Economic Development Committee)	Planning Admin Assistant Community Leisure and Sports Development Manager Gallery and Information Centre Supervisor Parking Administration Assistant Joiners Arms Scheme Warden Health and Fitness Development Officer Market Officer HR Officer		
36	Fri PM	31-Mar-23	Absolute deadline for return of Officer and Member Interests Forms	Senior Accountant (Health and Housing Committee)	Admin Officer/Mayor's Secretary		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
37	Fri	31-Mar-23	All suspense accounts cleared down to nil where possible	All Senior Accountants	Trainee Accounting Technician		
38	Fri	31-Mar-23	Full skeleton accounts prepared together with all restatements where applicable	Head of Financial Services			
39	Sat	01-Apr-23 (AM)	Change default year and budget settings – including funds checking budget for purchasing.	Head of Financial Services			
40	Mon	03-Apr-23 (AM)	Send REMINDER email to all staff asking them not to use the purchasing, creditors or debtors modules of the Financials system until notified.	Systems and Payments Manager			
41	Mon	03-Apr-23 (AM)	Change settings on creditor and debtor transaction codes.	Head of Financial Services			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
42	Mon	03-Apr-23	All staff responsible for petty cash books/floats/receipts to have brought them to the Accounts Section.	Accounting Technician (Community Services Committee and Economic Development Committee)	PA to Chief Executive Senior Planning Admin Officer PA to Director of Community Services Arts Development Officer Community Leisure and Sports Development Manager		
43	Mon	03-Apr-23	Last date for the receipt of office staff capital timesheets for charging to capital schemes	Accounting Technician (Policy and Finance Committee and Planning Committee)	All capital scheme lead officers		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
44	Mon	03-Apr-23	Last date for the receipt of Grounds Maintenance timesheets.	Accounting Technician (Policy and Finance Committee and Planning Committee)	Amenity Cleansing and Grounds Maintenance Manager		
45	Mon	03-Apr-23	Last date for the receipt of Works Administration and Vehicle Workshop timesheets.	Accounting Technician (Community Services Committee and Economic Development Committee)	Head of Engineering Services		
46	Mon	03-Apr-23	Roll Forward purchase order commitments to new financial year and provide reports to Senior Accountants	Senior Accountant (Community Services Committee and Economic Development Committee)	Procurement Assistant		
47	Mon	03-Apr-23	Finalise PWLB interest and average interest rate for investments	Senior Accountant (Policy and Finance Committee and Planning Committee)			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
48	Mon	03-Apr-23	<p>All remaining income (received after the final paying-in previously made on 31 March) up to the close of 31 March to be paid in to cash office (cards, cheques & cash):</p> <ul style="list-style-type: none"> ❖ Level D reception/Planning ❖ Pool ❖ TIC/Gallery ❖ Car Parks • Joiner's Arms • Exercise Referral • Market 	Accounting Technician (Community Services Committee and Economic Development Committee)	Planning Admin Assistant Community Leisure and Sports Development Manager Gallery and Information Centre Supervisor Parking Administration Assistant Joiners Arms Scheme Warden Health and Fitness Development Officer Market Officer		
49	Mon	03-Apr-23	Income analysis sheets for Pool, TIC/Gallery to be passed to Accounting Technician (<i>Community Services Committee and Economic Development Committee</i>) for period up to and including 31 March	Accounting Technician (Community Services Committee and Economic Development Committee)	Community Leisure and Sports Development Manager Gallery and Information Centre Supervisor		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
50	Mon	03-Apr-23	Cash office to have processed any remaining balances on all bank statements up to 31 March	Accounting Technician (Community Services Committee and Economic Development Committee)	Senior Cashier		
51	Mon	03-Apr-23	Receipt of Council Tax and Business Rates reports	Head of Financial Services Accounting Technician (Policy and Finance Committee and Planning Committee)	Head of Revenues and Benefits		
52	Mon	03-Apr-23	Completed Statement 1's & 2's up to & incl. 31 March to be passed to Accounting Technician (Community Services Committee and Economic Development Committee) and thereafter on a daily basis	Accounting Technician (Community Services Committee and Economic Development Committee)	Senior Cashier		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
53	Mon	03-Apr-23	Last date for receipt of completed and authorised stock sheets : <ul style="list-style-type: none"> • Stores • Paper • Canteen Stock • Civic Regalia 	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>	Accounting Technician <i>(Policy and Finance Committee and Planning Committee)</i> Store Person/Admin Officer Printing and Stationery Officer PA to Director of Community Services Admin Officer/Mayor's Secretary		
54	Mon	03-Apr-23	Last date for receipt of completed and authorised stock sheets : <ul style="list-style-type: none"> • Pool • Gallery/TIC 	Senior Accountant <i>(Community Services Committee and Economic Development Committee)</i>	Community Leisure and Sports Development Manager		
55	Mon	03-Apr-23	Last date for receipt of completed and authorised stock sheets : <ul style="list-style-type: none"> • Pest Control 	Senior Accountant <i>(Health and Housing Committee)</i>	Pest Control Officer		
56	Mon	03-Apr-23	All sundry debtor control sheets for 2022/23 financial year to have been received in the Accounts Office	Systems and Payments Manager	All staff		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
57	Mon	03-Apr-23	Last date for receipt of estimated debtor sheets	All Senior Accountants	All staff		
58	Mon	03-Apr-23	All stores receipts/issues notes to be received in accounts section	Accounting Technician (Policy and Finance Committee and Planning Committee)	Store Person/Admin Officer		
59	Wed	05-Apr-23	Last day for receipt of holiday and lieu time records from PAs	Senior Accountant (Health and Housing Committee)	PA to Director of Community Services PA to Chief Executive Community Leisure and Sports Development Manager Store Person/Admin Officer Admin Officer/Mayor's Secretary		
60	Thurs	06-Apr-23	Last day for entering old year creditor invoices on Financials	Systems and Payments Manager	All staff		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
61	Thurs	06-Apr-23	Bank reconciliation to have been completed and authorised	Accounting Technician (Community Services Committee and Economic Development Committee)			
62	Thurs	06-Apr-23	Entry of year end cash journals	Accounting Technician (Community Services Committee and Economic Development Committee)			
63	Thurs	06-Apr-23	Last date for processing of office staff capital, Works Admin and Grounds Maintenance Timesheets on to Financials	Accounting Technician (Policy and Finance Committee and Planning Committee) Accounting Technician (Community Services Committee and Economic Development Committee)	Trainee Accounting Technician		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
64	Thurs	06-Apr-23	Completion of system reconciliations: <ul style="list-style-type: none"> • Council Tax • NNDR • Housing Benefits 	Senior Accountant (Policy and Finance Committee and Planning Committee) Senior Accountant (Health and Housing Committee) Accounting Technician (Policy and Finance Committee and Planning Committee)	Trainee Accounting Technician		
65	Thurs	06-Apr-23	Last day for receipt of estimated creditor sheets	Senior Accountant (Health and Housing Committee)	All staff		
66	Thurs	06-Apr-23	Capital accounts finished and journals entered	Head of Financial Services	Senior Accountant (Health and Housing Committee)		
67	Thurs	06-Apr-23	Decision taken on assets to be added/written off	Head of Financial Services			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
68	Thurs	06-Apr-23	General Stores to be finalised	Accounting Technician <i>(Policy and Finance Committee and Planning Committee)</i>	Store Person/Admin Officer		
	Fri	07-Apr-23	Good Friday				
	Mon	10-Apr-23	Easter Monday				
69	Tues	11-Apr-23 to 17-Apr-23	Audit Planning Work	Grant Thornton Head of Financial Services			
70	Tues	11-Apr-23	Capital Financial data updated in Narrative Report	Head of Financial Services			
71	Tues	11-Apr-23	Completion of non-financial elements of Narrative Report	Head of Financial Services	Systems and Payments Manager Head of HR Principal Policy and Performance Officer Trainee Accounting Technician		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
72	Wed	12-Apr-23	Receipt of IAS19 information from Lancashire Pension Fund	Head of Financial Services			
73	Fri	14-Apr-23	Complete draft Housing Benefit subsidy claim and working papers	Benefits Manager			
74	Fri	14-Apr-23	Interest allocated	Senior Accountant (Policy and Finance Committee and Planning Committee)			
75	Fri	14-Apr-23	Completion of system reconciliations: <ul style="list-style-type: none"> • Car Parking • Planning • Building Control • Housing Rents • Licensing • Land Charges 	Senior Accountant (Policy and Finance Committee and Planning Committee) Senior Accountant (Health and Housing Committee) Accounting Technician (Policy and Finance Committee and Planning Committee)	Trainee Accounting Technician		
76	Mon	17-Apr-23	Asset revaluations as provided by the Valuation Office entered on to Technology Forge and journaled on to Financials	Senior Accountant (Policy and Finance Committee and Planning Committee)			
77	Mon	17-Apr-23	Closedown collection fund for Council Tax and inform LCC, Fire and Police	Head of Financial Services			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
78	Wed	19-Apr-23	Central establishment and other recharges to have been completed by: <ul style="list-style-type: none"> • Council Offices • Civic Suite • IT Services • Resources • Chief Executives • Economic Development 	Senior Accountant <i>(Policy and Finance Committee and Planning Committee)</i>			
79	Wed	19-Apr-23	Central establishment and other recharges to have been completed by: <ul style="list-style-type: none"> • Community Services 	Senior Accountant <i>(Community Services Committee and Economic Development Committee)</i>			
80	Fri	21-Apr-23	Complete and submit Housing Benefit subsidy claim and working papers	Senior Accountant <i>(Health and Housing Committee)</i>			
81	Fri	21-Apr-23	Other recharges to have been completed by: <ul style="list-style-type: none"> • Depot • Grounds Maintenance • Vehicles and Plant • Balances on WKSAD and VEHCL • Refuse Collection 	Senior Accountant <i>(Community Services Committee and Economic Development Committee)</i>			
82	Fri	21-Apr-23	Other recharges to have been completed by: <ul style="list-style-type: none"> • Use of Market Buildings 	Senior Accountant <i>(Health and Housing Committee)</i>			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
83	Fri	21-Apr-23	IAS19 adjustment journals (as required) to be entered by	Head of Financial Services			
84	Fri	21-Apr-23	Update Narrative Report with Pensions data	Head of Financial Services			
85	Fri	21-Apr-23	VAT Shelter figures to be received from Onward Homes	Senior Accountant <i>(Health and Housing Committee)</i>			
86	Fri	21-Apr-23	Possible deadline for NDR3	Head of Revenues and Benefits			
87	Fri	28-Apr-23	Compensated absences analysis and ledger entries completed	Senior Accountant <i>(Health and Housing Committee)</i>			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
88	Fri	28-Apr-23	Data produced, checked, reviewed and published on the website in respect of Data Transparency requirements Senior Officers Salaries/remuneration <ul style="list-style-type: none"> • Members' Allowances • Expenditure >£250 • Grants to Voluntary Organisations • Procurement ITT and Contracts/Payments > £5k • Car Parking Account 	Senior Accountant (Health and Housing Committee)	Systems and Payments Manager Accounting Technician (Policy and Finance Committee and Planning Committee) Procurement Assistant Senior Accountant (Community Services Committee and Economic Development Committee)		
	Mon	01-May-23	Early May Bank Holiday				
89	Tues	02-May-23	ALL Service committee accounts to be finished and general fund summary account complete	All Senior Accountants			
90	Tues	02-May-23	Final Income and Expenditure Cleardown Run	Head of Financial Services			
ANY FURTHER JOURNALS FOR 2022/23 FINANCIAL YEAR TO BE AGREED WITH HEAD OF FINANCIAL SERVICES BEFORE ENTERING							
	Thurs	04-May-23	Borough and Parish Elections				

