



# Standards and Audit Committee

Wednesday, 25 May 2022 at 7.30 pm

Council Chamber, Runnymede Civic Centre,  
Addlestone

## Members of the Committee

Councillors: membership to be confirmed at Annual Council 18 May 2022

In accordance with Standing Order 29.1, any Member of the Council may attend the meeting of this Committee, but may speak only with the permission of the Chairman of the Committee, if they are not a member of this Committee.

## AGENDA

- 1) 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.
- 2) 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 Section, Law and Governance Business Centre, Runnymede Civic Centre, Station Road, Addlestone (Tel: Direct Line: 01932 425627). (Email: [clare.pinnock@runnymede.gov.uk](mailto:clare.pinnock@runnymede.gov.uk)).**
- 3) 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](http://www.runnymede.gov.uk).
- 4) 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.
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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**

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**Part I**

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

1. **Notification of Changes to Committee Membership**
2. **Minutes** 4 - 7  
To confirm and sign as a correct record the Minutes of the meeting held on 25 January 2022 (Appendix 'A').
3. **Apologies for Absence**
4. **Declarations of Interest**  
Members are invited to declare any disclosable pecuniary interests or other registrable and non-registrable interests in items on the agenda.
5. **Summary Internal Controls Audit (SICA) Report 2021/22** 8 - 22
6. **Internal Audit progress report on outstanding recommendations** 23 - 31
7. **Annual Governance Statement 2021/22** 32 - 46
8. **Government response to Committee on Standards in Public Life review of local government ethical standards** 47 - 52
9. **Complaints and Compliments about Councillors 2020 - 2022** 53 - 55
10. **Complaints and Compliments Quarter 4 2021/2022** 56 - 60
11. **External Audit Update**  
To Follow
12. **Exclusion of Press and Public**

**Part II**

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**Matters involving exempt or confidential information in respect of which reports have not been made available for public inspection.**

**Exempt Appendix A to item 10 Complaints and Compliments Quarter 4 2021/2022**

## 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

6. **Summary Internal Controls Assurance (SICA) Report 2021/2022 (TIAA, Chris Harris)**

**Synopsis of report:**

**To inform Members on the progress made to date by TIAA, the Council's internal auditors, on the 2021/2022 Internal Audit Annual Plan.**

**Recommendation(s):**

**None. This report is for information.**

1. **Context of report**

1.1 Attached at Appendix 'A' is the most recent Summary Internal Controls Assurance (SICA) Report, as at 4 May 2022.

2. **Report**

2.1 The report identifies 5 audits completed since the last meeting of this Committee.

2.2 A further change to the audit programme is the deferment at the client's request of the HR absence management audit.

2.3 Fieldwork is in progress for 9 audits and a verbal update will be provided at the meeting.

2.4 Appendix 'D' (within the appendix) also refers to briefing notes issued by TIAA which can be circulated to Members of the Committee separately, on request. These have been circulated to the Council's Senior Leadership Team.

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

Summary Internal Controls Assurance (SICA) Report

**25 May 2022 Standards and Audit Committee**

**2021/22**

May 2022

# Summary Internal Controls Assurance

## Introduction

1. This summary **controls assurance** report provides the Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Runnymede Borough Council as at 4<sup>th</sup> May 2022.

## Emerging Governance, Risk and Internal Control Related Issues

2. In our recent ‘Post-Lockdown Working Practices Briefing’, we explored the results of our survey of clients to ascertain how organisations are planning to deliver some of their functions going forward. We asked a number of questions regarding Audit Committee meetings and their effectiveness since the pandemic started and gained thoughts on how these will take place once restrictions are eased.

The experience of remotely held Audit Committees meetings has been positive with the majority of respondents recording no change in or increased attendance, efficiency and engagement at meetings.

## Audits completed since the last SICA report to the Audit Committee

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

*Audits completed since previous SICA report*

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
Data Quality	Substantial	30 November 2021	8 March 2022	10 March 2022	-	-	-	2
Key Financial Controls	Reasonable	21 December 2021	7 January 2022	11 January 2022	-	2	2	-
Key Revenue Controls	Substantial	24 January 2022	25 January 2022	26 January 2022	-	-	3	1
Payroll	Substantial	8 February 2022	16 February 2022	18 February 2022	-	-	2	-
Treasury Management	Substantial	22 March 2022	22 March 2022	23 March 2022	-	-	-	2

4. The Management Action Plans, for priority 1 and 2 recommendations, for each of the finalised reviews are included at Appendix A. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

**Progress against the 2021/22 Annual Plan**

5. Our progress against the Annual Plan for 2021/22 is set out in Appendix B.

**Changes to the Annual Plan 2021/22**

6. The following audit changes have been made to the 2021/22 internal audit plan

Review	Rationale
Runnymede Travel Initiative	Audit cancelled as the Yellow Bus Service is no longer operational.
Depot	Audit cancelled as no progress has been made to the previous recommendations will include in 2022/23 audit plan. This was a follow up audit to the previous recommendations made.
Section 106/CIL	To transfer the 4 days from the cancelled Depot audit to the Section 106/CIL audit as the scope has increased to include the Community Infrastructure Levy (CIL) area of activity.
Commercial Property	Audit cancelled due to staffing issues with the client. The audit will be included in the 2022/23 audit plan.
Commercial Rents	Audit cancelled due to staffing issues with the client. The audit will be included in the 2022/23 audit plan.
HR Absence Management	Audit cancelled due to staffing issues with the client. The audit will be included in the 2022/23 audit plan.

**Progress in actioning priority 1 & 2 recommendations**

7. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. The table below summarises the extent to which confirmation has been received that management actions have been taken that the risk exposure identified has been effectively mitigated. More information is provided in Appendix C. There have not been any audits finalised in the period since the last report to Committee where an audit finalised has any priority 1 or 2 recommendations.

*Mitigating risk exposures identified by internal audit reviews*

Review	Date	Priority 1			Priority 2		
None to report		-	-	-	-	-	-

### Root Cause Indicators

8. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Runnymede Borough Council. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

*RCI – Direction of Travel Assessment*

Root Cause Indicator	Qtr 4 (2020/21)	Qtr 1 (2021/22)	Qtr 2 (2021/22)	Qtr 3/4 (2021/22)	Medium term Direction of Travel	Audit Observation
<b>Directed</b>						
Governance Framework	60%	-	71%	-		
Risk Mitigation	-	8%	-	-		
Control Compliance	40%	92%	29%	100%		
<b>Delivery</b>						
Performance Monitoring	-	-	-	-		
Financial Constraint	-	-	-	-		
Resilience	-	-	-	-		

### Frauds/Irregularities

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

**Other Matters**

10. We have issued a number of briefing notes and fraud digests, shown in Appendix D, since the previous SICA report.

*Action taken by Runnymede BC in response to Alerts issued by TIAA*

Briefing Note
Employing Someone from Outside the UK
Transforming Public Procurement: Government Response to Consultation
HMRC Review into VAT Charges on EVs
Increased Cyber Security Risks
Deadline for Withdrawal of Old Style £20 and £50 Notes
More than 75% of larger charities targeted by cyber criminals since last year
Fraud Alert
None in period

**Responsibility/Disclaimer**

11. 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.

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## Executive Summaries and Management Action Plans

The following Executive Summaries and Management Action Plans are included in this Appendix. Full copies of the reports are available to the Audit Committee on request. Where a review has a 'Limited' or 'No' Assurance assessment the full report has been presented to the Audit Committee and therefore is not included in this Appendix.

Review	Evaluation
Key Financial Controls	Reasonable Assurance

## Progress against Annual Plan


System	Planned Quarter	Current Status	Comments
Risk Management	Q1	Draft report issued 29.09.21	Postponed from Q1 to Q2 at request of Head of Service.
Commercial Property	Q3	Audit Cancelled	Head of Service has requested for this to be postponed due to staffing issues. Audit to be cancelled from the 2021/22 audit plan and included in the 2022/23 audit plan
Data Quality	Q1	Final report issued 10.03.22	Postponed from Q1 at request of Head of Service.
Commercial Rents	Q3	Audit Cancelled	Head of Service has requested for this to be postponed due to staffing issues. Audit to be cancelled from the 2021/22 audit plan and included in the 2022/23 audit plan
Human Resources – Absence Management	Q2	Audit Cancelled	Head of Service has requested for this to be postponed due to staffing issues. Audit to be cancelled from the 2021/22 audit plan and included in the 2022/23 audit plan
Communications	Q2	Fieldwork in progress	Postponed from Q2 at request of Communications Manager.
Business Continuity	Q2	Draft report issued 10.03.22	Deferred from the 20/21 audit plan.
<b>Key Revenues Controls</b>	<b>Q3</b>		
Benefits and Council Tax Support	As above	Final report issued 26.01.22	
Non-Domestic Rates (NDR)	As above	Final report issued 26.01.22	
Council Tax	As above	Final report issued 26.01.22	
<b>Key Financial Controls</b>	<b>Q3</b>		
Accounts Payable (Creditors)	As above	Final report issued 11.01.22	
Accounts Receivable (Debtors)	As above	Final report issued 11.01.22	
Main Accounting (General Ledger)	Q3/4	Fieldwork in progress	

System	Planned Quarter	Current Status	Comments
Payroll	Q3	Final report issued 18.02.2022	
Treasury Management	Q3/4	Final report issued 23.03.22	
Customer Services	Q1	Fieldwork in progress	
ICT – Software Asset Management	Q3	Fieldwork in progress	
ICT – Contract Management	Q3	Fieldwork in progress	
Freedom of Information	Q1	Draft report issued 22.03.22	Postponed at the request of the Information Governance Officer.
Depot	Q3	Cancelled	Audit to be cancelled from 2021/22. It was advised by the Depot Manager that there have been no further developments since the previous audit due to unfilled vacancies (nearly 1/3 of the staff) within the office staff at the depot. Due to the limited amount of staff available to run and deliver the daily operations all the staff time has been devoted to ensuring the operations are run and delivered in continually difficult times. The Depot will be subject to a full follow up review as part of the 2022/23 audit plan.
Runnymede Travel Initiative	Q1	Cancelled	Audit cancelled as the Yellow Bus Service is no longer operational.
Planning Enforcement	Q2	Fieldwork in progress	Postponed at the request of the Development Manager due to a change of management personnel.
Housing Rents	Q3/4	Draft report issued 29.03.22	
Housing Health and Safety	Q2	Final report issued 22.09.21	
Housing Repair and Maintenance	Q2	Final report issued 08.12.21	
Housing Enforcement	Q2	Fieldwork in progress	Postponed at the request of the Housing Services Manager.
Sheltered Accommodation	Q1	Fieldwork in progress	
Housing Section 106 and CIL	Q1	Fieldwork in progress	Postponed at the request of the previous Development Manager due to a change of management personnel. Following the introduction of CIL the scope has now been expanded to incorporate this area.
Follow up of recommendations	Q1,2,3,4		Progress reports provided to each Standards and Audit Committee.

