

Standards and Audit Committee

Thursday 30 May 2019 at 7.30pm

**Council Chamber
Runnymede Civic Centre, Addlestone**

Members of the Committee

Councillors M G Nuti (Chairman), Miss J K Sohi (Vice-Chairman), M R Adams, D E Anderson-Bassey, B A Clarke, M D Cressey, S L Dennett, R J Edis, Mrs M T Harnden and J J Wilson.

In accordance with Standing Order 29.2 any non-member of the Committee who is considering attending the meeting should first request the permission of the Chairman.

A G E N D A

Notes:

- i) Any report on the Agenda involving confidential information (as defined by section 100A(3) of the Local Government Act 1972) must be discussed in private. Any report involving exempt information (as defined by section 100I of the Local Government Act 1972), whether it appears in Part 1 or Part 2 below, may be discussed in private but only if the Committee so resolves.
- ii) The relevant "background papers" are listed after each report in Part 1. Enquiries about any of the Agenda reports and background papers should be directed in the first instance to **Miss C Pinnock, Democratic Services, Law and Governance Business Centre, Civic Centre, Station Road, Addlestone (Tel: Direct Line: 01932 425627) (email: clare.pinnock@runnymede.gov.uk)**.
- iii) Agendas and Minutes are available on a subscription basis. For details, please ring Mr B A Fleckney on 01932 425620. Agendas and Minutes for all the Council's Committees may also be viewed on www.runnymede.gov.uk.
- iv) In the unlikely event of an alarm sounding, members of the public should leave the building immediately, either using the staircase leading from the public gallery or following other instructions as appropriate.
- v) **Filming, Audio-Recording, Photography, Tweeting and Blogging of Meetings**

Members of the public are permitted to film, audio record, take photographs or make use of social media (tweet/blog) at Council and Committee meetings provided that this does not disturb the business of the meeting. If you wish to film a particular meeting, please liaise with the Council Officer listed on the front of the Agenda prior to the start of the meeting so that the

Chairman is aware and those attending the meeting can be made aware of any filming taking place.

Filming should be limited to the formal meeting area and not extend to those in the public seating area.

The Chairman will make the final decision on all matters of dispute in regard to the use of social media, audio-recording, photography and filming in the Committee meeting.

LIST OF MATTERS FOR CONSIDERATION

PART I

Matters in respect of which reports have been made available for public inspection

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11.	EXCLUSION OF PRESS AND PUBLIC	57

PART II

Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.

a)	<u>Exempt Items</u>	
12.	ADDLESTONE ONE RISK REGISTER UPDATE	58
b)	<u>Confidential Items</u>	
	(No items to be considered under this heading)	

1. FIRE PRECAUTIONS

The Chairman will read the Fire Precautions, which set out the procedures to be followed in the event of fire or other emergency.

2. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

3. MINUTES

To confirm and sign the Minutes of the Meeting held on 29 January 2019, which were circulated to all Members by email in March 2019.

4. APOLOGIES FOR ABSENCE

5. DECLARATIONS OF INTEREST

If Members have an interest in an item please record the interest on the form circulated with this Agenda and hand it to the Legal Representative or Democratic Services Officer at the start of the meeting. A supply of the form will also be available from the Democratic Services Officer at meetings. Members are advised to contact the Council's Legal section prior to the meeting if they wish to seek advice on a potential interest.

Members are reminded that a non pecuniary interest includes their appointment by the Council as the Council's representative to an outside body and that this should be declared as should their membership of an outside body in their private capacity as a director, trustee, committee member or in another position of influence thereon.

Members who have previously declared interests which are recorded in the Minutes to be considered at this meeting need not repeat the declaration when attending the meeting. Members need take no further action unless the item in which they have an interest becomes the subject of debate, in which event the Member must leave the room if the interest is a disclosable pecuniary interest or if the interest could reasonably be regarded as so significant as to prejudice the Member's judgement of the public interest.

6. INTERNAL AUDIT PROGRESS REPORT FOR OUTSTANDING RECOMMENDATIONS (TIAA – Chris Harris)

Synopsis of report:
To inform Members on the progress made by Council Officers in implementing the recommendations made by TIAA, the Council's Internal Auditors, resulting from the internal audit work.

Recommendation(s):
None. This report is for information.

1. Context of report

1.1 Attached at Appendix 'A' is TIAA's Follow Up Report on the Recommendations made following completion of the internal audit work.

2. Report

2.1 The report is an exception report and summarises the outstanding recommendations as at April 2019.

3. **Resource implications**

3.1 The audit service is budgeted for in the Council's annual budgets, with a small contingency to cover unforeseen audits.

4. **Legal and Equality implications**

4.1 None.

(For information)

Background papers

Relevant Internal Audit working files and reports

Runnymede Borough Council

Internal Audit Progress Report for Outstanding Recommendations

2019/20

May 2018

Executive Summary

Introduction

1. This summary report provides the Standards and Audit Committee with an update on the progress in implementing the priority 1, 2 and 3 recommendations arising in previous internal audit reports.
2. This follow up review was carried out in April 2019. Since the previous follow up review was carried out, 37 recommendations have reached their target implementation date. A further review was also carried out in relation to 12 recommendations set out in the previous follow up report which had reached their implementation date but had not been fully implemented at that time.

Key Findings

3. The follow up review considered whether the management action taken addresses the control issues that gave rise to the recommendations. The implementation of these recommendations can only provide reasonable and not absolute assurance against misstatement or loss. From the work carried out the following evaluations of the progress of the management actions taken to date have been identified.

Evaluation	Number of Recommendations
Implemented	36
Outstanding	9
No Longer Applicable	4
Not Implemented	0

4. For the 36 recommendations that have been confirmed as implemented and the 4 recommendations which are no longer applicable, no further action is necessary and specific details have not been included in this report.
5. In relation to the 9 recommendations classified as Outstanding, this includes 6 recommendations which were in the process of being implemented and 3 recommendations with a revised implementation target date. These will continue to be periodically monitored, and details relating to the specific recommendations in these cases have been included in the Detailed Report section below.



Scope and Limitations of the Review

6. The review considers the progress made in implementing the recommendations made in the previous internal audit reports and to establish the extent to which management has taken the necessary actions to address the control issues that gave rise to the internal audit recommendations.
7. The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.
8. For the purposes of this review reliance was placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

Detailed Report

Follow Up

9. Management representations were obtained on the action taken to address the recommendations and limited testing has been carried out to confirm these management representations. The following matters were identified in considering the recommendations that have not been fully implemented:

Data Quality

Audit title	Data Quality	Audit year	2016/17	Priority	3
Recommendation	Include reference to Data Quality in job descriptions for Corporate Heads of Services.				
Initial management response	Job descriptions for CLT and Service Heads will be amended during the next round of annual appraisals to meet the recommendation.				
Responsible Officer/s	All members of the Corporate Leadership Team	Original implementation date	31/03/18	Revised implementation date	In progress at the time of the follow up review.
Latest Update	As part of the previous follow up review, it was advised that this was a work in progress as the Chief Executive was currently reviewing job descriptions. No further updates were received during this follow up review. A full internal audit review of Data Quality is scheduled to be carried out during Q1 2019/20, and this recommendation will be followed up again in further detail as part of that review.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	

Audit title	Data Quality	Audit year	2016/17	Priority	3
Recommendation	Heads of Service to ensure that there are documented processes in place for the calculation of performance indicators.				
Initial management response	Each member of CLT will ensure there are documented processes in place for the calculation of performance indicators that fall in their area and Service Heads will be responsible to write the documented processes.				
Responsible Officer/s	All Service Heads and CLT	Original implementation date	31/10/17	Revised implementation date	In progress at the time of the follow up review.
Latest Update	The responses obtained from Service Heads during the previous follow up review indicated that documented processes were already in place for some service areas, but were still currently being reviewed for others. Further updates were received during this follow up review, but updates were not provided for all Service Areas. A full internal audit review of Data Quality is scheduled to be carried out during Q1 2019/20, and this recommendation will be followed up again in further detail as part of that review.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	

Audit title	Data Quality	Audit year	2016/17	Priority	3
Recommendation	Heads of Service to ensure that all data for performance indicators is reviewed for accuracy by the service prior to being provided to the Corporate Leadership Team.				
Initial management response	Documented processes to cover that a secondary check for accuracy of the performance indicator data will take place before being provided to CLT.				
Responsible Officer/s	All Service Heads	Original implementation date	31/10/17	Revised implementation date	In progress at the time of the follow up review.
Latest Update	This is linked to the previous recommendation relating to documenting the processes for calculating performance indicators. As noted above, the responses obtained from Service Heads during the previous follow up review indicated that documented processes were already in place for some service areas, but were still currently being reviewed for others. Further updates were received during this follow up review, but updates were not provided for all Service Areas. A full internal audit review of Data Quality is scheduled to be carried out during Q1 2019/20, and this recommendation will be followed up again in further detail as part of that review.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	



Day Centres

Audit title	Day Centres	Audit year	2017/18	Priority	3
Recommendation	Training to be given to the Centre Managers in preparing bank reconciliations to enable the analysed cash book to be reconciled to the bank statement on a monthly basis.				
Initial management response	Finance to be asked to provide required training.				
Responsible Officer/s	Operations Manager	Original implementation date	July 2018	Revised implementation date	01/08/19
Latest Update	<p>A revised implementation date was provided and this recommendation will continue to be monitored as part of periodic follow up reviews. It was confirmed by the Head of Community Services that work is currently ongoing to look at ways in which Social Fund accounts can be closed, with income and expenditure lines reflecting the way in which social funds are used added to the RBC budgets for each day centre. The following is proposed in order to try and move this forward, based on working with one of the three centres initially to test the viability of this:</p> <p>By End of May 2019 -Community Services to present the income and expenditure lines required to Financial Services for consideration as well as a proposal as to how existing social funds are ring fenced for and used by the centre.</p> <p>By End of June 2019 - Financial Services to confirm whether such an approach can be taken, seeking authorisation where required.</p> <p>By End of July 2019 - Service users to be advised of closure of social funds and how accrued monies are to be ring fenced. Finances to be transferred from Social Funds to RBC and social fund accounts closed.</p> <p>August 1st 2019 -Day Centre budget to have new income and expenditure codes detailed and able to be spent/banked against.</p>				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	



Audit title	Day Centres	Audit year	2017/18	Priority	3
Recommendation	Cash to be banked more regularly so that cash on site is maintained at reasonable levels.				
Initial management response	<p>More regular banking to be discussed with Managers</p> <p>Identify ways to reduce the level of cash on site through Purchase orders with suppliers and internal accounts.</p>				
Responsible Officer/s	Operations Manager	Original implementation date	September 2018	Revised implementation date	31/03/20
Latest Update	<p>A revised implementation date was provided and this recommendation will continue to be monitored as part of periodic follow up reviews. It was advised by the Head of Community Services that Financial Services are to look into possibility of social fund monies being banked via cash collections with third party for RBC income. This is dependent on banks used. The issue with delay in banking was advised as a resource issue; banks used were selected based on proximity to the Day Centre, but as a result of closures are not as accessible.</p> <p>Should the above process be successful, the intention will be to transfer all day centres to such an approach by end of 2019/2020. In the meantime, Day Centres will be reminded of the need to not hold social fund cash at a value of greater than £1,000 within a single safe.</p>				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	



