



Internal Audit

FINAL

Runnymede Borough Council

Assurance Review of Governance – Corporate

2023/24

July 2023

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The key risk associated with non – compliance is the relevant legal challenge.

KEY STRATEGIC FINDINGS



The key controls in relation to Corporate Governance were generally adequate and operating effectively. No recommendations or operational effectiveness matters were identified. However, in relation to openness, transparency, record keeping, and IT issues comments were received from four Councillors which were noted. As a result of further discussions with the Corporate Head of Law and Governance no specific recommendation was made.



The documentation of the Corporate Governance process and policies as outlined in the Council Constitution were efficient and effective and reflected the current process as the Council Constitution had been recently updated.

GOOD PRACTICE IDENTIFIED



They have been several good practices that have been adopted as follows:

- As part of the committee structure there is an Overview and Scrutiny Select Committee
- There is an appointed monitoring officer who reviews various committee meeting minutes and gives appropriate advice on legal aspects.
- Appropriate training relating to Corporate Governance has been provided.

SCOPE

The purpose of the audit was to review the decision-making process and what documentation is in place which supports this to confirm that good corporate governance is operating well at Runnymede Council. The review included the following key areas:

- A review of the Constitution and Council Standing Orders
- The Reporting framework and the decision making by Members.
- The openness and transparency of decision making within the Council.
- The Record keeping (and data quality) for decisions made by the Council.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
No recommendations were made.							

PRIORITY GRADINGS

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.

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No Operational Effectiveness Matters were identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings



The Runnymede Borough Council's constitution is a legal document that sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent, and accountable. The law requires some of these processes, while others are a matter for the Council to choose. The Constitution is divided into 15 Articles, which set out the basic rules governing the Council's business. Detailed procedures and Codes of Practice are provided in separate rules and protocols which follow the Articles. The Constitution was updated on the 17th May 2023.

The purpose of the Constitution is to assist the Council in its primary aims of enhancing the quality of life of all the residents of Runnymede, whilst maintaining rigorous financial control of the Council's affairs. To achieve these aims the Constitution is intended to:

- Enable the Council to provide clear leadership to the community in partnership with residents, businesses, and other organisations.
- Provide a framework within which residents can engage in the process of local authority decision-making.
- Support Councillors in representing their constituents effectively.
- Enable decisions to be taken efficiently and effectively.
- Create a powerful and effective means of holding decision-makers to public account.
- Provide conflict of interest safeguards if Members are asked to review or scrutinise a decision in which they are directly involved.
- Ensure that those responsible for decision making are clearly identifiable to local people and that they explain the reasons for decisions; and
- Provide a means of improving the delivery of services to the community.

Other Findings



How the Council Operates

1. The Council is composed of 41 Councillors. One third of them are elected each year, in three years out of every four (in the fourth year there is an election for the County Council). Councillors are democratically accountable to residents of their ward. The overriding duty of Councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them.
2. Councillors agree to follow a Code of Conduct to ensure high standards in the way they undertake their duties. The Standards and Audit Committee ensures that they are provided with training and advice on the Code of Conduct.
3. All Councillors meet as the Council. Meetings of the Council are normally open to the public. Here Councillors decide on the Council's overall policies and set the budget each year. There is also a variety of procedures which enable committees, political groups, and individual Councillors to ensure that matters of importance to the Borough are debated and that decisions of Committees are reviewed where necessary.
4. Meetings of the Council's Committees are open to the public except where personal or confidential matters are being discussed. There is an opportunity given at Planning Committee, and full Council meetings, for Members of the public to make points or ask questions.
5. There is an Overview and Scrutiny Select Committee which supports the work of the other Committees. It can allow residents to contribute to the Council's views on matters of local concern, by holding special hearings on decisions or topics. The Overview and Scrutiny Select Committee can make reports and recommendations to the various Committees, and the Council as a whole, on its policies, budget, and service delivery. The Overview and Scrutiny Select Committee also monitors the decisions of the other Committees. It can 'call-in' a decision which has been made by a committee but not yet implemented. This enables it to consider whether the decision is appropriate. The Committee may recommend that the Policy Committee or Full Council reconsider the decision. It may also be consulted by the Policy Committees on forthcoming decisions and the development of the policy.