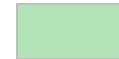


**KEY:**

 To be commenced

 Site work commenced

 Draft report issued

 Final report issued

## Priority 1 and 2 Recommendations - Progress update

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
<b>Key Financial Controls</b>							
1	Directed	In accordance with Financial Procedures, any new suppliers are required to complete a standard new supplier form to enable the Council to set them up on the finance system and to pay them by BACS. Additional proof of bank account details is also required, for example a valid cheque (with cancelled written across it), pre-printed paying in slip or a recent bank statement, in order to reduce instances of fraud. A sample of 10 new suppliers set up during 21/22 were selected for testing. It was confirmed in each case that all information had been accurately recorded on the system as per the supporting evidence. However, in four cases it was noted that additional evidence relating to bank details had not been provided prior to the supplier being set up for payment.	Appropriate additional evidence of bank details be requested from all new suppliers in accordance with Financial Procedures.	2	<i>The Payments team have been reminded that supporting documentation must be supplied prior to setting up new suppliers in line with the procedures and to reduce fraudulent opportunities.</i>	<i>Done (07/01/22)</i>	<i>Senior Exchequer Services Officer (Payments)</i>



Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	Sample testing was carried in in relation to 10 sundry debt write-offs. It was confirmed in each case that appropriate evidence was available to support the write-off. It was further confirmed that all had been authorised by an individual with the requisite authority, although in five cases it was noted that the write-off was actioned on the system prior to the formal authorisation being obtained. A similar finding was raised in the previous year's audit report, therefore the recommendation has been reiterated.	Ensure that write-offs are only actioned once all relevant approvals are obtained.	2	<p><i>Home working has been a challenge for the section, due to the predominantly paper based system of authorisations.</i></p> <p><i>Staff have been reminded to action write offs only when the correct authorisations are in place.</i></p>	Done	Senior Exchequer Services Officer (Income)

## Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Counter Fraud which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those CBNs and Fraud Alerts issued in the last three months which may be of relevance to Runnymede BC is given below. Copies of any CBNs are available on request from your local TIAA team.

### Summary of recent Client Briefing Notes (CBNs)

CBN Ref	Subject	Status	TIAA Comments
CBN 22002	Employing Someone from Outside the UK		<b>Information Only</b>
CBN 22003	Transforming Public Procurement: Government Response to Consultation		<b>Information Only</b>
CBN 22006	HMRC Review into VAT Charges on EVs		<b>Action Required Not Urgent</b> Organisations are advised to ensure that the appropriate HMRC compliant arrangements are in place.
CBN 22010	Increased Cyber Security Risks		<b>Action Required - Urgent</b> Organisations are advised to review their key operational Cybersecurity arrangements and take appropriate remedial action.

CBN Ref	Subject	Status	TIAA Comments
CBN 22014	Deadline for Withdrawal of Old Style £20 and £50 Notes		<p>This is for information purposes. All staff within affected service lines such as cashiers, retail assistants and other should be made aware of the process for handling withdrawn notes. All relevant notes held should be banked before 30<sup>th</sup> September 2022.</p>
CBN 22015	More than 75% of larger charities targeted by cyber criminals since last year		<p><b>Action Required</b></p> <p>Audit Committees and Boards are recommended to seek assurance that IT security remains on the agenda, and to seek assurances checked that systems are patched, monitored, and backed up. IT Disaster Recovery plans should be regularly reviewed to keep up to date, and subject to table-top exercise testing, ideally using a malware incident scenario such as the NCSC’s “Exercise in a box”.</p>

**Summary of recent Fraud Alerts**

Ref	Subject	Status	TIAA Comments
	None to report in this period		

7. **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 Recommendations made following completion of the internal audit work. This exception report summarises outstanding recommendations in accordance with the review carried out earlier this month.

2. **Report**

- 2.1 At the time of writing this report, 11 of those previously outstanding had been implemented and 11 were outstanding. A number are still subject to discussion with the relevant Corporate Heads. Further details regarding 6 of the outstanding recommendations concerning the Depot (4), GDPR (1) and Procurement (1) are available in the appendix.
- 2.2 The Committee will be pleased to note that good progress has been made with regard to Safeguarding by the Corporate Head of Community Services.

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

**2022-23**

May 2022



# 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 May 2022. Since the previous follow up review was carried out (December 2021), 18 recommendations have reached their initial or revised target implementation date, and status updates have also been sought for the 10 recommendations previously reported as outstanding.

## Key Findings & Action Points

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	11
Outstanding	11
No Longer Applicable	3
Not Implemented	0

4. For the 11 recommendations that have been confirmed as implemented, no further action is necessary and specific details have not been included in this report
5. For the 11 recommendations classified as Outstanding, these will continue to be periodically monitored, and details relating to six of these recommendations have been included in the Detailed Findings section below. Of these recommendations, in one case a revised implementation date has been set. For the remaining five recommendations these are still under discussion with Heads of Service and have not been included in this report.
6. Four of the outstanding recommendations relate to the previous Depot audit. It was advised by the Depot Manager that there have been no further developments since the previous audit due to unfilled vacancies (nearly 1/3 of the staff) within the office staff at the depot. Due to the limited amount of staff available to run and deliver the daily operations all the staff time has been devoted to ensuring the operations are run and delivered in continually difficult times. The Depot is subject to a separate, full follow up review during 2022/23 and therefore these recommendations will be considered as part of that review.
7. With regard to the Safeguarding audit the new Head of Service is making progress with implementing the recommendations and these have now been removed from the outstanding list. A follow up audit is recommended in this area sometime during 2022/23 where upon an update on this important area of activity can be reported to Members.

- 8. Three recommendations are classified as no longer applicable as they have been superseded by further internal audit reviews during 2021/22 (relating to Internal Communications and Planning Enforcement).

**Scope and Limitations of the Review**

- 9. 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.
- 10. 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.
- 11. 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.

**Release of Report**

- 12. The table below sets out the history of this report.

<b>Date final report issued:</b>	
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## Detailed Findings

### Follow Up

13. 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:

14. Depot

<b>Audit title</b>	<b>Depot</b>	<b>Audit year</b>	2020/21	<b>Priority</b>	<b>1</b>
<b>Recommendation</b>	The Depot create its own risk register to identify the key risks associated with the Depot and how these are being controlled and managed.				
<b>Initial management response</b>	The recommendation raised in the previous report was for a separate risk register for the depot be 'considered'. This was then agreed by the then DSO manager with a target date of 1 July 2018. Follow up of this in Oct 2019 found this remained outstanding and it was subsequently brought to the attention of the new DSO manager in Dec 2019 with a revised date for action being agreed with the CHoES of April 2020. Revised further to April 2021 as a direct impact of Covid and awaiting the outcome of the 'depot feasibility study' commenced in Feb 2020 but also delayed for the same reason. New implementation date set to allow for outcome of on-going H&S risk assessments report.				
<b>Responsible Officer/s</b>	DSO Manager /CHoES	<b>Original implementation date</b>	30/09/21	<b>Revised implementation date</b>	TBC
<b>Latest Update</b>	It was advised by the Depot Manager that there have been no further developments since the previous audit due to unfilled vacancies (nearly 1/3 of the staff) within the office staff at the depot. Due to the limited amount of staff available to run and deliver the daily operations all the staff time has been devoted to ensuring the operations are run and delivered in continually difficult times. The Depot is subject to a separate, full follow up review during 2022/23 and therefore this recommendation will be considered as part of that review.				
<b>Status</b>	<b>Outstanding</b>				

<b>Audit title</b>	<b>Depot</b>	<b>Audit year</b>	2020/21	<b>Priority</b>	<b>2</b>
<b>Recommendation</b>	The security at the Depot be reviewed and appropriate action taken to keep the site secure by use of both physical security measures (a working gate) and via adequate surveillance.				

<b>Initial management response</b>	These are both longstanding issues and indicative of a lack of regular maintenance and investment by the authority into what are ailing facilities. Both are included in the current depot feasibility study and require financial investment to rectify.					
<b>Responsible Officer/s</b>	DSO Manager / Corporate Head of Environmental Services	<b>Original implementation date</b>	Long term remedy dependent of the outcome of the feasibility study due to report in Sept 2021.	<b>Revised implementation date</b>	TBC	
<b>Latest Update</b>	It was advised by the Depot Manager that there have been no further developments since the previous audit due to unfilled vacancies (nearly 1/3 of the staff) within the office staff at the depot. Due to the limited amount of staff available to run and deliver the daily operations all the staff time has been devoted to ensuring the operations are run and delivered in continually difficult times.  The Depot is subject to a separate, full follow up review during 2022/23 and therefore this recommendation will be considered as part of that review.					
<b>Status</b>	<b>Outstanding</b>					

<b>Audit title</b>	<b>Depot</b>	<b>Audit year</b>	2020/21	<b>Priority</b>	<b>3</b>	
<b>Recommendation</b>	Consideration be given to the purchase of the optimisation route package.					
<b>Initial management response</b>	Agreed. Finance was sought for this upgrade by the DSO but not forthcoming due to present financial pressures. A report to be made to the relevant committee requesting funding to upgrade the system.					
<b>Responsible Officer/s</b>	DSO Manager /CHoES	<b>Original implementation date</b>	30/09/21	<b>Revised implementation date</b>	TBC	
<b>Latest Update</b>	It was advised by the Depot Manager that there have been no further developments since the previous audit due to unfilled vacancies (nearly 1/3 of the staff) within the office staff at the depot. Due to the limited amount of staff available to run and deliver the daily operations all the staff time has been devoted to ensuring the operations are run and delivered in continually difficult times.  The Depot is subject to a separate, full follow up review during 2022/23 and therefore this recommendation will be considered as part of that review.					
<b>Status</b>	<b>Outstanding</b>					

<b>Audit title</b>	<b>Depot</b>	<b>Audit year</b>	2020/21	<b>Priority</b>	<b>3</b>	
<b>Recommendation</b>	Detailed stock take procedures be documented and a re-order level established, where appropriate.					

