



# Standards and Audit Committee

**Tuesday, 18 July 2023 at 7.30 pm**

**Council Chamber - Civic Centre**

## **Members of the Committee**

Councillors: J Hulley (Chairman), M Cressey (Vice-Chairman), S Dennett, S Jenkins, J Mavi, M Singh, S Walsh, S Whyte, S Williams and J Wilson.

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 contact [democratic.services@runnymede.gov.uk](mailto:democratic.services@runnymede.gov.uk). Tel 01932 425622. 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.
- 5) Filming, Audio-Recording, Photography, Tweeting and Blogging of Meetings

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the front of the Agenda prior to the start of the meeting so that the Chairman is aware and those attending the meeting can be made aware of any filming taking place.

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

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

<b>List of matters for consideration</b>	<u>Page</u>
<b>Part I</b>	
<b>Matters in respect of which reports have been made available for public inspection</b>	
1. <b>Notification of Changes to Committee Membership</b>	
2. <b>Minutes</b>	4 - 11
	To confirm and sign as a correct record the Minutes of the meeting held on 24 May 2023 (Appendix 'A').
3. <b>Apologies for Absence</b>	
4. <b>Declarations of Interest</b>	
	Members are invited to declare any disclosable pecuniary interests or other registrable and non-registrable interests in items on the agenda.
5. <b>External Audit Update</b>	
	To Follow
6. <b>Internal Audit Summary Internal Controls (SICA) Report 2023/24</b>	12 - 24
7. <b>Internal Audit Progress Report on Outstanding Recommendations</b>	25 - 30
8. <b>Complaints and Compliments Quarter 1 2023/24</b>	31 - 35
9. <b>Exclusion of Press and Public</b>	36
<b>Part II</b>	
<b>Matters involving exempt or confidential information in respect of which reports have not be made available for public inspection</b>	
10. <b>Exempt Appendix A to item 8</b>	37 - 40

## Runnymede Borough Council

### Standards and Audit Committee

**Wednesday, 24 May 2023 at 7.30 pm**

Members of the Committee present: Councillors J Hulley (Chairman), M Cressey (Vice-Chairman), S Dennett, C Howorth (In place of J Wilson), S Jenkins, J Mavi, M Singh, S Williams and S Whyte.

Members of the Committee absent: Councillor S Walsh.

In attendance: Councillor M Smith.

**1 Minutes**

The Minutes of the meetings held on 24 January 2023 and 17 March 2023 were confirmed and signed as correct records. The latter set of Minutes is attached at Appendix 'A.'

**2 Apologies for Absence**

Apologies for absence were received from Councillor S Walsh.

**3 Declarations of Interest**

There were no declarations of interest.

**4 BDO External Audit Update**

The Committee received a brief update from BDO, the Council's External Auditors, on progress with completing the 2019/2020 annual audit.

Members were advised that owing to a number of factors, some pertaining to issues raised by other audit firms at other local authorities, the use of resources element of the external audit was still incomplete and was unlikely to be finalised for a number of months. The auditors were considering matters relating to the Council's investments in property, including the legal advice obtained by the Council ahead of such investment and the related governance arrangements. It was noted that no further investment properties had been acquired since this single acquisition during 2019/20.

The Committee, whilst sympathetic to the challenges faced by the auditors, which were replicated nationally, was very disappointed to be in the same position as a number of other local authorities of not being able to finalise these accounts so that progress could be made with subsequent annual external audits.

Members noted the negative knock on effects for the Finance team in particular, having to re-work the accounts. In addition, two long serving members of the team had retired; existing staff had stepped up well, new staff had been recruited, were being trained and making very good progress but there was still one vacancy within the team to fill.

Officers confirmed that as a result of these continuing delays, the Council would not comply with the statutory deadline for closure of the 2022/2023 accounts. A public notice to this effect explaining why this was not possible would have to be issued.

An assurance was made that an update, including a plan for delivery of the audits, would be brought to the next scheduled meeting of the Committee in July 2023.

## 5 Counter Fraud Service update

The Committee was asked to note the Counter Fraud activity undertaken during 2022/2023 and approval was sought of the action plan to enhance the Council's work in combatting fraud and corruption.

Members received a comprehensive presentation by Officers from Reigate and Banstead Council who had fully delivered the Council's Counter Fraud service since 2021. The arrangement had started in 2019 and also involved collaborative assistance from Portsmouth City Council with more specialist investigations under the Proceeds of Crime Act.