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
	<i>Mon</i>	<i>08-May-23</i>	<i>Bank holiday for the Coronation of King Charles III</i>				
91	Fri	12-May-23	Finalise Narrative Report with revenue financial data	Head of Financial Services			
92	Mon	22-May-23	Produce all key financial statements: Expenditure & Funding Analysis, CIES, MiRS, Balance Sheet, Cash Flow Statement	Head of Financial Services			
93	Wed	24-May-23	Report Annual Governance Statement and Findings of Review to CMT	Internal Auditor			
94	Fri	26-May-23	Annual Governance Statement to Leader and CE for signing	Internal Auditor			
95	Fri	26-May-23	Finalise all notes to the accounts	Head of Financial Services	All Senior Accountants		
	<i>Mon</i>	<i>29-May-23</i>	<i>Spring Bank Holiday</i>				
96	Tues	30-May-23	All working papers up to date and made available and checked for completeness the Inflo System	Head of Financial Services	All Senior Accountants Accounting Technicians		
97	Wed	31-May-23	Accounts final sign off by Director of Resources and published as subject to audit on website	Director of Resources	Head of Financial Services		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
98	Wed	31-May-23	Accounts forwarded to Grant Thornton for commencement of audit	Head of Financial Services			
99	Wed	31-May-23	Advertise accounts available for inspection on website from Monday 1 June 2023	Head of Financial Services	Accounting Technician (Policy and Finance Committee and Planning Committee)		
100	Thurs	01-Jun-23	Period of public inspection starts (30 consecutive working days from sign off by Director of resources)	Head of Financial Services			
101	Fri	16-Jun-23 (date to be confirmed)	WGA Return to be completed (Unaudited)	Senior Accountant (Health and Housing Committee)			
102	Fri	30-Jun-23 (date to be confirmed)	Revenue Outturn Forms to be completed	Senior Accountant (Health and Housing Committee)			
103	Fri	30-Jun-23 (date to be confirmed)	Capital Outturn Form to be completed	Senior Accountant (Health and Housing Committee)			
104	Mon	03-Jul-23	Grant Thornton commence final accounts audit	Grant Thornton			
105	Tues	11-Jul-23	Review meeting with Grant Thornton	Head of Financial Services			
106	Tues	18-Jul-23	Review meeting with Grant Thornton	Head of Financial Services			

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
107	Tues	25-Jul-23	Review meeting with Grant Thornton	Head of Financial Services			
108	Tues	01-Aug-23	Review meeting with Grant Thornton	Head of Financial Services			
109	Mon	07-Aug-23	Clearance meeting with Grant Thornton	Director of Resources Head of Financial Services	Grant Thornton		
110	Fri	11-Aug-23	Complete Audit Findings Report adjustments and issue final Statement of Accounts to Grant Thornton	Head of Financial Services	Grant Thornton		
	Mon	28-Aug-23	Summer Bank Holiday				
111	Thurs	31-Aug-23 <i>(date to be confirmed)</i>	Whole of Government Accounts return (audited) to be completed	Senior Accountant <i>(Health and Housing Committee)</i>			
112	Fri	15-Sep-23	Distribution date for Accounts and Audit Committee and Director of Resources (CFO) sign accounts for true and fair view	Head of Financial Services			
113	Wed	<u>Potentially</u> 27-Sep-23	Proposed Accounts and Audit Committee meeting date - to consider the Audit Findings Report and approve Audited Final Accounts	Director of Resources	Head of Financial Services		

Timetable for Closure of 2022/23 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
114	Thurs	28-Sep-23	Receipt of Accounts opinion from Grant Thornton	Head of Financial Services	Grant Thornton		
115	Thurs	28-Sep-23	Audited Accounts to be published on website by	Head of Financial Services	Accounting Technician <i>(Policy and Finance Committee and Planning Committee)</i>		
116	Mon	02-Oct-23	Close the Financial Year on the Financials system and roll forward balances.	Head of Financial Services			

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

meeting date: 8 FEBRUARY 2023
title: REVISED INTERNAL AUDIT CHARTER – 2022/23
submitted by: DIRECTOR OF RESOURCES
principal author: INTERNAL AUDIT MANAGER

1 PURPOSE

1.1 To seek approval of the revised Internal Audit Charter for 2022/23.

1.2 Relevance to the Council's ambitions and priorities:

Corporate priorities – the Council seeks to maintain critical financial management and controls and provide efficient and effective services.

Other considerations – the Council has a statutory duty to maintain an adequate and effective system of internal control.

2 BACKGROUND

2.1 The Internal Audit team works to a Charter which complies with the Public Sector Internal Audit Standards (PSIAS). The Internal Audit Charter has been updated to specifically define the nature of assurance services and to reference the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing; as raised as part of the recent external assessment. The Internal Audit Charter attached in Annex 1 is for review and consideration by Accounts and Audit Committee.

2.2 The document has been further enhanced to:

- Bring the structure of the Internal Audit Charter in line with the PSIAS requirements.
- Reflect the meaning of the 'Board' in different contexts (e.g. service committees).
- Strengthen the wording in the Internal Audit Charter with regards to the internal audit response where senior management are deemed to have taken an unacceptable level of risk.
- Reflect that auditors will not review areas for at least 12 months following having responsibility for that area.

2.3 The Accounts and Audit Committee has a key function in ensuring that effective corporate governance arrangements are maintained in the Council. The Internal Audit Charter provides evidence of such arrangements in respect of the Internal Audit service and complies with the PSIAS.

3 PUBLIC SECTOR INTERNAL AUDIT STANDARDS

3.1 The Public Sector Internal Audit Standards (PSIAS) are mandatory for internal audit in public services, including local government, and defines the scope of internal audit activities. The Internal Audit Charter refers to:

- Purpose, Authority and Responsibility

- Independence and Objectivity
- Proficiency and Due Professional Care
- Quality Assurance and Improvement Programme
- Managing the Internal Audit Activity
- Nature of Work
- Engagement Planning
- Performing the Engagement
- Communicating Results
- Monitoring Progress
- Communication of the Acceptance of Risks and Code of Ethics

4 CONCLUSION

- 4.1 The Internal Audit Charter establishes Internal Audit's position within the Council, including the nature of the Internal Audit Manager's reporting relationship with the Accounts and Audit Committee; authorises access to personnel, records, and physical properties relevant to audit work; and defines the scope of internal audit activities.
- 4.2 Approval of the Internal Audit Charter sits with the Council's Accounts and Audit Committee.

5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve the Internal Audit Charter as attached at Annex 1.

INTERNAL AUDIT MANAGER

DIRECTOR OF RESOURCES

AA4-23/RP/AC
8 FEBRUARY 2023

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

meeting date: 8 FEBRUARY 2023
title: INTERNAL AUDIT PROGRESS REPORT – FEBRUARY 2023
submitted by: DIRECTOR OF RESOURCES
principal author: INTERNAL AUDIT MANAGER

1 PURPOSE

1.1 The purpose of this report is to provide an update to the Accounts and Audit Committee in respect of progress made in delivery against 2022/23 Internal Audit Plan. It brings to your attention, matters relevant as members of the Committee and provides a summary of internal audit activity which is a requirement of the Public Sector Internal Audit Standards (PSIAS).

1.2 Detailed reports and relevant findings, recommendations and agreed actions have been provided to lead officers within the Council and are available to committee members upon request. This report covers the period November 2022 to December 2022.

1.3 Relevance to the Council's ambitions and priorities:

Corporate priorities – the Council seeks to maintain critical financial management and controls and provide efficient and effective services.

Other considerations – As defined in the Public Sector Internal Audit Standards (PSIAS) and the Accounts & Audit Regulations 2015, the Council “must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal audit standards”.

2 KEY MESSAGES & ISSUES

2.1 Since the last meeting of the Accounts and Audit Committee, the following areas for 2022/23 have been a key focus:

- Inventory (Limited Assurance)
- Civic Suite (Moderate Assurance)
- Insurance (Substantial Assurance)
- Cash & Receipting (Substantial Assurance)

2.2 The following reviews are in progress; the findings of which will be reported as per the suggested delivery:

- Managing Conflicts of Interest (draft briefing note)
- Overtime Payments (draft report)
- Purchase Orders (draft report)
- Disabled Facilities Grant (draft report)
- Section 106 Agreements (fieldwork completed)

- Corporate Strategy (fieldwork in progress)
- Cyber Security (fieldwork in progress)
- Electoral Registration (fieldwork in progress)
- Key Financial Controls (fieldwork in progress)
- Data Protection Impact Assessments (fieldwork in progress)
- Corporate Health & Safety (fieldwork in progress)
- Land Charges (fieldwork in progress)
- Payroll (fieldwork in progress)
- ICT Asset Management (fieldwork in progress)
- Follow Ups (fieldwork in progress)
- Housing Benefits (planning)
- Council Tax & NNDR (planning)
- Commercial Waste Management (planning)
- Tourism & Events (planning)

2.3 Annex A further sets out the overview of delivery for the Internal Audit Plan as agreed by Accounts and Audit Committee; the outputs of which will contribute to the 2022/23 Annual Internal Audit Opinion. If due to circumstances beyond our control we are unable to achieve sufficient depth or coverage, we may need to caveat opinions and explain the impact of this and what will be done to retrieve the position in future.

2.4 There have been no further proposed changes to the plan. However, at the request of the Director of Resources, we have commenced a review of purchase orders and will report separately. Days for this review will be utilised from those allocated to the key financials review.

2.5 The Annual Internal Audit Opinion is driven by outputs from the work undertaken. The Internal Audit Team strive to deliver an effective and efficient service which should be underpinned by several key performance indicators. Annex B illustrates performance within the period.

Public Sector Internal Audit Standards (PSIAS) External Assessment

2.6 As per the Public Sector Internal Audit Standards (PSIAS), an external assessment has been undertaken to provide assurance over conformance. Its intention was to assist in raising standards across the service and ensuring consistency in improvement. In general, the assessors agreed with the self-assessment (and subsequent Quality Assurance Improvement Plan) undertaken by the Internal Audit Manager in June 2022.

2.7 The Internal Audit Service has been rated overall as Partially Compliant, which agreed with the original self-assessment. Significant progress has already been made to implement the actions raised, an updated position can be found in Annex C, and a full version of the report as Annex D.

- 2.8 There were found to be no areas of non-conformance within the PSIAS and CIPFA Local Government Application Note. The following actions remain in progress:

Ref	Issue identified	Agreed Action
<i>Both actions had already been identified as part of the annual self-assessment.</i>		
1210 & 1230	Staff performance appraisals have not taken place since before the beginning of the COVID-19 pandemic.	In addition to the bi-annual workplan review, staff performance appraisals will be undertaken in line with agreed process and any development plans produced/ actioned. <u>Implementation Date</u> 31/03/2023
2330.A2	The organisation's own self-assessment notes that 'the Internal Audit Manager will ensure that the structure of the network drive is further enhanced to ensure user friendly and in line with the Council's Document Retention Policy. The Council will review the Document Retention Policy to ensure it reflects current local and legal requirements and update the IA Manual where necessary.'	The Records Retention Policy will be shared with all relevant officers of the Council and ratified as appropriate. <u>Implementation Date</u> 31/03/2023

- 2.9 All other actions are now considered implemented.

National Fraud Initiative

- 2.10 The National Fraud Initiative (NFI) is a data matching exercise that helps to detect and prevent fraud. It is conducted by the Cabinet Office under its statutory data matching powers. The Council was required to submit a data by the 2nd December 2022 with exercise matches made available on the end of January 2023.
- 2.11 The Council will follow up the results in the usual manner, eliminating coincidental matches, and concentrating on potentially fraudulent cases.

Investigations

- 2.12 There have been no referrals made within the period, and there are no open investigations.

3 LIMITATIONS

- 3.1 The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein.

3.2 Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity.

3.3 Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system. Reports are prepared for your sole use and no responsibility is taken by the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – there are no resource implications arising as a result of this report.
- Technical, Environmental and Legal – This report fulfills the statutory requirements placed upon by the council by the Accounts & Audit (England) Regulations 2015 and Public Sector Internal Audit Standards (PSIAS). This report is a key contributor to the Annual Governance Statement, which assesses the effectiveness of the Council's own management of its objectives.
- Political – There are no political implications arising from this report.
- Reputation – There are no reputational implications arising from this report.
- Equality and Diversity – There are no equality or diversity implications arising as a result of this report.

5 CONCLUSION

5.1 The Accounts and Audit Committee is asked to consider the report.

INTERNAL AUDIT MANAGER

DIRECTOR OF RESOURCES

AA5-23/RP/AC
8 FEBRUARY 2022

Review	Status	Assurance Level
2021/22 c'fwd reviews (contributing to the 2022/23 Opinion)		
Payroll	Final Report	Substantial Assurance
Inventory	Final Report	Limited Assurance
Housing Benefits	Final Report	High Assurance
Amenity Cleansing	Final Report	Substantial Assurance
Cash & Receipting	Final Report	Substantial Assurance
2022/23 reviews		
Chief Executive's		
Civic Centre	Final Report	Moderate Assurance
Managing Conflicts of Interest	Draft Briefing Note	N/A
Corporate Strategy	Fieldwork in progress	
Corporate Health & Safety	Fieldwork in progress	
Section 106 Agreements	Fieldwork completed	
Data Protection Impact Assessments (DPIA)	Fieldwork in progress	
Electoral Registration	Fieldwork in progress	
Land Charges	Fieldwork in progress	
Community Services		
Commercial Waste Management	Planning	
Resources		
Key Financial Controls	Fieldwork in progress	
Purchase Orders	Draft Report	
Housing Benefits	Planning	
Council Tax & NNDR	Planning	
Insurance	Final Report	Substantial Assurance
Contain Outbreak Management Fund (COMF)	Final Briefing Note	Conditions met
Test & Trace Support Payments (TTSP)	Final Briefing Note	Conditions met
Disabled Facilities Grant (DFG)	Draft Report	
Overtime Payments	Draft Report	
Payroll	Fieldwork in progress	
Cyber Security	Fieldwork in progress	
ICT Asset Management	Fieldwork in progress	

Review	Status	Assurance Level
Economic Development & Planning		
Tourism & Events	Planning	
Risk Management, Follow Up & Contingency		
Risk Management	Stage 1: Final Report Stage 2: Completed	Limited Assurance -
Follow Up	Q2 - Completed	N/A
	Q4 - In progress	
Contingency	As required	
Planning & Reporting		
PSIAS self-assessment	Completed	Action Plan in place
Investigations	As required – no referrals in the period.	