<b>Initial management response</b>	Noted.				
<b>Responsible Officer/s</b>	DSO Manager /CHoES	<b>Original implementation date</b>	30/09/21	<b>Revised implementation date</b>	TBC
<b>Latest Update</b>	<p>It was advised by the Depot Manager that there have been no further developments since the previous audit due to unfilled vacancies (nearly 1/3 of the staff) within the office staff at the depot. Due to the limited amount of staff available to run and deliver the daily operations all the staff time has been devoted to ensuring the operations are run and delivered in continually difficult times.</p> <p>The Depot is subject to a separate, full follow up review during 2022/23 and therefore this recommendation will be considered as part of that review.</p>				
<b>Status</b>	<b>Outstanding</b>				

15. GDPR Preparedness

<b>Audit title</b>	<b>GDPR Preparedness</b>	<b>Audit year</b>	2017/18	<b>Priority</b>	2
<b>Recommendation</b>	A review of all contracts and agreements with third parties be undertaken to ensure all content is GDPR compliant.				
<b>Initial management response</b>	Meeting on 26/09/18. With CHL&G and Legal Services Manager to discuss.				
<b>Responsible Officer/s</b>	Corporate Head of Law & Governance	<b>Original implementation date</b>	28/02/19 (subsequently March 2020, October 2020, July 2021, December 2021)	<b>Revised implementation date</b>	31/03/22
<b>Latest Update</b>	<p>During the previous follow up review in October 2021 it was advised that the impact of Covid was longer than anticipated. With a clearer path out of Covid, work on this project would restart. A completion date of December 2021 was subsequently envisaged and a revised target date set.</p> <p>During this follow up review, it was advised by the Corporate Head of Law and Governance that work is in progress, with completion envisaged by 31<sup>st</sup> March 2022. Delays have been experienced due to carrying out this work alongside business as usual activities and therefore having to prioritise other tasks on occasions.</p>				
<b>Status</b>	<b>Outstanding</b>			A revised target date has been set.	

16. Procurement

<b>Audit title</b>	<b>Procurement</b>	<b>Audit year</b>	2020/21	<b>Priority</b>	2
<b>Recommendation</b>	Buying Managers be reminded of the need to comply with the Council’s Standing Orders in all cases. Where necessary, training needs be identified as part of the 1-2-1 / appraisal process.				
<b>Initial management response</b>	<ol style="list-style-type: none"> <li>1. Take to SLT as an agenda item- this needs to come from CLT.</li> <li>2. Email to all staff regarding Contract Standing Orders and Staff Pages for information on Procurement and offer of training.</li> </ol>				
<b>Responsible Officer/s</b>	<ol style="list-style-type: none"> <li>1. Chief Executive/ CHoLG</li> <li>2. Corporate Procurement</li> </ol>	<b>Original implementation date</b>	<ol style="list-style-type: none"> <li>1.TBC Autumn 2021 SLT are carrying a number of posts vacant and therefore needs to be actioned once new postholders are onboarded.</li> <li>2.Autumn 2021 once Staff Home issues have been resolved for Procurement Pages</li> </ol>	<b>Revised implementation date</b>	30/06/22
<b>Latest Update</b>	<ol style="list-style-type: none"> <li>1.The timeframe for implementing this recommendation was dependent on the appointments of the Assistant Chief Executive and the Corporate Head of Environmental Services. It was advised that both posts were filled by mid March 2022, therefore a revised implementation date of Q1 2022/23 was provided.</li> <li>2.The Staff Home pages have been updated. A relaunch of training is planned for the release of the new Constitution and updated Contract Standing Orders in Q1 2022/23, therefore the implementation date has been revised.</li> </ol>				
<b>Status</b>	<b>Outstanding</b>			A revised target date has been set.	

## ANNUAL GOVERNANCE STATEMENT 2021/22 (Amanda Fahey – Assistant Chief Executive)

### Synopsis of report:

All local authorities are required to undertake, at least annually, a review of the effectiveness of their system of internal control and to report on this review alongside the Statement of Accounts. This review is set out in the Annual Governance Statement which explains how Runnymede Borough Council has complied with its own governance framework and identifies any areas for improvement.

### Recommendation(s):

To consider the draft Annual Governance Statement attached at Appendix A for recommendation to Corporate Management Committee.

1. **Context of report**
  - 1.1 Good governance provides a framework to enable an authority to deliver outcomes for its residents and stakeholders, underpinned by appropriate controls and the management of risk. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, with sound and inclusive decision-making and clear accountability for the use of resources.
  - 1.2 In order to achieve effective corporate governance, the Council has adopted a local code of corporate governance (the Code) which reflects guidance contained in the CIPFA / SOLACE Framework *Delivering Good Governance in Local Government*.
  - 1.3 The Code, which is set out in the Council's constitution, is built around seven underlying principles of good governance, and demonstrates how the Council's internal processes and governance framework support the delivery of those principles.
  - 1.4 The Annual Governance Statement meets statutory requirements to report publicly on the extent to which the Council is complying with its own code of governance and should include:
    - How the effectiveness of governance arrangements has been monitored and evaluated in the year, and
    - Any planned changes in the coming period.
  - 1.5 There is a strong link between governance and financial management, with a focus on sustainability, as the Council needs to recognise its responsibilities not just to its existing stakeholders but to understand the impact of current decisions and actions on future generations.
2. **Report**



- 2.1 The Draft Annual Governance Statement is set out at Appendix A.
- 2.2 The Statement relates to the governance systems in place for the financial year 2021/22 but should also reflect any significant developments to the governance system up to the date that the Responsible Financial Officer signs the Statement of Accounts.
- 2.3 The Statement describes how the Council has complied with the following seven core principles:
- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
  - Ensuring openness and comprehensive stakeholder engagement
  - Defining outcomes in terms of sustainable economic, social, and environmental benefits
  - Determining the interventions necessary to optimise the achievement of the intended outcomes
  - Developing the Council'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
  - Implementing good practices in transparency, reporting, and audit to deliver effective accountability
- 2.4 Some key improvements to the system of governance have been made this year and are set out in the Statement; notably the undertaking of a review against Cipfa's new Financial Management Code, as reported to Standards and Audit Committee in January 2022, and Member participation in the new Local Audit Forum.
- 2.5 An update on progress against previously identified areas for improvement is set out in the appendix to the Statement alongside any new areas identified for improvement in the coming financial year. The review is an iterative process, ensuring that the Council's system of governance adapts to external change, such as new regulatory frameworks, government guidance and the current risk environment.
3. **Policy framework implications**
- 3.1 The Annual Governance Statement supports the policy framework of the Council by undertaking a regular, robust review of its governance arrangements, in an open and transparent way. The policy framework may be updated or amended as a result of the action plan that is set following the review. The Annual Governance Statement will touch on many of the policies and strategies of the Council, including, but not limited to, financial plans, procurement, risk management, HR policies, data protection, transparency, freedom of information and many more.
4. **Legal implications**
- 4.1 The preparation and publication of an Annual Governance Statement in accordance with Delivering Good Governance in Local Government: Framework (2016) fulfils the statutory requirements set out under Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 which 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 2015 requires this statement to be an Annual Governance Statement.

**5. Equality implications**

- 5.1 There are no specific equality implications of this report, other than acknowledgement of the importance of equality matters and how they are addressed as part of the local code of governance, which in turn is reviewed via the Annual Governance Statement.

**6. Environmental/Sustainability/Biodiversity implications**

- 6.1 Again, while there are no specific environmental, sustainability or biodiversity implications contained within this report, the delivery of sustainable outcomes lies at the core of the Council's vision and the Annual Governance Statement has a key role in ensuring that key priorities and outcomes are delivered, by reviewing the framework for decision-making and resource allocation.

**7. Conclusions**

- 7.1 The Annual Governance Statement set out at Appendix A provides a review of the effectiveness of the Council's system of internal control and governance framework alongside an action plan for improvements. The review demonstrates that a sound system of control has been in place for the financial year 2021/22. The Committee is asked to consider the draft Statement and approve its submission to the Corporate Management Committee, for sign off by the Leader of the Council and the Chief Executive, as required by the Accounts and Audit Regulations 2015.

**(To resolve)**

**Background papers**

CIPFA/Solace Delivering Good Governance in Local Government: Framework 2016

# Annual Governance Statement 2021/22

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## Scope of responsibility

Runnymede Borough Council (“the Council”) has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which it works, having regard to a combination of economy, efficiency and effectiveness. This includes a responsibility to ensure that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for.

In discharging this duty, the Council must put 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.

The Council has formally adopted a code of corporate governance which is consistent with the seven principles of the CIPFA/SOLACE framework *Delivering Good Governance in Local Government 2016* and the Annual Governance Statement explains how the Council has complied with its code.

Production of the Statement also meets the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to review its system of internal control and to publicly report on the outcome of that review. In line with the CIPFA/SOLACE framework, the Statement should be “an open and honest self-assessment” which:

- describes key elements of the Council’s governance arrangements, covering key corporate systems and the range of activities for which the Council is responsible;
- describes processes applied in reviewing their effectiveness; and
- lists actions to deal with significant governance issues identified.

## The purpose of the Governance Framework

The governance framework comprises:

- the systems, policies, processes, culture and values by which the Council is directed and controlled; and
- the Council’s activities through which it accounts to, engages with and leads the community.

The framework enables the Council 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 those risks efficiently, effectively and economically.

The governance framework outlined in this document has been in place at Runnymede Borough Council for the year ended 31 March 2022 and up to the date of approval of the Statement of Accounts.