Depot

Audit title	Depot	Audit year	2017/18	Priority	3
Recommendation	Consideration be given to the Depot having its own risk register to identify the key risks associated with the Depot and how these are being controlled and managed.				
Initial management response	Agreed.				
Responsible Officer/s	DSO Manager	Original implementation date	01/07/18	Revised implementation date	31/08/19
Latest Update	A revised implementation date was provided and this recommendation will continue to be monitored as part of periodic follow up reviews. It was advised by the Direct Services Manager that the Deputy DSO Manager left Runnymede at the beginning of November 2018 and has not been replaced. The DSO Manager was also absent for 4 weeks in March. This recommendation has therefore not yet progressed.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	

GDPR Preparedness

Audit title	GDPR Preparedness	Audit year	2017/18	Priority	3
Recommendation	A review of all contracts and agreements with third parties be undertaken to ensure all content is GDPR compliant.				
Initial management response	Meeting on 26/09/18. With CHL&G and Legal Services Mgr to discuss.				
Responsible Officer/s	CHL&G and Legal Services Manager	Original implementation date	28/02/19	Revised implementation date	In progress at the time of the follow up review.
Latest Update	It was advised by the Corporate Head of Legal & Governance that this is in progress, with the Legal Services Manager and Project Manager to ascertain the number of contracts which have data protection implications. This recommendation will continue to be monitored as part of periodic follow up reviews.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	



Risk Management

Audit title	<u>Risk Management</u>	Audit year	2017/18	Priority	3
Recommendation	An introduction to Risk Management be incorporated in to the Council's corporate induction programme for all new staff.				
Initial management response	There will be bi-annual risk management/assessment training delivered by an external specialist to managers. It will then be the responsibility of all line managers' to advise both existing staff and new staff (through an induction) of what is expected in terms of risk management/assessments and this will tie in with the corporate risk matrix. The Chief Executive has advised he will find the resources for this external training.				
Responsible Officer/s	HR Learning & Development Officer	Original implementation date	First course to be delivered in 2018	Revised implementation date	In progress at the time of the follow up review.
Latest Update	It was previously advised by the Head of HR that it has been recommended to include 'Risk Management' Core skills e-learning in the new starter mandatory e-learning. No further update was received at the time of this follow up review. This recommendation will continue to be monitored as part of periodic follow up reviews.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	

Sheltered Accommodation

Audit title	<u>Sheltered Accommodation</u>	Audit year	2018/19	Priority	3
Recommendation	Ensure that the policies and procedures are reviewed and updated as necessary. The updated policies and procedures should also include reference to the restrictions in place regarding resident's financial affairs, the responsibilities of staff receiving gifts and the process to appoint third parties.				
Initial management response	Procedures to be reviewed and updated.				
Responsible Officer/s	Senior IRL Manager	Original implementation date	November 2018	Revised implementation date	In progress at the time of the follow up review.
Latest Update	It was advised by the Senior IRL Manager that this was still being carried out at the time of the follow up review. This recommendation will continue to be monitored as part of periodic follow up reviews.				
Status	Outstanding			Implementation is in progress but the original target date has not been met.	



7. INTERNAL AUDIT PROGRESS REPORT 2018/19 (TIAA – Chris Harris)

Synopsis of report:

To inform Members on the progress made to date by TIAA, the Council's internal auditors, on the 2018/19 Internal Audit Annual Plan.

Recommendation(s):

None. This report is for information.

1. Context of report

- 1.1 Attached at Appendix 'B' is the most recent Internal Audit Progress Report for 2018/19.

2. Report

- 2.1 The report identifies the audits which have been completed since the last meeting of this Committee, for the 2018/19 planned audits.

- 2.2 There have been a number of approved changes to the Annual Plan:

Additional audit	Housing Planning Section 106 – 8 days.
Additional audit deleted	Housing Planning Section 106 – 8 days(to be undertaken in 2019/20)
Audit deleted	Members ICT – 6 days (The time identified for this audit will be better spent on increasing the review time for the other ICT audits)
Audit deleted	Data Protection – 6 days (The ICT Data Protection audit has only just been finalised)
Audit deleted	Planning Enforcement – 6 days (to be undertaken in 2019/20)
Audit deleted	Housing Enforcement – 6 days (to be undertaken in 2019/20)
Additional audit	Local Plan – 8 days – (at the request of Members) (to be undertaken Q2 in 2019/20)
Additional time	Addlestone One increase by 4 days to include lessons learnt from this project. (to be undertaken Q1 of 2019/20) This report has not yet been finalised but a verbal update will be given at the meeting.

3. Resource implications

- 3.1 The audit service is budgeted for in the Council's annual budgets, with a small contingency to cover unforeseen audits.

4. Legal and Equality implications

- 4.1 None.

(For information)

Background papers

Relevant Internal Audit working files and reports



Runnymede Borough Council

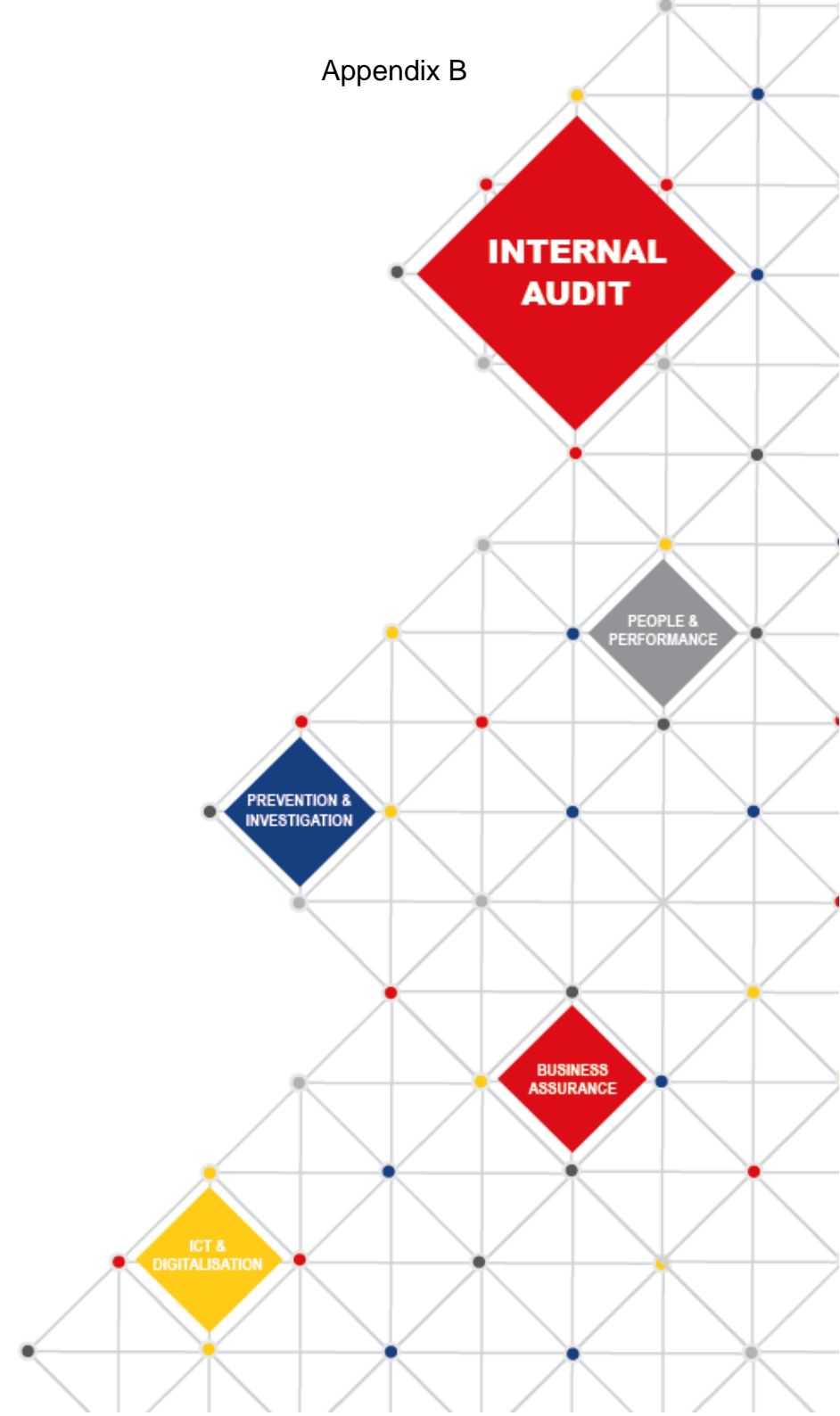
Internal Audit Progress Report 2018/19

Standards and Audit Committee 30 May 2019

FINAL

2018/19

Appendix B



INTRODUCTION

1. This summary report provides the Standards and Audit Committee with an update on the progress of our work at Runnymede Borough Council as at 8 May 2019.

PROGRESS AGAINST THE 2018/19 ANNUAL PLAN

2. Our progress against the Annual Plan for 2018-19 is set out in Appendix A. All Priority 1 and 2 recommendations made to the final reports identified in Section 4 below and their management responses are shown at Appendix B.

EMERGING GOVERNANCE, RISK AND INTERNAL CONTROL RELATED ISSUES

3. We have not identified any emerging risks which could impact on the overall effectiveness of the governance, risk and internal control framework of the organisation.

