

# Public Document Pack

## Notice of Meeting

### Audit and Governance Committee

Councillors Julian Tisi (Chair), Mark Wilson (Vice-Chair), Simon Bond, Suzanne Cross and Julian Sharpe

Thursday 22 February 2024 7.00 pm

Council Chamber - Town Hall - Maidenhead & on [RBWM YouTube](#)

www.rbwm.gov.uk



### Agenda

Item	Description	Page
1	<b>Apologies for Absence</b> To receive any apologies for absence.	-
2	<b>Declarations of Interest</b> To receive any declarations of interest.	3 - 4
3	<b>Minutes</b> To consider the minutes of the meeting held on 16 <sup>th</sup> November 2023.	5 - 12
4	<b>Update from External Auditors</b> For the Committee to receive an update from Deloitte on the current situation around the 2020/21 audit, along with the progress on the 2021/22 and 2022/23 audits.	Verbal Report
5	<b>Internal Audit Progress Report Q3 2023/24</b> This progress report allows monitoring against the 2023/24 internal audit plan agreed by the Committee at the February 2022 meeting. This report is the third progress report on the internal audit plan.	13 - 34
6	<b>Council Trusts</b> To receive a report on the management and administration of those Trusts where Cabinet acts as the Trustees and others in which RBWM has involvement. Any areas of concern identified by the Committee will be raised with relevant officers/Cabinet Members as necessary.  The report will be added as a supplement to the agenda once it is ready to be published.	To Follow
7	<b>Work Programme</b> To consider the Committee's work programme.	35 - 36

---

By attending this meeting, participants are consenting to the audio & visual recording being permitted and acknowledge that this shall remain accessible in the public domain permanently.

Please contact Mark Beeley, [mark.beeley@rbwm.gov.uk](mailto:mark.beeley@rbwm.gov.uk), with any special requests that you may have when attending this meeting.

Published: 14<sup>th</sup> February 2024



## MEMBERS' GUIDE TO DECLARING INTERESTS AT MEETINGS

### Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a Disclosable Pecuniary Interest (DPI) or Other Registerable Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

Any Member with concerns about the nature of their interest should consult the Monitoring Officer in advance of the meeting.

### Non-participation in case of Disclosable Pecuniary Interest (DPI)

Where a matter arises at a meeting which directly relates to one of your DPIs (summary below, further details set out in Table 1 of the Members' Code of Conduct) you must disclose the interest, **not participate in any discussion or vote on the matter and must not remain in the room** unless you have been granted a dispensation. If it is a 'sensitive interest' (as agreed in advance by the Monitoring Officer), you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted by the Monitoring Officer in limited circumstances, to enable you to participate and vote on a matter in which you have a DPI.

Where you have a DPI on a matter to be considered or is being considered by you as a Cabinet Member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

*DPIs (relating to the Member or their partner) include:*

- *Any employment, office, trade, profession or vocation carried on for profit or gain.*
- *Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses*
- *Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.*
- *Any beneficial interest in land within the area of the council.*
- *Any licence to occupy land in the area of the council for a month or longer.*
- *Any tenancy where the landlord is the council, and the tenant is a body in which the relevant person has a beneficial interest in the securities of.*
- *Any beneficial interest in securities of a body where:*
  - a) *that body has a place of business or land in the area of the council, and*
  - b) *either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.*

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

### Disclosure of Other Registerable Interests

Where a matter arises at a meeting which **directly relates** to one of your Other Registerable Interests (summary below and as set out in Table 2 of the Members Code of Conduct), you must disclose the interest. **You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.** If it is a 'sensitive interest' (as agreed in advance by the Monitoring Officer), you do not have to disclose the nature of the interest.

### Other Registerable Interests:

- a) any unpaid directorships
  - b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority
  - c) any body
    - (i) exercising functions of a public nature
    - (ii) directed to charitable purposes or
    - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)
- of which you are a member or in a position of general control or management

### Disclosure of Non- Registerable Interests

Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a DPI) or a financial interest or well-being of a relative or close associate, or a body included under Other Registerable Interests in Table 2 you must disclose the interest. **You may speak on the matter only if members of the public are also allowed to speak at the meeting** but otherwise **must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation**. If it is a 'sensitive interest' (agreed in advance by the Monitoring Officer) you do not have to disclose the nature of the interest.