# Annual Governance Statement 2021/22

## Response to the external environment

While the governance framework sets out the internal processes that the Council follows in order to deliver outcomes, it must also be responsive to the changing external environment. For example, the effects of the coronavirus pandemic continued throughout the year with the Council developing policies, processes and governance arrangements to ensure support reached those in need, that grants were correctly administered and that appropriate measures were put in place to contain the spread of the virus. The Council continues to put additional measures in place to respond to other external stimuli, such as.

- increased cyber security threat,
- changing regulatory regime, (including capital finance and investment guidance),
- economic factors including the rising cost of living,
- local impact of the events in Ukraine.

Examples of the impact of these external events on the Council’s governance framework are included in this Annual Governance Statement and demonstrate a constantly evolving, responsive approach to risk, adapting and strengthening governance arrangements where appropriate.

## Review of the Governance Framework

This annual review of the Council’s governance framework ensures its continuing effectiveness in supporting the seven CIPFA/SOLACE<sup>1</sup> principles of delivering good governance.

Key elements of the governance framework in place at Runnymede Borough Council are shown against each of the seven principles in the following table. Processes undertaken to review effectiveness and examples of improvements to the system are also shown.

<b>Principle A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law</b>		
<p>✓ The Council has adopted a <a href="#">Constitution</a> which sets out how the Council operates and how decisions are made. The Constitution details the roles and functions of its various Committees and of its key statutory officers; namely</p>		
Chief Executive	Head of Paid Service	Section 4, Local Government and Housing Act 1989
Corporate Head of Law and Governance	Monitoring Officer	Section 5, Local Government and Housing Act 1989
Assistant Chief Executive	Chief Finance Officer	Section 151, Local Government Act 1972 and Section 114, Local Government Finance Act 1988
<p>✓ The statutory officers each have specific responsibilities to ensure reports to Members for decision comply with Financial Regulations, Standing Orders and are lawful.</p>		
<p>✓ A Member and Officer Code of Conduct form part of the Constitution</p>		
<p>✓ The Member Code of Conduct is based upon <a href="#">The Seven Principles of Public Life</a> (also known as the Nolan Principles) which promote Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership for everyone who works in public service.</p>		

<sup>1</sup> CIPFA Chartered Institute of Public Finance and Accountancy / SOLACE The Society of Local Government Chief Executives and Senior Managers

## Annual Governance Statement 2021/22

- ✓ The Constitution also includes specific codes of conduct for Planning and Licensing Committees as well as protocols for Member/Officer relations and use of information technology (IT).
- ✓ The Council operates to a set of Corporate Values which underpin individual and collective behaviour and are reflected in discussion, communication and the decision-making process: Customer-focused, Passionate, Performance driven, Innovative, Promoting equality and diversity and Delivering excellent value for money
- ✓ The [Standards and Audit Committee](#) continues to have oversight of governance issues including ethical standards and code of conduct.
- ✓ Following the publication of a series of best practice recommendations from the independent Committee on Standards in Public Life, the Council have introduced reporting of complaints and compliments about Councillors to the Standards and Audit Committee. In the municipal year 2021/22, two complaints were received, one of which was resolved, and one was closed due to no further information being received from the person/s making the complaint.
- ✓ Standards and Audit Committee have received a number of follow up reports on the recommendations made by the Committee on Standards in Public Life, some resulting in changes being made to the Council's processes, as above, and some being for information purposes such as informing Members of the Government's response to the recommendations, in order to provide context for the Council's own response.
- ✓ The Council also has a [Customer Complaints Policy](#) which 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. Complaints (and compliments) are analysed quarterly and a report on these and any lessons learnt is considered by the Standards and Audit Committee.
- ✓ Members are required to declare any personal interest in items coming before Committees and as part of the governance regime, all Members are required to declare if they held any executive positions with organisations that carry out business with the Council. Members and Officers are required to disclose any [gifts or hospitality](#) received in the course of their duties, where the value exceeds £50.

### Principle B – Ensuring openness and comprehensive stakeholder engagement

- ✓ The Council is committed to making information available to the public as part of its normal business activities. Details about how to [access and request](#) information under the Freedom of Information Act 2000, can be found on the Council's website along with the Council's FOI [Publication Scheme](#). The Council also publishes [information](#) in line with the Local Government Transparency Code 2015.
- ✓ The Council publishes its Contracts Register on a Quarterly basis of all live contracts with total contract value above £5,000 in accordance with the Transparency Code
- ✓ The Council's Annual Governance Statement is published online as part of its [Statement of Accounts](#). Information notifying local electors about their rights to access this information, and the periods in which they can raise issues with the Council's external auditors, is also published on the Council's website.
- ✓ All Council meetings are open to the public except where personal or confidential matters are to be discussed. All [agendas](#) are published on the Council's website and are available by contacting the Council should electronic access not be possible. A full record of decisions taken is also published.
- ✓ The Council engages with local businesses via [Business Runnymede](#), a partnership between the business community, education providers, police and the Council. In February, a breakfast briefing was held which included consultation on the Council's

## Annual Governance Statement 2021/22

developing Corporate Business Plan and on its budget proposals for 2022/23.

- ✓ The Council publishes a magazine called Runnymede Talks which is delivered to every home in the Borough at least once per year. The Council also has a strong presence on Facebook, LinkedIn, Twitter and Nextdoor. These and other channels of communication are used to explain the work of the authority and promote decisions made by Members. They are also used to encourage residents and other stakeholders to engage through meetings, consultations and other methods.
- ✓ A list of open [consultations and surveys](#) is published online.
- ✓ In March 2022, the Council was successful in securing £90,020 of funding from the DLUHC<sup>2</sup> PropTech Engagement Fund; designed to support the widespread adoption of digital citizen engagement tools and services.

### Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits.

- ✓ Review of the Runnymede 2030 Local Plan commenced in January 2021. The Council has prepared a [Sustainability Appraisal/Strategic Environmental Assessment Scoping Report](#) to support the review. The purpose of the SA/SEA is to consider the likely economic, social and environmental effects of implementing a plan or programme and any reasonable alternatives. This is the first stage of the process setting out the sustainability/environmental baseline and highlighting any current issues which the Local Plan should seek to address.
- ✓ In February 2022, the Council published its updated [Strategic Land Availability Assessment 2021](#) as part of its suite of evidence-based documents to support the Local Plan review, which includes a 5-year housing land supply statement.
- ✓ The Council is developing a new Corporate Business Plan which will be considered by Members in the new municipal year. The draft plan contains 5 themes: Empowering Communities, Health and Well Being, Economic Development, Climate Change and Organisational Development. The [draft Economic and Development Strategy](#) and the [draft Climate Change Strategy](#) have been subject to extensive officer and Member consultation during 2021/22.
- ✓ In March 2022, in response to a Notice of Motion, the Council expressed its support for the Declaration adopted on 28 February 2022 by the Bureau of the Congress of Local and Regional Authorities of the Council of Europe on the situation in Ukraine.
- ✓ Reports to Members for decision-making are assessed for any financial and legal implications and for any impact on equality and diversity. The Council has also introduced a mandatory requirement to consider any environmental, sustainability and bio-diversity implications of any proposed actions.
- ✓ The Council has continued its regeneration activities during 2021/22, with the expected completion of the Magna Square development in May 2022 as part of long-term place-shaping and revitalisation initiatives. This development is expected to be delivered on time and within budget despite the effects of the coronavirus pandemic. The regeneration of the Borough is expected to deliver sustainable economic, social and environmental benefits to the area.
- ✓ Three Council-owned companies support the activities of the Council, allowing it to deliver long-term sustainable goals. The accounts of the Companies are consolidated into the Council's own Statement of Accounts.
  - RBC Investments (Surrey) Limited - manages properties in the private sector rental market

<sup>2</sup> Department for Levelling Up, Housing and Communities

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- RBC Services (Addlestone One) Limited – administers service charges for commercial and residential properties within the Council’s developments
- RBC Heat Company Limited - provides heating and hot water as a commercial undertaking to all the dwellings on the Addlestone ONE development and those commercial tenants who choose to buy the service
- ✓ The Council’s Medium-Term Financial Strategy seeks to deliver a sustainable budget to enable the Council to continue to deliver services into the future.
- ✓ Social Value is considered for all procurement activity and included in evaluation criteria where appropriate

**Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes.**

- ✓ The Council sets overall strategy and policy, and has 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](#) which sets out how decisions are taken and the processes and controls required in managing risk.
- ✓ 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.
- ✓ As outlined under Principle B, the Council uses a number of methods of engagement with its stakeholders in order to determine when and how interventions are necessary.
- ✓ Option appraisal is undertaken for major schemes to ensure alternatives proposals and methods of delivery are considered. Reports to Members include discussion of alternatives considered.
- ✓ The Council has a range of key performance indicators which are [monitored by Members](#) alongside regular reporting on the progress of key projects.
- ✓ The Medium-Term Financial Strategy sets the context for the annual budget setting, ensuring resources are matched to priorities. Realistic estimates are drawn up, taking account of the whole life costing of capital projects, and ensuring a sustainable funding strategy is developed alongside [other key strategies](#) such as the Treasury Management Strategy, Annual Investment Strategy, Minimum Revenue Provision Statement and Capital Strategy. This provides a core framework to underpin the delivery of the Council’s intended outcomes.
- ✓ Service reviews are regularly carried out to ensure capacity and resources are aligned to priorities; most recent examples have been in Legal Services and Financial Services, to respond to a challenging recruitment market and changing service requirements, in order to ensure that the right resources are available to support front-line services. The Human Resources team has also been reviewed to improve resilience and strengthen support for the delivery of the new Organisational Development Strategy.
- ✓ A major review of the Council’s Commercial Service was completed during 2021/22, resulting in a complete overhaul of the structure supporting the Council’s property income streams, its regeneration plans and management of its property assets, under the newly formed Assets and Regeneration Service.
- ✓ A Corporate Risk Register is maintained to keep abreast of existing and emerging risks.
- ✓ The Council’s companies comply with registration requirements of Companies House, have Articles of Association, bespoke shareholder agreements and business plans, and



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have duly appointed directors and non-executive directors.

