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RBC SAC 22.11.22

Runnymede Borough Council

Standards and Audit Committee

Tuesday, 22 November 2022 at 7.30 pm

Members of the Committee present: Councillors M Nuti (Chairman), J Broadhead (Vice-Chairman), D Cotty, J Hulley, S Ringham and S Williams.

Members of the Committee absent: Councillors A Berardi, L Gillham, J Olorenshaw and S Walsh.

360 **Minutes**

The Minutes of the meeting of the Committee held on 20 September 2022 were confirmed and signed as a correct record.

361 **Apologies for Absence**

Apologies for absence were received from Councillors A Berardi, L Gillham, J Olorenshaw and S Walsh.

362 **Declarations of Interest**

There were no Declarations of Interest to record.

363 **Summary Internal Controls Assurance (SICA) Report 2022/2023**

The Committee received for information, TIAA's report summarising progress with the Internal Audit Programme.

Members were pleased to note that all audits from the 2021/2022 were now complete and had returned 'substantial' outcomes for Communications and Main Accounting, and 'reasonable' outcomes for Customer Services and Sheltered Accommodation (Independent Retirement Living).

There was one priority 2 recommendation arising from the Sheltered Accommodation audit to ensure the correct cost codes and payments received were recorded on Total Finance.

TIAA reported that since the agenda had been printed 2 draft reports had been issued on Commercial Rents and HR Absence Management, and a further 2 concerning Community Grants and Recruitment would commence in December 2022. Members noted that Community Grants had commenced in September but had been put on hold at the request of the client. The 'fieldwork in progress' stage had also been achieved in another 2 audit areas; these were Main Accounting and Capital Accounting, both key areas of the Council's work. This was in addition to the 13 reported on the agenda.

There were two audits in Quarter 2 which had yet to have commencement dates owing to the difficulty of finding specialist ICT auditors. Officers were confident however that dates could be set shortly.

The planned audit on the 'Leisure Contract' had been cancelled.

Officers reported that a full report on the findings and recommendations of the Redmond Review, principally the creation of a new Audit Regulator and associated powers and duties, would be submitted to a future meeting of the Committee. This would also address how an Independent Person (separate to the one dealing with matters under the Councillor

Code of Conduct) might be appointed.

Officers were asked to re-circulate two client briefing notes that TIAA had issued. These were regarding an all-England consultation on extending the National Fraud Initiative and announcing the results of the five year local authority procurement, which saw two key firms, including BDO, who conducted the Council's external audit leaving the local audit market.

TIAA's Officers looked forward to updating Members at the next meeting with the latest audit progress.

364 **Internal Audit Progress Report for outstanding Recommendations at the Depot only**

The Chairman welcomed the Corporate Head of Environmental Services and the DSO Manager to the meeting.

The Committee received a report concerning 5 outstanding priority 1 and 2 recommendations from audits of the Council's DSO, the first one of which went back to 2018. These were to:

- create a separate risk register for DSO operations (revised implementation date, 30 April 2023);
- undertake annual training for staff, create a central training log and update the DSO's procedure manual (revised implementation date, 30 March 2023)
- review security arrangements and ensure adequate surveillance arrangements (revised implementation date, 30 June 2023)
- consider the purchase of an optimisation route package in Bartec (revised implementation date, 31 October 2025)
- introduce detailed stock take procedures to be documented and a re-order level established where appropriate (revised implementation date, 30 April 2023)

TIAA had reported little progress with these recommendations being implemented on various occasions since 2019, although it was accepted that in part they pre-dated the present senior management and the Chairman was keen to stress the Committee's role was as 'critical friends', rather than being overly critical.

With regard to producing a risk register, so that key risks and how they were controlled and managed could be evidenced, Officers confirmed that the register was now in draft form, and in a logical format. Members were advised that now some key posts had been recruited to and or newly created and filled, completion of the registers could be achieved. It was anticipated this could be done ahead of the revised deadline, but Officers were asked to let the Committee know if this was not going to be the case well ahead of that deadline.