The presentation covered the context of fraud in Local Government; most commonly found in Housing and Revenues and Benefits, and included (in the agenda report) a full breakdown of service performance statistics for 2022/23 which was summarised in the presentation. Members were advised that in 2022/2023 531 cases were investigated, with 47 reported as having a positive outcome. A positive outcome was defined as one where proactive measures have been taken which has prevented fraud, or where a reactive referral has stopped fraud from continuing. These represented 8.5% of cases which was a good performance and resulted in savings of £196,002 compared with £170,527 in 2021/2022.

One case study was looked at in detail which Members found very interesting. Officers from Reigate and Banstead Council were thanked for their presentation and it was agreed that the presentation would be very useful for Members of the Housing Committee to see at a future meeting. Officers agreed to arrange this.

Officers presented a forward plan for 2023/24. This included:

- Promoting Counter Fraud work
- Consideration of a full Tenancy Review
- Review of the homelessness process
- Review and update of the Council's Anti-Fraud and Corruption Policy

The Committee was fully supportive of the action plan, building on the successes of previous years.

Officers would be working with the Council's Communications team in respect of raising fraud awareness, including on social media. Members asked that a review was also undertaken of the scope of fraud awareness training for staff.

It was noted that the Housing Committee would have an active role in the plan as it related to housing. Officers hoped to bring the review of the Anti-Fraud and Corruption Policy to the Standards and Audit Committee in October or November 2023.

### **RESOLVED that –**

- i) the Counter Fraud activity undertaken in 2022/2023 be noted; and**
- ii) the action plan to enhance the Council's work in combatting fraud and corruption be approved**

## 6 Summary Internal Controls Assurance (SICA) Report

The Committee noted progress with the final SICA report for 2022/2023.

Officers were pleased to report that all audits for 2022/2023 were nearing completion.

TIAA had recently been assessed as generally conforming (the highest rating that could be achieved) with the Public Sector Internal Audit Standards and the mandatory elements of the Institute of Internal Auditors International Professional Practices framework. This External Quality Assurance Assessment had been carried out by Chiene and Tait, highly respected in the field.

With regard to specific audits in 2022/2023; none had priority 1 actions since the last SICA report and those with priority 2 recommendations were noted. These were for Commercial Rents, Data Protection and Information Governance, HR Absence Management and Climate Change. There were also 7 priority 2 recommendations arising from two ICT audits from 2021/2022 which would be reported to a future meeting.

Changes to the audit plan from 2022/23 would be carried forward to the 2023/2024 plan. These included a new audit of Safeguarding, Commercial Property and Procurement. Officers clarified that the Commercial Property audit had been postponed to allow the Assets and Regeneration team to focus on the new Assets Management Strategy and for new staff to settle into post.

TIAA had issued one Client Briefing Note on counter terrorism and the implications of Martyn's Law which had been circulated to relevant business centres.

TIAA's Officers were thanked for their report which was duly noted.

## **7 Internal Audit Progress report for outstanding recommendations**

The Committee noted progress with the implementation of outstanding recommendations from previous audits since the last meeting.

Members were pleased that a further 19 recommendations had been implemented, leaving just 4 outstanding. Unfortunately, one of these related to the Depot and Members were very concerned about this continued delay which indicated that senior managers might not be engaging with the process. It was confirmed that the Council's Corporate Leadership Team reviewed regular updates on the Depot's operational matters. Officers would re-test at the end of June and bring an update to the next scheduled meeting in July 2023 as part of the regular report on outstanding recommendations.

The report was duly noted.

## **8 Internal Audit Annual Report 2022/2023**

The Committee received for information TIAA's Internal Audit Annual Report for 2022/2023.

Members were pleased to learn that TIAA's Officers had issued an opinion which expressed satisfaction that sufficient internal audit work had been undertaken to allow TIAA to draw a positive conclusion with regard to the adequacy and effectiveness of the Council's risk management, control and governance processes in place to manage the achievement of its objectives.

In doing so, TIAA felt obliged to make a reference to the fact that BDO had not yet signed off the Council's accounts from 2019/2020 to 2021/2022, which might present a risk to the control framework at Runnymede.

In terms of Annual Assurance, 21 Reviews had been carried out (4 cancelled); there were 7 reviews achieving Substantial Assurance and 10 attaining a Reasonable Assurance. Where 'no opinion' was recorded this was because they were 'follow up' audits. Of the recommendations arising from these reviews there had been 15 important, and 18 routine recommendations and 12 described as Operational Effectiveness Opportunities.

The report was duly noted.

## 9 **Internal Audit Indicative Audit Strategy and Annual Audit Plan 2023/2024**

The Committee's approval was sought for TIAA's Annual Audit Plan for 2023/2024 which had already commenced owing to TIAA being unable to present a plan in January.