Where a matter arises at a meeting which **affects** –

- a. your own financial interest or well-being;
- b. a financial interest or well-being of a friend, relative, close associate; or
- c. a financial interest or well-being of a body included under Other Registerable Interests as set out in Table 2 (as set out above and in the Members' code of Conduct)

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied.

Where a matter (referred to in the paragraph above) **affects** the financial interest or well-being:

- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

**You may speak on the matter only if members of the public are also allowed to speak at the meeting** but otherwise **must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation**. If it is a 'sensitive interest' (agreed in advance by the Monitoring Officer, you do not have to disclose the nature of the interest.

### Other declarations

Members may wish to declare at the beginning of the meeting any other information they feel should be in the public domain in relation to an item on the agenda; such Member statements will be included in the minutes for transparency.

# Agenda Item 3

## AUDIT AND GOVERNANCE COMMITTEE

Thursday 16 November 2023

Present: Councillors Julian Tisi (Chair), Mark Wilson (Vice-Chair), Simon Bond, Suzanne Cross and Julian Sharpe

Also in attendance: Jonathan Gooding (Deloitte), Benjamin Sheriff (Deloitte) and Lisa Fryer (South West Audit Partnership)

Also in attendance virtually: David McConnell (Deloitte) and Satinder Jas (Deloitte)

Officers: Mark Beeley, Elizabeth Griffiths, Andrew Vallance, Steve Mappley, Kevin McDaniel, Raman Singla and Damien Pantling

Officers in attendance virtually: Martin Stevens

### Apologies for Absence

There were no apologies for absence received.

### Declarations of Interest

There were no declarations of interest received.

### Minutes

Councillor Cross noted a small typo on the second page of the minutes, where Councillor Bond discussed Community Infrastructure Levy. It was stated that there was '£9 plus mentioned as developers contributions', this was agreed to be corrected to say '£9 million plus'.

**AGREED UNANIMOUSLY: That the minutes of the meeting held on 20<sup>th</sup> July 2023 were approved as a true and accurate record.**

### Post Audit Statement of Accounts 2020/21

Andrew Vallance, Deputy Director of Finance, outlined the report with the Committee being asked to approve the audited statement of accounts for 2020/21. The accounts were originally published in June 2021 which was within the required timescales. However, delays in the 2019/20 audit which had been caused by objections meant that these accounts were not signed off until March 2023 and had a knock-on effect on the 2020/21 accounts. Some significant changes were made to the 2020/21 accounts. The account presentation had been amended since the draft accounts were published, as some discrepancies had been discovered. There had been significant changes to property valuations particularly the impact of indexation of valuation movements. A national issue was identified on valuing infrastructure assets, specifically roads, which caused delays. A couple of items still needed to be completed including a review of indexation arising from the audit and final internal reviews by the external auditors.

Raman Singla, Chief Accountant, felt that a lot of lessons had been learned from the 2020/21 audit and steps had been taken to improve the process for future years. One code would be used for one item in the accounts, checks made to ensure that transactions were reported and training had been provided for staff on the new reporting arrangements. It was hoped that improvements to the process would lead to a better set of accounts for 2021/22 and 2022/23.

Jonathan Gooding, Deloitte, took the Committee through the accounts in detail. The audit highlighted the areas of focus on audit risk areas, with the audit being substantially complete. A number of issues had been identified including the quality of original financial statements, availability of information and reviewing the 22 objections which had been received but were not accepted. Final procedures outstanding on the accounts were around finalising and quality reviews. In 2019/20, there had been three areas identified as weaknesses in relation to value for money. On financial planning, there had been significant improvements and a number of arrangements had been implemented, therefore this was not considered to be a significant risk in 2020/21. The other two areas related to preparation of the financial statements and governance arrangements. Financial reporting was still regarded as a weakness and a recommendation had been made by Deloitte. Some actions arising from governance arrangements from various reviews which had taken place had not been implemented by March 2021, although it was noted that progress had been made in subsequent years.