AUDITS COMPLETED SINCE THE LAST REPORT TO COMMITTEE

4. The table below sets out details of audits finalised since the previous meeting of the Standards and Audit Committee.

Review	Evaluation	Key Dates				Number of Recommendations			
		Start date	Draft issued	Responses Received	Final issued	1	2	3	OEM*
Community Transport	Reasonable	Dec 2018	18.4.19	29.4.19	2.5.19	-	3	-	-
Benefits and Council Tax Support	Substantial	Feb 2019	20.3.19	20.3.19	22.3.19	-	-	-	-
NDR	Substantial	Feb 2019	18.3.19	20.3.19	22.3.19	-	-	-	1
Council Tax	Substantial	Feb 2019	18.3.19	20.3.19	22.3.19	-	-	-	1
Income – Cash and Bank	Substantial	Jan 2019	21.3.19	22.3.19	22.3.19	-	-	1	1
Payroll	Substantial	Dec 2018	29.1.19	30.1.19	5.2.19	-	-	1	1
ICT - Change Management & Control	Reasonable	Mar 2019	10.4.19	16.4.19	17.4.19	-	3	-	-
ICT - Mobile device security &	Reasonable	Mar 2019	10.4.19	16.4.19	17.4.19	-	2	1	-

management									

*Organisational Efficiency Matters (OEM). These are best practice or value for money issues identified during the audit

CHANGES TO THE ANNUAL PLAN 2018/19

5. There a number of approved changes to the Annual Plan:
 - Additional audit – Housing Planning Section 106 – 8 days.
 - Additional audit deleted - Housing Planning Section 106 – 8 days(to be undertaken in 2019/20)
 - Audit deleted – Members ICT – 6 days (The time identified for this audit will be better spent on increasing the review time for the other ICT audits)
 - Audit deleted – Data Protection – 6 days (The ICT Data Protection audit has only just been finalised)
 - Audit deleted – Planning Enforcement – 6 days (to be undertaken in 2019/20)
 - Audit deleted – Housing Enforcement – 6 days (to be undertaken in 2019/20)
 - Additional audit – Local Plan – 8 days – (at the request of Members) (subsequently to be undertaken in Q2 2019/20)
 - Additional Time – Addlestone One increase by 4 days to include lessons learnt from this project

FRAUDS/IRREGULARITIES

6. We have not been advised of any frauds or irregularities in the period since the last summary report was issued.

LIAISON

7. We continue to liaise with the Corporate Director of Resources on a regular basis

PROGRESS ACTIONING PRIORITY 1 RECOMMENDATIONS

9. We have not made any Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous progress report.



RESPONSIBILITY/DISCLAIMER

10. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Appendix A





Progress against the Annual Plan for 2018/19

System	Planned Quarter	Days	Current Status	Comments	Date last time audited
Business Continuity	1	6	Draft report issued 18 April 2019		20 May 2016
Data Protection	1	0(6)		Audit deleted	8 May 2017
HR - Recruitment	1	6	Draft report issued 30 January 2019		Not previously audited
Whistle Blowing follow up	1	3	Final report issued 23 July 2018		N/A
Community Transport	1	5	Final report issued 2 May 2019	Brought forward from 2017/18 due to TIAA rearranging auditors for this audit but now further delayed by client	17 February 2016
Housing Enforcement	1	0(6)	Audit deferred to 2019/20	Audit deleted	Not previously audited
Sheltered Centres	1	5	Final report issued 15 August 2018	Brought forward from 2017/18 due to TIAA rearranging auditors for this audit	Not previously audited
Building Services	1	5	Final report issued 5 September 2018		28 October 2015
Runnymede (Yellow Buses) Travel Initiative	2	5	Draft report issued 20 September 2018		20 July 2015
Planning Enforcement	2	0(6)	Audit deferred to 2019/20	Audit deleted	Not previously audited
Community Grants	2	5	Final report issued 14 August 2018		11 August 2015
Housing Rents	2	8	Draft report issued 21 March 2019		26 April 2018 (annual audit)

System	Planned Quarter	Days	Current Status	Comments	Date last time audited
Housing Repair and Maintenance	2	8	Draft report issued 9 October 2018		6 December 2016
Benefits and Council Tax Support	3	10	Final report issued 22 March 2019		Q3 Annual audit
NDR	3	11	Final report issued 22 March 2019		Q3 annual audit
Council Tax	3	11	Final report issued 22 March 2019		Q3 annual audit
Accounts Payable (Creditors)	3	6	Final report issued 10 December 2018		Q3 annual audit
Accounts Receivable (Debtors)	3	6	Final report issued 11 December 2018		Q3 annual audit
Income – Cash and Bank	3	6	Final report issued 22 March 2019		Q3 annual audit
Payroll	3	8(11)	Final report issued 5 February 2019		Q3 annual audit
Budgetary Control	3	6	Draft report issued 9 May 2019		Q3 annual audit
Project Management Toolkit	3	5		Audit delayed until Q1 2019/20	Not previously audited
Addlestone One (Town Centre Redevelopment)	4	10(6)	Audit in progress	Audit delayed until Q1 2019/20	Lessons learnt audit
Commercial Property	4	11		Audit delayed until Q1 2019/20	Now an annual audit
Commercial Rents	4	6		Audit delayed until Q1 2019/20	Now an annual audit
Housing Section 106	4	0(8)		Audit deleted	Not previously audited
ICT - Change Management & Control	4	8(6)	Final report issued 17 April 2019		
ICT - Mobile device security & management	4	8(6)	Final report issued 17 April 2019		
ICT - Members ICT	4	0(6)		Audit Deleted	
Local Plan Audit	4	8	Audit delayed until Q2 2019/20	Additional audit to plan	Not previously audited
Follow up	Q1/2 (19/20)	6		Follow up of all 2018/19 recommendations	N/A
Total		184			



KEY:

	=	To be commenced
	=	Site work commenced
	=	Draft report issued
	=	Final report issued



Recommendations – Priority 1 and 2 recommendations

Audit Report: Community Transport
Report Issued: May 2019

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Compliance	<p>Testing was carried out on a sample of 10 days in relation to the collection/banking of fares, with the following items noted:</p> <p>The 'scheduled amount' column is not being used on the daily cash reconciliation form; while it was acknowledged that this information is separately recorded on the drivers' schedules, it would be beneficial for this to be completed on the cash reconciliation form to provide clear evidence of how the actual figures collected compare to the expected figures.</p> <p>For five of the 10 days tested, the cash reconciliation sheets had not been signed by all drivers as part of the handover process to office staff.</p> <p>For one of the days tested, the cash slip used as part of the banking process had only been signed by one officer rather than the two required.</p>	<p>The use of the cash reconciliation form be reviewed to ensure that a full audit trail is maintained, with staff to be reminded of the need to sign off all forms in accordance with internal procedures to evidence a segregation of duties and the accuracy of amounts being collected and banked.</p>	2	<p><i>Procedures relating to the reconciliation of cash fares and in preparation for banking, are to be reinforced across the Community Transport team.</i></p> <p><i>In advance of banking being collected each day, the reconciliation form will be completed in advance by the office team to include the scheduled fares to be collected and with the drivers' details.</i></p> <p><i>The Community Transport Supervisor will be responsible for ensuring that the process is followed on a day to day basis, with the Community Transport Manager responsible for spot checking of forms to ensure procedures are being carried out fully.</i></p>	<p><i>All to be implemented by 3rd May 2019</i></p>	<p><i>Community Transport Manager & Community Transport Supervisor</i></p>



Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Compliance	<p>For the dial-a-ride fares, there had been a fare increase from April 2018 whereby the fare for 'subsequent zones' had increased from £2.10 to £2.30. From the testing carried out here, the figures suggested that cash fares for subsequent zones were still being charged at £2.10.</p> <p>It was also noted that individuals who are invoiced for their return fares to Day Centres were still being charged the old rate of £3.30 per return trip, rather than the increased rate of £3.40 for 2018/19. This was acknowledged as an error on the part of the Exchequer Services team for not updating the transport costs, which has led to a small amount of lost income.</p>	System parameters for fare levels be reviewed to ensure that the correct fares are being charged, and maximising the income available to the Council.	2	<p><i>System parameters were updated prior to April 1st to reflect new fare charges for Community Transport for 2019/2020. A spot check to ensure accuracy will be completed by the Community Transport office team.</i></p> <p><i>The Community Transport Manager will ensure that a member of the office team reviews the payment spreadsheet to ensure that the charges for each regular journey to be charged, are accurate and reflective of 2019/2020 fares.</i></p>	01/05/19	Community Transport Manager
3	Compliance	<p>For a sample of drivers, there was limited evidence available to verify any recent training they had received. It was acknowledged by the Community Transport & Meals at Home Manager that scheduling training had been difficult recently due to staff shortages meaning it had not been possible to arrange cover to enable staff to be released for training. It was advised that a new training schedule/matrix was due to be implemented, which would enable there to be a more comprehensive listing of the training that staff are expected to undertake, a more detailed schedule for</p>	Training needs assessment be carried out for all staff to identify gaps in training requirements, with the training schedule/matrix to be finalised to assist in ensuring that all staff complete all relevant training and ongoing refresher training.	2	<p><i>A core training matrix has already been identified for all Community Services staff, as well as role specific training required by the Community Transport Team.</i></p> <p><i>Most recently, all Community Transport staff have undertaken first aid training in April 2019.</i></p> <p><i>A training matrix for Community Transport will be created to ensure the monitoring of training needs, refresher training etc.</i></p>	July 2019	Community Transport Manager

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
		carrying out the training, and records of completion for each member of staff.			<i>Procurement of further training courses will be completed when resources enable this to take place and a programme of training for staff created.</i>	September 2019	Head of Community Services



Audit Report: ICT Change Management and Control
Report Issued: April 2019

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The overall responsibility for the process falls to The Head of Customer Services, ICT, Revenues & Benefits with the Service Desk lead looking after the day to day monitoring of the process. Currently the Service Desk lead role is vacant so the Deputy ICT Manager is looking after the responsibilities for that role. The Council has a documented risk register which contains details relating to the ICT Department, however it would assist the organisation to identify gaps in department staffing and additional areas which need to be covered by the Change Management process if ICT maintained a more granular Risk register, which feeds broad risks into the corporate register, allowing more pertinent risk and remedial actions to be embraced.	A risk map be developed for the ICT department.	2	Agreed	30.09.19	Head of CS, ICT, Revs & Bens
2	Directed	Although the current day to day operation does include key elements which do allow the ICT team to maintain a stable working infrastructure, it was found that currently the Council does not have a formal change management procedure documented.	A formal Change Management procedure be developed to include the elements detailed in the report.	2	Agreed, this will form part of our transformation programme.	31.03.20	Head of CS, ICT, Revs & Bens
3	Compliance	It was further noted that the documentation that is in place for the	All existing change management documentation be reviewed and	2	Agreed	31.12.19	Head of CS, ICT, Revs &

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
		process (for example Change Control Process Policy & System Acceptance Policy) are dated 30 September 2011 and require review.	updated.				<i>Bens</i>



Audit Report: ICT Mobile Device security and Management
Report Issued: April 2019

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The Council has a good base to work from but there are improvements that can be made. There are sufficient policies to cover the key elements of Mobile Device Management, however, these policies are in need of review as the majority were last reviewed eight years ago in 2011. The ICT department should consider a review cycle of at least every two to three years to help to keep the policies and procedures up to date. Additional detail can also be added to the core policies to help safeguard the organisation, as further outlined in the detailed report text.	A more regular review schedule be put in place for all policies and procedure documents relating to Mobile Device Management, with additional detail to be added to the current Mobile Device Management policies as per the report text.	2	<i>Agreed, the policies will be updated as the contracts come up for review moving forward but all will be done by the end of the calendar year.</i>	31.12.19	Infrastructure and Security Manager
2	Directed	The Council does not currently undertake or schedule risk assessments for their mobile devices and the software installed on them. This would enable the organisation to identify risks which may compromise their data security; these risks could include data loss, public exposure through man-in-the-middle attacks and cross contamination. By identifying potential threats, the ICT Department can make an informed decision as to how to respond. This should be considered and added to the current ICT strategy going forward.	Regular risk assessments of their mobile devices and installed software be implemented and scheduled.	2	<i>Whilst the recommendation is noted, it will be difficult to implement particularly for staff who have their own devices which they then have access to their work e-mails on. All staff sign up to the Council's ICT protocol and the Member protocol has also been reviewed so everyone is aware of the risks around data security and loss. Management will consider how security can be improved without conducting onerous risk assessments on staffs personal</i>	31.03.20	Infrastructure and Security Manager



Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					devices.		



