Internal Audit

FINAL

Runnymede Borough Council

Internal Audit Progress Report for Outstanding Recommendations

2023-24

May 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 April 2023. Since the previous follow up review was carried out (December 2022), 21 recommendations have reached their initial or revised target implementation date, and status updates have also been sought for two additional 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	19
Outstanding	4
No Longer Applicable	0
Not Implemented	0

4. For the 19 recommendations that has been confirmed as implemented, no further action is necessary and specific details have not been included in this report.

5. For the four 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.

Date final report issued:	

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. **Depot**

Audit title	Depot	Audit year	2020/21	Priority	2
Recommendation	Operatives to undergo annual training to make sure they are aware of any changes to procedures and to eliminate any bad habits that might have developed over time, and a central training log be developed to provide a comprehensive record of all training given with evidence of competency and understanding. The procedure manual be updated to reflect the procedure and process relating to Training.				
Initial management response	Noted and agreed. Proposed new post of Depot compliance officer to cover all staff training requirements. However, this is subject to on-going recruit freeze.				
Responsible Officer/s	DSO Manager / Corporate Head of Environmental Services	Original implementation date	30/04/22 (subsequently 30/03/23)	Revised implementation date	31/07/23
Latest Update	It was advised by the Health & Safety Manager (Operations) that a training matrix has been created to record training that is required and has been delivered, and a summary of training delivered since October 2022 was provided. It was confirmed that good progress has been made in implementing training, however this has not yet been fully completed. It is anticipated that the following training will have been undertaken for all staff who require it by the end of July 2023: • Fire safety awareness • Manual handling • Reversing assistant • Loading (loading bins onto refuse collection vehicle) A revised implementation date has therefore been set.				
Status	Outstanding		A revised target date has been set.		

13. **Risk Management**

Audit title	Risk Management	Audit year	2021/22	Priority	2
Recommendation	The Risk Management Strategy to be finalised and ratified appropriately.				
Initial management response	This action remains outstanding. Due to changes in personnel and division of duties between roles, the draft Strategy needs to be reviewed and updated to ensure it aligns with current structure and processes and remains relevant, before presenting to Standards & Audit Committee for consideration.				
Responsible Officer/s	Assistant Chief Executive	Original implementation date	24/01/23	Revised implementation date	31/10/23
Latest Update	It was advised by the Assistant Chief Executive that, rather than simply update the existing CRR, CLT have been reviewing the risks reported to ensure their relevance for the organisation alongside consideration of the format of the register. This has been an interactive process and is on-going, with the timetable for completion of this exercise to be considered by CLT during April/May 2023. This will feed into the Risk Management Strategy refresh. At the same time, a review of resourcing for Risk Management has been taking place. It is proposed to undertake a risk-mapping exercise to fully understand and map the existing processes and risk management measures taking place across the Council and identify any gaps. This will enhance the evidence base to inform the refresh of the Strategy. A meeting to discuss the timing and scope of this work has been scheduled for 3 May. The next steps will be reported to the Standards and Audit Committee as part of the update to the Annual Governance Statement in May and will form the first part of the regular reporting on risk matters to the Committee. A revised deadline of October 2023 has been set due to resources needing to be in place to progress the actions described. This will also align with the next full audit of Risk Management which is scheduled to be undertaken during September 2023.				
Status	Outstanding			A revised target date has been set.	

Audit title	Risk Management	Audit year	2021/22	Priority	3
Recommendation	Risk Management to be adequately monitored and reported to the Standards and Audit Committee in accordance with the draft Risk Management Strategy.				
Initial management response	This action remains outstanding. The Council's self-assessment against Cipfa's Financial Management Code (reported to Committee in January 2022) highlighted the need for regular reporting of Risk to the Standards and Audit Committee and this has also been assessed as a priority improvement in the Annual Governance Statement 2021/22, for action during 2022/23. Ideally, reporting would commence with consideration of the Strategy which is not yet finalised. Regular reporting should commence from the adoption of the Strategy.				
Responsible Officer/s	Assistant Chief Executive	Original implementation date	Dependent on adoption of Strategy.	Revised implementation date	31/10/23

			24/01/23		
Latest Update	This links with the above recommendation in relation to the Risk Management Strategy, with reporting commencing from the adoption of the Strategy. A revised implementation date has therefore been set.				
Status	**Outstanding**			A revised target date has been set.	

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14. **Sheltered Housing**

Audit title	Sheltered Housing	Audit year	2021/22	Priority	3
Recommendation	Revised policies and procedures be formally approved at the earliest opportunity.				
Initial management response	Meeting arranged to place the reviewed procedures into new and correct format for housing procedures then reviewed procedures to be circulated for approval.				
Responsible Officer/s	Senior IRL Manager	Original implementation date	31/01/23	Revised implementation date	30/06/23
Latest Update	It was advised that the Head of Tenancy Services is completing a review of 20 procedures and the Policy Officer is working with them to ensure they are all correctly formatted with process maps. They have a target completion date of end of June 2023.				
Status	Outstanding		A revised target date has been set.		