Jonathan Gooding continued that a number of material and immaterial adjustments had been identified, some of which remained unadjusted. A number of control weaknesses were also identified, with some being significant. On significant audit risks, the valuation of property assets was deemed significant as a small change in assumption could have a big impact on the value of the property on the balance. Tests had been carried out on the design and implementation of controls by property specialists, an overstatement of £7.2 million had been noted. Another significant audit risk was capital expenditure and was potentially an area of fraud risk. Some immaterial errors had been noted. Management override of controls had some control weaknesses.

Benjamin Sheriff, Deloitte, discussed some of the control weaknesses. The council's revenues and benefits system was different from the main finance system. The revenues and benefits system was unable to run retrospective reports on what the balance would be at a previous point in time. Council tax rates could be analysed but this was not possible for national non-domestic rates balances. On the pension fund audit, there was a pension liability of £333 million. There was an immaterial error in this area due to a difference of opinion between Deloitte and RBWM. The impact of the pandemic was considered on the valuation of assets and liabilities along with the Covid-19 grant programme and the administration of these grants. A disposal had occurred which had not been accounted for. Infrastructure assets was a sector wide issue in 2019/20 and there had been guidance issued on how to address this, an immaterial unadjusted misstatement was made. Money held on behalf of organisations like the Local Enterprise Partnership was different in 2021 compared to previous years but this had no net impact. Benjamin Sheriff highlighted the error schedule and the judgements applied around debt provisioning. Appeals provision amounts had been set after taking advice from a specialist firm but the out turn had been better than had been provided in the accounts. The net value was about £3.3 million.

David McConnell, Deloitte, gave the Committee some context to the pension fund audit and this was largely complete. A material adjustment had been made to the accounts of £48 million, this was regarding funds which were included at a stale price. The materiality of the pension fund was considered to be 1% of the net assets and for this year this was £24 million, all adjustments were reported above £1.2 million. Management override of controls had highlighted some control deficiencies around the preparation of financial statements. Longevity hedges were a significant risk where it was noted that the value had been updated by £2 million but there were not the control issues which had been flagged in previous years. Deloitte felt that there was no control in place to facilitate an update to any changes to figures as the accounting process continued. The draft accounts were presented at a stale price for a number of funds. Changes had been implemented since 2021, a control had been added in

this area from 2022 onwards. On the draft accounts, an appropriate CIPFA checklist should be included and that the control process was understood and communicated to all those involved. It was noted by Deloitte that some journal entries were between the council's own accounts and the pension fund accounts although nothing was missing. It was best practise to separate the two entirely. On IAS19, there was an upload of information sent to the actuary to facilitate the IAS19 reports being given to the other participants of the pension fund but there was no appropriate review control in place to check the detail. Deloitte noted that this had been addressed and a control was now in place. There was an incident of a journal being posted where there had been a limit breach but evidence was shown that authority had been given in a different way. It was recommended that journals should only be posted within the limits of the officer's post. Bank and custodian mandates were out of date and this could be linked to changes in staff in the council and pension fund. The high number of observations made by Deloitte highlighted governance weaknesses, robust governance structures were recommended. There was only one uncorrected misstatement which was £5 million on the estimate of liability in the Goodwin case. There was a difference of opinion on this but it was reported to the Committee. David McConnell concluded by thanking Damien Pantling, Head of the Pension Fund, for his work and that it was pleasing to see the improvements that had been made.

Councillor Cross commented on the national non-domestic rates which she inferred to be business rates. She asked that as data had not been tracked did the council not know what the creditors and debtors were at this stage. Councillor Cross asked what the expected loss to the council was and whether any debt could be recovered.

Benjamin Sheriff explained that it was due to the system used by revenues and benefits. In March 2021, the two different systems would have been aligned and would show exactly how much was owed to the council and by who. After this date, the balances became different and no longer matched. The position in March 2021 was no longer accessible and Deloitte were therefore unable to test the validity at that point in time.

Elizabeth Griffiths, Executive Director of Resources, explained that the audit was about retrospectively proving a position. The extra detail on the balances had been requested by Deloitte to test but this could not be provided on the current system. This would be addressed for future audits.