8. **INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2018/19 (TIAA, Chris Harris)**

Synopsis of report:

To inform Members on the outcome of the internal audit work carried out during 2018/19 by the Council's Internal Auditors - TIAA.

Recommendation(s):

None. This report is for information.

1. **Context of report**

- 1.1 Attached at Appendix 'C' is TIAA's Internal Audit Annual Assurance Report for 2018/19.

2. **Report**

- 2.1 The report identifies the audits carried out during 2018/19 and the overall assurance opinion for the year which is "satisfactory". As the report shows, all audits have an assurance opinion which is either Substantial or Reasonable, both of which are positive outcomes, with no limited assurance reports and no 'No' Assurance reports. Members can therefore take comfort from the fact that based on the work undertaken by internal audit during 2018/19 systems are generally sound and working as expected.

3. **Resource implications**

- 3.1 The audit service is budgeted for in the Council's annual budgets, with a small contingency to cover unforeseen audits.

4. **Legal and Equality implications**

- 4.1 None.

(For information)

Background papers

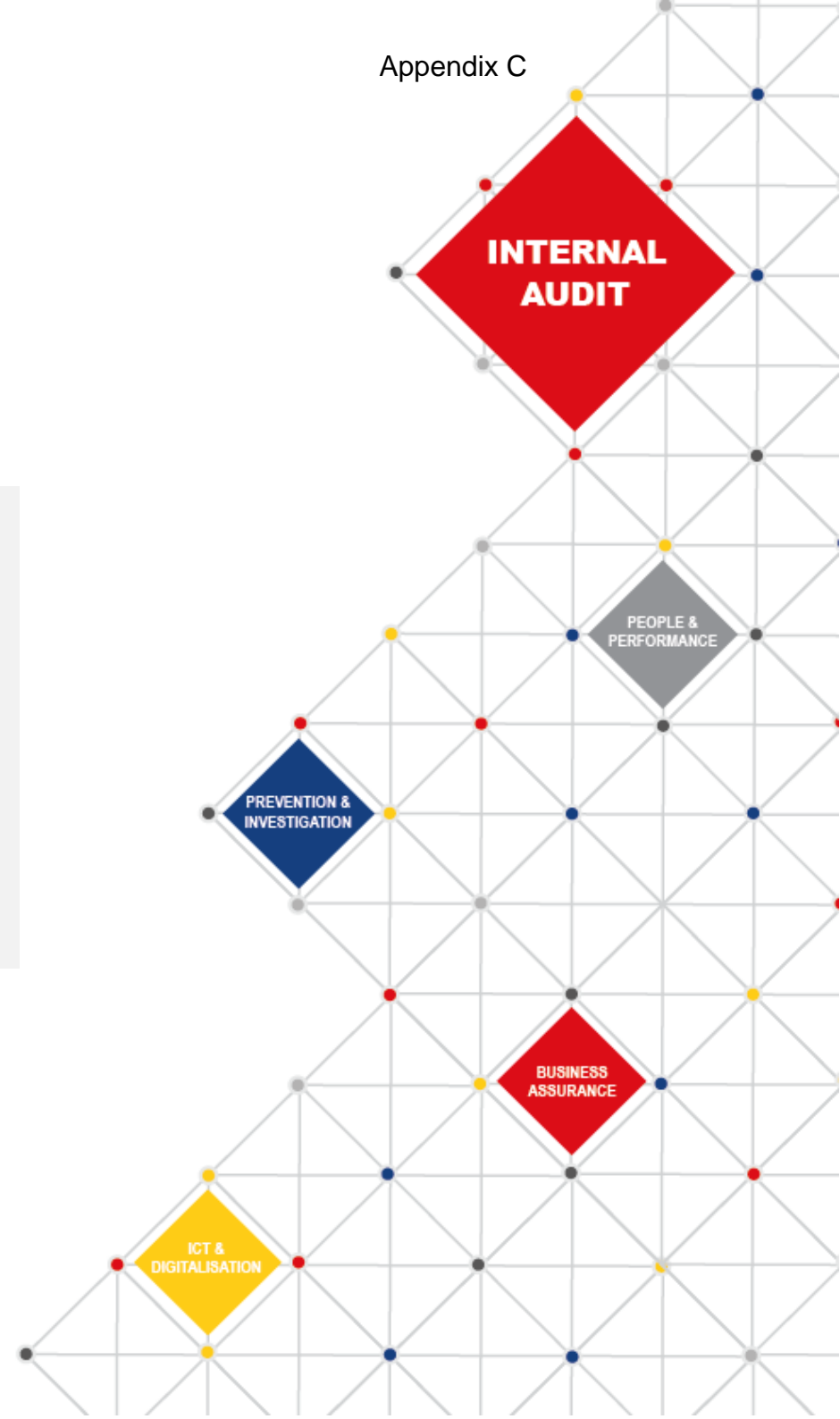
Relevant Internal Audit working files and reports

Runnymede Borough Council

Internal Audit Annual Report 2018/19

Standards and Audit Committee 30 May 2019

FINAL



Internal Audit Annual Report

INTRODUCTION

This is the 2018/19 Annual Report by TIAA on the internal control environment at Runnymede Borough Council. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation’s framework of governance, risk management and control. This report is designed to assist the Council in making its annual governance statement.

HEAD OF INTERNAL AUDIT’S ANNUAL OPINION

I am satisfied that sufficient internal audit work has been undertaken to allow me to draw a positive conclusion as to the adequacy and effectiveness of Runnymede Borough Council’s risk management, control and governance processes. In my opinion, The Council has adequate and effective management, control and governance processes in place to manage the achievement of their objectives.

INTERNAL AUDIT PLANNED COVERAGE AND OUTPUT

The 2018/19 Annual Audit Plan approved by the Standards and Audit Committee was for 183 days of internal audit coverage in the year. During the year there were 8 changes to the Audit Plan and these changes were approved by the Standards and Audit Committee.

The majority of the planned audit work has been carried out and the reports have been issued (Annex A).

There was no work carried out which was in addition to the work set out in the Annual Audit Plan as revised.

ASSURANCE

TIAA carried out 19 reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Council’s objectives. For each assurance review an assessment of the combined effectiveness of

the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	11	15
Reasonable Assurance	8	8
Limited Assurance	0	0
No Assurance	0	0

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our audit work carried out in 2018/19.

Urgent	Important	Routine
-	13	24

AUDIT SUMMARY

Control weaknesses: There were no areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided ‘limited’ or ‘no assurance’.

Recommendations Made: We have analysed our findings/recommendations by risk area and these are summarised below.

Risk Area	Urgent	Important	Routine
Directed	-	4	4
Compliance	-	9	20
Operational	-	-	-
Reputational	-	-	-

Operational Effectiveness Opportunities: One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Operational
11

INDEPENDENCE AND OBJECTIVITY OF INTERNAL AUDIT

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

PERFORMANCE AND QUALITY ASSURANCE

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits	100%	83%

Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	100%
Compliance with Public Sector Internal Audit Standards	100%	100%

Ongoing quality assurance work was carried out throughout the year and we continue to comply with ISO 9001:2015 standards. An independent external review was carried out of our compliance of the Public Sector Internal Audit Standards (PSIAS) in 2017 and in particular to meet the requirement of an independent five year review, the outcome confirmed full compliance with all the standards. Our work also complies with the IIA-UK Professional Standards.

RELEASE OF REPORT

The table below sets out the history of this Annual Report.

Date Report issued:	9 May 2019
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Annexes

Annex A

Actual against planned Internal Audit Work 2018/19

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Business Continuity	Assurance	6	6	Substantial	Draft
Data Protection	Assurance	6	0		Audit deleted
HR - Recruitment	Assurance	6	6	Reasonable	Draft
Whistle Blowing follow up	Follow up	3	3	N/A	
Community Transport	Assurance	5	5	Reasonable	Final
Housing Enforcement	Assurance	6	0		Audit deleted
Sheltered Centres	Assurance	5	5	Reasonable	Final
Building Services	Assurance	5	5	Substantial	Final
Runnymede (Yellow Buses) Travel Initiative	Assurance	5	5	Substantial	Draft
Planning Enforcement	Assurance	6	0		Audit deleted
Community Grants	Assurance	5	5	Reasonable	Final
Housing Rents	Assurance	8	8	Substantial	Draft
Housing Repair and Maintenance	Assurance	8	8	Reasonable	Draft
Benefits and Council Tax Support	Assurance	10	10	Substantial	Final
NDR	Assurance	11	11	Substantial	Final
Council Tax	Assurance	11	11	Substantial	Final
Accounts Payable (Creditors)	Assurance	6	6	Reasonable	Final
Accounts Receivable (Debtors)	Assurance	6	6	Substantial	Final
Income – Cash and Bank	Assurance	6	6	Substantial	Final

Payroll	Assurance	11	8	Substantial	Final
Budgetary Control	Assurance	6	6	Substantial	Draft
Project Management Toolkit	Assurance	5	5	To be completed Q1 2019/20	
Addlestone One (Town Centre Redevelopment)	Advisory	6	10	To be completed Q1 2019/20	
Commercial Property	Assurance	11	11	To be completed Q1 2019/20	
Commercial Rents	Assurance	6	6	To be completed Q1 2019/20	
Housing Section 106	Assurance	8	0		Audit deleted
ICT - Change Management & Control	Assurance	6	8	Reasonable	Final
ICT - Mobile device security & management	Assurance	6	8	Reasonable	Final
ICT - Members ICT	Assurance	6	0		Audit deleted
Local Plan Audit	Advisory	8	0		Audit deleted
Follow up		6	6	N/A	
	Total Days	209	182		

9. ANNUAL GOVERNANCE STATEMENT 2018/19 (RESOURCES – Peter McKenzie)

Synopsis of report:

The Annual Governance Statement (AGS) is a significant part of the Council's Statement of Accounts 2018/19. It gives readers the background on the Council's stewardship of public funds.

At the time of printing this agenda the statement had no signatures, as it was due for approval at Corporate Management Committee on 28 May 2019. Any amendments will be reported verbally to this meeting.

Recommendation:

The Annual Governance Statement (AGS), as set out in Appendix 'D' be noted.

1. **Context of report**

- 1.1 The Council has adopted a local code of corporate governance which reflects the guidance contained in the CIPFA /SOLACE Framework for "delivering good governance in local Government".
- 1.2 The overall aim of good governance is to ensure that resources are directed in accordance with the Council's policies and priorities and that there is sound and inclusive decision making with clear lines of accountability for the use of resources and the outcomes they achieve for our communities.
- 1.3 One significant part of the code is that local authorities focus on the long term sustainability of their policies, and the resources that underpin them. Runnymede Borough Council can demonstrate it takes account of the responsibility to future as well as current electors in the Corporate Plan and their regeneration plans which are based on sound financial strategies.