The controls relating to the documentation of the Corporate Governance process and policies as outlined in the Council Constitution was considered to be efficient and effective.



The constitution has been updated in May 2023 and does set out the current process. The constitution was reviewed, and it was noted that the main aspects covered relating to Corporate Governance were as follows:

Key Roles and Responsibilities of the Councillors

- Collectively be the ultimate policy makers and carry out a number of strategic and corporate management functions.
- Represent their communities and bring their views into the Council's.
- Decision making process, i.e., become the advocate of and for their communities.
- Effectively represent the interests of their ward and of individual constituents.
- Respond to constituents' enquiries and representations, fairly and impartially.
- Participate in the governance and management of the Council; and
- Maintain the highest standards of conduct and ethics.

Councillors Rights and Duties

- Councillors will have rights of access to such documents, information, land and buildings of the Council as are necessary for the proper discharge of their functions and in accordance with the law.
- If Councillors receive confidential information or information exempt from public disclosure as Members of the Council, they will follow the Code of Conduct for Members of Runnymede Borough Council in preserving the confidentiality of that information.
- For these purposes, 'confidential' and 'exempt' information is defined in the Access to Information Rules in Part 4 of this Constitution.

Other Findings


Role of the Standards and Audit Committee

- a) Promoting and maintaining high standards of conduct by Councillors and co-opted Members.
- b) Assisting the Councillors and co-opted Members to observe the Members' Code of Conduct.
- c) Advising the Council on the adoption or revision of the Members' Code of Conduct.
- d) Monitoring the operation of the Members' Code of Conduct.
- e) Advising, training, or arranging to train Councillors and co-opted Members on matters relating to the Members' Code of Conduct.
- f) Granting those dispensations to Councillors and co-opted Members from certain requirements relating to interests arising under the Members' Code of Conduct which are not delegated to the Monitoring Officer to determine, in accordance with the relevant legislation and in consultation with the independent persons.
- g) Considering appeals by Councillors and co-opted Members, where no dispensation has been granted by the Monitoring Officer.
- h) Assessing and considering complaints about the conduct of Councillors, and co-opted Members which are not determined by the Monitoring Officer under delegated authority, in the manner required by law and in accordance with the procedures in force.
- i) Dealing with any reports from the Monitoring Officer on any matter referred to the Monitoring Officer; including complaints about the Council;
- j) Taking an overview of Local Government and Social Care Ombudsman investigations and considering their outcomes where appropriate.
- k) Determining appeals against dismissal and grievances (including salary gradings) by employees of the Council (via the Standards and Audit Sub-Committee).
- l) Considering matters arising from internal audit and control reports.
- m) Considering the Council's corporate systems and controls, compliance with legislation and control procedures,
- n) In relation to risk management oversight of all risk analysis and risk assessment, risk response, and risk monitoring including:
 - The establishment of risk management across the organisation, including partnerships.
 - Awareness of the Council's risk appetite and tolerance.
 - Reviewing the risk portfolio.
 - Being appraised of the most significant risks.
 - Determining whether management's response to risk and changes in risk are appropriate.
- o) Considering the scope of internal audit activity.
- p) Considering such matters arising from external audit as may be referred to it by the external auditor.
- q) Recommend appointment of external auditors.
- r) To recommend to Council individuals suitable for appointment as Independent Persons.
- s) Determining the expenses and allowances of the Independent Persons following their initial determination by the Monitoring Officer in consultation with the Leader of the Council and Chairman of this Committee.

Other Findings



Code of Governance

1. Introduction

The Runnymede Borough Council's Code of Corporate Governance is based upon the CIPFA/SOLACE publication entitled "Delivering Good Governance in Local Government: Framework 2016 Edition." This version supersedes the previous Code of Corporate Governance approved by the Full Council in July 2015.

2. Defining Governance?

The International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) defines governance as follows 'Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved'. The Framework also states that 'To deliver good governance in the public sector both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

3. Core Principles

This Code of Corporate Governance is based on seven core principles: -

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the Council's capacity, including the capability of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management; and
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

The Corporate Governance policies and procedures, outlined as per the Council Constitution reflects the current process, as the Council Constitution has been recently updated.