Key themes for the year ahead included; Macroeconomic and financial environment, increasing wage demands, Cyber Security, Climate Change, and the Impact on local Government.

There were 18 audits planned for 2023/2024 totalling 175 days. These were for Commercial Property, Data Quality, Recruitment, Procurement/Contracts, Risk Management, Corporate Governance, ICT Contingency, 5 key areas within Finance and Resources, the Depot (including Trade Waste), Housing Repair and Maintenance, 3 areas within Community Services and some other 'follow up' audits.

Members noted the Internal Audit Charter and framework for reporting to the Committee.

It was agreed that TIAA's Officers would discuss with the Assistant Chief Executive the feasibility of including an extra column regarding priority of the audit in the event that a proposal to defer or cancel it was made.

### **RESOLVED that –**

**The Internal Audit Annual Plan for 2023/2024 be approved.**

## 10 **Annual Governance Statement**

The Committee was requested to recommend to Corporate Management Committee that the Annual Governance Statement for 2022/2023 be approved.

The Committee approved the format of the Statement which took the form of assessing the Council's compliance with each Principle and listing the activities that supported the positive conclusive statement.

Members appreciated the section reviewing actions from the 2021/2022 Statement with regard to Risk Reporting, Emergency Committee, a refresh of the Member Training Programme and the review of the Local Code of Governance (the latter being the subject of another report on the agenda).

Areas for improvement for action in 2023/2024 were noted. These being Risk Reporting, Procurement, embedding the new Corporate Leadership Team arrangements and producing a response to engagement with Cipfa and the Department of Levelling Up, Housing and Communities ahead of the enacting of the Levelling Up and Regeneration Bill.

One amendment was approved to correct a typographical error within Principle E concerning Climate Change activity.

Members were content to recommend approval by Corporate Management Committee of the Annual Governance Statement 2022/2023, as amended at the meeting.

### **RESOLVED that –**

**The Annual Governance Statement 2022/2023, with the wording within principle 'E' as amended at the meeting, be recommended for approval by Corporate Management Committee**

## 11 **Complaints about Councillors 2022/2023**

The Committee received an anonymised summary of complaints received about elected Councillors in 2022/2023.

Officers advised the Committee that 5 complaints had been received in 2022/2023, one of which was still open and with the Monitoring Officer to provide a response to the complainant. The remaining 4 complaints had not been upheld or had been closed because the complainant had not provided sufficient information to investigate further within the 4 week time frame.

Officers had not made any amendments to the policy in 2022/2023. However a revision to the narrative on the website and Constitution had been made to reflect guidance from the Local Government Ombudsman to the effect that a Councillor could complain to the Ombudsman if they felt that the process had not been followed properly in the event of a complaint being made about them and how the Monitoring Officer had dealt with it.

Members noted that guidance to people wanting to make a complaint had also been updated to include a dedicate form created by the Digital Services Team to submit a complaint via the website which captured all the information needed to give complaints proper consideration.

Officers reported that there were no independent investigations necessary in 2022/2023, thus no expenditure had been incurred.

The important role of the Independent Person was noted; plans to recruit a second person were in hand.

Officers confirmed that reporting on complaints in this way complemented one of the Best Practice Recommendations arising from the Committee on Standards in Public life published in January 2019, concerning transparency and publication of decision notices, where applicable.

It was confirmed that the Monitoring Officer dealt with complaints on a case by case basis and kept a Councillor informed if a complaint was made when determining each case to come to a balanced conclusion. When a complainant wished to remain anonymous this was discussed with them prior to taking the complaint forward.

The report was duly noted.

## 12 **Complaints and Compliments Quarter 4 2022/2023**

The Committee received for information the regular report on complaints and compliments for Quarter 4 2022/2023 and year end results.

Officers reported that 30 complaints had been recorded on the central register. This figure was reliant on Business Centres accurately reporting complaints received. It was acknowledged that some complaints were 'service requests'. However, there appeared to be an increasing number of service requests that became complaints if the original request had not been dealt with. Officers would monitor this and escalate if necessary to the relevant Corporate Head.

The Committee agreed that by their nature the frontline services tended to receive more complaints. However, they also received a good number of compliments; there being 16 in total across the business centres in Quarter 4. Ward based information was also reviewed but no particular trends had emerged.



Members were pleased by positive feedback which balanced negative attention and sought to congratulate staff receiving compliments by sending certificates via Democratic Services to individual members of staff which it was considered were well received.

The report was duly noted.