2. **Report**

The AGS in detail

- 2.1 The original CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*, had the six core principles detailed below:-
 1. **Focusing on the purpose of the Council and on outcomes for the community, and on creating and implementing a vision for the local area.**
 2. **Members and Officers working together to achieve a common purpose with clearly defined functions and roles.**
 3. **Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**
 4. **Taking informed and transparent decisions which are subject to effective scrutiny and managing of risk.**
 5. **Developing the capacity and capability of Members and Officers to be effective.**

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

2.2 The seven key principles are now:

- Behave with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
- Ensure openness and comprehensive stakeholder engagement;
- Define outcomes in terms of sustainable economic, social, and environmental benefits;
- Determine the interventions necessary to optimise the achievement of the intended outcomes;
- Develop the entity's capacity, including the capability of its leadership and the individuals within it;
- Managing risks and performance through robust internal control and strong public financial management; and
- Implement good practices in transparency, reporting, and audit to deliver effective accountability

2.3 In preparing the revised AGS the Chief Executive, Monitoring Officer and Corporate Director of Resources have chosen the most appropriate examples in various categories, but the AGS is to be read in its entirety rather than in discrete sections. The AGS is attached at Appendix 'D'.

2.4 The principles contained in the framework recommend Councils should:

- review existing governance arrangements
- develop and maintain an up to date code of governance which includes arrangements for ensuring ongoing effectiveness
- reporting publicly (the annual AGS) on compliance with our own code and how we have monitored its effectiveness and any planned changes.

2.5 The Framework does acknowledge that any code relies on the shared values, spirit and ethos of the Council that are integrated into the culture and are reflected in Council policies and behaviours.

2.6 The general principles of the code are that:-

1. We behave with integrity demonstrating strong commitment to ethical values and respecting the rule of law
2. Ensuring openness and comprehensive stakeholder engagement

3. Policy framework implications

3.1 The AGS summarises how all of the Council's various policies and strategies, as well as day to day operations, deliver a strong operational governance framework for Members and Officers to work within.

4. Legal implications

4.1 Regulation 6(1)(a) of the Accounts and Audit Regulations 2016 require a local authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts. Regulation 6(1)(b) of the Accounts and Audit Regulations 2016 describes the statement as an Annual Governance Statement.

4.2 The preparation and publication of an Annual Governance Statement in accordance with Delivering Good Governance in Local Government: Framework

(2016) would fulfil the statutory requirements for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts. The Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be “prepared in accordance with proper practices in relation to accounts”.

(To resolve)

Background papers

CIPFA/ SOLACE – Delivering Good Governance, 2016 edition

Working files maintained in Accountancy section

Annual Governance Statement 2018/19

Scope of responsibility

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

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

Runnymede Borough Council has formally adopted a code of corporate governance as recommended in the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government 2016 edition*. This statement explains how Runnymede Borough Council meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement and the CIPFA/SOLACE Code of Practice. The Council has also adopted the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

The purpose of the Governance Framework

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

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

The Governance Framework has been in place at Runnymede Borough Council for the year ended 31 March 2019 and up to the date of approval of these Financial Statements.

The Governance Framework

The key principles and how the Council has complied with them are as set out in Chapter 6 of the 2016 Framework, are:

- Behave with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
- Ensure openness and comprehensive stakeholder engagement;
- Define outcomes in terms of sustainable economic, social, and environmental benefits;
- Determine the interventions necessary to optimise the achievement of the intended outcomes
- Develop the entity's capacity, including the capability of its leadership and the individuals within it

- Managing risks and performance through robust internal control and strong public financial management
- Implement good practices in transparency, reporting, and audit to deliver effective accountability

The key elements of the core principles are detailed below.

A Behave with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;

The Council has adopted a Constitution which has been revised in 2018/19 and formally adopted by the Council in April 2018. This sets out how the Council operates and how decisions are made with procedures to be followed to ensure they are fit for purpose. The Constitution details the roles and functions relative to these bodies, panels and officers. The Council's committee structure with main functions is shown below.

The Corporate Management Committee set up or continued with a number of member Working Groups between 2014/15 to 2018/19 to oversee significant projects or the business of the Council.

For example, the Business Applications Member Working Group reports to the same Committee on the implementation of ICT and solutions in the Customer Services section and how we communicate and transact with residents, businesses and visitors to the Borough – the aim being to significantly improve the services we provide. Other working groups include the Human Resources Member Working Group and the Property and Acquisitions Member Working Group. All the Member working groups have been very active in 2018/19 in implementing the objectives of the Corporate Plan.

The Council has invested in the regeneration of the three major towns in the Borough – Addlestone, Chertsey and Egham. The first project is the Addlestone One investment followed by the Egham Gateway phase 1 and a new leisure centre in Egham was completed and opened in February 2019. The Property and Acquisitions Member Working Group gives initial consideration to strategic asset acquisitions as part of the Council's place shaping and income generation strategy.

The Council operates to a set of Corporate Values which underpin individual and collective behavior and are reflected in discussion, communication and the decision-making processes. These values have been adopted as part of the Corporate Business Plan 2016-2020 **and** are stated below.

- **Customer-focused** – we will put our customers at the heart of what we do and they will be able to interact with us easily in the way they want.
- **Passionate** – we will empower our staff to be passionate about all we do.
- **Performance driven** – we will strive for excellence in all we do.
- **Innovative** – we will aim to creatively improve our services.
- **Promoting equality and diversity** – we believe in fairness as well as creating a diverse workforce so we can draw upon a wide range of views and experiences to meet the changing needs of our customers.
- **Delivering excellent value for money** – we will strive to be as efficient and effective as possible.

Corporate Goals

Our Corporate Goals are our broad guiding principles which will help us to achieve Our Vision. These principles are:

- We will deliver cost effective services.
- We will have very satisfied customers.
- We will train, develop and motivate our staff.
- We will be financially stable.

- We will have sound leadership and governance.
- We will have a clear performance management system.
- We will provide customers with a range of channels to interact with us.
- We will be a more agile organisation responsive to changing circumstances.

Members have adopted a set of principles regarding behavior, contained in the Member Code of Conduct which forms part of the Constitution, which complement the procedures and codes operated. They were adopted in 2012 and minor amendments made since on three occasions.

The Code of Conduct for Members is based upon the Nolan Principles and section 28(1) of the Localism Act 2011.

Selflessness

To serve only the public interest and never improperly confer an advantage or disadvantage on any person.

Integrity

Not to place themselves in situations where their integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behavior

Objectivity

Make decisions on merit, including when making appointments, awarding contracts or recommending individuals for rewards or benefits.

Accountability

To be accountable to the public for their actions and the way they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their Office.

Openness

To be as open as possible about their actions and those of the Council and should be prepared to give reasons for those actions.

Honesty

Not to place themselves in situations where their honesty may be questioned, should not behave improperly and should, on all occasions, avoid the appearance of such behavior.

Leadership

Should promote and support these principles by leadership and by example and should always act in a way that secures or preserves public confidence.

B Ensure openness and comprehensive stakeholder engagement

As stated above, the Council has a Corporate Business Plan in place which sets out its vision, values, goals and priorities. In 2016 the Council went through an extensive consultation exercise with its residents in preparing the Corporate Business Plan. In 2017/18 and 2018/19 the Council consulted widely with residents on the Local Plan which was submitted to Government and then subject to public examination by the Government Planning Inspector in 2019/20. In 2017/18 the Council also consulted widely on revisions to its Constitution. The Council also works closely with the M3 LEP (Local Enterprise Partnership)

C Define outcomes in terms of sustainable economic, social, and environmental benefits

The Council is responsible for many key services and functions including:

- Community grants and events.
- Council tax and business rates collection. Also administering the national council tax and housing benefit service locally. The Council has adopted a local council tax support scheme.
- Environmental Services e.g. Engineering, parking, refuse collection, street cleaning and recycling.
- Housing – both the Council's own stock of dwellings for rent and some aspects of private sector housing including homelessness and improvement and disabled adaptation grants.
- Community Development E.g. Leisure development, green space, halls, museum, community safety, community alarms, community meals, community transport, independent retirement living, and centres for over 55s.
- Regulation e.g. planning, building control, environmental health and licensing.
- Asset management focused until December 2018 on property acquisition to fund the Councils regeneration strategy. In 2019/20 the emphasis will change to consolidation and management of the Council's portfolio from property acquisition.
- During 2018/19 the three Council owned companies continued to grow at a slower rate than planned due to the extensive flooding of a number of units. That growth will continue in 2019/20 as more apartments in Addlestone One and other regeneration schemes are completed. The financial accounts of the companies are consolidated into the Council's main Statement of Accounts.

In 2012/13 the Council started a major, long term "place shaping" and revitalisation initiative. This included major projects in Addlestone and Egham which continued to be developed in 2018/19. The construction of the Addlestone One development commenced in the spring of 2015 and has been completed in 2018. However, many residential apartments have been flooded and the downturn in both the housing market and the commercial sector mean more units than anticipated remain vacant at 31 March 2019. The Council is in advanced negotiations with several well-known national companies to lease commercial units. Most economists expect the housing market to recover in the first half of 2019 when the relationship between the EU and the UK becomes clear. The Council spent around £75m to fund the development and the governance structures are in place and strong, as confirmed by Internal Audit reports. The regeneration and place shaping plans have been further developed in 2018/19 with Egham Gateway West likely to commence construction in Summer 2019. The likely cost of £92m is already part funded with a 40-year loan at a fixed rate of 2.88% from a private sector investment company.

The regeneration scheme includes a new Leisure Centre which replaces a 1970's centre with extensive maintenance liabilities with a new centre, which will include Runnymede's only large swimming pool. The centre opened in February 2019.

In these schemes residents, local businesses and other stakeholders have been involved in the design brief. These consultations have included numerous meetings with resident's associations and other public meetings. Officers report to Members on the progress of each regeneration scheme quarterly. To support the revenue costs of the place shaping and regeneration projects and to compensate for a marked reduction in Government funding, the Council's capital programme included £400 million over 2016/17 to 2018/19 to acquire assets which generate a sustainable income stream. Around £340m has been spent or committed as at 31 March 2019. In December 2018 the Property Acquisition Strategy was suspended. The two main reasons are the uncertainty around commercial rents and the UK economy in 2019/20 and the potential to work with Surrey County Council on managing assets in the future.

Members decided that the Council would not invest in more assets until the position became clearer.

In March 2017 the Standards and Audit Committee made recommendations to Council to strengthen the governance arrangements on the regeneration strategy which is included in the constitution of the Council.

The role of the Standards and Audit Committee includes:

- Promoting and maintaining high standards of conduct by Councillors and co-opted Members
- Assisting Councillors and co-opted Members to observe the Members' Code of Conduct
- Advising the Council on the adoption or revision of the Members' Code of Conduct and monitoring its operation

The conduct of Members and Officers is further regulated through individual strategies including anti-fraud and corruption and money laundering strategies.