They were no recommendations made as part of the previous Runnymede Corporate Governance Audit. However, there were two operational effective matters. One relating to Training and the other relating to IT issues including email access and the Council Website. Discussions with the Corporate Head of Law and Governance confirmed that training relating to Corporate Governance has taken place as part of the Councillors induction programme and that the IT issues relating to email access and Council Website have been resolved.



Discussions with the Corporate Head of Law and Governance confirmed that there was adequate segregation of duties and that overall, the Chief Executive is responsible for Governance within the organisation. However, he has delegated responsibility.



Discussion with the Corporate Head of Law and Governance confirmed that no specific risk relating to Corporate Governance has been identified as part of the Corporate Risk Register. However, the main risk associated with non – compliance is the relevant legal challenge.

Other Findings



All committee meetings are minuted and the recent committee meeting minutes are available on the Councils website. A sample of eight councillors was selected and a survey was sent to them. Only four responses at the time of testing were received. In relation to the four survey responses received the following comments were made in relation to openness, transparency and record keeping:

Councillor one - "There is limited openness and transparency. Papers for decisions have often been delivered at a point when a decision has to be made immediately and there is no opportunity to explore alternatives. In addition, there are little or no justification for the decision being made".

The record keeping was considered to be adequate however improvement could be made by ensuring when someone asks for something to be noted in the minutes the person making the request should be referred to in the minutes.

Councillor two - "Generally, of a very high standard but you need to be conscious of where to look. For example, decisions can be taken by Committees which will not need to be referred to Full Council."

The record keeping was considered to be of a fairly high standard and that he had noted that they had been an improvement in action tracking since the new head of Democratic Services joined in autumn 2022.

Councillor three - "I am particularly concerned that we do not livestream and record Council meetings and have proposed that we do at Full Council. Residents can therefore only understand what goes on if they attend, and there is an equality issue here with regards to the disabled and those who have other commitments at the time of meeting". In addition, unless a recorded vote is requested, residents do not know how their individual ward councillors have voted, indeed there is no record of the numbers of votes cast for or against, or abstentions.

In relation to recording keeping the minutes are sometimes good, but sometimes they are very brief where the actual debate is not recorded as part of the meeting minutes.

Councillor four – "The minutes of meetings only reflect decisions taken and the vote if a named vote taken. No recording of conversations taken or minutes of councillor's objections / support or suggestions for change."

In relation to the comments received from the various Councillors a discussion was held with the Corporate Head of Law and Governance who further commented as follows:

Councillor one – Relating to papers being delivered at a point a decision needs to be made immediately, the committee has always the option to defer the decision till all options have been evaluated however there may be risks associated with this for e.g., loss of a property purchase whilst the various options are being evaluated. However the relevant Committee would be informed of the risk and then it would be up to the committee to make a decision based on the risk outlined to defer the decision or not.

Councillor two – In relation to where to obtain relevant information, the minutes of the meeting are easily accessible on the Council Website.

Councillor three - In relation to livestreaming of Council meetings, this has been evaluated however is not a feasible option. In addition, in relation to the equality issue there are appropriate disabled access provided at the Council Offices.

Councillor four – In relation to the recording of conversations the minutes of the various committee meeting should be a summary of what was discussed, and it would be very difficult for the individual recording the minutes of the meeting to include detail conversations that occurred.

Therefore, though the comments made by the various Councillors has been noted no specific recommendation has been made.

Other Findings



In relation to the four survey responses received the following comments were made in relation to IT issues:

Councillor one – They were no issues accessing his emails. However, in relation to the Council Website he was unsure how accessible the information is to residents.

Councillor two - They were no issues accessing his email and that the Council Website was considered to be user friendly. However, it could be useful if the Council Website had an interactive calendar which set out the dates of various council services being delivered around the borough.

Councillor three - They were no issues accessing her email though it was time consuming. However, in relation to the Council Website some of the residence found accessing the information challenging.

Councillor four - They were no issues accessing his email and that the Council Website could be difficult to navigate depending on what you are trying to look for.

In relation to the comments received from the various Councillors a discussion was held with the Corporate Head of Law and Governance who further commented as follows:

Councillor one – In relation to accessibility the Council Website for a long-time last year was rated number one.