### 13 **Review of Local Code of Governance**

The Committee was asked to recommend to Corporate Management Committee that the draft Local Code of Governance be approved (for approval by the Council at its next scheduled meeting in July 2023)

The review of the Code of Governance had been updated to include the underlying strategies in the Council's Corporate Business Plan. These were Climate Change, Empowering our Communities, Economic Development, Health and Wellbeing and Organisational Development. In addition, the recent adoption of the Asset Management Strategy and Procurement Strategy, were reflected in the draft code.

With regard to the role of the Overview and Scrutiny Select Committee, and in the context of Principle G of the Code ('Implementing good practices in transparency, reporting and audit to deliver effective accountability'), it was requested that the frequency of its meetings be reviewed upwards and matters for their discussion be considered by the Constitution Member Working Group. The timeline for review of the Code was noted including the provision for an 'in-year' review which it was agreed would include such a discussion. The aim being to tighten Principle G and improve transparency.

Officers agreed to revise the wording within Principle F of the code regarding 'Executive' arrangements to reflect the Committee system in place at Runnymede.

Members endorsed the Code, noting the revised format which provided access to the supporting documents evidencing the Council's governance framework.

#### **RESOLVED that –**

**The draft Local Code of Governance 2023/2024, be recommended for approval by Corporate Management Committee (for approval by Council in July 2023)**

### 14 **Exclusion of Press and Public**

By resolution of the Committee, for the reasons set out in the agenda, the press and public were excluded from the remainder of the meeting during the consideration of the remaining matters under Section 100A (4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information as set out in Schedule 12A to Part 1 of the Act.

### 15 **Exempt Appendix A**

The Committee reviewed the details of positive feedback and compliments received by individual members of staff in Quarter 4 of 2022/2023.

Members agreed this was encouraging and asked Officers to consider suitable publicity of compliments with the Communications Team via the Council's Social Media platform.

## **Appendix A Minutes 17.03.2023**

**Runnymede Borough Council**

**Standards and Audit Committee**

**Friday, 17 March 2023 at 2.00 pm**

Members of the Committee present: Councillors M Nuti (Chairman), D Cotty and S Ringham.

The other Members of this Committee were not required for this meeting.

**1 Declarations of Interest**

There were no declarations of interest.

**2 Procedure for the Conduct of Business**

The Procedure for the conduct of business was duly noted.

**3 Regrading Appeal**

The Standards and Audit Committee met to consider an appeal by an employee in the Housing Business Centre regarding the grading of their post.

The report and its content were confidential as they identified individuals.

The Committee determined the matter in accordance with the procedure as set out in the agenda papers and had due regard to the advice provided by both the Head of HR and OD and the Corporate Head of Law and Governance, acting as Secretary to the Committee.

Both the appellant and Corporate Head of Housing presented their cases and there was an opportunity for each to ask questions of each other and the panel to do so also.

The Committee adjourned at 15:31 and re-convened at 15:55

After careful consideration, the Panel determined that the appeal should be rejected.

However, the Panel made some recommendations that might assist the appellant to develop their career and open up opportunities for advancement. The Corporate Head of Housing readily agreed to these recommendations.

As stated in the procedure, Staff appeals heard by the Standards and Audit Committee (and Sub-Committee) were the last internal mechanism of appeal open to an employee. If an employee remained unsatisfied, they could lodge an appeal with an Employment Tribunal.

Members noted that the Council's Salary Grading Appeals Procedure, last reviewed in 2015, contained the provision for the outcome of Appeals to the Standards and Audit Committee on Salary Gradings to be reported to the Corporate Management Committee. This would be reported to its meeting on 20 April 2023.

A decision notice would be drafted by the Secretary of the Committee and given to all parties present.

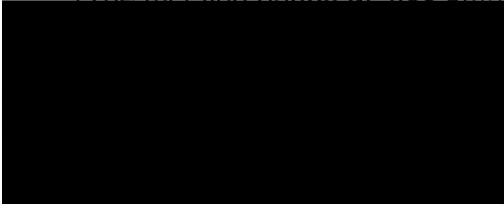
**RESOLVED that –**

**The appeal be rejected for the reasons given to the appellant at the meeting, but that the recommendations of the Committee be duly implemented by the Corporate Head**

of Housing in consultation with the Corporate Head of HR and OD

Chairman

(The meeting ended at 4.00 pm.)



24. 05. 2023

## Summary Internal Controls Assurance (SICA) Report 2023/24 (TIAA, Chris Harris)

### Synopsis of report:

To inform Members on the progress made to date by TIAA, the Council's internal auditors, on the 2023/24 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 30 June 2023.