Internal Audit - Performance Indicators

ANNEX B

Indicator	Target	Actual
Post Audit Evaluation Questionnaire issued following completion of every audit assignment.	100%	100%
Post Audit Evaluation Questionnaire responses receiving either a good, very good or excellent rating.	100%	N/A**
Recommendations raised and agreed by management (in the period).	100%	100%
Recommendations which are implemented within agreed timescales.	90%	N/A*
Management responses received within 10 workings days of the Draft Report (for reports finalised within the period).	90%	60%
Final Reports issued within 5 working days from receiving management responses (in the period).	90%	100%
Audits completed within budget (in the period).	75%	100%

*follow ups were scheduled to take place in Q4 – to be reported at the April 2023 meeting.

**no responses received in the period.

PSIAS Quality Assurance Improvement Plan

ANNEX C

Standard	Self-assessment (June 2022)	EQA assessment (November 2022)	Current position (February 2022)
Mission Statement	FC	FC	FC
Core Principles	N/A – not specifically assessed	PC	FC
Code of Ethics		PC	FC
1000 – Purpose, Authority and Responsibility		PC	FC
1100 – Independence and Objectivity	FC	FC	FC
1200 – Proficiency and Due Professional Care	PC	PC	PC
1300 – Quality Assurance and Improvement Programme	NC	PC	FC
2000 – Managing the Internal Audit Activity	PC	PC	FC
2100 – Nature of Work	FC	FC	FC
2200 – Engagement Planning	FC	FC	FC
2300 – Performing the Engagement	PC	PC	PC
2400 – Communicating Results	PC	PC	FC
2500 – Monitoring Progress	PC	FC	FC
2600 – Communicating the Acceptance of risks	FC	FC	FC

FC – Fully Compliant

PC – Partially Compliant

NC – Non-Compliant

NA – Not Assessed

External Quality Assessment Final Report 2022/23

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Ribble Valley Borough Council

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 - 2 Approach
 - 3 Executive Summary
 - 4 Areas of Partial Conformance with PSIAS and the CIPFA Local Government Application Note - Findings and Management Actions
 - 5 Areas of Non-Conformance with PSIAS and the CIPFA Local Government Application Note - Findings and Management Actions
- Appendix A: Conformance Definitions
- Appendix B: Report Distribution

Acknowledgement and Further Information

MIAA would like to thank all staff for their co-operation and assistance in completing this review.

This report has been prepared as commissioned by the organisation, and is for your sole use. If you have any queries regarding this review please contact the Head of R&D, QA & Professional Standards. To discuss any other issues then please contact the Director.

1 Introduction & Background

Public Sector Internal Audit Standards (PSIAS) require an organisation's chief audit executive to develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. This programme must include both internal and external assessments.

Under PSIAS external assessments must be completed at least once every five years by 'a qualified, independent assessor or assessment team from outside the organisation'. The external assessor must demonstrate competence in two areas:

- the professional practice of internal auditing; and
- the external assessment process.

MIAA were asked to undertake the external quality assessment (EQA) for Ribble Valley Borough Council's Internal Audit Service.

Ribble Valley Borough Council's Internal Audit Service comprises of three directly employed staff who undertake the majority of the internal audit activity for the Council. Where specialist digital auditing skills are required, resource is commissioned externally.

The current internal audit team is newly formed with the Internal Audit Manager starting in post in May 2022. Prior to this the Council had challenges recruiting to this specific post and to support the delivery of required internal audit activity had to commission external resource (from MIAA¹). It is envisaged that the newly appointed internal audit team will be able to deliver the majority of required work and the reliance on external resource has substantially reduced since all three team members came into post.

¹ Please note there are no direct reporting lines between the EQA assessor and the MIAA team commissioned to undertake internal audit reviews for the Council

2 Approach

PSIAS gives organisations two options for ensuring compliance with EQA requirements using either a full external assessment or a self-assessment with independent external validation. It was agreed with Ribble Valley Borough Council that a self-assessment with independent external validation would be undertaken. MIAA's approach to this was as follows:

- An EQA in the form of a validation of the Chief Audit Executive's self-assessment to be performed as required by PSIAS.
- The review was performed in the autumn of 2022 and the reviewer agreed the scope/ contacts and timescales for the assessment with Ruth Parker, Internal Audit Manager.
- The self-assessment and supporting evidence was made available to the reviewer in advance (where possible). The review was carried out both remotely and onsite.
- Interviews were coordinated and scheduled either onsite or through Microsoft Teams.
- A written report has been produced including a statement on the conformance of the function with PSIAS and an action plan for improvements as required. A summary report for presentation to the Accounts & Audit Committee has also been produced. Additional areas of best practice and learning from other organisations were considered and incorporated into the full report where appropriate.

3 Executive Summary

It is our opinion that whilst the overall conclusion of Ribble Valley Borough Council's self-assessment is correct, there are some areas of inaccuracy within the assessment. We conclude the Ribble Valley Borough Council **PARTIALLY CONFORMS** to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.

Key Findings/Conclusion

It is clear from review of the Council's self-assessment and stakeholder interviews that the Internal Audit Manager has had a significant positive impact on the Council's Internal Audit Service since starting in post in May 2022. The process changes they have made have improved the Council's overall compliance with PSIAS and the CIPFA Local Government Application Note.

Review of the Council's self-assessment confirmed that some actions identified have now been fully implemented i.e. commissioning an EQA, issuing post audit questionnaires and developing a process to assess the position of agreed internal audit recommendations. Other actions were in progress at the time of review and have been reflected in this report as required management actions.

Our review also highlighted some areas of partial conformance which were not reflected in the self-assessment and these need to be taken forward. Specifically, enhancements are required to the Internal Audit Charter, quality assurance processes and terms of reference and assignment report templates.

We have also highlighted to management some areas where practice could be enhanced, which do not impact compliance with PSIAS or the CIPFA Local Government Application Note.

Standard / Areas Assessed	Level of Conformance	
	Council Self-Assessment	MIAA Assessment
Mission Statement	N/A – not specifically assessed	Fully Conforms
Core Principles		Partially Conforms
Code of Ethics		Partially Conforms
Attribute Standard 1000	Fully Conforms	Partially Conforms
Attribute Standard 1100	Fully Conforms	Fully Conforms
Attribute Standard 1200	Partially Conforms	Partially Conforms
Attribute Standard 1300	Partially Conforms	Partially Conforms
Performance Standards 2000	Partially Conforms	Partially Conforms
Performance Standards 2100	Fully Conforms	Fully Conforms
Performance Standards 2200	Fully Conforms	Partially Conforms
Performance Standards 2300	Partially Conforms	Partially Conforms
Performance Standards 2400	Partially Conforms	Partially Conforms
Performance Standards 2500	Partially Conforms	Fully Conforms
Performance Standards 2600	Fully Conforms	Fully Conforms
Overall Rating	Partially Conforms	Partially Conforms

4 Areas of Partial Conformance with PSIAS and the CIPFA Local Government Application Note - Findings and Management Actions

Standard/s	Issue Identified	Recommendation	Agreed Action
1000.A1 & 1010	<p>The Internal Audit (IA) Charter broadly sets out the nature of internal audit services provided but does not specifically reference assurance services.</p> <p>Also, whilst the Charter largely covers mandatory guidance it does not specifically reference the mandatory nature of the <i>Core Principles for the Professional Practice of Internal Auditing</i>, the <i>Code of Ethics</i>, the <i>Standards</i> and the <i>Definition of Internal Auditing</i>.</p>	<p>To update the IA Charter to specifically:</p> <ul style="list-style-type: none"> • Define the nature of assurance services provided to the organisation; and • Reference Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards and the Definition of Internal Auditing. 	<p>Agreed. Partially implemented. The Internal Audit Charter has been re-written to reflect the key principles and nature of the services provided as outlined in the Standards. To be reviewed and ratified by the Accounts & Audit Committee in February 2023.</p> <p>Responsible Officer – Internal Audit Manager</p> <p>Implementation Date – 08/02/2023</p>
1210 & 1230	<p>Appraisals have not taken place since before the beginning of the COVID-19 pandemic.</p>	<p>Whilst it is acknowledged that the Internal Audit Manager has booked in performance catch ups with team members and appraisals are progressing within the council they were outstanding at the time of review and should be undertaken as soon as practical.</p>	<p>Agreed. In addition to the bi-annual workplan review, the Council appraisal will be undertaken in line with agreed process and any development plans produced/ actioned. <i>This had already been identified as part of the annual self-assessment.</i></p> <p>Responsible Officer – Internal Audit Manager/ Head of Financial Services</p> <p>Implementation Date – 31/03/2023</p>

Standard/s	Issue Identified	Recommendation	Agreed Action
1210.A2	<p>The organisation's own self-assessment notes that Council's Anti-Fraud, Bribery and Corruption Policy and Whistleblowing Policy require updating.</p> <p>This action was in progress at the time of review</p>	Take forward policy updates as per organisation's own identified action.	<p>Implemented. The Counter Fraud, Bribery and Corruption Policy was ratified by the Policy & Finance Committee on the 27/09/22 and provided for information to Accounts & Audit Committee on the 28/09/22.</p> <p>The Whistleblowing Policy was ratified by the Policy & Finance Committee on the 08/11/22 and provided for information to Accounts & Audit Committee on the 23/11/22.</p> <p>This had already been identified as part of the annual self-assessment.</p> <p>Responsible Officer – N/A</p> <p>Implementation Date – N/A</p>
1220	Quality Assurance (QA) processes are defined but currently the IA work programme template does not clearly or consistently demonstrate QA of work programmes.	Update the work programme template to include evidence of adherence to QA processes.	<p>Agreed. Implemented. The work programme template now explicitly details who has undertaken the QA process.</p> <p>Responsible Officer – N/A</p> <p>Implementation Date – N/A</p>
1320	This standard requires the results of this assessment to be reported to 'senior management and the board'.	Report the findings of the finalised EQA to the Audit & Accounts Committee.	Agreed. The Final Report of this assessment will be shared with members at the Accounts & Audit Committee in February 2023.

Standard/s	Issue Identified	Recommendation	Agreed Action
			<p>This had already been identified as part of the annual self-assessment.</p> <p>Responsible Officer – Internal Audit Manager</p> <p>Implementation Date – 08/02/2023</p>
2040	<p>The organisation's own self-assessment notes that the Internal Audit Manual requires updating.</p> <p>This action was in progress at the time of review.</p>	Take forward Internal Audit Manual updates as per organisation's own identified action.	<p>Agreed. Implemented. The IA Manual has been updated, shared with the team and made available on the I;drive. <i>This had already been identified as part of the annual self-assessment.</i></p> <p>Responsible Officer – N/A</p> <p>Implementation Date – N/A</p>
2201	IA Terms of References reviewed confirmed that scope limitations were documented. The IA Terms of Reference template does not include a specific section on Scope Limitations.	Include Scope Limitations as a standard section in the IA Terms of Reference Template.	<p>Agreed. Implemented.</p> <p>Responsible Officer – N/A</p> <p>Implementation Date – N/A</p>
2330.A2	<p>The organisation's own self-assessment notes that:</p> <p>'The Internal Audit Manager will ensure that the structure of the network drive is further enhanced to ensure user friendly and in line with the Council's Document Retention Policy.</p>	Take forward network drive and Document Retention Policy review as per the organisation's own identified actions.	<p>Agreed. Once finalised, the records Retention Policy will be shared with all relevant officers of the Council and ratified as appropriate. <i>This had already been identified as part of the annual self-assessment.</i></p>

Standard/s	Issue Identified	Recommendation	Agreed Action
	The Council will review the Document Retention Policy to ensure it reflects current local and legal requirements and update the IA Manual where necessary.’ This action was in progress at the time of review.		Responsible Officer – Internal Audit Manager/ Principal Policy & Performance Manager Implementation Date – 31/03/2023
2410	The IA Assignment report template does specifically require audit scope to be defined.	Update the IA Assignment report template to include audit scope.	Agreed. Implemented. Now added in Appendix E. Responsible Officer – N/A Implementation Date – N/A

Areas of Non-Conformance with PSIAS and the CIPFA Local Government Application Note - Findings and Management Actions

There are no areas of non-conformance with the PSIAS and the CIPFA Local Government Application Note.

