



Southern Internal Audit Partnership

Assurance through excellence
and innovation

RUNNYMEDE BOROUGH COUNCIL INTERNAL AUDIT PROGRESS REPORT AUGUST 2024

Prepared by: Natalie Jerams, Deputy Head of Partnership

1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations’ operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisations’ objectives.

2. Purpose of report

In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to ‘Senior Management’ and ‘the Board’, summarising:

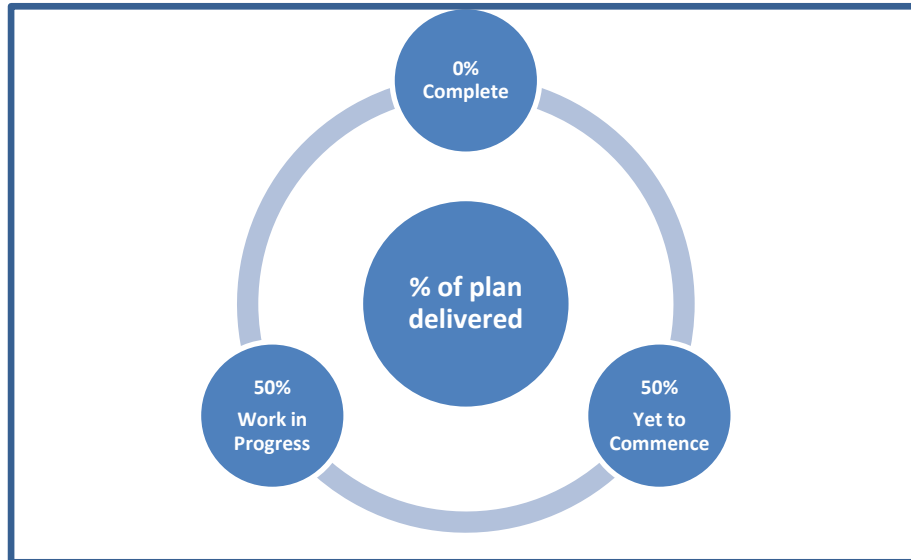
- The status of ‘live’ internal audit reports.
- an update on progress against the annual audit plan.
- a summary of internal audit performance, planning and resourcing issues, and
- a summary of significant issues that impact on the Chief Internal Auditor’s annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

**Whilst the assurance opinions used by SIAP mirror those used by the Council’s former internal auditors the narrative to support them differs. When referencing audit report(s) pre-April 2024 please refer to Annexe 3 for the relative narrative.*

3. Performance dashboard



Compliance with Public Sector Internal Audit Standards

An 'External Quality Assessment' of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles, and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

4. Analysis of ‘Live’ audit reviews

Audit Review - TIAA	Report Date	Audit Sponsor	Assurance Opinion	Recommendations			Not Yet Due	Complete	Overdue		
				1	2	3			1	2	3
Data Quality	Jan 24	CHLG	Reasonable		2			1		1	
Procurement/Contracts	Mar 24	ACE/S151	Reasonable			3	2	1			
Payroll	Feb 24	ACE/S151	Substantial			2		1			1
Meals at Home	Mar 24	ACEP	Limited	2	3	3		6	2		
Total				2	5	8	2	9	2	1	1

1
Urgent

Fundamental control issue on which action should be taken immediately

2
Important

Control issue on which action should be taken at the earliest opportunity

3
Routine

Control issue on which action should be taken

Audit Review - SIAP	Report Date	Audit Sponsor	Assurance Opinion	Management Action(s)	Not Yet Due	Complete	Overdue		
							L	M	H

Audit Sponsor

Chief Executive
Andrew Pritchard

Corporate Head of Law & Governance (MO) Mario Leo	Assistant Chief Executive & S151 Officer Amanda Fahey	Assistant Chief Executive for Place Phil Turner
--	--	--

5. Executive Summaries of reports published concluding a ‘Limited’ or ‘No’ assurance opinion

There have been no reports produced concluding in a limited or no assurance opinion since the last progress report.

6. Planning & Resourcing

The internal audit plan for 2024-25 was approved by the Corporate Leadership Team and Standards and Audit Committee in March 2024.

SIAP will continue to liaise with key stakeholders over the remainder of the year and the audit plan will remain fluid to provide a responsive service that reacts to the changing needs of the Council. Progress against the plan is detailed within section 7.

7. Rolling Work Programme

Audit Review	Sponsor	Scoping	Terms of Reference	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Emergency Planning & Business Continuity	CE	✓	✓	✓				Q2
Information Governance (GDPR, FOI, SAR)	CHLG	✓	✓	✓				Q1 - Close of audit held 11/09/24, report pending.
Non-Statutory BV Notice - Programme	CE	✓	✓	✓				Q2
ITIL Assurance Mapping	ACE/S151	✓	✓	✓				Q2
IT Contingency	ACE/S151							Q4
Accounts Receivable and Debt Management	ACE/S151							Q3
Accounts Payable	ACE/S151							Q3
Savings Realisation	ACE/S151							Q3
Climate Change	ACEP	✓	✓	✓	✓			Q1 – Draft report issued.
Tree Safety	ACEP	✓	✓	✓				Q2
Environmental Act 2021–Waste & Recycling	ACEP							Q3
Community Safety	ACEP							Q4
Housing Health & Safety	ACEP	✓	✓	✓				Q2