- ✓ The Council's internal audit service has a risk-based rolling programme of work to ensure audit coverage across the organisation. Management agree responses to the recommendations and the audit team follow up to ensure the recommendations are implemented in a timely manner. Regular reporting on progress is made to the Standards and Audit Committee.
- ✓ The Council also responds to recommendations from external bodies such as the Regulator for Social Housing, in making plans to improve the quality of its housing stock, for example.
- ✓ As set out in Principle B, the Council has a range of methods to undertake consultation and engagement with stakeholders. The emerging Empowering Communities Strategy, which will form part of the Corporate Business Plan, sets out a framework for consultation with our residents through the Citizens Panel.

### **Principle E– Develop the entity's capacity, including the capability of its leadership and the individuals within it.**

- ✓ As noted under Principle D, the Council regularly carries out service reviews to ensure it has the capacity to deliver outcomes.
- ✓ The Medium-Term Financial Strategy will be aligned with the new Corporate Business Plan so that appropriate levels of resources (financial and staffing) are allocated to programmes of work.
- ✓ The Council participates in a number of partnership arrangements which enable it to address capacity and resilience. These include:
  - In 2015/16 the Council set up an employee-led mutual with Spelthorne Borough Council called Applied Resilience. This has increased both Councils' capacity to respond to civil emergencies such as the recent Storm Eunice and to address business continuity and risk management. This arrangement continued in 2021/22 and is set to continue in 2022/23.
  - Community Services providing a range of community services in partnership with Surrey Heath Borough Council.
  - Safer Runnymede provides a CCTV service for other Councils as well as Thorpe Park (a large theme park) and various NHS establishments.
  - Most recently the Council has entered into a shared management arrangement for its Building Control Service, with a view to exploring a full shared service arrangement over the next year.
- ✓ 2021/22 saw the continuation of Member working groups, providing access for all Members to be involved in developing policy.
- ✓ Senior Leaders in the organisation have been participating in a Management Development Programme including modules on commercial awareness, change management, leading your managers, collaborative leadership, employment law and political awareness. The Human Resources team have recently developed a Talent Management Strategy.
- ✓ The Project Management Office has responsibility for embedding a project management approach across the organisation to support, monitor and report on the progress of projects within the Council's Project Portfolio. This includes the provision of a range of in-house training and support tools.
- ✓ Annual budgets are set aside for both corporate training and professional development. The Council commits to supporting the cost of membership of appropriate professional



## Annual Governance Statement 2021/22

bodies for officers.

- ✓ As noted under Principle C, service reviews are carried out regularly to ensure the right resources are in place to deliver the aims of the Council; where necessary additional resources are put in place to support delivery. Recent examples are Human Resources, Legal, Procurement and Community Services.
- ✓ The Council is supported by bodies such as the Local Government Association who can provide advice and support where required, to Members and officers. Recently the Council has made a commitment to the LGA's [National Graduate Development Programme](#) to support new entrants to the local government sector and add capacity to the organisation.
- ✓ Senior Leadership Team, comprising the chief Executive, Assistant Chief Executive, Corporate Heads of Service, members of the Chief Executive's office and the Communications team, meet on a monthly basis to debate cross-service issues. The Corporate Leadership Team led by the Chief Executive and supported by the Monitoring officer, the Assistant Chief Executive and other officers when necessary, meets on a weekly basis. The officer structure in place at the end of 2021/22 is appended to this Statement.
- ✓ Member induction sessions are held for new Members after local elections.
- ✓ Weekly briefings are held with the Leader and Deputy Leader.

### **Principle F– Managing risks and performance through robust internal control and strong public financial management.**

- ✓ The Council's 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 hold devolved responsibility for delivering services within approved their budget
  - Setting and monitoring of key performance indicators
  - Regular financial monitoring reports comparing financial performance against forecasts
  - Project management and procurement training and templates
  - Financial regulations and contract standing orders as set out in the [Constitution](#)
- ✓ During 2021/22 the Council undertook a detailed self-assessment against CIPFA's new Financial Management Code and reported its findings to the [Standards and Audit Committee](#) in January 2022. The Committee will monitor the implementation of the recommendations from the review.
- ✓ The Standards and Audit Committee also monitor the implementation of recommendations made by the internal audit service, ensuring that management action is taken to address any identified weaknesses or potential improvements to the system of internal control.
- ✓ The [Overview and Scrutiny Select Committee](#) may review decisions made or actions taken relating to the discharge of any of the Council's functions. In exceptional cases it may "call in" the decision of another Committee for further consideration before it is

## Annual Governance Statement 2021/22

implemented. The Committee makes reports and recommendations to the Full Council or the appropriate Committee and presents [an annual report](#) on its work programme to 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 they have been directly involved.

- ✓ The Council also has [Planning](#), [Licensing](#) and [Regulatory](#) Committees which discharge the regulatory functions in respect of planning applications and enforcement, and the regulation of taxis, private hire vehicles and other licenses including liquor and public entertainment.
- ✓ The senior leadership team regularly reviews the Council’s Corporate Risk Register to ensure action is taken to mitigate known risks and identify future threats. During the pandemic, there has been an increasing number of cyber-attacks reported nationally and this has led the Council to improve its cyber security and upskill officers in this area. Following a detailed gap analysis, a Cyber Treatment Plan was developed and in February 2022, the Council secured £125,000 of funding from the DLUHC’s Cyber Support Fund. An area of improvement that has been highlighted in the review of the Financial Management Code is to develop regular risk reporting to the Standards and Audit Committee and this will be followed up in the new municipal year.
- ✓ The Council has a Continuous Performance Management system in place including regular one-to-one conversations and performance reviews, promoting the following benefits;
  - Greater individual and, as a result, Council success
  - The clarification of roles and responsibilities
  - The ability to adapt to change and align with Council priorities
  - Enabling succession planning through regular personal and career development discussions
  - The identification of training and development needs

### **Principle G – Implementing good practices in transparency, reporting, and audit to deliver effective accountability.**

- ✓ The Council has a standard template for committee reports designed to capture relevant information for the reader, stakeholder or decision-maker in a fair, balanced and understandable way.
- ✓ All public reports are available on the Council’s website. Where reports are not able to be made public due to containing sensitive personal or commercial information for example, this is made clear on the relevant agenda.
- ✓ Members of the public have access to formal Committee and Council meetings and have rights to speak at public meetings as laid out in the Constitution.
- ✓ As outlined under Principle F, the Council regularly reports on its performance, through the monitoring of key performance indicators, project performance and financial monitoring reports in addition to receiving reports from its internal and external auditors.
- ✓ The Council produces an annual Statement of Accounts in line with statutory deadlines, accompanied by a review of its system of internal control (Annual Governance Statement)
- ✓ The Council also produces an Annual Report that provides a summary of its activity and achievements throughout the previous year.
- ✓ As part of the governance review, senior managers are asked to complete a declaration

## Annual Governance Statement 2021/22

that acknowledges their role in upholding the internal control and assurance framework. This covers areas such as reviewing internal controls and implementing audit recommendations, deployment of resources, achievement of targets and production of service plans, risk management, familiarisation with Council procedures and decision-making. The declarations also provide an opportunity for Managers to request further guidance or training.

- ✓ The implementation of internal and external audit recommendations is monitored by the Standards and Audit Committee. Both the Head of Internal Audit and the External Auditor have unfettered access to the Committee and can meet in private with Members should the need arise.
- ✓ The Council supports both the CIPFA Statement on the Role of the Chief Financial Officer in Local Government and its Statement on the Role of the Head of Internal Audit.
- ✓ The Council reports its partnership arrangements in its Statement of Accounts and ensures robust mechanisms are in place for monitoring the delivery of partnership work, thorough contractual arrangements and Service Level Agreements.
- ✓ The Council has a Whistle-Blowing Policy included in its [anti-fraud and corruption policy](#)
- ✓ In September 2021, the Council expanded its anti-fraud arrangements with Reigate and Banstead Borough Council to cover all areas of fraud work including participation in the National Fraud Initiative data matching exercise. As part of this work, fraud awareness sessions were rolled out to teams where it is considered that risk of fraud is high, including Housing, Revenues and Benefits Teams. 495 cases were investigated and closed during 2021/22 with fraud or error detected in 52 cases (10.5%) resulting in financial savings to the public purse of £170,526.72
- ✓ The Council has continued to participate in monitoring of grant spend, particularly in relation to various support schemes for businesses and individuals to mitigate the impact of coronavirus and has anti-fraud processes in place in relation to these payments, in line with government guidance.

### Conclusion

The review of effectiveness carried out as part of the production of the 2022/23 Annual Governance Statement supports the conclusion that there is a sound system of internal control and governance in place at Runnymede Borough Council. The Council adapts to external change, moderating its plans in line with emerging risks, and responds to recommendations of auditing bodies and other external regulators. Where weaknesses in controls are identified, the Council acts to strengthen those controls.