#### 2. Report

- 2.1 The report identifies 2 audits from the 2021/22 programme, finalised since the last meeting of this Committee. These are: ICT Software Asset Management and ICT Contract Management, both of which were evaluated as 'reasonable', with 7 priority 2 recommendations, agreed with the relevant managers.
- 2.2 At the time of writing the report, Management comments were awaited on Housing Allocations and Homelessness, ICT Service Desk and Key Revenue Controls from the 2022/23 programme.
- 2.3 Progress against the 2023/24 programme is reported as there being one audit in progress on Housing Repair and Maintenance and Corporate Governance is at draft stage. An audit on HR Recruitment has been delayed at the request of the Corporate Head of HR.
- 2.4 One client briefing notice has been issued by TIAA since the last report to Committee, which can be circulated separately, on request. This announces the five year local authority procurement results. In addition, TIAA has issued 3 anti-crime alerts about fraud.
- 2.5 A verbal update will be provided at the meeting.

#### 3. Resource implications

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

#### 4. Legal and Equality implications

- 4.1 None.

**(For information)**

#### Background papers

Relevant Internal Audit working files and reports



Internal Audit

FINAL

**Runnymede Borough Council**

Standards and Audit Committee – 18 July 2023

**Summary Internal Controls Assurance (SICA)  
Report**

**2023/24**

July 2023

# Summary Internal Controls Assurance

## Introduction

1. This summary controls assurance report provides the Standards and 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 30<sup>th</sup> June 2023

## Future of Internal Audit (IA)- Digital drivers

### Use of Data analytics by TIAA

2. TIAA is always adopting new ways of working and methodologies including innovative approaches for delivering internal audits. This is part of our continuous improvement programme which facilitates improvements in efficiency, effectiveness, and the quality of the work we deliver. We currently use data analytics as part of our work in relevant areas to test against full data sets, spot hidden risks, to target our testing and to provide ‘proof in total’ assurance; this adds credibility and value to the reports we produce. Data Analytics helps us to analyse large volumes of data to identify trends, patterns, and anomalies that may indicate potential risks or opportunities for improvement.

### How will Artificial Intelligence (AI) enhance the delivery Internal Audit of the future?

3. We believe that the way internal audits are delivered will change significantly in the next 3 to 5 years through the use of AI, through the use of auditing tools which contribute towards a process of continuous audit assurance, a wider use of predictive analytics to allow auditors to provide reports that are far more forward looking, and robotic process automation which will help remove much of the manual data collection work, thereby allowing Internal Audit more time to provide value-added analysis. Another branch of AI, Natural Language Processing (NLP), has the potential of also enabling auditors to analyse text in a large number of documents.
4. In addition to the use of Data Analytics, TIAA is actively exploring, as part of our vision for the future, the use of AI, automation and other digital tools to streamline the audit process, inform planning, reduce manual effort, and enhance the quality of audit results. Automated data collection and analysis will help reduce the time required to complete audits and improve the accuracy and consistency of audit results. Innovative ways of using and integrating artificial Intelligence in the delivery of audits in response to the exponential growth in data, and how it is analysed and used in the context of Internal Audit, is part of TIAA’s innovation strategy. We will also as part of our strategy be investigating more opportunities to not only use AI, but also to develop the capabilities to audit AI and the associated ethical considerations.

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

5. 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
<b><u>2021/22 Audits</u></b>								
ICT – Software Asset Management	Reasonable	08.12.22	14.06.23	19.06.23	-	4	1	1
ICT – Contract Management	Reasonable	20.12.22	24.04.23	25.04.23	-	3	1	-
<b><u>2022/23 Audits</u></b>								
Housing Allocations and Homelessness	Reasonable	10.05.23	Not yet received		-	4	-	-
ICT – Service Desk	Reasonable	26.04.23	Not yet received		-	2	1	1
Key Revenues Controls	Substantial	20.03.23	Not yet received		-	-	2	-

6. The Executive Summaries and the Management Action Plans 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 2023/24 Annual Plan**

7. Our progress against the Annual Plan for 2023/24 is set out in Appendix B.

**Changes to the Annual Plan 2023/24**

8. There are a number of areas where areas where internal audit work is recommended to enable an unqualified Head of Audit Opinion to be provided for 2023/24. These are summarised below.

Review	Rationale
None	

### Progress in actioning priority 1 & 2 recommendations

9. 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.