Audit Review	Sponsor	Scoping	Terms of Reference	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Housing Repairs - Reactive	ACEP							Q4
Disabled Facility Grants	ACEP	✓	✓	✓				Q1 - Close of audit scheduled for 17/09/24.
Homes for Ukraine	ACE/S151	✓	✓	✓				Q2
Use of Volunteers	ACEP							Q3
Workforce Planning	CE							Q4

8. Adjustments to the internal audit plan

The following adjustments to the plan have been made:

Removed from the Plan	Reason
N/A	N/A
Additions to the Plan	Reason
N/A	N/A

Overdue 'High Priority / Priority 1' Management Actions

Meals at Home			
<p>Observation:</p> <p>The procedural document (Community Meals Procedures) for the meals at home service reveals a significant number of omissions that could impact various aspects of service delivery and risk management. Key operational details, such as the specific responsibilities of the office regarding vehicle management, mandatory training requirements for staff, response to extreme scenarios and reminders for Safer Food Better Business are not adequately addressed. Additionally, the document lacks a complete cleaning schedule, essential for ensuring food hygiene and safety.</p> <p>These gaps in procedural documentation present challenges in ensuring operational clarity, consistent quality control and preparedness for unexpected situations. Without comprehensive and detailed guidelines, there is a risk of inefficiencies, reduced service quality and potential non-compliance with health and safety standards.</p>			
Management Action	Original Due Date	Revised Due Date	Latest Service Update
Management update, approve, and promulgate procedural documents. This to include detailed roles and responsibilities related to vehicle management, explicitly define mandatory staff training requirements, embed Safer Food Better Business practices, establish a thorough cleaning schedule focused on food hygiene and safety, create clearly documented procedures for addressing extreme scenarios and instances of missed meal deliveries.	19/04/24	30/07/24 20/09/24	<p>An eight-point action plan was put in place to address the audit recommendation. All actions have been implemented except for one outstanding issue:</p> <ul style="list-style-type: none"> Undertake process of completing all mandatory training, by all staff <p>Update (July 2024): This has been started, prioritising induction & mandatory e-learning and training staff on updated procedures and risk assessment. As Meals at Home is an operational service, staff need rotating to facilitate re-training.</p> <p>Update (August 2024): Training is being completed in priority order, placing a higher priority on Food Hygiene, Safeguarding, Manual Handling, Data Protection, Diversity and Stress Awareness. The Service area will provide an update to confirm completion by the revised target date and have reported they are on track.</p> <p>Update (September 2024): There are four staff across the service with some mandatory training to complete. One is currently absent from work but the other three will have all sessions complete by 20/9/2024.</p>

Meals at Home			
<p>Observation:</p> <p>A sample was selected of drivers to confirm that appropriate onboarding and ongoing compliance checks in respect of right to work, DBS, and driving eligibility was undertaken and training is conducted and evidenced.</p> <p>When attempting to retrieve the relevant information for the selected sample the Corporate Deputy Head of Community Services identified that the staff at the Surrey Heath office have been omitted from the corporate policy/process for checking driver licenses. As well as this a full DVLA driver license check has not been undertaken. The training completed by specific drivers could also not be evidenced as although mandatory training is conducted, it isn't recorded.</p>			
Management Action	Original Due Date	Revised Due Date	Latest Service Update
Management to implement a robust and rapid methodology for confirming important compliance information, and undertake routine, random checks on an ongoing basis.	19/04/24	30/07/24 31/12/24	<p>An eight-point action plan was put in place to address the audit recommendation. All actions have been implemented except for four outstanding issues:</p> <ul style="list-style-type: none"> • Agree timeframe for renewal of Meals at Home staff DBS Checks with HR • HR to put in place process for management of renewals. • Service to hold renewal dates within DBS check service procedure, to be regularly reviewed and updated. <p>Update (July 2024): This is the next step of the piece of work. However, all HR details have been moved over to a new HR system which has delayed this action being completed by HR.</p> <ul style="list-style-type: none"> • Corporate solution to recording training to be discussed in relation to new HR system and new corporate Fleet Management Strategy <p>Not launched but discussed within the Community Services Wider Management Team to consider a service wide training matrix.</p> <p>Update (August 2024): Renewals have been commissioned for any staff who haven't had a DBS check in over 3 years. This will be monitored through both the corporate HR My View system and Flexiroute.</p> <p>The management of renewals is in progress as this is being built into the HR My View system (Phase 2), and as a failsafe, information is also being held in the Flexiroute system locally. DBS and compliance information has been obtained and held in the Flexiroute system.</p> <p>Additionally, a monthly manager monitoring checklist has been built into the Service in ensuring oversight is maintained of all critical areas. Phase 2 of the new HR My View system is due to be completed by 31/12/2024.</p>

Overdue Important & Routine Management Actions (August 2024)

Audit Review	Report Date	Opinion	Priority		Due Date	Revised Due Date
			Important	Routine		
Data Quality	Jan 24	Reasonable	1		01.08.24	01.10.24
Payroll	Feb 24	Substantial		1	31.07.24	31.12.24
Total			1	1		

Assurance opinions relative to pre-April 2024 reviews

- Substantial** There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved.
- Reasonable** The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved.
- Limited** The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and process objectives achieved.
- No** There is a fundamental breakdown or absence of core internal controls requiring immediate action.