Appendix A: Conformance Definitions

Level of Assurance	Description
Fully Conforms	The internal audit service complies with the standards with only minor deviations. The relevant structures, policies, and procedures of the internal audit service, as well as the processes by which they are applied, at least comply with the requirements of the section in all material respects.
Partially Conforms	The internal audit service falls short of achieving some elements of good practice but is aware of the areas for development. These will usually represent significant opportunities for improvement in delivering effective internal audit and conformance to the standards.
Does Not Conform	The internal audit service is not aware of, is not making efforts to comply with, or is failing to achieve many/all of the elements of the standards. These deficiencies will usually have a significant adverse impact on the internal audit service's effectiveness and its potential to add value to the organisation. These will represent significant opportunities for improvement, potentially including actions by senior management or the board.

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Appendix B: Report Distribution

Name	Title
Ruth Parker	Internal Audit Manager
Lawson Oddie	Head of Financial Services
Jane Pearson	Director of Resources

Sarah Dowbekin

Head of R&D, QA & Professional Standards

Tel: 07788 308 155

Email: sarah.dowbekin@miaa.nhs.uk

Louise Cobain

Executive Director - Assurance

Tel: 07795 564916

Email: louise.cobain@miaa.nhs.uk

Limitations

This report has been prepared by MIAA at the request of Ribble Valley Borough Council, the terms for the preparation and scope of the report have been agreed with them. The matters raised are only those that came to our attention during our work. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, we have only been able to base findings on the information and documentation provided. Consequently, no complete guarantee can be given that this report is necessarily a comprehensive statement of all the issues with their conformance to the Public Sector Internal Audit Standards that exist, or of all the improvements that may be required.

The report was prepared solely for the use and benefit of the Ribble Valley Borough Council, and to the fullest extent permitted by law, MIAA accepts no responsibility and disclaims all liability to any third party who purports to use or rely, for any reason whatsoever on the report, its contents, conclusions, any extract, and/or reinterpretation of its contents. Accordingly, any reliance placed on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

Auditor's Annual Report on Ribble Valley Borough Council

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2021/22
January 2023



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We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. 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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Executive summary



Value for money arrangements and key recommendation(s)

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors are required to report their commentary on the Council's arrangements under specified criteria and 2021/22 is the second year that we have reported our findings in this way. As part of our work, we considered whether there were any risks of significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Our conclusions are summarised in the table below.

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Criteria	Risk assessment	2020/21 Auditor Judgment	2021/22 Auditor Judgment	Direction of travel
Financial sustainability	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but improvement recommendation made	No significant weaknesses in arrangements have been identified, but improvement recommendations remain.	↔
Governance	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but improvement recommendation made	No significant weaknesses in arrangements have been identified, but improvement recommendations remain.	↔
Improving economy, efficiency and effectiveness	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but improvement recommendation made	No significant weaknesses in arrangements have been identified, but improvement recommendations remain.	↔

- No significant weaknesses in arrangements identified or improvement recommendation made.
- No significant weaknesses in arrangements identified, but improvement recommendations made.
- Significant weaknesses in arrangements identified and key recommendations made.

Executive summary



Financial sustainability

Ribble Valley Borough Council have effective arrangements in place to secure financial sustainability. The plans in place are deliverable and realistic. Our work confirms the Council has arrangements for planning and managing its resources to ensure it can continue to deliver its services, we have highlighted the improvement recommendations which are required to enhance this. Our findings are set out in further detail on pages 7 to 9.



Governance

We assessed the Council's governance arrangements across a number of areas including leadership, risk management, financial reporting and management and informed decision making. We found no evidence of a significant weakness in the Council's arrangements for ensuring they have made informed decisions and properly manage risks. We identified a number of improvement recommendations in 2020-21 and are pleased to note that these have been implemented or we can see clear evidence these are in the process of being implemented. Our findings are set out in further details on pages 10 to 12.



Improving economy, efficiency and effectiveness

The Council have effective arrangements in place for improving economy, efficiency and effectiveness. We did not identify any risks of significant weaknesses in the Council's arrangements in place for improving economy, efficiency and effectiveness, however we have identified some of the improvement recommendation raised in the previous year remain in place as they are not fully implemented. Our findings are set out in further details on pages 13 to 14.



We have completed our audit of your financial statements and issued an unqualified audit opinion on 25 November 2022, following the Accounts and Audit Committee meeting on 23 November 2022. Our findings are set out in further detail on page 5.



Opinion on the financial statements and use of auditor's powers

We bring the following matters to your attention:

Opinion on the financial statements

Auditors are required to express an opinion on the financial statements that states whether they : (i) present a true and fair view of the Council's financial position, and (ii) have been prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22

We have completed our audit of your financial statements and issued an unqualified audit opinion on 25 November 2022, following the Accounts and Audit Committee meeting on 23 November 2022. Our findings are set out in further detail on page 18.

Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly

We have not had to issue any statutory recommendations.

Public Interest Report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We have not had to issue a public interest report.

Application to the Court

Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.

We have not had to make any applications to court.

Advisory notice

Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:

- is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,
- is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account, the entry of which is unlawful.

We have not had to issue an advisory notice.

Judicial review

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.

We have not had to apply for a judicial review.

Securing economy, efficiency and effectiveness in the Council's use of resources

All Councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Council's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:



Financial Sustainability

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



Improving economy, efficiency and effectiveness

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



Our commentary on the Council's arrangements in each of these three areas, is set out on pages 7 to 14. Further detail on how we approached our work is included in Appendix B.

Financial sustainability



We considered how the Council:

- identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds them into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures 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
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

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Overview of the Arrangements to ensure financial sustainability

Ribble Valley Borough Council have been continuing to work to manage finances in a sustainable way. In 2021/22 the Council made £0.427 million surplus against a previously revised budget forecasting a surplus of £0.198 million and an original budget sowing a deficit of £0.400 million. This builds on the surplus made in the previous year whilst achieving a better outcome than budgeted.

The Council’s approach to financial planning continues to demonstrates a clear understanding of the costs of delivering the statutory services, whilst incorporating reserves into the financial plans to meet the costs of future projects and initiatives.

The Council considers a General Fund position of £0.7 million as a required minimum level. As at the 31st March 2022 this stood at £2.961 million. The Council included the surplus in year in this balance. As well as increasing the general fund the Council also increased earmarked reserves. Some of the earmarked reserves were used on projects in the year, but overall earmarked reserves were increased to £15 million. The earmarked reserves, includes the s31 business rates grants reserve of £2.9 million.

These reserves leave the Council with a healthy balance to fund any future shortcomings. As Councils have received the fifth single year settlement, these reserves established will help to mitigate any future uncertainties. However it is essential that the Council can agree a sustainable budget in the longer term when future government funding is known.

Financial Pressures and building into plans

In the 2020/21 Annual Audit Report we reported the Council’s Medium Term Financial Strategy (MTFS) relates to the period of 2018/19 to 2021/22 and should be updated. The Council were again given a single year allocation therefore this does limit the Council’s ability to do this. However the Council does include a 3 year forecast in the annual budget which helps to clarify the Council’s position in the medium term.

The Council has a history of showing an improved position than originally budgeted for. The Council reviews conditions within the year and updated the budget accordingly. This has been illustrated in the graph below, which is based on the Council RO forms. This shows there is a gap between the budget and actual, however, this can be attributed to the additional funding received to the Council through Covid grants as well as substantial savings due to vacant posts.



Financial Sustainability

For the 2021/22 budget, the Council made assumptions for inflation of 2% for price increases. The same rate was used for pay at the early stage. With every 1% increase being a £70,000 increase on the revenue budget. When setting the 2022/23 budget an allowance was made for price increases of 3% and pay increases of 2%. At that time it was recognised inflation was beginning to rise and therefore a contingency item for extra inflation of £140,000 was agreed as part of the final original budget for 2022/23. It soon became apparent that even this contingency would not be sufficient to meet the extra inflation mainly due to the higher than anticipated pay award and rising utility costs. The budget working group continue to monitor this.

The Council are able to fund expenditure requirements with income from fees and charges, government grants, business rates and council tax income, therefore have not been required to identify or rely on any commercial portfolio income.

Financial Regulations are embedded in the organisation and provide a reliable control environment within the Council. There are also Contract Procedure Rules in place to govern the procurement of goods and services. These ensure the Council are able to control its resources and assets as well as ensuring procurement is the most effective and efficient use of services.

The Council have a Budget Working Group who work closely on the budget process. The Group reviews budgets and provide guidance to Committees on individual budgets. These are pulled together and the overall budget is then reported to Policy and Finance committee. The final budget is agreed by the Council. All committee and Council meetings are open to the public.

The Council also approve the Capital Programme each year for the following year. The 2021/22 capital programme was for £3.4 million. The main capital scheme was for the installation of a second parking deck. However the parking scheme has been carried forward whilst further options are being reviewed. Therefore the revised capital program for 2021/22 was adjusted for this. £1.7 million of capital expenditure was expected to be carried forward to 2022/23. The total capital outturn for 2021/22 was £0.893 million, with a further £0.8 million being carried forward into 2022/23 in addition to the anticipated £1.7m. The Council funds capital spend through grants and earmarked reserves. Although borrowing is considered, additional borrowing has not been required.

The Council sets and reviews a number of prudential indicators showing the proposed capital expenditure plans, how they are to be funded, the impact on the organisation's finances and their affordability in terms of the impact on revenue budgets. These are presented to members in the Capital and Treasury Management Strategy.

The Councils budgets are based on a full staffing lists for each department, less an allowance for turnover. The Council also provide a priorities report to management to ensure they maintain an understanding of the workforce. The Council understand they have an aging workforce in place and the need to ensure recruitment and retention remains a focus, as well as wellbeing and training and development. Our audit on the financial statements has not identified any concerns with regards to staffing levels within the accounts department.



Financial Sustainability

Key Financial assumptions

As mentioned in the previous section the Council has set the 2021/22 budget based on a 2% increase for inflation on prices and pay. The 2022/23 budget increased the inflation budget to 3% whilst maintaining 2% for pay increases and including a contingency for additional inflation costs.

In 2021/22 the Council performed better than the budget and so the assumptions seemed reasonable. In 2022/23 the Council have realised the increase in utility costs will impact on the budget. As such they have agreed a further increase in the budget of £140,000 which will help to fund these increases.

The Council will continue to monitor the increases in costs and the impact on the budget. The revenue monitoring as at the end of September 2022 forecasted the Council will underspend by £0.457 million. The savings are due to an increase in grants as well as an underspend in employee costs due to vacant posts. However the Council are still to process the pay award for 2022/23, although this was budgeted at 2% it is expected to be 7%. The current increases due to energy costs amount to £74,815.

Funding gaps and use of reserves

The Council have maintained a system of solid financial planning in the year which means that any budget gaps have been met without using reserves and using non-recurrent savings. This process also mitigates the risk of unexpected new requirements impacting on the Council's financial resilience.

In 2021/22 the Council had budgeted to use £0.4 million from general fund reserves to help finance the years spending plans. This was later revised to the Council being able to add £0.198 million to the reserves. The final outcome was to increase this to £0.427 million.

Cashflow is closely monitored and reviewed on a daily basis. Liquidity is not a major risk for the Council as it holds a reasonable amount of cash and cash equivalents and at 31 March 2022 had a balance £20 million in readily convertible short term investments.

The Council forecast the budget for the following years to cover the medium term. With the increase in prices the Council has reported to members of a budget gap of:

- £1,040,966 in 2023/24
- £1,394,296 in 2024/25
- £2,412,914 in 2025/26

These gaps include a £250,000 contribution from General Fund Reserves and are estimates the Council has calculated at a point in time. The Council has General Fund reserve balance of £2.961 million and Earmarked Reserves of £15.082 million which will help fund these in the medium term. However this would not be sustainable in the longer term.