*Mitigating risk exposures identified by internal audit reviews*

Review	Date	Priority 1			Priority 2		
ICT – Software Asset Management		0	0	0	0	4	0
ICT – Contract Management		0	0	0	0	3	0

### Root Cause Indicators

10. 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	Qtr2 (2022/23)	Qtr 3 (2022/23)	Qtr 4 (2022/23)	Qtr 1 (2023/24)	Medium term Direction of Travel	Audit Observation
<b>Directed</b>						
Governance Framework	37%	20%	23%	14%		
Risk Mitigation	-	-	-	-		
Control Compliance	63%	80%	77%	86%		
<b>Delivery</b>						
Performance Monitoring	-	-	-	-		
Sustainability	-	-	-	-		
Resilience	-	-	-	-		



**Frauds/Irregularities**

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

**Other Matters**

12. We have issued a number of briefing notes and fraud digests, shown in Appendix D, since the previous SICA report. The actions taken by the Council are summarised below:

*Client Briefing Alerts issued by TIAA*

Briefing Note
Five-year local authority audit procurement results announced
Anti-Crime Alert
Failure to prevent fraud offence
Fraud Stop – Spring 2023
Fraud Stop – Healthcare spring 2023

**Responsibility/Disclaimer**

13. 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 Standards and Audit Committee on request. Where a review has a 'Limited' or 'No' Assurance assessment the full report has been presented to the Standards and Audit Committee and therefore is not included in this Appendix.

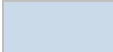
Review	Evaluation
ICT – Software Asset Management	Reasonable
ICT – Contract Management	Reasonable

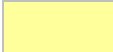


## Progress against Annual Plan


System	Planned Quarter	Current Status	Comments
Data Quality	1	Due to commence at the end of July 2023	
Recruitment	1		Audit delayed at the request of the Head of HR
Governance - Corporate	1	At draft report stage	
Procurement/Contracts	2		
Risk Management	2		
Housing Repair and Maintenance	2	Audit in progress	
Depot	2		
Commercial Property	2		
Community Grants	3		
ICT – Virtual Cloud Based Approach to DR	3		
ICT Audit Follow up of previous recommendations	3		
Key Revenues Controls	3		
Key Financial Controls	3		
Main Accounting	3		
Payroll	3		
Treasury Management	3		
Meals at Home	3		
Safeguarding	3		
Follow-up	1-4		

KEY:

 To be commenced

 Site work commenced

 Draft report issued

 Final report issued



## Priority 1 and 2 Recommendations - Progress update

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
<b>ICT – Software Asset Management</b>						
Management to ensure that the asset registration and control policy is reviewed as soon as possible. The review to ensure that the policy includes the Council’s requirements and controls for the management, monitoring and reporting of software assets, including licenses, versions, installed endpoints, enterprise software license agreements, subscriptions and commercial software licenses.	2	<i>Agreed.</i>	<i>29<sup>th</sup> September 2023</i>	<i>Corporate Head of Customer, Digital and Collection Services</i>		
Management to review and update the Digital Services risk register.	2	<i>Suggested response (taken from your email with comments from Marcel):  Agreed. We are working to take this forward during Q4 23/24.</i>	<i>29<sup>th</sup> March 2024</i>			

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
Digital Services to introduce a regular, at least annual, process of reviewing the software list against data from SCCM, liaising with the infrastructure team to create reporting from the system where necessary.	2	<i>We review software installation monthly.</i>  <i>Auditor comment: Confirmed.</i>	N/A	N/A		
ICT management to implement Windows Defender Application Control.	2	<i>There are currently too many issues with WDAC to implement. As a workaround, we are monitoring software installation through SCCM and remove unauthorised software.</i>  <i>Auditor comment: Confirmed.</i>	N/A	N/A		
<b>ICT – Contract Management</b>						
Management to document a corporate Contract Management Policy that undergoes regular review.	2	<i>Agreed.</i>	<i>Quarter 2 2023</i>	<i>Head of digital services</i>		
Management to review and update the Digital Services risk register as intended.	2	<i>The corporate risk register has been updated.</i>	<i>Completed</i>	<i>n/a</i>		
Management to satisfy themselves that the items in question have been addressed.	2	<i>The IKEN system has now been replaced with a cloud version. The go live for the new system was January 2023 and we are satisfied that the areas listed have been addressed.</i>	<i>Completed</i>	<i>n/a</i>		

**KEY:**

**Priority Gradings (1 & 2)**

<b>1</b>	<b>URGENT</b>	Fundamental control issue on which action should be taken immediately.	<b>2</b>	<b>IMPORTANT</b>	Control issue on which action should be taken at the earliest opportunity.
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**Risk Mitigation**


<b>CLEARED</b>	Internal audit work confirms action taken addresses the risk exposure.	<b>ON TARGET</b>	Control issue on which action should be taken at the earliest opportunity.	<b>EXPOSED</b>	Target date not met & risk exposure still extant
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## Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Anti-Crime 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 Anti-Crime Alerts issued in the last three months which may be of relevance to Runnymede Borough Council 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 23031	Five-year local authority audit procurement results announced		<b>Action Required</b> Audit Committees and Boards / Governing Bodies are advised to familiarise themselves with the new guidance.

