

Runnymede Borough Council**Standards and Audit Committee****Tuesday, 25 January 2022 at 7.30 pm**

Members of the Committee present: Councillors J Sohi (Chairman), M Adams, A Alderson, J Broadhead, L Gillham, N King, M Kusneraitis, J Olorenshaw and C Howorth (In place of D Anderson-Bassey).

Members of the Committee absent: Councillors D Anderson-Bassey (Vice-Chairman) and R Edis.

402 Minutes

The Minutes of the meeting of the Committee held on 23 November 2021 were confirmed and signed as a correct record.

403 Declarations of Interest

There were no declarations of interest.

404 Apologies for Absence

Apologies for Absence were received from and Councillor R Edis.

405 Summary Internal Controls Assurance (SICA) Report 2021/2022

The Committee's approval was sought to make changes to the audit plan for 2021/2022, noting progress with the plan since the last meeting.

Members were advised that following approval of the 2021/2022 plan it had been necessary to make five changes to reflect changing circumstances and to accommodate requests from the relevant service heads to defer a number of audits to a future date, including Commercial Property and Commercial Rents and a follow up on a previous Depot audit. The Committee was concerned about continued deferrals of audits and the reasons given for the requests and asked for this to be conveyed to the relevant members of the Council's Senior Leadership Team.

In addition, Officers had taken the opportunity to widen the scope of an audit on Section 106 agreements to include the Community Infrastructure Levy and transfer 4 days from the cancelled Depot audit to accommodate this accordingly. Members noted that the Runnymede Travel Initiative could be cancelled.

Officers confirmed that fieldwork was progressing on approximately 11 audits; some had been issued in draft form, for example, Non-Domestic Rates, Risk Management, Data Quality and Accounts Receivable, and one finalised on Accounts Payable, one of the key financial controls audits.

Members identified an HR audit on Absence Management as a priority, which should have commenced in Quarter 2 but to date had not taken place owing to there being no confirmation from the client that it could take place in Quarter 4. An explanation was sought with involvement of the Assistant Chief Executive if necessary. It was discussed whether this could be a topic for the HR Member Working Party to examine, but it was considered that strategic issues should rest with the Member Working Party and audit matters should rest with the Committee to monitor and review.

The Committee noted a number of briefings issued by TIAA that had been made available to relevant Corporate Heads where it was thought action might be required.

RESOLVED that –

The following changes to the audit plan for 2021/2022 be approved:

a) Runnymede Travel Initiative – cancelled;

b) the following audits be cancelled and moved to the 2022/2023 audit plan: Depot, Commercial Property and Commercial Rents;

c) Section 106/CIL – transfer 4 days from cancelled Depot audit to expanded audit to include CIL

406 Internal Audit Progress Report for Outstanding Recommendations

The Committee received for information details of outstanding recommendations from previous audits, of which there were 10. These concerned four regarding the Depot, two on internal communications and Safeguarding and one each on GDPR and Income- cash and bank.

The Committee asked for its concerns regarding outstanding recommendations, where no deadline for a revised implementation date had been set, to be conveyed to relevant Corporate Heads with an aim of agreeing implementation by 31 March 2022, unless that was not achievable and an alternative achievable date was suggested.

The Committee agreed that resolving the Safeguarding recommendations was a priority, noting it covered Councillors and staff. Members appreciated that the area had been inherited by a different Corporate Head but felt nevertheless that progress should have been made. The Committee also requested that they be informed how many staff had not yet completed the on-line safeguarding course. It was also considered reasonable to set a deadline of 31 March 2022 for the outstanding recommendations to be implemented.

407 Internal Audit Indicative Audit Strategy 2022/2025 and Annual Plan 2022/2023

The Committee was asked to review the Internal Audit Indicative Audit Strategy 2022/2025 and approval was sought for the Annual Plan for 2022/2023.

Members were advised that the current Internal Auditors' (TIAA) contract would expire at the end of March 2022. They hoped to be the successful company in the coming year and had prepared the audit strategy and annual plan accordingly.

The Audit Strategy set out TIAA's identification of some key emerging themes for Local Government, including Multi-channel resident engagement, commercialisation, cyber security, council mergers, financial viability, staff wellbeing and climate change.

TIAA provided the Committee with assurance of how they had operated during the Covid 19 pandemic with safe working practices and a mix of remote and on-site working.

The Audit strategy methodology of taking a risk based approach to assessing the Council's audit needs was noted. Therefore, the importance of reviewing and updating relevant financial and strategic projects risk registers and risk assessments was key to assisting TIAA's work.