In 2018/19 there have been no allegations of financial irregularities involving members or officers.

The Chief Executive (Head of Paid Service), the Corporate Head of Law & Governance (Monitoring Officer) and the Corporate Director of Resources (Responsible finance officer) each have specific responsibilities to ensure reports to Members for decision comply with Financial Regulations, Standing Orders and are lawful.

The Constitution includes protocols on Member /Officer relations. The Monitoring Officer has confirmed that in 2018/19 there were five complaints received. No breach was found in one case, one was resolved informally, two are still being investigated. **One case went before the Standards (Hearings) Sub-Committee. The Member was found to have breached the member code of conduct and was required to undertake training.**

D Determine the interventions necessary to optimise the achievement of the intended outcomes

The Council sets the overall strategy and policy, and has put in place a well-defined organisational structure, with clearly understood lines of responsibility and delegation of authority to help ensure that strategies and policies are effectively implemented and adhered to. The system of internal control is based on a framework contained within the Constitution, including rules and procedures in respect of:

- Functions of the Council, Committees and Officers;
- Procedures for conducting the Council's business;
- Delegations to Officers;
- Budget and policy framework;
- Ethics and probity;
- Overview and scrutiny;
- Financial and contracts procedures;

Taken together, the Constitution defines how decisions are taken and the processes and controls required in managing risk. The Constitution also contains a wide range of control and policy documents to support sound corporate governance. These policy documents can be viewed on the Council's website at www.runnymede.gov.uk

The Constitution is reviewed each year. This process includes consultation with staff and councillors, a report to the Corporate Management Committee on proposed changes, and the approval of the revised Constitution by the Full Council. Changes are made through the year as appropriate.

Companies owned by the Council

In 2015/16 the construction began on a major regeneration scheme in Addlestone, called Addlestone One. The Council is investing £75m in a scheme to provide 213 dwellings, with 53 sold off plan to a registered provider, 60 will be sold to owner occupiers on long term leases and 100 provided for rent by RBC Investments (Surrey) Limited, a company 100% owned by the Council.

RBC Investments (Surrey) Limited is the Council's investment and property development company which takes long term leases on private dwellings that become owned by the Council and then manages those properties and is responsible for collecting rents etc. The long-term leases are independently valued using Section 123 Local Government Act 1972 criteria and will be paid for by the Company by way of a single payment using loan funding from the Council. The interest rate charged by the Council is a commercial loan rate which is compliant with the EU State Aid Rules having regard to the base rate and risk / security for the loan. The Framework for loans is provided by the Loan Facilities Agreement (LFA) which provides for the normal range of commercial pre-conditions for loan finance to a company and provides for securing loans against the assets, registering the loan at Companies House and for the registered title to declare the lease and loan.

Two of the Council's Officers are directors of this company:

- Mr J Rice is the Managing Director who is employed by the Council as their Head of Commercial Services
- Mr P McKenzie is the Finance Director who is employed by the Council as their Chief Financial Officer.

The Chairman of the Board and Non-Executive Director is Cllr M. Maddox.

Two other companies were created in 2015/16 and are active. These are:

- RBC Services (Addlestone One) Ltd, which provides the service charge regime to the commercial or residential holdings of the Council that require service charges to be administered.
- RBC Heat Company Ltd, which provides heating and hot water as a commercial undertaking to all the dwellings on the Addlestone ONE development and those commercial tenants who chose to buy the services.

Mr V Sibley is the Operations Director. Mr Sibley is employed by the Council as Commercial Services Manager. For both companies the Council's Head of Financial Services will provide financial services and have oversight of the company affairs to protect the Council's financial interest. The Board has appointed local private sector accountants to prepare the company accounts and the required audits to report to the Council as the ultimate shareholders.

All three companies have Articles of Association in place, company registration documents and bespoke Shareholder Agreements. A detailed business and financial plan has been prepared and the Loan Facilities Agreement (LFA) that will provide the mechanism for drawing down commercial loans from the Council.

At every stage of the development of the Council's regeneration programs and projects, Members have steered the direction of activity within the framework provided by the Property Investment Strategy and lately the Councils Capital Strategy via reports to the Corporate Management Committee and all Member briefings to Council who have made key decisions. That process will

continue beyond 31 March 2019 as the regeneration activity develops through a development partner to deliver the Runnymede Regeneration Programme of a number of sites over an 8-10-year period.

E Develop the entity's capacity, including the capability of its leadership and the individuals within it

The Corporate Business Plan focuses on the outcomes for the community and is the driver behind the Council's priorities. The Council updated its Corporate Business Plan 2016-2020 following extensive consultation with residents to focus scarce resources on those services residents see as important. Elected members adopted the Corporate Business Plan taking those views into account. The Business Plan will be updated in 2019/20

The Council has continued its partnership arrangements with other local authorities in areas such as:

- Transport and building maintenance.
- In 2015/16 the Council set up an employee led "mutual" with Spelthorne BC called "Applied Resilience". This has increased both Councils' capacity to respond to civil emergencies such as the severe flooding which impacted on Runnymede significantly in December 2013 to March 2014 and beyond, as well as business continuity. This arrangement continued in 2018/19
- Community Services providing a range of community services in partnership with Surrey Heath BC.
- Safer Runnymede provides a CCTV service for Spelthorne Borough Councils as well as Thorpe Park (a large theme park) and various NHS establishments.

These arrangements enable the Council to receive or provide cost effective services which require specialist skills and knowledge. It also provides resilience and business continuity arrangements

Corporate Leadership Team (CLT) is led by the Chief Executive supported by:

- Corporate Director of Housing and Community Development
- Corporate Director of Planning and Environmental Services.
- Corporate Head of Law & Governance (the Monitoring Officer)
- Corporate Director of Resources (Responsible Finance or Section 151 officer)
- Corporate Head of Strategy.

For all of 2018/19 that structure has been in place. The action plan attached shows that from April 2019 the Council seeks to improve its operational and governance arrangements by reducing the size of the Leadership team to the Chief Executive, Monitoring Officer and Section 151 Officer. CLT will be supported by a Senior Leadership Team of around 11 officers who cover all the Council's operations. The elected Members have approved a new formal Member structure of Member working groups. This new structure will involve all Members in developing policy and is being implemented early in 2019 to specifically:

- Strengthen objective setting and delivering Council objectives
- Prescribes a new way of working between members and officers that better suits the challenges of the next decade and enables greater control of the organisation by members.
- Sets out a new competency framework for senior officers
- Strengthen the corporate centre and provide greater uniformity and accountability across all services (e.g. performance management, procurement etc.)
- The member working groups propose a more effective use of members time in a challenging and demanding environment

- Describes a system of continuous service reviews to improve service delivery, corporate systems and to address the commercial requirements of the Council over the next decade.

The Corporate Leadership Team is also supported by a range of senior managers as appropriate e.g., the Head of Human Resources and Head of Financial Services. The Council has set up a management structure to support the following objectives:

- Focus management attention on performance management, and achievement of objectives set out in the Corporate Business Plan.
- Budget management is a key target for each manager – to forecast income and expenditure to the year end as part of the monthly monitoring cycle and to propose corrective action for Members consideration if an overspend / underspend is likely to occur.

Attached is the officer structure chart that was in place for 2018/19. However, the Chief Executive is commencing a significant restructure of the Council's management team in March 2019. One of the outcomes is to improve the Council's corporate governance arrangements together with individual management accountability.

The Council's Medium Term Financial Strategy predicts significant reductions in Government support to local authorities. The reduction for this Council will be significant by the end of this decade. The revised officer structure "Fit for the Future" is designed to focus on the delivery of cost effective, efficient services which respond to residents needs and to generate additional income rather than cut expenditure and services.

Officers from CLT (in May 2019 CLT consists of the Chief Executive, Monitoring Officer and responsible Finance Officer supported by 11 Heads of Service) meet bi-weekly as a group (with specialist officer support) to lead on:

- Strategy
- Business Planning
- Asset Management
- Risk Management
- Business Continuity
- Equalities
- Health and Safety
- Performance Management for Corporate Key Performance Indicators, Corporate Projects and Financial Management.
- Budget management
- Governance

For Committees, each Member receives a copy of meeting agendas in advance, mostly five working days in advance of the meeting. A Committee or Sub-Committee may agree to accept an urgent item for decision at their discretion.

Reports which have resource implications (assets, financial, human) must receive clearance from the Chief Executive and Chief Finance Officer before being added to draft agenda. Reports contain, where appropriate, legal, financial, risk, equality and diversity implications.

It is a requirement for Members to declare any interests in the report at the beginning of the meeting. As part of the governance trail Members also declare if they held any executive positions with organisations that carry out business with the Council. In 2018/19 the Council received declarations from all 42 Councillors. In May 2019 this has been reduced to 41 Councillors following a Boundary Commission Review .

The Overview and Scrutiny Select Committee carries out the overview and scrutiny functions conferred by regulations under Section 32 of the Local Government Act 2000. The Committee may review and/or scrutinise decisions made or actions taken relating to the discharge of any of

the Council's functions. In exceptional cases it may "call in" a Committee decision for further consideration before it is implemented. The Committee makes reports and recommendations to the Full Council and any Committee as it sees fit. The Committee prepares an Annual Report on their work programme for the Full Council.

The main aim of the Overview and Scrutiny Select Committee is to act as a "critical friend" to the Council to promote better services, policies and decisions. No Member may be involved in scrutinising a decision in which he / she has been directly involved.

The Council also has Planning, Licensing and Regulatory Committees which discharge the following regulatory functions:

- Decisions on planning applications and enforcement items.
- Regulation of taxis, private hire vehicles and other licenses including liquor and public entertainment.

CLT regularly reviews the Corporate Risk Register. The objectives of the Risk Management Strategy are to support the Council identifying risks which need to be mitigated as well as identifying future threats and opportunities.

By ensuring our strategic risk position is reviewed regularly, we seek to improve our customers' lives by taking the appropriate action against risk which may impact on the services they value.

We also seek to minimise the financial impact by mitigating the cost of an event occurring through cost effective mitigation.

The Environment and Sustainability Committee agreed to enhance our emergency planning and risk management capacity by entering into a three-year contract with a staff led mutual, Applied Resilience. This Council and Spelthorne Borough Council will each hold 10% of the shares and share in the future distribution of profit. However, the main reason for establishing the Mutual was to increase the staff base which brings additional expertise to the Council. The increase in capacity will benefit not only response to emergencies but disaster recovery, business continuity and general risk management. Both Runnymede and Spelthorne Councils have appointed their Chief Financial Officer as Non-Executive Directors of Applied Resilience to protect their Council's financial interests. This relationship was in place during 2018/19.