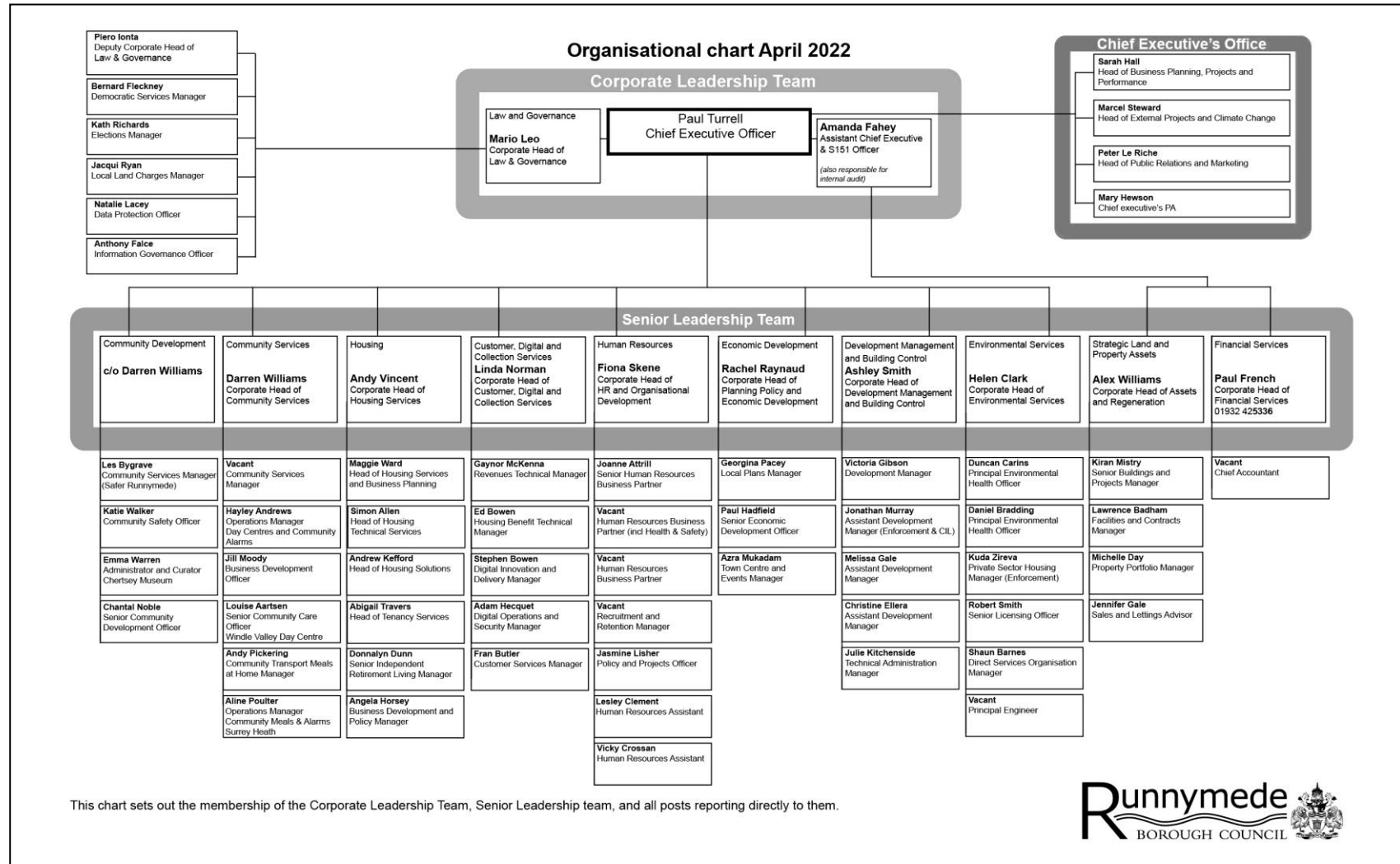
As part of this review, no significant weaknesses in the governance framework have been identified. However, some areas of improvement to further enhance the Council's governance arrangements are planned.

The action plan appended to this Statement includes an update on action taken in 2021/22, in areas identified for improvement in the previous year's Statement, alongside those issues identified during this review for action in 2022/23.

**Councillor xxxxxxxxxxxx**  
**Leader of the Council**  
**26 May 2022**

**Mr. P Turrell**  
**Chief Executive**  
**26 May 2022**

# Annual Governance Statement 2021/22



## Annual Governance Statement 2021/22

### Review of actions from 2020/21 Annual Governance Statement

Item	Issues raised in 2020/21	Action taken during 2021/22
1.	<p><b>Partnership working</b></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 has continued to develop its shared service strategy during 2021/22, building on its experience and learning from previous arrangements. Partnership working is entered into on the basis of sound governance arrangements, under a contractual basis or with agreed Service Level Agreements.</p> <p>The latest partnership working with Surrey Heath Borough Council for Building Control Services is being implemented in a staged process, commencing with shared management arrangements, in order to formulate a full business case for the future shared working arrangements, in a collaborative and measured way based on data and evidence. Further partnership arrangements are actively being pursued.</p> <p>Many Council services are delivered to improve the health and wellbeing of residents (both statutory functions and discretionary services) and the Council sits on the Partnership and Transformation Boards of the NW Surrey Health Alliance, as part of the integrated health and care agenda. This allows for local place shaping of community infrastructure, as well as the development of services and pathways to meet resident need. The Council are valued as a key partner within the prevention agenda.</p>
2.	<p><b>Business Continuity Planning</b></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.</p>	<p>The Council was operating in business continuity mode for much of 2021 into 2022 given the impact of the coronavirus pandemic. As such, the strategic and service level business continuity plans were activated and tested throughout this period. Ahead of an external business continuity audit in 2021/2022, Applied Resilience completed an extensive review of service level business continuity plans with Corporate Heads of Service, using a reformatted business continuity plan. The review addressed gaps identified in 2020 and incorporated the relevant learning from the pandemic response into the updated plans. Key areas included contingencies for loss of staff and denial of access to the Civic Centre. The Strategic Business Continuity Policy and Plan were also reviewed to reflect advances in capacity to work from home, changes to recovery location requirements and other learning from the pandemic.</p> <p>Applied Resilience delivered two all-staff 'Introduction to Business Continuity' training sessions to improve awareness of business continuity risks and arrangements across the Council.</p>
3.	<p><b>Commercial property rents</b></p> <p>Due to the significant level of commercial property rents received by the Council, it is essential that processes are in place to ensure that rent reviews are</p>	<p>A new team of professional chartered surveyors is now in place, with the Borough divided into clear geographical centres between the team. Out-of-Borough investment properties are also divided between the team. The Property Management System, Concerto, stores all lease information and includes an 'estates action centre' to remind surveyors when rent reviews and other lease events are due. In</p>

## Annual Governance Statement 2021/22

	actioned correctly and on a timely basis, thus reducing the risk of lost potential income to the Council.	addition, the surveyors maintain asset management plans for each of their investment properties, which informs asset management priorities for the year ahead.
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### Areas of improvement for 2022/23

Item	Issues raised in 2021/22 for action in 2022/23	Responsible Officer
1.	<p><b>Risk Reporting</b></p> <p>As part of the Financial Management Code review, an area for improvement was identified around reporting risk matters to Standards and Audit Committee. This will be developed in consultation with the Chair of the Committee, to ensure proper oversight of risk management arrangements.</p>	Assistant Chief Executive
2.	<p><b>Emergency Committee</b></p> <p>Following the debriefing sessions which took place after Storm Eunice, it is proposed to put together an officer group that meets on a regular basis outside of emergency situations, to consider topics related to business continuity and emergency response, supported by Applied Resilience. This will strengthen arrangements and bring a greater element of co-ordination in readiness for emergency situations.</p>	Assistant Chief Executive/ Head of External Projects
3.	<p><b>Refresh Member Training Programme</b></p> <p>Given the changes to local government finances, the increasing complexity of the services provided by the Council, increased partnership working and new codes of practice, it would be prudent to refresh the Member training programme during 2022/23 for all Members, rather than just those newly inducted to the Council.</p>	Monitoring Officer
4.	<p><b>Refresh of the Local Code of Corporate Governance</b></p> <p>The review carried out as part of the Annual Governance Statement has highlighted a number of changes in the way services are provided. It would therefore be appropriate to refresh the Code of Corporate Governance to reflect these changes.</p>	Assistant Chief Executive/Monitoring Officer

## Government response to the Committee on Standards in Public Life review of local government ethical standards (Law and Governance, Clare Pinnock)

### Synopsis of report:

To provide Members with the results of the Government's response to the Committee on Standards in Public Life review of local government ethical standards

### Recommendation(s):

None. This report is for information.

## 1. Context of Report

- 1.1 The Department for Levelling Up, Housing and Communities has provided a response on behalf of the Government to the Committee on Standards in Public Life review of local government ethical standards.
- 1.2 Members will recall that in January 2019, the Committee on Standards in Public Life published a report and 26 recommendations on ethical standards in local government.
- 1.3 There have been four previous reports to this Committee on the report and Model Code of Conduct (28 July 2020, 23 November 2021) and the Best Practice Recommendations (22 September 2020 and 26 May 2021)

## 2. Report

- 2.1 The Department for Levelling Up, Housing and Communities looked at those best practice recommendations that were directed at the Government as well as the Model Code of Conduct.

### Recommendation 1 - Model Code of Conduct

- 2.2 The Government has confirmed its 'light touch' approach to local authorities and their choice of whether to adopt the Local Government Association's Model Code of Conduct.
- 2.3 We adopted the Model Code and revised version but reinstated a section on dispensations. We are still awaiting clarification from the LGA on 'Table 2 Declarations of Other Registerable Interests' with regard to the requirement to declare ordinary membership of various bodies and organisations as opposed to being in a position of management or control.

### Recommendation 2 – non-disclosure of home address on Register of Interests

- 2.4 The Government agrees that to reduce the risk of intimidation that Councillors should not be required to disclose their home address i.e. not make it publicly available. This would require an amendment to the Relevant Authorities

(Disclosable Pecuniary Interests) Regulations 2012. In practice, although we require addresses for certain communications such as sending the Council Summons, we do not disclose home addresses if Councillors ask us not to if they feel there is a risk to themselves or their loved ones.

**Recommendation 3 – presumption of acting in official capacity on social media**

- 2.5 The Government considers local authorities should make their own judgement about this and errs toward not assuming that a Councillor is always acting in their official capacity. There is a boundary between a Councillor's private and public life, the right to free speech and freedom of association. However, there is a line not to cross between engaging in political debate and being offensive or failing to treat others with respect. This is a key consideration when we consider complaints about Councillors, particular in respect of their activity on social media if they are clearly identifiable as a Councillor.

**Recommendation 4 – no amendment to Section 27(2) Localism Act 2011**

- 2.6 Local Authorities are encouraged to review their codes of conduct regularly with regard to when a Councillor's activities are considered to be in their official capacity and to ensure training for Councillors is provided and refreshed.
- 2.7 We adopted the LGA Model Code of Conduct which states that the code applies when a member of the public could reasonably assume, being in possession of the full facts, that a Councillor's actions are giving the impression that they are acting as a Councillor. As with social media Councillors need to demonstrate that they are acting in good faith in the public interest.

**Recommendation 5 – no amendment to the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.**

- 2.8 The Model Code of Conduct was amended to include unpaid directorships and other relevant roles that a Councillor might have in their private capacity in case it gives rise to a potential conflict of interest. For example, being a trustee of a charity, which then submits an application for funding or a planning application to a Committee that Councillor serves on.
- 2.9 The Government seeks to keep this under review but has no plans to amend the Regulations.