Summary of findings

Overall, we found no evidence of any significant weaknesses in the Council's arrangements for ensuring they can continue to deliver financially sustainable services. A number of the previous years improvement recommendations remain in place. However, overall the Council are able to plan and manage resources effectively.

Governance



We considered how the Council:

- monitors and assesses risk and 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; communicate relevant, accurate and timely management information (including non-financial information); supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships
- 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
- monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour (such as gifts and hospitality or declaration/conflicts of interests) and where it procures and commissions services.

Budget setting and monitoring

The Council has an appropriate annual budget setting process in place. The systems in place provide a good oversight of the budget. The Budget Working Group review the budget with Committees, once the accountants and budget holders have set the budget. The budget working group is involved with the budget setting process and provides guidance to the service committees. This allows the services committees to be equipped to review and develop their budgets.

The recommendations from the budget working group are made to the Policy and Finance Committee. This helps the committee consider budget options and make appropriate recommendations to the Council. The Council will then make the final decisions and approve the budget for the year.

In the current year the Council has not been able to complete any external consultations therefore the improvement recommendation raised last year remains. The Council should resume consultations with businesses, residents and voluntary organisations.

Budgets are monitored on a monthly basis and variances are analysed and recorded. These are then reported to the Corporate Management Team. Reports are made to each committee where members are able to review the relevant reports. These reports are then amalgamated from each committee and the overall budget monitoring is reported to the Policy and Finance Committee. This allows members to get an overall picture of the Council's finances and these are reported to Council.

Budget holders have access to real time monitoring information via the Council's financial systems. Budgets are scrutinised at all levels as documented above. The Financial Regulations also set out the accountabilities of managers for defined elements of the budget.



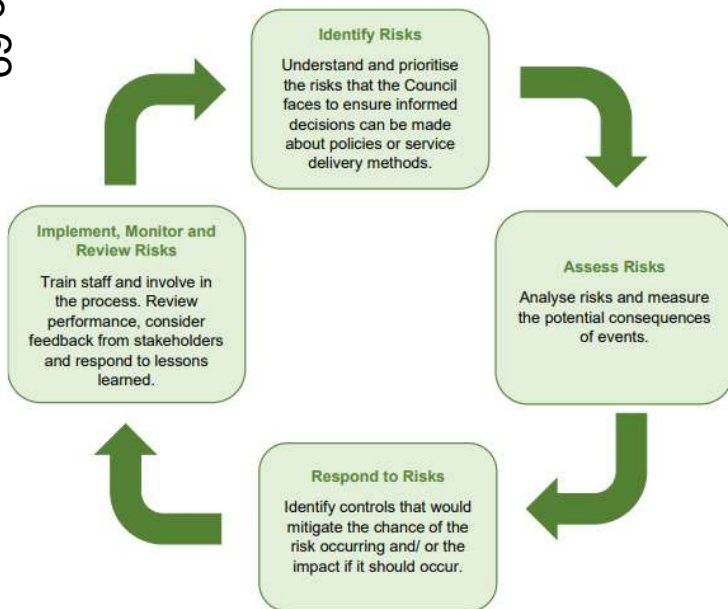
Governance

Risk management

The Council has begun to address the recommendations we made in the 2020/21 Annual Audit Report with regards to risk management. The Council renewed the risk policy in September 2022 and provided training to staff. All risks will now be updated on the Pentana system. However at this stage the Council is still going through the risks in place to ensure they remain relevant and applicable.

The diagram below is from the Councils policy and it shows the lifecycle of each risk.

An improvement recommendation will remain in place to ensure this system is fully implemented and members can make informed decisions to address the risks.



Leadership and committee effectiveness

The Council has appropriate leadership in place throughout the organisation. It operates a committee structure to ensure effective decision making and good governance remains in place. There is a full Council meeting which provides overall oversight along with the Accounts and Audit Committee. The following committees remain in place with no changes from the previous year:

- Community Services
- Economic Development
- Health and Housing
- Planning and Development and
- Policy and Finance

These committees reflect the Council structure as highlighted in the Comprehensive Income and Expenditure Statement.

There are also committees for:

- Licensing,
- Personnel and
- Parish council liaison
- Emergency Committee (used as and when required).

The committees are governed by the Constitution. This is reviewed and updated on an annual basis and available on the Council’s website. Through our attendance at Audit Committee meetings, we have noted that officers provide members with additional detail in respect of the presented reports so members can make an informed decision. The Council has full elections once every 4 years, and provides training to all members following the election. Ongoing training is then provided on key items, such as pecuniary interests.

The Annual Governance Statement also sets out how the Council operates, how decisions are made and the policies which are followed to ensure these are efficient, transparent and accountable. This statement is compliant to the CIPFA code and the Council have adopted the CIPFA/SOLACE framework of delivering Good Governance in Local Government.

Governance

Policies, procedures and controls

The Council's constitution is available on the website. It details the rules under which the Council operates, delegation by the Council to the committees and the functions of these committees. The Council's delegation scheme, standing orders and financial regulations and contract procedure rules are all included, as well as the code of conduct for members and staff. Arrangements for access of the public, members and officers of the Council to Council meetings and other information is also disclosed.

There are various policies and procedures in place which monitor and ensure compliance with legislation and regulatory standards.

In respect to the prevention and detection of fraud, the Council has an Anti-Fraud Policy, Whistleblowing Policy, as well as a Gifts and Hospitality Policy whereby Members or Officers receiving gifts must register these with the Monitoring Officer. Our financial statements audit has identified that no value is noted on the officers policy, therefore this is being amended. There is a standing item in all Council and committee meetings to disclose pecuniary and non-pecuniary interests relating to matters on the agenda. These are recorded on the Register of Interests, along with any other interests, including directorships, that have already been declared as required by the Code of Conduct. These registers have been reviewed as part of the financial statements audit and no concerns have been identified.

Internal Audit

The Council has an inhouse Internal audit team which uses a risk based plan to complete audit assignments. This is then used to provide assurance to management for the Annual Governance Statement. The 2021/22 Head of Internal Audit Opinion confirmed the Council had been awarded substantial assurance over the adequacy and effectiveness of the Council's internal control environment. This was based on the work completed across 12 audits. The Council used the services of Mersey Internal Audit Agency to complete the plan, due to the vacancies in the section. In May 2022 the Council were able to recruit for the position of Head of Internal Audit after the vacancy being open for a substantial period. The Council completes an annual internal assessment on performance of internal audit and this is used to provide assurance to the AGS.

An external review has been completed by MIAA this shows the Council are partially compliant with the Public Sector Internal Audit Standards. However, we have noted the Council has agreed all the recommendations and these have either been implemented or in the process of being implemented.

Treasury Management

The Council has a Treasury Management Policies and Practice's document for 2021/22, which is refreshed each year alongside the budget in February/March. A monitoring report is provided throughout the year to the Policy and Finance Committee. This includes an update on the progress of the investments and borrowings made. Following our recommendation in 2020/21 these include the impact on the financial statements.

Summary of findings

Overall, we found no evidence of any significant weaknesses in the Council's arrangements for ensuring that it makes informed decisions and properly manages its risks. We identified a number of improvement recommendations in the previous annual audit report and we can see the Council has implemented these or made significant progress in implementing them.

Improving economy, efficiency and effectiveness



We considered how the Council:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives
- where it commissions or procures services assesses whether it is realising the expected benefits.

Identifying areas for improvement

Although the Council does have a suite of indicators it uses to monitor performance these have not been reported in 2021/22. The Council has continued to collate the data and this is included in the Pentana system. However due to staff changes the Council have not reported this to members. We understand training is programmed for early 2023 and the 2021/22 indicators will be reported along with a report to show the current year performance.

As staff are now in post we will expect this to be implemented in the short term and the Council continue to ensure indicators are reported to members on a regular basis.

The Council should also monitor performance against other Councils to ensure it is providing the correct value to residents and businesses. The Council can use its nearest neighbours to monitor against which can be geographical and/or nearest neighbours in terms of attributes. This again was an improvement recommendation raised in the last report and remains appropriate.

Reports from Internal Audit and External Audit are presented to the Accounts and Audit Committee on a regular basis. These include recommendations made and the progress against them. The Internal Audit progress reports now include a section on the follow up of recommendations and reports the actions which are due and those not due yet. We feel this can be expanded by showing the risk given to the recommendation (high/medium/low) along with details on why these have not been acted upon yet and a column to highlight the overdue recommendations.

Working with others

Although the Council do not have any significant partners that provide key services they have a number of bodies they work with. They are the lead for the Business Rates Pool for Lancashire, which includes most of the neighbouring councils.

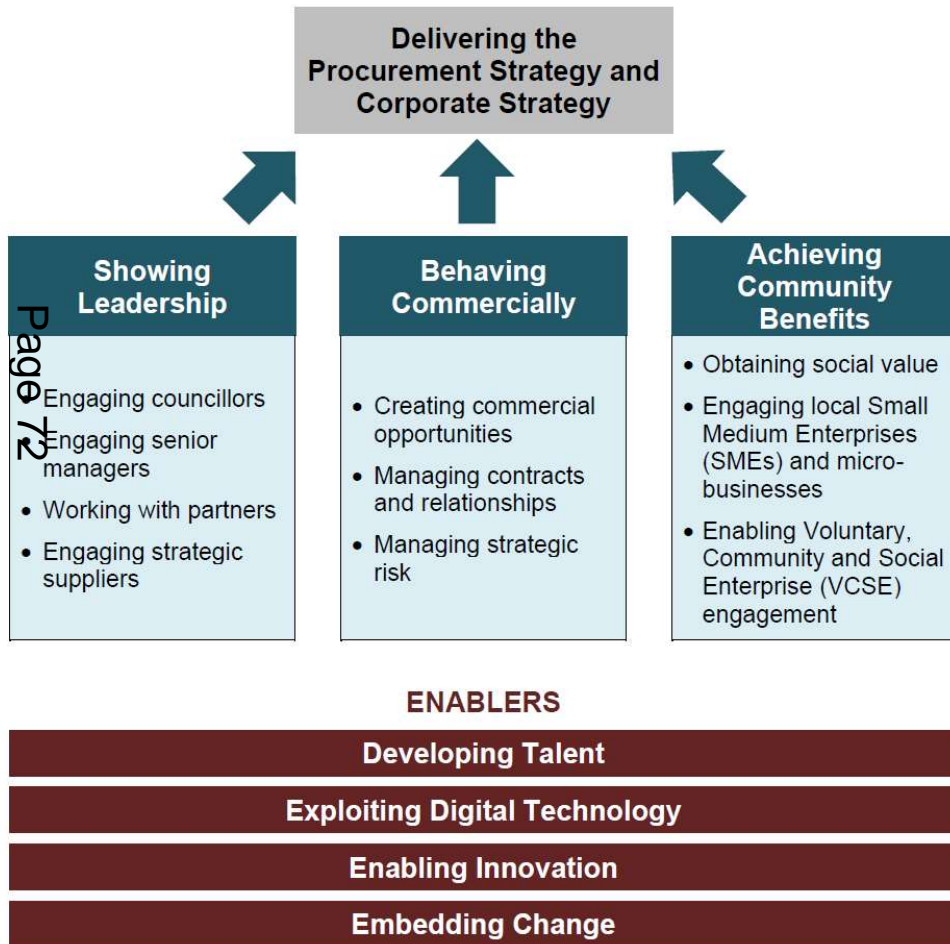
The Council have some services which are provided by Parish Councils. For these services a contribution is made to the Parish Council to fund these services. The Council also works with a number of smaller organisations.

Climate control

The Council have shared the importance of climate control and published the Climate Change Strategy in August 2021. This highlights the Council's objective of being Carbon Neutral by 2030 and what the Council needs to do to achieve this. Climate change needs to be the central aspect of the Council's work and members and officers need to be aware of it. We note that the progress made will be reported to members in the new year.

A recent example of this impacting on the Council relates to the replacement of pest control vehicles. These were due to be replaced in 2022/23, however the Health and Housing committee requested additional funding so these can be replaced with electronic vehicles. The Policy and Finance approved the additional funds to be transferred from the Earmarked reserves so the Council can purchase the electric cars.

Improving economy, efficiency and effectiveness



Procurement

In the 2020/21 Annual Audit Report we reported to members that the procurement strategy was in the process of being updated and was currently in draft. The strategy has now been updated and the final version is available. This shows the themes and the enablers which will help the Council to achieve these. This in turn will help the Council achieve its ambitions.