The CLT and the Applied Resilience team oversee and manage risk by:

- reviewing the strategy regularly
- ensuring a consistent approach to risk across the Council
- acting as a central point for the co-ordination and dissemination of information on risk
- meeting quarterly to review and update the Corporate Risk Register

F Managing risks and performance through robust internal control and strong public financial management

The Members and Officers, starting in early September 2017, spent a number of weeks preparing options for the 2018/19 budget. This Member/Officer group completed and produced a balanced budget by December 2017. The objective was not only the future financial resilience of the Council in an environment where Central Government grant may be reduced but to improve services to residents by reducing overhead costs.

Members receive specific training on the regulative functions, e.g. Planning, and on the Constitution from the Monitoring Officer. From 2016 to 2018/19 a number of training sessions have been run for newly elected Councillors on various topics including local government finance. Training and seminars are also provided on topics such as risk management, asset management and in December through to January 2018 the projected outturn for 2018/19 and future strategic financial risks.

The draft Council Tax Support Scheme was consulted with residents and was duly amended

and approved by Members in January 2013. In February 2018 Council approved the scheme continuing into 2018/19. In February 2019, following an extensive consultation exercise, the council tax support scheme was significantly updated for implementation in 2019/20.

All Senior Officers completed a declaration relating to the governance, internal control and assurance framework in their business area. This covered areas such as risk management, use of resources to meet Council objectives, community safety, the Council's equalities obligations and financial probity.

Financial management and controls

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Managers within the Council undertake development and maintenance of the system. The system includes:

- Comprehensive budgeting systems;
- Clearly defined capital expenditure guidelines;
- Named Budget Managers who have the responsibility for delivering services within the approved budget;
- Setting targets to measure financial and other performance;
- Periodic and annual financial reports comparing financial performance against forecasts;
- Formal project management disciplines with regular reporting mechanisms to the Corporate Leadership Team and a report on completion of each project to sponsoring service committees; and
- A detailed annual Internal Audit Plan with priorities and an inspection regime reflecting the risk assessment of the service.

The Council has also adopted a Procurement Strategy that aims to promote best practice and ensures that the procurement of goods and services achieves value for money. The internal audit review of "key financial systems and control" had no issues to report to the Standards and Audit Committee.

G Implement good practices in transparency, reporting, and audit to deliver effective accountability

The Council is committed to eliminating discrimination within the workplace and the community and had achieved the "achieving" level of the Equality Standard for Local Government. Due to cost implications the Council did not renew the accreditation. However, we have an Equality Policy and equality objectives in accordance with the Equalities Act 2010.

The Council has a Customer Complaints Policy which states that a complaint will be acknowledged within three working days. The key points of the Policy are:

Runnymede Borough Council recognises the importance of providing an excellent service to every member of our community. A core part of this is an open, responsive approach to feedback and complaints, the central monitoring of which is a key governance role.

Runnymede has a formal approved process in place that details how staff should handle complaints. This was last updated in 2018 and is kept under continuous review. Runnymede has a two-stage procedure in place. Any complaint is initially handled by a senior manager in the appropriate section. It must be acknowledged within three working days and a full response given within 10 working days. If the complainant is not happy with the stage one response, they can make a stage two complaint which will be dealt with by the relevant head of service. This officer will review both the complaint and the stage one response and will respond further within 10 working days. The conclusion of stage two is the end of the Council's formal complaints procedure. The complainant, if they wish, can contact the Local Government Ombudsman and the Council provides all the relevant contact details

Complaints against Members and co-opted Members will be referred to the Monitoring Officer. Complaints against a member of staff who would normally handle the complaint at that stage will be referred to their line manager. Complaints against a business centre manager will be referred to the Chief Executive. There are separate arrangements in respect of allegations of financial impropriety, criminal activity or unlawful harassment or discrimination. A separate policy exists to deal with vexatious complaints.

If the complainant remains dissatisfied after having exhausted the formal complaints procedure, he/she may also decide to complain to the Local Government Ombudsman if he/she believes the Council has not handled matters properly.

Complaints (and compliments) are analysed quarterly and a report on these and any lessons learnt is considered by Standards and Audit Committee.

The Council has a “whistle blowing” policy included in the anti-fraud and corruption strategy which has been given to every member of staff.

The Council in 2018/19 had one finding of maladministration found against it but no injustice by the Local Government Ombudsman.

All Council meetings are open to the public, except where personal or confidential matters are to be discussed. All agendas and minutes are placed on the Council’s public website and are also available by contacting the Council should electronic access not be possible.

The Council engages in formal consultation on the following year’s budget and at the end of the financial year an Annual Statement of Accounts is produced and their availability for inspection by the local electorate is published. The public notice includes detail of how to contact the Appointed Auditor should an elector wish to make an objection to the accounts.

During 2016/17 the Corporate Leadership worked with the Chairmen and Vice-chairmen of all Committees to adopt the Council’s Corporate Business Plan 2016-2020 which was subject to wide range public consultation. The vision for Runnymede is to be:

“A vibrant Borough with a high-quality environment, where we maximise opportunities with partners to provide services which are highly regarded by local people.”

The Corporate Business Plan 2016-2020 is the Council’s highest level strategic document for senior managers and the responsible committees to monitor and review, as well as highlight where slippage or other difficulties are occurring and appropriate recovery strategies need to be put in place. Progress reports on performance indicators are reported to Committees on a regular basis.

The Council's Performance Management Framework is a continuing process to increase the efficiency, accountability and analysis of performance management information, and aid greater ownership of performance by staff and Members alike. Business Centre/ Team Plans were in place for 2018/19.

Audit Committee and the internal audit function

The Constitution sets out the role and function of the Standards and Audit Committee. The Internal Audit section reports to the Corporate Director of Resources. The Chief Internal Auditor reports on the plans and progress of the internal audit function directly to the Standards and Audit Committee. The complete internal audit service has been provided under contract. The Committee members meet privately with TIAA and the Council’s appointed auditor, BDO LLP at least once a year.

Ensuring compliance with established policies, procedures, laws and regulations

The Corporate Directors and Heads, via the Chief Executive, are ultimately responsible to the

Council for ensuring compliance with established policies, procedures, laws and regulations. The roles of the Head of Paid Service, the Monitoring Officer, and the Responsible Finance Officer are set out in legislation and reflected in the Constitution of the Council. The Council's Legal Section reviews all reports to service committees to ensure propriety and provides advice on the impact of legislation. This includes a review of forthcoming legislation likely to impact on Runnymede.

Internal audit and external audit

The role of the Internal Audit function is to review compliance with financial procedures and other policies, to monitor the economy, efficiency and effectiveness of operations by advising and commenting on how risks are being managed, and to review arrangements for the security of the Council's assets. The Internal Audit Section contributes to the maintenance of effective corporate governance by:

- providing assistance in the development of internal financial controls
- ensuring that all significant business systems are subject to appropriate financial control, through targeted audit coverage using an appropriate risk based approach

Internal Audit also provides an independent and objective opinion to the organisation on the degree to which internal controls support and promote the achievement of the organisation's objectives. The operational and management arrangements for Internal Audit are as follows:

- The Standards and Audit Committee reviews the audit coverage undertaken during the previous year and the audit plan for the forthcoming year;
- Internal Auditors conduct their work in accordance with professional standards set out in the Public Sector Internal Audit Standards (PSIAS);
- The Chief Internal Auditor has access to all senior managers and internal auditors have access to all records held by the Council when required;
- The work of Internal Audit is based on an evaluation of risk.
- Internal Audit produces an annual report that provides an opinion on the overall control and risk environment and reports on significant findings in the year.

A report on Internal Audit coverage in 2018/19 will be presented to the Standards and Audit Committee in summer 2019.

Internal audit reports to the Corporate Head of Resources comply with the CIPFA Statements on the *Role of the chief financial officer in local government* in respect of his Section 151 Officer responsibilities.

At operational level, recommendations from Internal Audit Reviews are discussed and agreed with departmental management. At a strategic level, summary reports in respect of completed internal audit reviews are presented to the Standards and Audit Committee.

Local authorities are also required to review the effectiveness of their system of Internal Audit once a year and present the findings to a committee, or full Council, as part of the consideration of the system of internal control. The Standards and Audit Committee duly considered the results of this review in March 2018.

Our External Auditor has submitted to the Council their Annual Governance Report 2018/19. The report identified recommendations to improve internal control which have been addressed in 2019 and any material errors identified in the Statement of Accounts have been corrected.

The Council has set a balanced budget for 2018/19 and 2019/20. The budget includes contingencies for managing risk and a planned use of reserves to mainly fund the regeneration plans of the Council. The Annual Governance Report and Annual Audit Letter are published on our website (www.runnymede.gov.uk)

Other explicit review and assurance mechanisms.

A corporate compliance and review mechanism requires all Senior Officers to be explicitly responsible for:

- reviews of plans and procedures;
- ensuring that process reviews demonstrate continuous improvement;
- implementing agreed actions from internal audit reports;
- ensuring that staff personal development programmes are relevant to service delivery;
- monitoring Business Centre/Team Plan targets and budgets and report performance and variations.
- budget monitoring and control with monthly projected full year spend reported to the Corporate Leadership Team

Internal Audit investigations provide scrutiny of the required actions and report on instances of non-compliance