### Summary of recent Anti-Crime Alerts

Ref	Subject	Status	TIAA Comments
CBN 23006	Failure to prevent fraud offence		<b>Action Required</b> For information only to Audit Committees and Boards / Governing Bodies
N/A	Fraud Stop – Spring 2023		<b>Action Required</b> For information only to Audit Committees and Boards / Governing Bodies
N/A	Fraud Stop – Healthcare spring 2023		<b>Action Required</b> For information only to Audit Committees and Boards / Governing Bodies



## 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.

### 2. Report

- 2.1 At the time of writing this report, 6 recommendations had been implemented and 2 are still outstanding. These are: Data Protection and Information Governance and Sheltered Housing. A verbal update will be given at the meeting.

### 3. Resource Implications

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

### 4. Legal and Equality implications

- 4.1 None.

**(For information)**

### Background papers

Relevant Internal Audit working files and reports

## Runnymede Borough Council

### Internal Audit Progress Report for Outstanding Recommendations

**2023-24**

July 2023

# 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 June 2023. Since the previous follow up review was carried out (April 2023), eight recommendations have reached their initial or revised target implementation date.

## 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	6
Outstanding	2
No Longer Applicable	0
Not Implemented	0

4. For the six 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 two recommendations classified as Outstanding, these will continue to be periodically monitored, and details relating to the specific recommendations in these cases have been included in the Detailed Findings section below.
6. Recommendations relating to ICT audits will be subject to a separate follow up review to be carried out during 2023/24.



### Scope and Limitations of the Review

7. 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.
8. 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.
9. 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

10. The table below sets out the history of this report.

<b>Date final report issued:</b>	July 2023
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## Detailed Findings

### Follow Up

11. 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:
12. Data Protection and Information Governance

<b>Audit title</b>	<b>Data Protection and Information Governance</b>	<b>Audit year</b>	2022/23	<b>Priority</b>	3
<b>Recommendation</b>	Review Information Asset Registers to ensure they are filled out completely and correctly and are up to date.				
<b>Initial management response</b>	We will commence a project to ensure all departments review, complete and update their IARs.				
<b>Responsible Officer/s</b>	Information Governance Officer	<b>Original implementation date</b>	01/05/23	<b>Revised implementation date</b>	TBC
<b>Latest Update</b>	It was advised by the Information Governance Officer that 23 out of 26 Information Asset Registers had been fully completed, and reminders recently sent for the remaining three. A specific revised target date was not provided for these at the time of the follow up, therefore this will continue to be periodically monitored.				
<b>Status</b>	Outstanding			Implementation is in progress.	

13. Sheltered Housing

<b>Audit title</b>	<b>Sheltered Housing</b>	<b>Audit year</b>	2021/22	<b>Priority</b>	3
<b>Recommendation</b>	Revised policies and procedures be formally approved at the earliest opportunity.				
<b>Initial management response</b>	Meeting arranged to place the reviewed procedures into new and correct format for housing procedures then reviewed procedures to be circulated for approval.				
<b>Responsible Officer/s</b>	Senior IRL Manager	<b>Original implementation date</b>	31/01/23 (subsequently 30/06/23)	<b>Revised implementation date</b>	31/07/23
<b>Latest Update</b>	It was advised by the Corporate Head of Housing that although this work is very close to being completed, some extra time is required to confirm the process maps are correct and that some actions cannot be moved into the core processes of the Tenancy Services Team rather than being referred to in a document purely for Retirement Living. It was therefore requested for the completion date to be amended to 31 July 2023.				
<b>Status</b>	<b>Outstanding</b>			A revised target date has been set.	

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## Complaints and Compliments Quarter 1 2023/24 (Law and Governance, Clare Pinnock)

### Synopsis of report:

To provide Members with a summary of the complaints and compliments received from 1 April – 31 June 2023 (Quarter 1 of the KPI reporting structure) and report any matters that have arisen since the last meeting of the Committee in May 2023.