Councillor Cross noted that the council had not uploaded the Annual Governance Statement to the website at the same time as the draft accounts. She asked how the public could be expected to scrutinise the accounts if the Annual Governance Statement had not been published.

Elizabeth Griffiths said that a lot of improvements had been made, the Annual Governance Statement had been produced but had not been published with the accounts.

Councillor Wilson drew attention to the audit fee issue, that Deloitte had requested £381,000 for completion of the audit and an additional £71,000 for the objections. Including the pension fund, this totalled around half a million. Councillor Wilson asked how this could be eliminated going forward.

Elizabeth Griffiths agreed that it was a significant amount of money and that there had been a number of discussions with Deloitte. It was not a new issue as additional fees had been paid for the previous year's audit. A lack of financial information was a big reason but the team currently in place had improved this so that it would not be an issue in future years. There had been resourcing issues in both the council and Deloitte and audit delays had an impact on both teams.

Jonathan Gooding added that there were a number of reasons for the fee and the additional work that had been required by Deloitte. When an audit continued for a sustained period of

time there could be inefficiencies. A third party body set the rate for audit hours and Deloitte awaited the result of their review.

Councillor Wilson said ideally the cost would be lowered as much as possible, he asked how far off the council was in ensuring a smooth process in future with minimal inefficiencies.

The Chair continued that the fee seemed to have come out of the blue and asked if going forward the council would be aware of the expectations on overrun audit fees in future.

Elizabeth Griffiths said that it was important to understand which costs would reoccur and the level of reporting now required by local authorities meant that there was a higher fee charged by external auditors. The finance team was under resourced which saved money in the short term but meant that long term fees were higher, there was a difficulty of recruiting financially skilled posts.

Jonathan Gooding said that the council would have a different auditor for the 2024 audit and a different audit fee would be set. The fees for the 2022 and the 2023 audits had not yet been finalised particularly with the delays to audits across the local government sector. Some of the costs could be reduced with investment and improvements in controls.

Councillor Cross asked if contracts that the council had entered into would be published in the accounts to improve transparency.

Elizabeth Griffiths confirmed that contracts were published on the website to show transparency. Commercially sensitive details would not be publicly available.

Councillor Wilson noted that it was a challenging year for the council but a lot of Covid grants had been received and it seemed the deficit had been saved as a result. It had been forecast in these accounts that the council would have financial challenges currently and this was without the extreme rise of inflation and interest rates. Councillor Wilson said that there were a number of references to significant control weaknesses and it was good to hear that things were improving.

The Chair commented that there were a number of control weaknesses which were ongoing, he asked if there were any overall comments on the progress being made to address these.

Elizabeth Griffiths said that there had been good progress made on the pension fund. The audit was backwards looking and issues were being addressed. Large scale change was taking place and it was expected that visibility, control and efficiency would be improved.

Andrew Vallance added that the 21/22 accounts would still have issues due to initially being prepared by the old team. For 22/23, the new team had prepared the full accounts so there would be a steady stream of improvement.

Councillor Bond asked if Deloitte knew whether objections had been received for the following two years of audits. He asked if a resident could speak at the Committee meeting to ask questions on the accounts rather than lodging a formal objection.

Jonathan Gooding said that the objection process was important, there was a difference between 19/20 and 20/21, in 19/20 six objections had been accepted for investigation but in 20/21 none of the objections were accepted. For 21/22, correspondence had been received in the appropriate timeframe and these would be reviewed. No correspondence had been received for 22/23. The public had a right to object to the accounts and could ask the external auditors questions through a separate process.

Mark Beeley, Principal Democratic Services Officer – Overview and Scrutiny, clarified that residents could register to speak on the accounts at a Committee meeting. However, it should be noted that residents were able to raise points and questions for the Committee to consider



and not cross examine officers or the external auditors. Formal objections or questions on the accounts should be raised through the official process.

Councillor Sharpe asked what the cost to the council was of objections being investigated.

Jonathan Gooding said that the additional hours worked and the legal advice was included in the report, this was £71,000 for Deloitte.