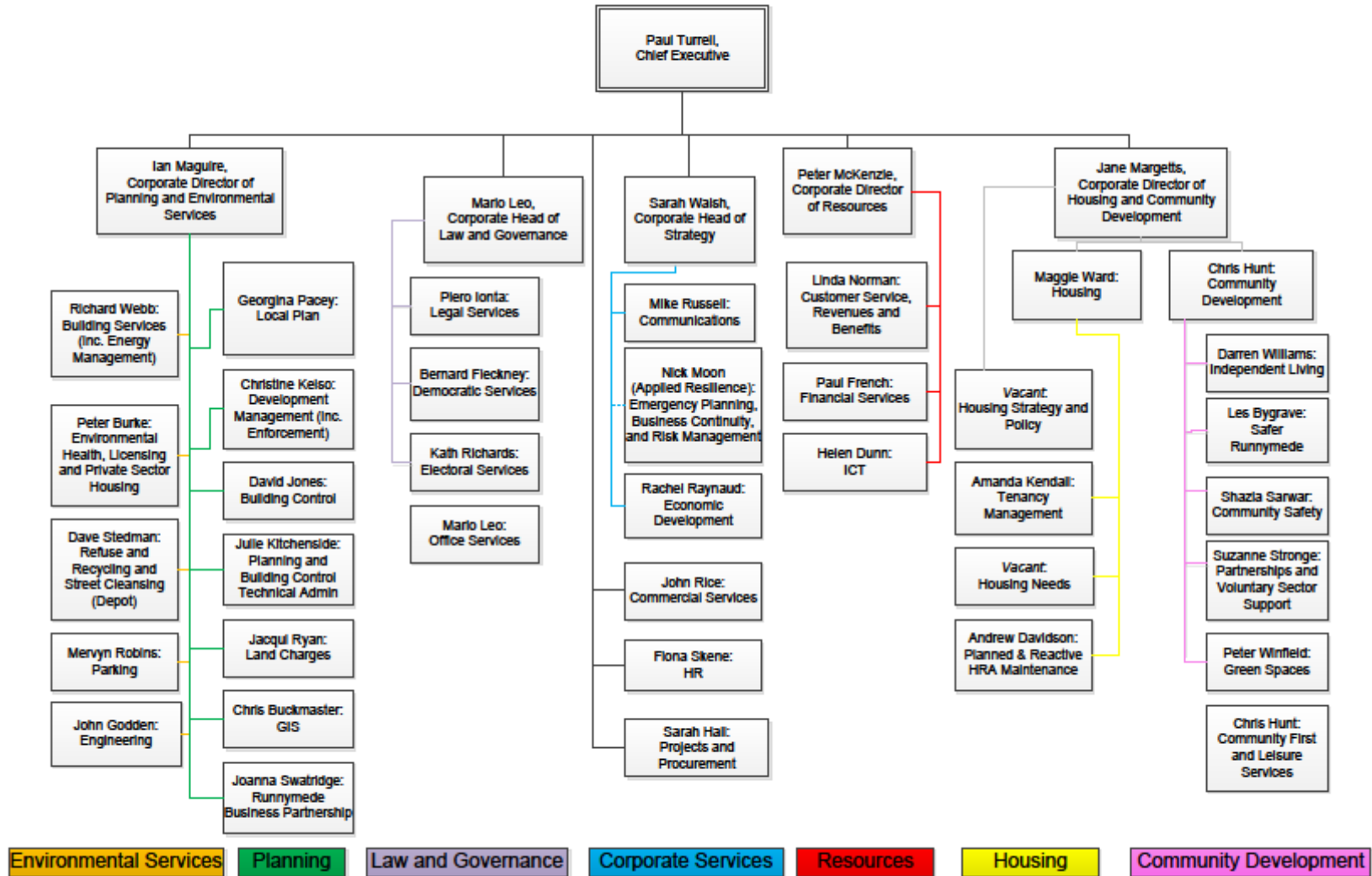
Significant governance issues

Where weaknesses in controls have been identified the Council has acted to strengthen controls in these areas. No significant weaknesses in internal control have been identified.

The need to achieve improvements in the following areas to further enhance our governance arrangements had been identified in the attached action plan.

Councillor N H Prescot
Leader of the Council
30 May 2019

Mr P Turrell
Chief Executive
30 May 2019



Action Plan

Item	Issue	Actions taken	Further actions required	Timescale
1.	<p>Partnership working</p> <p>There is a growing pressure for the Council to deliver services and policy objectives in partnership with a wide range of organisations from the public, private and voluntary sectors.</p> <p>There is a risk that local authorities may enter into partnerships without due regard to controls, financial and operational risks, and robust governance procedures.</p>	<p>The Council's Internal Control Framework deals with aspects of joint working in a comprehensive way e.g. contract standing orders set out the arrangements to follow for contractual arrangements, service level agreements are established with organisations receiving annual revenue grants.</p> <p>During 2018/19 a number of partnerships increased in size and / or scope.</p> <p>New partnership working opportunities on debt recovery have been agreed in March 2016 and have been expanded in 2018/19 with one other Surrey council.</p> <p>In 2018/19 the Council entered into a partnership with Reigate and Banstead Borough Council to provide additional fraud investigation capacity</p>	<p>1. The Council has developed its shared service strategy formulating a number of partnerships with Spelthorne BC, Elmbridge BC, Surrey Heath BC and Surrey CC. This policy will continue where it is clear this will provide business improvement, savings or greater resilience</p> <p>2. The Council continues to work with Surrey County Council on its transformation plans in 2019/20 and beyond</p> <p>This has resulted in some significant short term but predominantly longer-term opportunities for savings and service improvement</p>	<p>On-going</p> <p>On-going</p>
2.	<p>Business Continuity Planning</p> <p>A Business Continuity Plan is a series of arrangements to ensure that standards of service are maintained during a period of disruption. There are some gaps in the planning process which could be improved i.e. plans at a service level. The greatest risk is an incident that leaves all or a substantial part of the Civic Centre unusable for a period of time.</p>	<p>The role of the Risk and Resilience service provided by Applied Resilience is to help prepare the organisation to effectively respond to disruptive events that threaten delivery of services.</p>	<p>As the Councils new management structure is embedded Business Continuity Plans will be re-visited in 2019/20</p>	<p>On-going</p>
3.	<p>Egham Gateway West</p>	<p>A detailed project plan is in the planning stage subject to planning permission being granted in the summer of 2019</p>	<p>Continue to develop governance framework during 2019/20.</p> <p>Corporate Management and Standards and Audit Committee will continue to receive reports for decision as all the regeneration projects develop.</p>	<p>On-going</p>

4.	<p>Commercial property Rents</p> <p>In late 2016 it became clear that a number of commercial rent reviews had not taken place for a number of years. Over the last decade the loss on income to the Council is likely to exceed £1m on one rent review. The internal Audit undertaken identified a number of recommended actions which have been agreed by the Standards and Audit Committee</p>	<p>Members approved a new structure that transferred responsibility for reviewing commercial rents to the Commercial Services Section.</p>	<p>Additional professional resources have been brought in to review all the Council's leases and carry out rent reviews where needed.</p> <p>Corporate Management Committee and Standards and Audit Committee will continue to receive update reports for decision.</p>	<p>Mar 2018 and on-going</p>
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10. COMPLAINTS AND COMPLIMENTS – QUARTER 4, 2018/19 (LAW AND GOVERNANCE – Clare Pinnock)

Synopsis of report:

To provide Members with a summary of the complaints and compliments received from 1 January – 31 March 2019 (Quarter 4 of the KPI reporting structure) and reporting on matters raised at the last meeting of the Committee.

Recommendation(s):

None. This report is for information.

1. Context of Report

1.1 The Council maintains a database of formal complaints which have been recorded (including those in which the Local Government and Social Care Ombudsman (LGSCO) has been involved), what they relate to and how they have been resolved. We maintain a similar database for compliments that have been recorded.

2. Report

2.1 The Council's Complaints Procedure regards complaints as 'an expression of dissatisfaction with a Council's action or omission, whether justified or not'. Requests for services, information and explanations of Council policy are not generally regarded as complaints.

2.2 Following discussions at previous meetings of this Committee, Members are now updated on complaints and compliments received following the corporate KPI model. This report brings the results of Quarter 4 2018/19.

2.3 The meeting on 23 July 2019 will report April – June 2019 (Quarter 1). There will be no report in September and this will be used to report the Annual Ombudsman letter and complaints and compliments received about Councillors and on 26 November we will report July – September 2019 (Quarter 2) and so on going forward.

2.4 There were 11 formal complaints and 13 compliments recorded in Quarter 4. The table below shows the number of entries in each register for 2018/19.

Complaints and Compliments

- 2.5 As stated in paragraph 2.2 we now align reporting with the Corporate KPIs as set out below for 2018/19:

Complaints

Business Centre	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Corporate Services	1	5	1	0
Community Development	0	4	2	1
Community Services			0	0
Environmental Services	4	9	4	5
Housing	4	7	5	4
Law and Governance	1	0	0	0
Planning	5	4	3	0
Resources	4	2	0	1
Totals	19	31	15	11

- 2.6 Of the 11 complaints received, 1 was upheld. This was for Environmental Services. 5 complaints were not upheld, there are 4 overdue in Refuse and Recycling and one in progress in Community Development, which although received by that Business Centre as the Client, is actually regarding Achieve Lifestyle.
- 2.7 There were 13 compliments received for Quarter 4 as set out below: The majority were regarding Refuse and Recycling with some pleasant comments made about staff working on the front line.

Compliments

Business Centre	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Corporate Services	0	0	0	0
Community Development	1	10	1	0
Community Services	0	0	0	0
Environmental Services	4	7	1	11
Housing	4	1	2	1
Law and Governance	1	0	0	0
Planning	1	0	0	0
Resources	0	0	2	1
Totals	11	18	6	13

2.8 The breakdown of complaints and compliments by Ward has also been updated as set out below:

Ward	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
	complaints	compliments	complaints	compliments	complaints	compliments	complaints	compliments
Addlestone North	2	0	5	0	3	0	0	0
Addlestone Bourneside		2	2	2	4	1	0	2
Chertsey Meads	1	0	3	3	1	0	0	3
Chertsey St Ann's	1	1	1	0	2	0	1	0
Chertsey South and Row Town		3		2		1	2	1
Egham Hythe		0	2	1		0	2	0
Egham Town	2	0	2	2		0	2	0
Englefield Green East	2	1		0		0	0	1
Englefield Green West	3	1	2	2		1	3	0
Foxhills		0	2	0		0	0	1
New Haw	1	0	3	1	1	1	0	0
Thorpe	2	2		1	1	0	0	0
Virginia Water		1		1	1	0	1	2
Woodham		0		0		0	0	2
Out of Borough	4	0	3	1	2	0	0	1
Unrecorded	1	0	6	2		2	0	0
Totals	19	11	31	18	15	6	11	13

2.9 Members are asked to note that the ward based information will reflect the new ward names at the next meeting but figures from April and pre 2 May will still come under the old ward names.

2.10 The recording and periodic review of complaints and compliments is a valuable tool for the Council to use to review performance and improve the delivery of services.

2.11 Compliments are also a useful performance tool. They highlight when things are working well and can be used to identify good working practices which can be shared across the organisation.

2.12 There are currently 14 complaints overdue (going back to 22 August 2017). This includes 3 complaints overdue from Quarter 4. Unfortunately, there has been no progress with clearing the outstanding complaints since the last meeting.

3. Policy framework implications

3.1 There are no further policy implications to report other than those previously noted.

4. **Resource implications**

4.1 All work on the registers is co-ordinated by an Officer in Law and Governance; whilst this can be time consuming, it is considered to be an important part of Corporate Governance and one which assists Councillors to have an overview of how the Council is performing.

5. **Equality implications**

5.1 The Council has a duty under the Equality Act 2010 to promote and foster good relations between people who share a protected characteristic and those who do not. We should at all times act in a way that is non-discriminatory through our policies and procedures and interactions with people.

5.2 In the last reporting period there were no complaints or compliments identified as relevant to any of the protected characteristics.

(For information)

Background papers

The Complaints and Compliments Registers held on the Council's feedback drive and relevant (part exempt) emails in Democratic Services Outlook folders.

11. EXCLUSION OF PRESS AND PUBLIC

OFFICERS' RECOMMENDATION that -

the press and public be excluded from the meeting during discussion of the following report under Section 100A(4) of the Local Government Act 1972 on the grounds that the report in question would be likely to involve disclosure of exempt information of the description specified in paragraphs 1 and 3 of Part 1 of Schedule 12A of the Act.

(To resolve)

Part II

Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.

a)	<u>Exempt Items</u>	Paras
12.	ADDLESTONE ONE – RISK REGISTER UPDATE	1 and 3
b)	<u>Confidential Items</u>	

(No items to be considered under this heading)