In terms of the rolling Strategic Plan, Officers highlighted key forthcoming audits such as Climate Change, Equality Diversity and Inclusivity, Data Protection and Information Governance, Car Parking, Business Rates and some key areas of financial control and

Housing.

From the Annual Plan for 2022/2023 TIAA had set out the proposed audits for each quarter. For example, in Quarter 1 it was proposed to focus on Commercial Property and Commercial Rents, Governance (Gifts and Hospitality), Community Grants, the Leisure contract, and Housing Allocations and Homelessness.

Members were pleased to see that Climate Change was included in the audit programme. It was noted that as an emerging audit area, the examination of culture and ethics in the organisation to support the changes needed to address climate change might be a relevant consideration.

RESOLVED that –

The Internal Audit Plan for 2022/2023 be approved.

408 **The Financial Management Code**

The Committee was asked to actively note the requirements of the new Financial Management Code produced by CIPFA and the Council's assessment of how it complied with it and any actions planned to strengthen the Council's position.

Members noted that the main purpose of the new Financial Management Code was so the Council could demonstrate financial sustainability through a set of standards of financial management.

An initial report had been considered by the Corporate Management Committee in October 2020 and it was agreed to report back to the Standards and Audit Committee after the first full year of compliance, 2021/2022.

Officers advised that the Code set out 6 principles and 17 standards for good financial management in Local Government. The principles were Organisational Leadership, Accountability, transparency, professional standards, assurance and long term sustainability. Councils were expected to comply with all 17 of the standards for good financial management. After reviewing the detailed assessment, the Committee agreed this was the case and commended Officers for the work done to achieve this goal, which in turn supported the Council's Medium Term Financial Strategy and helped the organisation to meet some of its corporate values such as delivering excellent value for money and cost effective services.

The Committee was advised that, although the Council met the criteria, several areas for improvement and enhancement had been identified. In this respect, within Governance and Financial Management Style, Officers proposed that the Nolan principles should be integrated in the staff Code of Conduct. In addition, on a quarterly basis, the Council's Senior Leadership Team would assess the position on progress with recommendations made by internal and external audits.

With regard to financial resilience, an area for improvement would be to update the Asset Management Strategy during 2022/2023. Officers had also set out two areas for enhancement. These were to update the key financial risks facing the authority with 'best' and 'worse' case scenarios and consider commissioning an independent financial resilience assessment by a neighbouring authority.

Officers advised that an area for enhancement concerned budget reporting. It was agreed that more frequent reporting on the achievement of savings targets and plans would assist.

Reinstatement of the Risk Register being part of the monitoring role of the Standards and Audit Committee was also recommended and at Officer level a more formal balance sheet

review to find ways of improving the Council's financial health was approved.

The Committee thanked Officers for their report and requested one amendment to the action plan to refer to the Council's 'emerging' Corporate Business Plan, to reflect the fact that it was not yet up to date since its first publication.

RESOLVED that –

The requirements of the Code and the Council's assessment against it be noted.

409 **Complaints and Compliments Quarter 3 2021/2022**

The Committee received for information the summary of complaints and compliments recorded centrally by Law and Governance in Quarter 3 of 2021/2022.

Members were advised that there were 20 complaints and 23 compliments recorded in Quarter 3. Although Housing had 12 complaints, this reflected the position that frontline services with more contact with the public attracted more feedback. However, only 4 of these were partly upheld with regard to delays in responding or resolving problems owing to limited resources.

In terms of lessons learned, the Committee agreed it was important that communications with customers should be timely and accurate, but were pleased with the low number of complaints across the board for which staff were commended.

Officers suggested one amendment to the Council's Complaints Procedure to introduce a resolution to complaints that were deemed 'out of time'. Members agreed that if an initial approach to make a complaint was not substantiated within 4 weeks, it would, in the absence of a reasonable explanation be removed from the register.

Members reviewed a summary of compliments and were assured that all those receiving compliments would receive a personal thanks on behalf of the Committee. It was requested that two members of staff were named for their high level of service; these were Andy Vincent, Corporate Head of Housing and Chris Dulley, Assistant Head of Green Space.

410 **Exclusion of Press and Public**

There was no discussion of the Exempt Appendix to the complaints and compliments report involving disclosure of any exempt information.

Chairman's Closing Remarks

In concluding the meeting, the Chairman thanked fellow Councillors and Officers for their contributions to the Committee as this was her last meeting as Chairman of the Committee.

(The meeting ended at 8.22 pm.)

Chairman