Ambition 1	Ambition 2	Ambition 3	Ambition 4	Ambition 5
To ensure a well-managed council providing efficient services based on identified customer needs.	To sustain a strong and prosperous Ribbles Valley.	To help make people's lives safer and healthier.	To protect and enhance the existing environmental quality of our area	To match the supply of homes in our area with the identified housing needs

The image to the left is from the strategy and show the different categories required under each theme and these are explained in the detail of the report. The strategy then goes out to detail how the enablers will be used. The report is then followed by an Action Plan to show the actions need to fulfil each theme and enabler. At this stage no reporting or monitoring for this has been completed, however we would expect to see this actioned when completing the report for 2022/23.

Summary of findings

Overall, we found no evidence of any significant weaknesses in the Council's arrangements for improving the way the Council delivers its services. We note a number of the improvement recommendations raised in the previous year remain in place.

Follow-up of previous recommendations

	Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
1	<p>The Council's Medium Term Financial Strategy (MTFS) should be updated on an annual basis and cover a forward looking medium term period.</p> <p>As part of this, and to ensure the Council is prepared for potential volatility which may adversely impact the budget, the Council should ensure a range of scenario and sensitivity analysis is completed on a regular basis and clearly reported to members on an annual basis</p>	Improvement	March 2022	<p>The management response last year stated that this would be done once there was firmer knowledge around future LG finance. This was anticipated in summer but did not materialise. The Council plan to produce the MTFS for the 2023/24 budget process.</p> <p>However the Council do provide a budget forecast for the coming three years the Council should still ensure the strategy is updated.</p>	No	The Council should ensure the MTFS is updated.
2	<p>The Council should look to continue and develop their review of the robustness of estimates by including a review of the significant estimates made and the actual outcome .</p>	Improvement	March 2022	<p>The Councils budget for the year does include some discussions on the estimates used.</p>	Yes	No
3	<p>We consider it will be good practice, for the Council to look at the requirement to identify savings going forward as and when funding arrangements become clearer .</p>	Improvement	March 2022	<p>The Council have not had to make any savings in 2021/22 as well as 2022/23. Therefore this recommendation has not been actioned.</p>	No	The Council should look into identifying potential savings and so be able to set a sustainable budget.-
4	<p>Provide a clear distinction between controllable and non-controllable spending in the budgetary information to members and ensure it is published on the website.</p>	Improvement	March 2022	<p>As previous comments this has not been actioned. The service cost centres contain a mix of controllable and non-controllable spending, therefore it is not possible to present anything meaningful.</p>	No	We would expect the Council to look into this in advance of difficult decisions being required to be made.
5	<p>There is scope to expand the consultation process on Council budget and spending with residents, businesses and the voluntary sector.</p>	Improvement	March 2022	<p>The 2021/22 budget was distributed to certain commercial bodies.</p>	Partially	The Council should consult, residents and the voluntary sector. As well as continuing the arrangements with businesses.
6	<p>The Council should put in place a workforce plan aligned to future service delivery and ensure this is updated regularly.</p>	Improvement	March 2022	<p>The Council have completed a HR priorities report which is presented to members. This is updated and reported to members each year.</p>	Yes	No

Follow-up of previous recommendations

	Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
7	<p>The Council's Risk Management Policy has not been updated since 2003 It should be reviewed and updated on a regular basis.</p> <p>The Council should review the risks included in the risk register to ensure they are relevant to the Council and scored correctly.</p> <p>Training should be provided to members and officers to ensure they are relevant to the Council.</p>	Improvement	March 2022	<p>The risk management policy has been reviewed and approved by the September 2022 Audit Committee. The Council have also changed systems and training has been provided to staff. The Council reviewed the risks included to ensure only relevant once are included on the new system. Training is also in progress on ensuring the right risks are included.</p>	Partially	The Council should continue there work in this area to ensure it is a robust number of risks included which are relevant and are reported to members on a regular basis.
8	<p>In order for Internal Audit to have sufficient capacity to deliver the require assurance the Council needs to continue efforts to fill the post of Head of Internal Audit or engage alternative arrangements and review the reporting arrangements for the post.</p> <p>We also recommend that the line management reporting line be outside of the finance team to negate any potential conflict of interest.</p> <p>We also recommend an external review of Internal Audit is carried out in line with PSAIS</p>	Improvement	March 2022	<p>A Head of Internal Audit has been successfully recruited and has been in place since May 2022.</p> <p>Although the HoIA reports to the Head of Financial Services they can go direct to the, Director of Resources, Chief Executive and the Chair of the Accounts and Audit Committee if required.</p> <p>MIAA have still been completing the work which was outstanding. They are currently completing computer audit work and also the PSIAS.</p>	Yes	No
9	<p>Ensure polices are reviewed and updated on an annual or more regular basis to ensure they remain relevant.</p>	Improvement	March 2022	<p>We have not identified any out of date policies through our review.</p>	Yes	The Council should ensure a register of policies is maintained.
10	<p>The Council should ensure the register of gifts and hospitality is regularly reviewed by the monitoring officer and the Council is able to evidence this. The Council should also consider maintaining the register for gifts and hospitality electronically.</p>	Improvement	March 2022	<p>This has been addressed - following on from the financial statements audit the Council should ensure an amount is included on the policy for officers.</p>	Yes	
11	<p>We recommend that the Council include the impact on the financial position for any treasury management decisions in the treasury management performance reports.</p>	Improvement	March 2022	<p>Actioned in the reports</p>	Yes	No

Follow-up of previous recommendations

	Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
12	<p>The Council should ensure performance data is reported to full Council at least annually.</p> <p>The Council should also have Internal Audit incorporate review of performance reporting into their work plan to help provide assurance over the quality of the data.</p>	Improvement	March 2022	<p>This has not been completed for 2021/22 due to management changes. The data has been collated but not reported.</p> <p>The Council are hoping to review the performance indicators they have to ensure they are relevant and useful to meet the purpose</p>	No	Performance indicators should be review and reported to management on a regular basis.
13	We recommend that a report following up on recommendations made by Internal and External Audit is presented to Accounts and Audit Committee.	Improvement	March 2022	<p>External Audit recommendations are updated through follow up reports.</p> <p>Internal Audit progress reports include a table to show recommendations outstanding.</p>	Yes	To enhance this further the Council should show the risk attached to the recommendation along with an explanation of why the recommendation has not been actioned.
14	We recommend that the Council introduce arrangements to benchmark costs and performance against similar bodies.	Improvement	March 2022	The Council have a subscription now in place with LG Infom+. The Council are looking into how this can benefit them in the future.	Partially	Continue to embed this in the organisation.
15	We would recommend the Council explore any opportunities to establish working arrangements with suitable partners.	Improvement	March 2022	The Council works with Parish Councils as well as smaller organisations.	Yes	No
16	The Council's procurement policy in 202-21 had not been reviewed or updated for some time. A policy has been drafted but this is not yet finalised. The Council should ensure its procurement policy is finalised as soon as possible.	Improvement	March 2022	Now completed and approved	Yes	No

Opinion on the financial statements



Audit opinion on the financial statements

We gave an unqualified opinion on the Council's financial statements on 25th November 2022.

Audit Findings Report

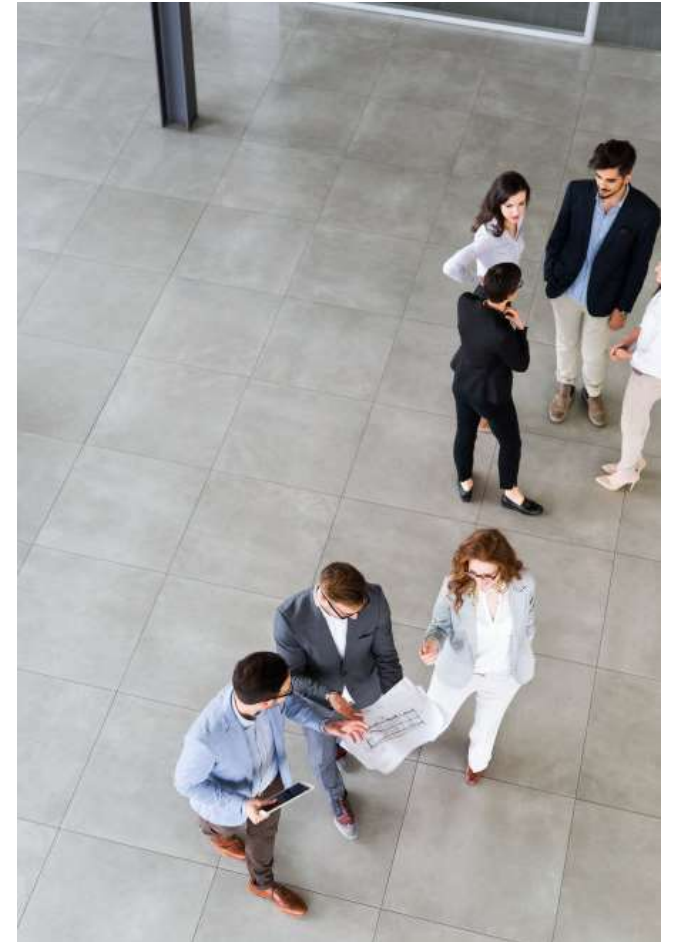
More detailed findings can be found in our AFR, which was published and reported to the Council's Audit and Accounts Committee on 23th November 2022.

Preparation of the accounts

The Council provided draft accounts in line with the national deadline and provided a good set of working papers to support it.

Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation



Appendices

Appendix A – Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

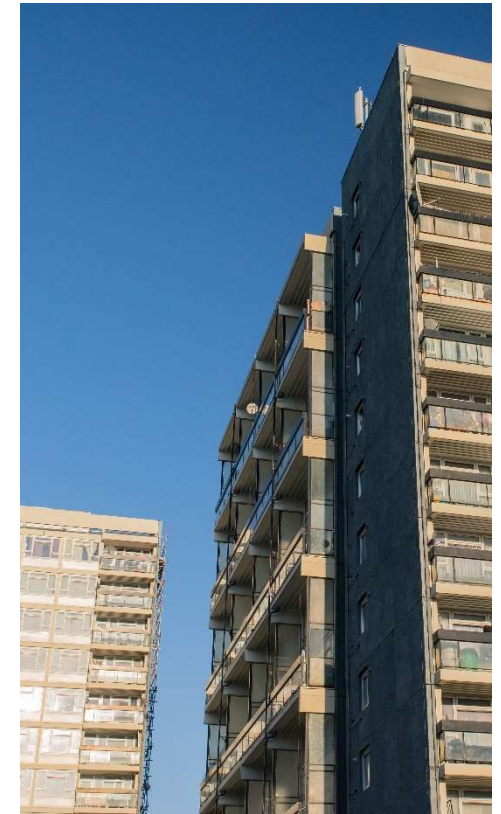
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) or equivalent is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



Appendix B – An explanatory note on recommendations

A range of different recommendations can be raised by the Council’s auditors as follows:

Type of recommendation	Background	Raised within this report	Page reference
Statutory	Written recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.	Yes or no	
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as ‘key recommendations’.		
Improvement	These recommendations, if implemented should improve the arrangements in place at the Council, but are not a result of identifying significant weaknesses in the Council’s arrangements.		



Ribble Valley Borough Council Audit Progress Report and Sector Update

Year ending 31 March 2022

January 2023
Page 81



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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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Introduction

Your key Grant Thornton team members are:

Georgia Jones

Key Audit Partner

E georgia.s.jones@uk.gt.com

Sophia Iqbal

Manager

E sophia.s.iqbal@uk.gt.com

Jobelle Bongato

In-charge

E Jobelle.Bongato@uk.gt.com

This paper provides the Accounts and Audit 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 Council; and
- includes a number of challenge questions in respect of these emerging issues which the Committee may wish to consider (these are a tool to use, if helpful, rather than formal questions requiring responses for audit purposes)

Members of the Accounts and Audit 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 <https://www.grantthornton.co.uk/en/services/public-sector-services/>

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 January 2023

Financial Statements Audit

We undertook our initial planning for the 2021/22 audit in March 2022. In June we issued a detailed audit plan, setting out our proposed approach to the audit of the Authority's 2021/22 financial statements.

We received your draft financial statements in July 2022 and completed our work on these statements in August to November 2022. We issued our Audit Findings Report as well as our Audit Report in November 2022 to meet the statutory deadline.

The Accounts and Audit Regulations 2015 were amended by SI 2021 No. 263. The Department for Levelling Up, Housing and Communities (DLUHC) previously stated their intention to introduce secondary legislation to extend the deadline for publishing audited local authority accounts to 30 November 2022 for the 2021/22 accounts. This is enacted by The Accounts and Audit (Amendment) Regulations 2022 (SI 2022 No. 708) that came into force on 22 July 2022. The deadline for publishing audited local authority accounts for 2021/22 is extended to 30 November 2022 and thereafter changed to 30 September for years up to 2027/28.