**Recommendation 6 – Gifts and Hospitality**

- 2.10 As recommended, we publish gifts and hospitality that Councillors make us aware of, and the value if over £50, but we do not have a provision for cumulative values from the same source for a sustained period, unless they total over £50 together.
- 2.11 Councillors can either submit an on-line form via the website or email us the details for publication. The register is held by the Chief Executive's Personal Assistant and Officers in Democratic Services also hold the information in order to update the Councillor's profile page on the website.



- 2.12 Declarations of Interest are kept for a period of 6 years but currently we do not have a retention period for gifts and hospitality but might wish to do so?

**Recommendation 7 – no repeal of section 31 of the Localism Act 2011.**

- 2.13 This concerns disclosable pecuniary interests and the Councillor's consequent requirement not to participate or vote in a matter where an interest has been declared.
- 2.14 It is not proposed to repeal this requirement in the interests of transparency and the principle of integrity.

**Recommendation 8 – fixed term of office for Independent Persons**

- 2.15 The Government does not accept this recommendation because (and we agree) it is too restrictive and would be an onerous task to have to source and appoint new Independent Persons every 4 years (a two year term of office renewable once).
- 2.16 The Independent Person has to have no political affiliation, no current or previous association with the Council and no friends or family members associated with the Council.
- 2.17 We currently have one Independent Person who meets this criteria, who also demonstrates, as recommended, capability and sound judgement. He has proved to be invaluable when consulted on complaints about Councillors.

**Recommendation 9 – requirement to record in the official decision notice the view of the Independent Person in relation to a decision on which they are consulted**

- 2.18 The Government disagrees with this recommendation which would also mean that the Local Government Transparency Code would have to be updated.
- 2.19 In our minutes of any hearings that have taken place we state that the advice of the Independent Person was sought and taken into account. They often will attend the hearing as a non-voting participant.

**Recommendations 10, 12, 13, 14 and 16 – concerning issues about suspension of Councillors**

- 2.20 There is currently no legislative provision to suspend a Councillor found to be in breach of the Code. Therefore, all the above recommendations are theoretical.
- 2.21 The Government believes that Councillors are ultimately held to account via the ballot box and that political groups are unlikely to select unsuitable people to become Councillors or re-select someone that has brought their group into disrepute.
- 2.22 The Government undertakes to engage with all sector representatives and organisations in local government to seek views on options to strengthen sanctions to address serious incidents of bullying and harassment or disruptive behaviour but stops short of considering suspension as an option.

**Recommendation 11 – legal indemnity to Independent Persons where advice is disclosed via secondary legislation if necessary.**

- 2.23 The Government agrees with this in principle and some local authorities do this now. Rather than use secondary legislation the Government is inclined to recommend it as best practice. This is something that Officers will consider.

**Recommendation 15 – annual publication of complaints about Councillors and outcomes**

- 2.24 The Government does not seek to prescribe what information local authorities publish but considers it best practice to do this in some shape or form.
- 2.25 We have decided to provide an annual report on complaints about Councillors and is elsewhere on this agenda.

**Recommendation 17 – clarification regarding sanctions**

- 2.26 The Government has not come to a conclusion on this matter but considers that the instances where a Councillor has acted in such a manner to necessitate barring them from the Council premises would be very rare.
- 2.27 Where a Councillor's behaviour is covered by Criminal law the Government considers this is sufficient. For example, breach of public order, anti-social behaviour and harassment.

**Recommendation 18 – Criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished.**

- 2.28 The Government disagrees and states that making the failure to disclose a pecuniary interest a criminal matter is a necessary and proportionate safeguard and deterrent against corruption.
- 2.29 The Model Code of Conduct includes this provision. All Councillors are reminded on a regular basis that they must disclose pecuniary interests in a full and timely manner.

**Recommendations 19, 20 and 21 – concerning parish council clerks, adoption of the code of conduct by parish councils and sanctions they can impose**

- 2.30 Runnymede has no parish councils.

**Recommendation 22 – disciplinary protection for statutory officers.**

- 2.31 The Government agrees that the three statutory officers; the Head of Paid Service (Chief Executive), the Section 151 Officer (Assistant Chief Executive) and Monitoring Officer (Corporate Head of Law and Governance) should have a higher degree of protection at all levels of potential disciplinary action. This is because they may be subject to personal pressures when dealing with high profile breach of conduct investigations.
- 2.32 The Government will engage with the sector to seek views on amending the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 accordingly.

**Recommendation 23 – named contact for the external auditors alongside their contact details in a council’s Whistleblowing policy**

- 2.33 The Government agrees this is essential for openness and it is what we do by giving the contact details of our external (internal) auditors TIAA in the Council’s Constitution, available on our website. We do not give a named contact. However, in addition to TIAA our Whistleblowing Policy also gives details of the other Regulators and how to contact them.

**Recommendation 24 – Councillors should be listed as ‘prescribed persons’ for the purposes of the Public Interest Disclosure Act 1998**

- 2.34 Local Councillors do not meet the criteria of being external to an individual’s workplace in relation to matters affecting the Council. However, the Government is open to further representations on the matter of how local accountability can be strengthened in this regard.

**Recommendations 25 and 26 – concerning induction training by political groups and Local Government Association corporate peer reviews to include consideration of a local authority’s processes for maintaining ethical standards**

- 2.35 The Government has not made any comment on these recommendations.
- 2.36 Whilst we conduct induction and other training (some mandatory) for Councillors, we are not aware of what training political groups provide their members with.
- 2.37 We last conducted a Local Government Association peer challenge review in October 2019, the results of which were reported to the Corporate Management Committee and the report itself is published on the Council’s website. [Corporate Peer Challenge Peer Challenge Report \(runnymede.gov.uk\)](https://www.runnymede.gov.uk/corporate-peer-challenge-report)
- 2.38 The Peer Review included ‘political and managerial leadership’ and ‘governance and decision making’. Councillors were interviewed along with relevant Officers and other members of staff.
- 2.39 When the Council next embarks on a peer challenge this is something that could be considered, bearing in mind the Government has not made a specific recommendation in this regard.

**3. Policy Framework Implications**

- 3.1 The Code of Conduct is contained within the Council’s Constitution which is reviewed annually.
- 3.2 This report is relevant to the following Corporate Values and Goals:
- Transparent
  - Have sound leadership and decision making processes

**4. Resource Implications**

4.1 Implementing the best practice recommendations is now embedded in our policies and procedures.

## 5. **Legal implications**

5.1 As explained in the body of the report there is a legal duty imposed on all local authorities to adopt a code of conduct for their elected Members. The Committee on Standards in Public Life is an independent, advisory non-departmental public body (NDPB) established in 1994. The Committee is not founded in statute and has no legal powers to compel witnesses to provide evidence, or to enforce its recommendations.

5.2 The Committee on Standards in Public Life are responsible for:

- advising the Prime Minister on ethical issues relating to standards in public life
- conducting broad inquiries into standards of conduct
- promoting the 7 principles of public Life

Their remit does not allow them to investigate individual allegations of misconduct. If any recommendations are made in any reports prepared by the Committee on Standards in Public Life their implementation is dependent on adoption by Government and the enactment of legislation.

## 6. **Equality Implications**

6.1 The Council has a duty under the Equality Act 2010. Section 149 of the Act provides that we must have due regard to the need to;

- a) eliminate discrimination, harassment, victimisation and other conduct prohibited by the Act
- b) to advance equality of opportunity
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share protected characteristics.

We should at all times act in a way that is non-discriminatory through our policies and procedures and interactions with people.

6.2 The Committee on Standards in Public Life has a principle of promoting equalities by its commitment to addressing incidents of bullying and harassment, intimidation and maintaining high standards of conduct and behaviour.

### **(For information)**

#### **Background papers**

Department for Levelling Up, Housing and Communities letter to Lord Evans dated 18 March 2022

Committee on Standards in Public Life Best Practice Recommendations 19 January 2019

LGA Peer Challenge Review October 2019

Correspondence between Democratic Services and the Corporate Head of Law and Governance, March 2022

## Complaints and Compliments about Councillors 2020 - 2022 (Law and Governance, Clare Pinnock)

### Synopsis of report:

To provide Members with a summary of the complaints and compliments received during 2020-2021 and 2021/2022 concerning elected Councillors and co-opted Members. These cover the municipal years, not calendar years.

### Recommendation(s):

None. This report is for information.

## 1. Context of Report

- 1.1 The Council maintains a spreadsheet of formal complaints about elected Councillors and co-opted Members. It is also published on the Council's website, anonymised, unless a Hearing determines that the matter be considered in public or the remedy for a complaint involves disclosure of the Councillor(s) concerned.
- 1.2 Members will recall that the Committee on Standards in Public Life issued a series of best practice recommendations, one of which concerned the publication of decision notices with regard to matters of conduct which had been determined by this Committee. Officers considered that in the interests of transparency an annual report on complaints would also be appropriate.

## 2. Report

- 2.1 The Council's Complaints Procedure regarding the conduct of Councillors delegates such matters to the Monitoring Officer and/or his Deputy. Guidance on how to make a complaint is published on our website. [Councillors – Runcymede Borough Council](#)
- 2.2 There were 12 entries in the complaints register and 1 compliment recorded for the Municipal Year 2020/2021. For 2021/2022 there were 2 complaints and no compliments recorded.
- 2.3 Providing a detailed breakdown of complaints would inevitably lead to a Councillor being identified. Therefore, it is sufficient to report that the majority of complaints concerned general conduct and the requirement under the Code of Conduct to treat others with respect and not bring their office into disrepute.
- 2.4 There are no open complaints from 2020 – 2022. Most were closed either because no further details were provided by the people making the complaints or it was determined by the Monitoring Officer after consulting the Independent Person that no further action was required.