In respect of training, Officers were confident that this would be complete before 30 March 2023, with a number of weekend training dates booked for staff. It was noted that all new starters had induction training and a comprehensive training programme had been introduced to include a reversing assistant/banksman train the trainer course and the Terberg train the trainer course on loading bins using the lifting mechanism. There were also plans to do first aider and lone working training, the dates of which to be confirmed. Particular mention was made of the DSO's new dedicated full time Health and Safety Officer which was a positive appointment.

Members were concerned that site security, including the gate that had been subject to frequent breakdowns was addressed. The Committee was assured that the gate had been upgraded and site security improved. Adequate surveillance would be covered by the depot's refurbishment, being managed by the Council's Assets and Regeneration team. There were limitations however owing to the close proximity of residential dwellings to the

rear of the depot.

It was agreed that the recommendation about the route optimisation element of Bartec be put on hold to be revisited when TIAA conducted their next audit in 2023/2024. This was because the future operation of waste management could be changed by DEFRA's emerging strategy. In addition, a bid for funding would need to be submitted to Corporate Management Committee to upgrade the Bartec system which was currently only operating at 60% efficiency.

A detailed stock take procedure was yet to be implemented and Officers explained the current issues with the lead in period for ordering items that were branded with the Council's logo which made it difficult to pool orders with other local authorities. This would be checked in the next audit.

Members discussed the importance of health and safety in what was the most risky in-house service the Council provided. Officers assured the Committee that a culture of supporting staff and reporting accidents and near misses was in place. The DSO accident record was low, Officers estimated there were approximately 5 in the last year, of which 2 were reportable under RIDDOR. The importance of deploying a reversing assistant was noted with particular reference to areas in Egham. Officers also confirmed that the crews were moving towards being provided with orange high vis clothing which it was considered was superior to yellow.

Officers highlighted some of the areas where the DSO was performing well compared with other local authorities such as in Recycling where the 'contamination rate' had fallen from 17.1% to 4%, in 2020/2021, with crews having been trained and more confident to report. Officers stated that Runnymede was very lucky to have an in-house service, had the lowest missed bins rate in Surrey and cleaner streets than many others.

In terms of future deadlines for implementation of audit recommendations, the Chairman announced that the Committee would be playing a more active role in setting target dates and enforcement thereof.

The Committee thanked Officers for attending the meeting and commended the staff at the DSO.

365 **Internal Audit Progress Report for Outstanding Recommendations**

The Committee noted outstanding recommendations from previous audits in the 2022/2023 audit programme.

Members appreciated that this was an on-going process and that as new audits were completed and old recommendations were implemented, new ones would take their place. It was noted that since the last meeting, a follow up review had taken place in October. This revealed that five recommendations had reached their target implementation date and four had been implemented.

The Outstanding recommendations, excluding the DSO ones dealt with separately at the meeting, concerned Business Continuity, two regarding Mobile Device Security Management, and two in respect of Procurement for which the implementation dates had not been set owing to resourcing issues and links to emerging plans and strategies.

Members agreed that interim dates for Procurement would be 31 March 2023, subject to future plans for the development of the Procurement Service.

366 **Counter Fraud Service Update**

The Committee's approval was sought to extend the Council's Counter Fraud Service

agreement with Reigate and Banstead Borough Council (RBBC) for a further three years from 1 April 2022 to 31 March 2025. Officers also recommended increased resources to combat fraud for which approval of a supplementary estimate in the sum of £12,700 was required.

Members recalled that in 2014 the Government transferred responsibility for Housing Benefit Fraud Investigation to the Department for Work and Pensions (DWP). The Council decided at that time to fund its own Fraud Investigation team, the remit of fraud being wider than Housing Benefit. To supplement the service, the Council entered into an agreement with RBBC in 2019. When the Council's internal resource left in 2021, RBBC increased the provision to 2.5 fte. Officers advised that the team at RBBC was well resourced. The service they provided to Runnymede as well as three other local authorities in Surrey was highly regarded as were their links with Trading Standards and an Accredited Financial Investigator based at Portsmouth City Council. In addition, it was noted that the service had twice been recognised by the Institute of Revenues, Rating and Valuation (IRRV) as winners of the category for 'Excellence in Counter Fraud (2019 and 2022), and for 'Excellence in Partnership Working' in 2021.