Our initial planning for the 2022/23 audit will begin in February 2023 with interim work undertaken in April 2023 and the audit of the financial statements during July to September 2023.

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 was 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 is planned to make more impact.

Under the 2020 Code of Audit Practice, for relevant authorities other than local NHS bodies auditors are required to issue our Auditor's Annual Report no later than 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay.

As a result of the ongoing pandemic, and the impact it has had on both preparers and auditors of accounts to complete their work as quickly as would normally be expected, the National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible could be issued in line with national timetables and legislation. The extended deadline for the issue of the Auditor's Annual Report is now no more than three months after the date of the opinion on the financial statements. Our Auditor's Annual Report for 2021/22 has been included in the agenda for this Audit Committee.

We will begin our initial work for the 2022/23 financial year in April 2023.

Progress at January 2023 (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 2021/22 claim began in January. DWP extended the deadline for reporting the findings of this work to 31 January 2023. We aim to be able to complete our work and issue our report to meet this deadline. We will report our findings to the next Audit Committee.

Meetings

We met with Finance Officers on a regular basis 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 Council. Your officers attended our Accounts Workshop in January and February 2022, where we highlighted financial reporting requirements for local authority accounts and gave insight into elements of the audit approach.

Your officers have also been invited to the Accounts Workshops for 2022/23, which will be held in February 2023.

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

Audit Fees

During 2017, PSAA awarded contracts for audit for a five year period beginning on 1 April 2018. 2021/22 is the fourth year of that contract. Since that time, there have been a number of developments within the accounting and audit profession. Across all sectors and firms, the Financial Reporting Council (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.

Our work in the Local Government sector in the period 2018/19 to 2021/22 has highlighted areas where financial reporting, in particular, property, plant and equipment and pensions, needs to improve. There is also an increase in the complexity of Local Government financial transactions and financial reporting. This combined with the FRC requirement that all Local Government audits are at or above the "few improvements needed" (2A) rating means that additional audit work is required.

We have reviewed the impact of these changes on both the cost and timing of audits. We have discussed this with your s151 Officer including any proposed variations to the Scale Fee set by PSAA Limited, and have communicated fully with the Audit Committee.

As a firm, we are absolutely committed to meeting the expectations of the FRC with regard to audit quality and local government financial reporting.

Audit Deliverables

2021/22 Deliverables	Planned Date	Status
<p>Audit Plan</p> <p>We are required to issue a detailed audit plan to the Accounts and Audit Committee setting out our proposed approach in order to give an opinion on the Council's 2021/22 financial statements and to issue a commentary on the Authority's value for money arrangements in the Auditor's Annual Report</p>	May 2022	Completed
<p>Interim Audit Findings</p> <p>We will report to you the findings from our interim audit within our Progress Report.</p>	September 2022	Completed
<p>Audit Findings Report</p> <p>The Audit Findings Report was reported to the November Audit Committee.</p>	November 2022	Completed
<p>Auditors Report</p> <p>This includes the opinion on your financial statements.</p>	November 2022	Completed
<p>Auditor's Annual Report</p> <p>This report communicates the key outputs of the audit, including our commentary on the Authority's value for money arrangements.</p>	January 2023	Completed
2021/22 Audit-related Deliverables	Planned Date	Status
<p>Housing Benefit Subsidy – certification</p> <p>This is the report we submit to Department of Work and Pensions based upon the mandated agreed upon procedures we are required to perform.</p>	January 2023	Not yet due

Audit Deliverables

2022/23 Deliverables	Planned Date	Status
<p>Audit Plan</p> <p>We are required to issue a detailed audit plan to the Accounts and Audit Committee setting out our proposed approach in order to give an opinion on the Council's 2021/22 financial statements and to issue a commentary on the Authority's value for money arrangements in the Auditor's Annual Report</p>	May 2023	Not yet due
<p>Interim Audit Findings</p> <p>We will report to you the findings from our interim audit within our Progress Report.</p>	May 2023	Not yet due
<p>Audit Findings Report</p> <p>The Audit Findings Report will report to you the findings from our accounts work.</p>	September 2023	Not yet due
<p>Auditors Report</p> <p>This includes the opinion on your financial statements.</p>	September 2023	Not yet due
<p>Auditor's Annual Report</p> <p>This report communicates the key outputs of the audit, including our commentary on the Authority's value for money arrangements.</p>	December 2023	Not yet due
2022/23 Audit-related Deliverables	Planned Date	Status
<p>Housing Benefit Subsidy – certification</p> <p>This is the report we submit to Department of Work and Pensions based upon the mandated agreed upon procedures we are required to perform.</p>	November 2023	Not yet due

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

Audit Market Developments

Financial Reporting Council Report On The Quality Of Local Audit

In late October 2022 the Financial Reporting Council (FRC) published its inspection findings into the quality of major local body audits in England, which includes large health and local government bodies.

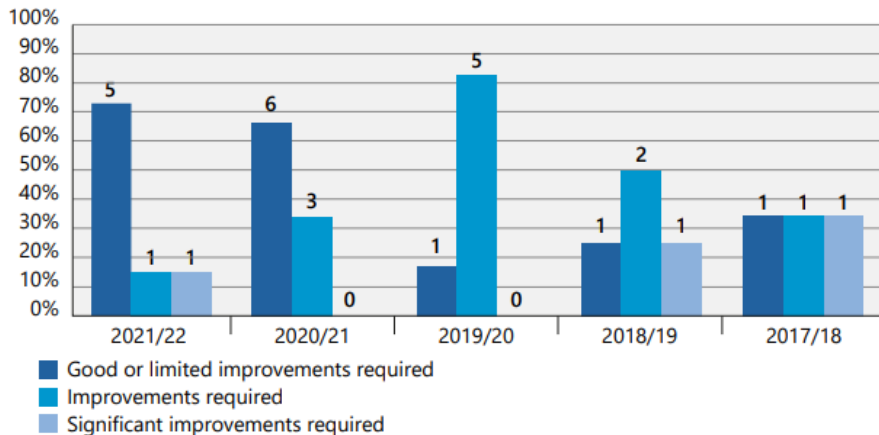
The Quality Assurance Department (QAD) of the Institute of Chartered Accountants in England and Wales (ICAEW) inspects a sample of local audits that do not meet the definition of a ‘major’ local audit and the FRC’s report also includes a summary of their findings.

The FRC reported that 71% of Grant Thornton audits inspected (7 in total) were assessed as either good or limited improvements required.

This is a pleasing result and reflects on our significant investment in audit quality over recent years. The positive direction of travel over the past five years is illustrated below:

Page 9

Our assessment of the quality of financial statement audits reviewed



The FRC also inspected our work on VfM arrangements at four bodies.

It is pleasing to note that all of these inspections were assessed as requiring no more than limited improvements (which is the same as the previous year).

As far as the ICAEW are concerned, overall, the audit work reviewed was found to be of a good standard.

Seven of the eight files reviewed (88%) were either ‘good’ or ‘generally acceptable’, but one file ‘required improvement’.

The ICAEW identified one of our files as requiring ‘Improvement’ – but it should be noted that this was a 2019-20 file and therefore the learnings from prior years’ review could not have been taken into account, an issue recognised by the ICAEW in their report to us.

The ICAEW found that our VfM work was good on each of the files reviewed, and they did not identify any issues with this aspect of the audit teams’ work.

Whilst are pleased with our continuing improvement journey, we continue to invest in audit quality to ensure that the required standards are met.

The full report can be found [here](#).



Financial Reporting Council



Audit Market Developments (continued)

Local Government External Audit Procurement

Public Sector Audit Appointments Ltd (PSAA) has recently announced the outcome of its national procurement of audit services across the Local Government sector.

This exercise covers the audits from 2023/24 to 2027/28 and covers the 470 local government, police and fire bodies (99% of eligible local bodies) that opted into the national scheme.

We are delighted to have been reappointed as the largest supplier of local government audit. The public sector has played a significant role within the firm for over 30 years and we remain committed to the success of the sector.

Our UK Public Sector Assurance (PSA) team employs 440 people, including 99 Key Audit Partners and specialists in financial reporting, audit quality, and value for money.

The team is dedicated to public audit work in local government and the NHS, with contracts with PSAA, Audit Scotland and over 100 health bodies. The Public Sector Assurance team is a regular commentator on issues facing the sector and oversees the firm's thought leadership, such as its series of publications on grants and public interest reports.

Mark Stocks, lead Partner for PSA at Grant Thornton, said 'This is a very welcome outcome and reflects our previous delivery as well as our ongoing commitment to invest in the public sector.'

Further information can be found [here](#)



Grant Thornton – Nearly 60 councils at risk of ‘running out of money’ next year

Grant Thornton has warned that the soaring cost of living combined with a decade of austerity could see up to a sixth of English councils fully deplete their reserves in 2023-24 without substantial spending cuts.

Research found that, as a result of higher inflation, councils are expected to have a cumulative budget deficit of £7.3bn by 2025-26 – an increase of £4.6bn since forecasts made at the beginning of this year.

Grant Thornton said that although reserves were bolstered by more than £5bn in 2020-21 due to higher government funding, these balances will “continue to unwind through the long tail of Covid-19” with close to 60 councils forecast to use all earmarked and unallocated reserves next year.

Without additional income, authorities would need to make savings of over £125 per person by 2025-26, equal to the average yearly spend on homelessness, sports and leisure, parks and open spaces, libraries and waste services.

Phillip Woolley, Head of Public Services Consulting at Grant Thornton, said: “Local government has faced unprecedented demands and pressures over the last decade and without action from both central government and councils, in the face of these inflationary pressures, the list of authorities in need of exceptional support looks set to grow quickly.

“Our research shows the additional Covid-19 funding, while critical to support immediate challenges, has not addressed underlying systemic issues or the precariousness of councils’ financial sustainability in the face of economic instability.

“Local authorities are also now facing the risk of interest rate rises, increasing debt financing costs and the real risk of reduced funding from central government, in response to the current economic turmoil facing the country. Without committed intervention from all sides, there is a risk that the sector levels down instead of up.”

Grant Thornton estimated unitary authorities would have the largest budget gap (£1.8bn) by 2025-26, but district councils would have the largest gap compared to net spending at 10.2%.

The firm added that austerity and changing policy demands have left councils struggling to innovate in their services and prevented investment in finance and procurement, diminishing the sector’s ability to tackle medium-term challenges.

Grant Thornton said additional government funding alone will not lead to improvements, and that councils should focus on improving governance and developing financial stability plans.

Joanne Pitt, local government policy manager at CIPFA, said: “With no spending review and no fair funding review, CIPFA shares Grant Thornton’s concerns about the financial sustainability of some in the sector.

“While there are actions local authorities can take to strengthen their own financial resilience, they are facing significant inflationary pressures and rising demand which makes this hugely challenging for the sector.”



Response to local audit consultation – Department for Levelling Up, Housing and Communities (“DLUHC”)

The Department for Levelling Up, Housing and Communities (“DLUHC”) has published its response to the local audit consultation. This follows the “Redmond Review”, which reported in September 2020.

The response confirms plans to establish a new regulator, the Audit Reporting and Governance Authority (ARGA), as the system leader for local audit within a new, simplified local audit framework.

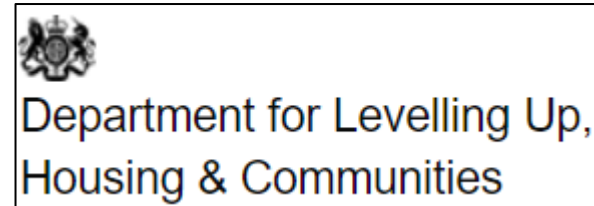
Ahead of ARGA’s establishment, a shadow system leader arrangement will start at the Financial Reporting Council (FRC) from September 2022.

The consultation response also announces:

- Plans to make audit committees compulsory for all councils, with each audit committee required to include at least one independent member. This will create greater transparency and consistency across local bodies.
- ARGA will take over statutory responsibility for preparing and issuing the Code of Audit Practice (from the National Audit Office).
- A post-implementation review of the new Value for Money arrangements. The Code is a key part of the local audit system, and it is important to ensure that it helps to facilitate effective local audit. To allow time for the new arrangements to bed in the response proposes this is completed within three years.

The full response can be found here:

[Government response to local audit framework: technical consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/government-response-to-local-audit-framework-technical-consultation)



The Value of Internal Audit – CIPFA

One of the key elements of good governance is an independent and objective internal audit service. Some organisations engage fully and reap significant benefits from the assurance, insight and expertise they bring whilst others pay lip-service to them and see their work as an administrative burden.