### 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. 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 corporate 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 38 entries in the corporate complaints register and 18 compliments recorded in Quarter 1 of 2023/24.
- 2.4 **Complaints Quarter 1 2023/24**

The table below sets out the figures for quarter 1 of 2023/24:-

<b>Business Centre</b>	<b>Quarter 1</b>
Assets and Regeneration	1
Community Services	
Corporate Services	
Customer, Digital and Collection Services	2
Environmental Services	27
Financial Services	
Housing	6
Human Resources	
Law and Governance	1
Planning, Economy and Built Environment	1
<b>Total</b>	<b>38</b>

- 2.5 An analysis of the 38 complaints recorded shows that communication and delays in updating people with their service requests continues to be a theme.
- 2.6 Six complaints were upheld. A further 4 cases (across different business centres) were partly upheld, 5 cases were not upheld. This leaves 23 cases that are either overdue, still in progress or at the time of writing this report had not yet reached their deadline. The majority of these cases relate to Refuse and Recycling and Grounds Maintenance. Officers are working with relevant staff to improve the way complaints are dealt with, reduce the backlog, and improve the information on our website. It is fair to say however that some of the issues recorded as complaints were borderline service requests, so this is being monitored.
- 2.7 If Members have any queries regarding particular service areas these can be referred to the relevant Corporate Head.
- 2.8 **Compliments Quarter 1 2023/24**

The table below sets out the figures for quarter 1 2023/24:-



<b>Business Centre</b>	<b>Quarter 1</b>
Assets and Regeneration	
Community Services	4
Corporate Services	1
Customer, Digital and Collection Services	3
Environmental Services	5
Financial Services	
Housing	4
Human Resources	
Law and Governance	
Planning, Economy and Built Environment	1
<b>Total</b>	<b>18</b>

- 2.9 The details, where staff were named or identifiable from the information provided, are set out in Exempt Appendix 'A'.
- 2.10 Compliments for staff across the Council demonstrated where they went above and beyond to help our residents, some of whom were in very challenging circumstances. Others were grateful for help received, praised the quality of work and highlighted examples of joint working between Business Centres. and with partner agencies. One of these was reported via a Member of this Committee for repairs to Hummer Road Car park, for which a local business was very grateful.
- 2.11 At the last meeting, Members asked if we could publicise compliments on social media to balance any negative feedback. Officers in Communications have taken this on and from June they started posting compliments, naming members of staff who had given their consent. Not everyone is happy about being named; in this instance Communications have referred to their department.
- 2.12 Since the last meeting there has been a re-organisation in the Planning Business Centre, following the departure of the Corporate Head of Economic Development. The Business Centre, headed up by Ashley Smith, is now called Planning, Economy and Built Environment. The corporate registers have been amended accordingly.
- 2.13 Officers in Customer Services have now created a standard form to record complaints made over the phone. This ensures all the information needed to resolve the issue is taken and passed to the relevant service area promptly as well as to Democratic Services for inclusion on the corporate register.

- 2.14 The breakdown of complaints and compliments for Quarter 1 of 2023/2024 by Ward is set out below (- denotes complaints and + compliments)

Ward	Quarter 1	
	-	+
Addlestone North	4	3
Addlestone South	2	2
Chertsey Riverside	2	1
Chertsey St Ann's	5	1
Egham Hythe	3	1
Egham Town	2	3
Englefield Green East	1	
Englefield Green West	2	1
Longcross, Lyne and Chertsey South	1	
New Haw	1	1
Ottershaw		1
Thorpe	2	
Virginia Water		
Woodham and RowTown	5	
Out of Borough	2	3
Unrecorded	6	1
Totals	38	18

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

### 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.
- 3.2 The Corporate Business Plan 2022 – 2026 is relevant to this process as handling complaints is at the centre of how we interact with the public. Our values include being customer focused, striving for excellence, improving services, promoting equality and diversity, and delivering excellent value for money. Our goals include having satisfied customers. It is important that our processes are aligned with these strands of the plan.
- 3.3 The Council is going to be looking at the corporate complaints process in the forthcoming months, led by Digital Services. This should not affect the policy

but will hopefully improve the process for both the customer and ourselves and provide staff with a comprehensive central database to manage complaints, service requests and other areas of work.

**4. Resource implications**

4.1 The Council does not have a complaints team. Work is co-ordinated within Business Centres by individuals with whom Officers in Law and Governance maintain a close working relationship to try and ensure complaints are dealt with in a timely manner, recorded accurately and that reporting compliments is also promoted.

**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 four complaints that could be identified as relevant to age, one to age and disability, and two compliments relevant to age and disability.

**(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.

### **Exclusion of Press and Public**

#### **Officers Recommendation that –**

**The press and public be excluded from the meeting during discussion of item 5 under Section 100A(4) of the Local Government Act 1972 on the grounds that the report in question would be likely to involve disclosure of exempt information of the description specified in paragraphs 1 and 2 of Schedule 12A of the Act.**

**(To resolve)**

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

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