Members noted the current performance of the contract; both proactive and reactive and the timeframes for investigation and interventions. Reported savings to the Council since 2019 were impressive: 2019/2020 - £154,650, 2020/2021 - £533,040 and for 2021/2022 - £170,527. Officers agreed to provide the Committee with how many cases had been dealt with and what the savings related to.

The Committee was given three options for the future of the contract. In essence, two of these were to reduce resources, or maintain the increased level of resource.

Members were fully supportive of Option 2, maintaining the current resource which included approval of an additional 0.5 fte, working with RBBC on proactive cases outside of Housing which would allow Officers to dedicate more time to deal with reactive referrals from within the Council or from local residents.

The Committee was pleased that RBBC had agreed to keep the costs for the first half of the year in line with the previous resource levels. Therefore, the actual cost of the service for 2022/2023 was £115,045, representing a saving of £19,045. The total cost going forward was £134,090, plus an uplift on salary costs of 2% per annum for each of 2023/2024 and 2024/2025.

Members were informed that as the majority of work was Housing related that the costs would be split 80/20 between the Housing Revenue Account and the General Fund as agreed with the Chairman of the Housing Committee.

The Committee noted the legal and financial implications in the report.

Members commended Officers for the continued success of the Counter Fraud Service and the savings made for the public sector.

RESOLVED that –

- i) **a further 3 year agreement with Reigate and Banstead Borough Council from 1 April 2022 to 31 March 2025 for the provision of a Counter Fraud Service be approved; and**
- ii) **Corporate Management Committee be recommended to approve a supplementary estimate of £12,700, to be split 80/20 between the Housing Revenue Account and the General Fund, following consultation with the Chairman of the Housing Committee**

367 **Complaints and Compliments Quarter 2 2022/2023**

The Committee reviewed a summary of complaints and compliments for Quarter 2, covering the summer of 2022.

Members noted a fairly even split in Quarter 2 between complaints with 29 entries and compliments with 30 entries.

The Committee agreed that it was disappointing to find that just over half the complaints were upheld or partly so. However, it gave Officers an opportunity to look at the service areas and learn from mistakes. For example the importance of responding quickly to requests to avoid them becoming complaints and/or responding swiftly to put things right. A good example of this was accidental damage of a refuse bin which was quickly repaired the next day. This achieved the objective as stated by the Ombudsman of returning the customer to the point before they had cause to complain.

Members were advised there were seven complaints in Quarter 2 that were outstanding in terms of either not having been dealt with or resolved but the responsible department had not updated the register. Reminders had been sent.

It was observed that Housing by its nature attracted complaints but Members also appreciated that the issues they experienced were often quite complicated and involved a number of factors which were time consuming to resolve. For example when contractors or other third parties were involved.

Members were pleased that 30 compliments were recorded for Quarter 2. Officers confirmed that a reminder had been sent out about the equal importance of recording when the Council got things right as it was good for morale and showed where best practice was happening and could be shared.

The exempt appendix gave Members details of specific compliments for individuals and teams. Members noted that one or two people kept appearing each quarter and were pleased to see the positive feedback for several teams and individuals during the heatwave experienced during the summer. The Chairman confirmed that the thank you certificates would be sent to staff and teams as in previous quarters.

Members noted ward based data and details of complaints in two wards were requested which Officers agreed to supply as anonymised data.

The Committee was informed that complaint handling would be the subject of a corporate review along with a number of other service areas to ensure the Council's policy was both robust and responsive.

Finally, Members noted that the registers, in terms of the data validation columns, had been updated to reflect recent changes within Community Services and Environmental Services. For example, Green Space including Allotments, Parks and Cemeteries now appeared under Environmental Services and a new discreet function of Community Development within Community Services had been created to cover Strategic functions like policy and projects, and Chertsey Museum.

The Committee welcomed the news announced at its annual conference in November that the Ombudsman and the Housing Ombudsman were working to create a joint complaint handling process which it was anticipated would bring more consistency for all parties.

368 **Exclusion of Press and Public**

No press or public attended the meeting.

(The meeting ended at 8.33 pm.)

Chairman