CIPFA's recent report, [Internal Audit: Untapped Potential](#), lifts the lid on internal audit in public services. For some chief financial officers and chief executives, this report confirms the value and contribution of internal audit teams with 87% of respondents recognising the contribution internal audit makes to their organisation. However, some leadership teams saw internal audit as providing a basic service at minimal cost.

Getting the most out of the function requires honest conversations and long-term planning. Maintaining appropriate skills and knowledge within the function is necessary to ensure high quality internal audit in public services are retained.

Culture and governance

The Audit Committee should monitor the delivery of internal audit and their output will be a key part of the annual work-plan. However, internal audit is not a substitute for risk management and should enhance the overall assurances received by management. Executives and Officers should engage with internal audit recommendations to ensure the organisation gains maximum value from reviews.

Capacity

Reducing internal audit days can lead to a lack of 'corporate grip' and not identifying issues at an early stage. This report raises concerns over the capacity of internal audit across the public sector. The profession needs to be valued and invested in to make it more attractive to new blood and for bodies to be able to attract the best candidates to their service.

Expectations

To maximise the impact of internal audit, a clear and aligned strategic audit plan and annual audit plan should be in place. This should be agreed with all stakeholders.

Future plans

Internal audit needs to adapt to the changing landscape, including risks such as climate change, digital and technological developments, cyber-security and ongoing financial and service pressures within their planning processes. For financial resilience and medium- and long-term financial strategies internal audit can provide vital independent assurance to decision makers to allow them to take on more risk and be more ambitious. Leadership teams need to be clear on what assurances they will require going forward.

For more information, [Rob Whiteman](#) share his views on this report.



Audit Committees: Practical Guidance For Local Authorities And Police – CIPFA

In October CIPFA published this guide, stating “This fully revised and updated edition takes into account recent legislative changes and professional developments and supports the 2022 CIPFA Position Statement. It includes additional guidance and resources to support audit committee members, and those working with and supporting the committee’s development.”

CIPFA go on to state “Audit committees are a key component of governance. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams, elected representatives, police and crime commissioners and chief constables.

This edition updates CIPFA’s 2018 publication to complement the 2022 edition of the CIPFA Position Statement on audit committees.

The suite of publications has separate guidance resources for audit committee members in authorities, members of police audit committees, and a supplement for those responsible for guiding the committee.

New aspects include legislation changes in Wales and new expectations in England following the Redmond Review. All authorities and police bodies are encouraged to use the publication to review and develop their arrangements in accordance with the Position Statement.

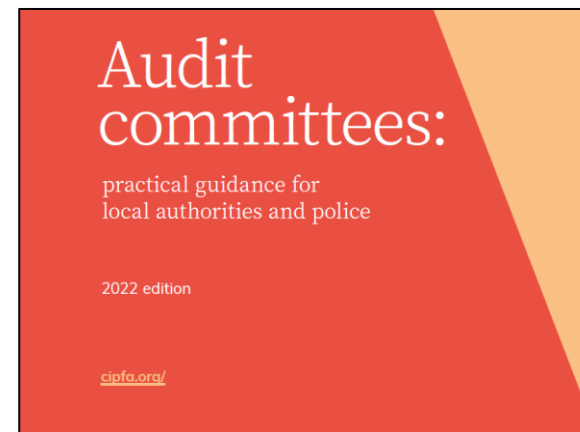
The appendices include suggested terms of reference, a knowledge and skills framework and effectiveness improvement tools.”

The guide covers a number of key areas for Audit Committees, including:

- Purpose
- Core functions:
 - Governance, Risk and Control
 - Accountability and Public Reporting
 - Assurance and Audit arrangements
 - Ensuring focus
- Independence and accountability
- Membership and effectiveness

The guide can be purchased via the CIPFA website:

[Audit Committee Guidance: 2022 update | CIPFA](#)



Audit and Risk Assurance Committee effectiveness tool – NAO

The National Audit Office (NAO) has published this tool which supports Audit Committees in assessing their effectiveness.

The NAO comment “Audit and Risk Assurance Committees (ARACs) play a crucial role in supporting the effective governance of central government departments, their agencies and arm’s-length bodies.

ARACs are operating in a highly challenging context. Government organisations are managing many short- and long-term risks and are required to be resilient to a number of pressures. This has created an environment where ARACs need to be dynamic and responsive to the changing risk profiles and demands of their organisations. ARACs can see this as an opportunity to work out how they can most proactively work with the Board and accounting officer.

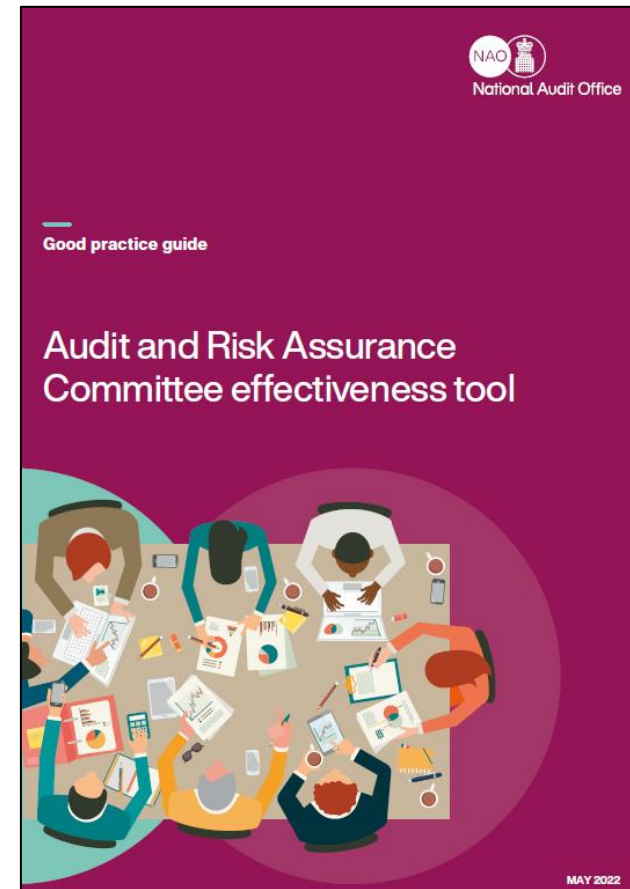
Against this background, the NAO’s effectiveness tool provides a way for ARACs to assess their effectiveness against more than just the basic requirements. It provides aspects of good practice to give ARACs greater confidence and the opportunity to meet the requirements of their role.

The NAO’s effectiveness tool is a comprehensive way for ARACs to assess their effectiveness on a regular basis.”

The tool covers:

- Membership, independence, objectivity and understanding
- Skills and experience
- Roles and responsibilities
- Scope
- Communication and reporting

Although the tool is designed for central government Audit Committees it is also relevant to local government.



The guide can be found here:

[Audit and Risk Assurance Committee effectiveness tool - National Audit Office \(NAO\) Report](#)

Guide for audit and risk committees on financial reporting and management during COVID-19 – NAO

The National Audit Office (NAO) has published this guide which aims to help audit and risk committee members discharge their responsibilities in several different areas, and to examine the impacts on their organisations of the COVID-19 outbreak

The NAO comment “Audit and risk committees are integral to the scrutiny and challenge process. They advise boards and accounting officers on matters of financial accountability, assurance and governance, and can support organisations, providing expert challenge, helping organisations focus on what is important, and how best to manage risk.

Each organisation will have existing risk management processes in place, but risk appetite may have changed as a result of COVID-19, for the organisation to operate effectively and respond in a timely manner. This may result in a weakening of controls in some areas, increasing the likelihood of other risks occurring. Organisations will need to consider how long this change in risk appetite is sustainable for.”

The guide includes sections on:

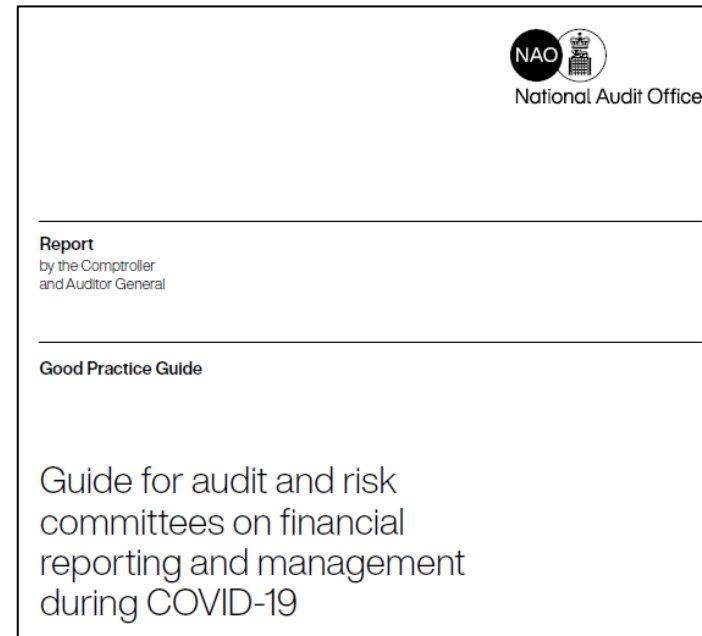
- Annual reports
- Financial reporting
- The control environment
- Regularity of expenditure

The guide can be found here:

<https://www.nao.org.uk/report/guidance-for-audit-and-risk-committees-on-financial-reporting-and-management-during-covid-19/>

The guide includes a number of key questions covering areas such as:

- Property valuations
- Pension scheme valuations
- Completeness of liabilities
- Events after the reporting period
- Control environment
- Fraud and error





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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNT & AUDIT COMMITTEE

meeting date: WEDNESDAY 8 FEBRUARY 2023
title: OMBUDSMAN REPORT
submitted by: MARSHAL SCOTT - CHIEF EXECUTIVE
principal author: MAIR HILL - HEAD OF LEGAL AND DEMOCRATIC SERVICES

1 PURPOSE

1.1 To inform Committee of Local Government Ombudsman (“LGO”) compliance outcome.

1.2 Relevance to the Council’s ambitions and priorities:

- Community Objectives - } The Council aims to be a well-managed Council.
- Corporate Priorities - } Complaints to the Ombudsman and the process of resolving complaints and responding to the Ombudsman’s investigation, helps to improve the way the Council delivers services.
- Other Considerations - }

2 BACKGROUND

2.1 On 28 September 2022, Committee considered a report from the LGO dated 14 July 2022 (but embargoed until 18 August 2022). The recommendations of that report were that within 3 months of the report the Council should provide, the LGO with evidence that:

1. It has implemented its new policy on Reasonable Adjustments for disabled people;
2. It now keeps adequate records relating to decision on reasonable adjustments for disabled service users; and
3. its officers are aware of the Council’s new policy and its obligations under equalities legislation.

2.2 Prior to the meeting on 28 September 2022, the LGO had confirmed that items 1 and 2 were complete. The Council had also provided the LGO with details of refresher training on the Equalities Act 2010 to be provided to CMT and all Heads of Service by Bethan Evans along with details of how this training will be provided to all officers in each directorate thereafter by the Head of Legal and Democratic Services, the Head of Human Resources, and the relevant Head of Service. The LGO had also confirmed that this training was sufficient for it to confirm compliance with recommendation 3 and compliance would be confirmed once the training had taken place.

3. ISSUES

3.1 As agreed the Council carried out the training referred to above. Training was provided to CMT and all Heads of Services by an external training provider in two workshops on 18 October 2022 and 8 November 2022. The Head of Legal and Democratic Services then provided training to officer in each Directorate on 14,15,17 & 24 November 2022.

3.2 The completion of this training was reported to the LGO on 24 November 2022. On 5 December 2022 the LGO responded welcoming the action the Council has taken following the report and that the compliance outcome would be recorded as “Remedy complete and satisfied”

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – Resources have been required in order to carry out the actions set out above in terms of officer time. This will be an ongoing commitment of resources to ensure that the Equality Act 2020 is embedded within the Council’s processes and that training is provided on a continuing basis.
- Technical, Environmental and Legal – N/A.
- Political – N/A.
- Reputation – Taking on board the recommendations of the Ombudsman and taking steps to demonstrate and build upon the Council’s compliance with its equality duties will enhance the reputation of the Council.
- Equality & Diversity – The actions set out above will have a positive impact on equality and diversity and will ensure that the Council strives for excellence in customer service.

5 CONCLUSION

5.1 Committee should note the content of this report.

MAIR HILL
HEAD OF LEGAL AND DEMOCRATIC SERVICES

MARSHAL SCOTT
CHIEF EXECUTIVE

BACKGROUND PAPERS

For further information please ask for Mair Hill, extension 4418.