Councillor two – The residences are notified of the various council services through notifications, so they would not be much advantage of an interactive calendar. However, the Council is exploring increasing the amount of information it provides on services.

Councillor three and four – It is very difficult to assess what the issues with the current information.

Therefore, though the comments made by the various Councillors has been noted no specific recommendation has been made.



Discussions with the Corporate Head of Law and Governance confirmed that there is an annual governance statement which is adequately evidenced.



Discussions with the Corporate Head of Law and Governance confirmed that Induction Training has occurred for all the new Councillors. The slides and information supplied to the Councillors as part of the Induction Training was obtained and reviewed. It was noted that in relation to Corporate Governance the following aspects had been covered:

- Code of Conduct (Code Principle and What is expected from a Councillor)
- The Constitution (The role of the Constitution, How the Council Works and The Code of Conduct and Protocols outlined in the Constitution).
- Members Interest (Register of Interest, Disclosable Pecuniary Interest, and other registerable interests).
- Procedures for formal meeting including Full Council, Committees, and Sub Committees.

In addition, the Corporate Head of Law and Governance has received additional training as part of his role as the Monitoring Officer which included online courses relating to Election, Election Conference and one specifically for Monitoring Officers.

In relation to the four survey responses received in all cases the Councillors stated that they had received training relating to Corporate Governance and that they felt the training they received was adequate.

The controls relating to training were considered to be efficient and effective.



Runnymede borough Council has a Committee Structure made up of 12 committees e.g., include the Corporate Management Committee, Environment and Sustainability Committee, Planning Committee, and Community Services Committee.

In addition, there is an Overview and Scrutiny Select Committee at Runnymede Borough Council which supports the work of the other Committees and can 'call-in' a decision which has been made by a committee but not yet implemented. This enables it to consider whether the decision is appropriate.

Other Findings

The Corporate Head of Law and Governance confirmed that he is the designed monitoring officer relating to Corporate Governance compliance. As part of his role as the monitoring process various reports relating to the various committees are reviewed and legal advice is given where appropriate. The Corporate Head of Law and Governance covers mainly the Corporate Management Committee and the Housing Committee. As part of the audit a sample of committee decisions were reviewed where legal advice had been given. No issues were identified and the controls relating to Monitoring of the Corporate Governance Principles were considered to be efficient and effective.






Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Out of scope	-	-
S	Sustainability The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings

-  The Corporate Head of Law and Governance confirmed that they were no KPIs relating to Corporate Governance as it would be very difficult to measure.
-  The Corporate Head of Law and Governance stated that they encourage councillors to go paperless by using the Modern Gov system. In addition, the number of copies printed for the various committee meetings is kept to the minimum.
-  They have been several good practices that have been adopted as follows:
 - As part of the committee structure there is an Overview and Scrutiny Select Committee.
 - There is a monitoring officer who has been appointed and conducts and gives advice on legal aspects.
 - Relevant training relating to Corporate Governance has been provided.

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. 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. 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.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	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 Assurance	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 Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

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

Stage	Issued	Response Received
Audit Planning Memorandum:	5 th June 2023	26 th June 2023
Draft Report:	26 th July 2023	27 th July 2023
Final Report:	31 st July 2023	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Runnymede Borough Council		
Review:	Governance – Corporate		
Type of Review:	Assurance	Audit Lead:	Laila Somji

Outline scope (per Annual Plan):	<p>Rationale: Good governance processes and procedures are essential to demonstrate that the Council is being run efficiently effectively and with openness and honesty.</p> <p>Scope: The purpose of the audit is to review the decision making process and what documentation is in place which supports this to confirm that good corporate governance is operating well at Runnymede Council. The review will consider the following governance areas: The Constitution and Council Standing Orders specific to Runnymede Council Reporting framework and the decision making by Members. The openness and transparency of decision making within the Council Record keeping (and data quality) for decisions made by the Council</p>		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Sustainability: The impact on the organisation's sustainability agenda has been considered.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:	None		

Planned Start Date:	05/06/2023	Exit Meeting Date:	18/07/2023	Exit Meeting to be held with:	Mario Leo
----------------------------	------------	---------------------------	------------	--------------------------------------	-----------

SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N