- 2.5 There were no Hearings in 2020/2021 or 2021/2022. However, this is not to say that complaints do not illustrate lessons to be learned. For example, Members need to be very careful in their use of social media so as not to be misinterpreted or engage in lengthy debate, which, by its nature can become personal and detract from their duties as a Councillor. One incident can lead to a number of complaints about it and about the Councillor(s) involved. For example, in 2020/2021 there were 6 complaints about the same person and incident. In 2021/2022 there was a complaint from several people about one incident. In this case the Monitoring Officer decided to have one lead complainant. Following investigation this was resolved by the Councillor issuing an apology to the Council.
- 2.6 In accordance with our retention schedule, details of complaints about Councillors are held securely, then destroyed 7 years after a Councillor ceases to hold office.
- 2.7 There was one compliment received during 2020/2021. This was from residents about the Councillors received by the former Mayor, Councillor Sohi, and shared with Runnymede Foodbank, with whom a number of Councillors volunteered (and still do), and staff for assistance given during the pandemic and lockdown.

### 3. **Policy framework implications**

- 3.1 The Complaints policy and procedures are reviewed regularly to ensure they are proportionate and accessible. No amendments to the policy were considered necessary in 2020/2021, save for the decision to close open complaints where no further details had been received from someone after prompting and a period of 4 weeks since the complaint is first lodged, as explained below.
- 3.2 Complaints are regarded as 'out of time' if a complaint is made about a Councillor and the person does not follow it up after 4 weeks with any further details that would suggest an investigation might be appropriate.
- 3.3 Officers would view four weeks as being a reasonable period of time for someone to provide follow up information in respect of a complaint. If there were a reasonable reason why information was not provided within four weeks e.g. serious illness, then the complaint could be reopened.
- 3.4 By recording complaints on the system which are not being investigated because no actual details have been provided can distort the statistical data that the Council holds. However, the register on the website clearly shows where a complaint has been closed and why.
- 3.5 Members will recall that best practice recommendation 7 was that local authorities should have access to at least 2 independent persons. Owing to the pandemic and pressure of other work we have not yet been able to advertise for a second independent person. However, arrangements for this are in hand and we are confident to have a second person in place this summer.

#### 4. **Resource implications**

- 4.1 The registers are co-ordinated by an Officer in Law and Governance on behalf of the Monitoring Officer, who also provides administrative assistance to the Monitoring Officer from when a complaint is received to when it is closed and/or determined/resolved.
- 4.2 When a complaint is deemed worthy of investigation, and meets the legal and local tests, the services of an independent solicitor are engaged to which there is a cost attached. In 2020/2021, there were no investigations involving the independent solicitor and there was one case investigated in 2021/2022.
- 4.3 The Council's Independent person is also consulted and the call on his time can be significant. In 2020/2021 he was involved in three cases and in 2021/2022 he was consulted once.
- 4.4 Plans to recruit a second Independent person were delayed by the Pandemic. However, it is hoped to issue an advertisement shortly so that this position can be filled.

#### 5. **Equality implications**

- 5.1 The Council has a duty under the Equality Act 2010. Section 149 of the Act provides that we must have due regard to the need to;
  - a) eliminate discrimination, harassment, victimisation and other conduct prohibited by the Act
  - b) to advance equality of opportunity
  - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share protected characteristics.

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 2020/2021 and 2021/2022 there were no specific allegations relating to protected characteristics and the Code of Conduct, with which Councillors and co-opted Members are required to comply is underpinned by the Equality Act.

#### **(For information)**

#### **Background papers**

The Complaints and Compliments Registers held on the Council's feedback drive and relevant (part exempt) emails on the Council's outlook system.

## Complaints and Compliments Quarter 4 2021/2022 (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 2022 (Quarter 4 of the KPI reporting structure), and report any matters that have arisen since the meeting of the Committee in January 2022.

### Recommendation(s):

None. This report is for information.

#### 1. Context of Report

- 1.1 The Council maintains a spreadsheet of formal complaints which have been recorded (and a separate register for those in which the Local Government and Social Care Ombudsman (the Ombudsman) has been involved), what they relate to and how they have been resolved. We maintain a similar spreadsheet for compliments and there is an overdue complaints register which helps us keep track of unresolved complaints.

#### 2. Report

- 2.1 The Council's Complaints Procedure regards complaints as '*an expression of dissatisfaction about a Council service (whether the service is provided directly by us or by one of our partners/contractors) which requires a response.*' This is in line with the definition of a complaint that the Ombudsman recommends.
- 2.2 Corporate Heads are responsible for ensuring that complaints are dealt with and compliments recorded in a timely way and that entries on the central registers are accurate and comply with the General Data Protection Act. Service Requests, and people seeking information and explanations of Council policy are not generally regarded as complaints. Nevertheless, they should still be dealt with in a timely manner, be as helpful as possible to avoid a complaint being lodged subsequently and to maintain a high standard of customer service to our residents, businesses and visitors to the borough.
- 2.3 There were 17 entries in the complaints register and 26 compliments recorded in Quarter 4 of 2021/2022.
- 2.4 **Complaints Quarter 4 2021/2022**

The table below sets out the figures for Quarters 1, 2, 3 and 4 of 2021/2022:



<b>Business Centre</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
Commercial Services	0	0	0	0
Community Development	6	4	0	0
Community Services	2	0	0	0
Corporate Services	0	1	0	0
Customer, Digital and Collection Services	3	0	1	0
Development Management and Building Control	3	1	3	1
Economic Development and Planning Policy	0	0	0	0
Environmental Services	8	4	4	9
Financial Services	4	0	0	0
Housing	8	8	12	7
Human Resources	0	0	0	0
Law and Governance	1	0	0	0
<b>Total</b>	<b>35</b>	<b>19</b>	<b>20</b>	<b>17</b>

- 2.5 Of the 17 complaints recorded, so far 1 has been upheld, 1 partly upheld, 3 not upheld and 4 are in progress or have not yet reached the deadline to respond fully to the complaint. However, there were 8 complaints for which a response is overdue in Quarter 4, and the relevant Officer has been asked for an update.
- 2.6 The complaint upheld came under the remit of Housing Maintenance and was regarding a tenant's property. This is being remedied through the provision of new facilities in liaison with the Contractor.
- 2.7 The partly upheld complaint concerned Development Management where we failed to notify a resident about their neighbour's planning application. This was most probably a technical fault which occurred when the notification radius was plotted around the application property.

#### Lessons Learned

- 2.8 Members have requested some analysis of complaints and compliments and how service improvements can be made using the data available and for this

section on lessons learned to be reinstated into this report. The following has been identified from information provided in the registers:

- To deal with service requests in a timely way to avoid delays
- Attention to detail and importance of dealing with complex enquiries in a clear way
- Responding to changing circumstances by reviewing decisions regularly
- Review notification procedures in Planning to identify any further checks/processes that could be put in place to prevent problem re-occurring

## 2.9 Compliments Quarter 4 2021/2022

<b>Business Centre</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
Commercial Services	0	0	0	0
Community Development	8	14	13	11
Community Services	1	0	2	2
Corporate Services	1	0	0	0
Customer, Digital and Collection Services	4	9	6	4
Development Management and Building Control	0	0	0	2
Economic Development and Planning Policy	0	0	0	0
Environmental Services	5	5	2	2
Financial Services	0	0	0	0
Housing	0	2	0	5
Human Resources	0	0	0	0
Law and Governance	0	0	0	0
<b>Total</b>	<b>19</b>	<b>30</b>	<b>23</b>	<b>26</b>

2.10 There were 26 compliments received for Quarter 4 2021/2022. The details, where staff were named or identifiable from the information provided, are set out in Exempt Appendix 'A'.

2.11 There were some compliments that were shared between teams such as Customer Services and the DSO, and the DSO and Community Development.

2.12 The breakdown of complaints and compliments in Quarters 1, 2, 3 and 4 for 2021/2022 by Ward is set out below (- denotes complaints and + compliments)

Ward	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
	-	+	-	+	-	+	-	+
Addlestone North	11	1			1	2	2	1
Addlestone South	1	1	3	2	1	1	1	4
Chertsey Riverside	2		3		1	4	2	4
Chertsey St Ann's	1	1	1	2	2	1	1	1
Egham Hythe	2	1	1	2	4		1	
Egham Town	3	2	2	2	2		1	1
Englefield Green East	3	1		2	1	1		
Englefield Green West	2	2	1	2	2			2
Longcross, Lyne and Chertsey South		1	3					
New Haw	2		1	1			2	
Ottershaw	1	1	1	3	2	1	3	1
Thorpe	1	1		1				
Virginia Water	4			1	2	1	1	
Woodham and RowTown						2	2	
Out of Borough	2	7	1	9	2	6		7
Unrecorded	0	0	2	3		4	1	5
Totals	35	19	19	30	20	23	17	26

2.13 The year end total number of complaints is 91 compared with 118 in 2020/2021 and we recorded 98 compliments compared with 184 in 2020/2021. Over the two years 43 complaints (36%) were upheld or partly so in 2020/2021 and this has fallen to 23 (25%) for 2021/2022. We have implemented changes to processes and procedures which have led to improvements. For example streamlining forms and upgrading software.

2.14 Recording complaints and compliments is a valuable tool for the Council to review performance and improve the delivery of services.

2.15 Since the last meeting, there has been some interest from the Communications team in re-modelling the emails we send to staff receiving compliments. The Communications team has created a template certificate for us to use which would be also be accompanied by a letter to the staff/team on behalf of the Committee (to replace the current emails), which would be copied to HR so it can go on their file if they wish.

### 3. Policy framework implications

3.1 The Complaints policy and procedures are reviewed regularly to provide up to date guidance to staff completing the registers and to ensure reporting is accurate.

### 4. Resource implications

4.1 The registers are co-ordinated by an Officer in Law and Governance; on behalf of the Monitoring Officer, but time is also spent by other Officers, particularly in Housing whose input is much appreciated.

5. **Equality implications**

5.1 The Council has a duty under the Equality Act 2010. Section 149 of the Act provides that we must have due regard to the need to;

- a) eliminate discrimination, harassment, victimisation and other conduct prohibited by the Act
- b) to advance equality of opportunity
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share protected characteristics.

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 3 compliments which can be considered relevant to the protected characteristics of age and/or disability and religion and belief, and 1 complaint that could be identified as relevant to race.

**(For information)**

**Background papers**

The Complaints and Compliments Registers held on the Council's feedback drive and relevant (part exempt) emails on the Council's outlook system.

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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