**AGREED UNANIMOUSLY: That the Audit and Governance Committee noted the report and:**

- i) Delegated responsibility to the Executive Director of Resources to agree a final version of the Letter of Representation and sign it.**
- ii) Approved the audited Statement of Accounts and authorised the Chairman and the Executive Director of Resources to sign them.**
- iii) Approved the management responses to the matters raised in the External Auditors' report.**

#### Internal Audit Progress Report Q2 2023/24

Lisa Fryer, South West Audit Partnership (SWAP), outlined the progress report which covered the period up to November. The report gave the Committee an update on how internal audit were delivering on the agreed plan and any changes to the plan. SWAP had started work on over half of the plan while seven audits had now been finalised. There were two changes to the plan since the last Committee update, with the two audits deferred to next year's plan. Work had started on auditing the strategic risks and it was hoped that most would be covered. The internal audit plan for 24/25 would be set at the next Committee in February 2024 and it was expected that audits would be included which were based around strategic risks. Monitoring showed that on audits given limited assurance there had been some progress towards implementation of actions suggested. A number of follow ups were scheduled in Q4 of the internal audit plan.

The Committee had been given summaries of the limited assurance audits in the report. Lisa Fryer commented on the health and safety premises risks as a high corporate risk had been reported which was due to an absence of service level agreements where premises were shared. An action plan had been agreed to ensure that roles and responsibilities along with safety policies were produced, this would apply to all lease and partnership arrangements. A follow up piece of work had been undertaken on delegated decision making, good progress had been made in this area. All finalised audits were available via Microsoft Teams.

Councillor Wilson felt that the summary of the audits could contain some more detail.

Lisa Fryer said that the most significant findings were reported in the summary, to add in all of the findings would increase the length of reports considerably. The full report was available on Microsoft Teams.

Councillor Wilson highlighted the children's early intervention review and the finding that Achieving for Children did not hold the data necessary to monitor the effectiveness of the strategy.

Lisa Fryer said that as part of the audit a survey was undertaken with schools and the feedback had been positive. However, the objective of the audit was to see whether aims were being achieved and this could not be measured.

Kevin McDaniel, Executive Director of Adult Social Care and Health, said that the early intervention system could be measured on a case by case basis on the outcomes with the specific family, in an 'outcome STAR model'. The question asked in the audit was around whether early intervention had stopped families needing care services later on and this was something which could not currently be measured.

The Chair asked about governance of property leases and whether that was an issue with the RBWM Property Company and the length of time making decisions.

Lisa Fryer said that the Property Company had put forward the audit, one of the concerns they had was around the delegation arrangements in place slowed things down and this was supported by evidence in the audit.

**AGREED UNANIMOUSLY: That the Audit and Governance Committee noted the report.**

#### Treasury Management Out turn 2022/23

Andrew Vallance said that the report included a review of the council's borrowing strategy for 2022/23, a review of the financial investment portfolio and a review of the council's compliance with treasury limits. Borrowing and investments were high and this was because the council had borrowed in advance to lock in lower interest rates. The result meant the current in-year overspend was not due to interest rates but this would impact next year's budget. RBWM had complied in full with the CIPFA code of practice. The main purpose of investments was that they were secure, liquid and yield was the final element.

**AGREED UNANIMOUSLY: That the Audit and Governance Committee noted the report and approved the Treasury Management Outturn 2022/23 report.**

#### Treasury Management Mid Year report 2023/24

Andrew Vallance provided the Committee with an update on the treasury management mid year position. The council was within the limits of the CIPFA code of practice, while gross borrowing was lowering and a natural position was achieved. Net borrowing was going down and this was because of cash flow; a number of grants and council tax were received at the start of the financial year. The total borrowed at the start of the financial year was £232 million, it was expected that this would increase back up to around £200 million by the end of the financial year. Interest rates had been high but had now stabilised. The Committee would normally see a draft treasury management strategy but due to the council's current financial position, a new treasury management strategy would be considered by Cabinet in February as part of the 2024/25 budget.

Councillor Sharpe said that the balance in the previous treasury management report was £163 million, but the current report stated £153 million so there seemed to be a drop of £10 million. He asked what the exception was on this by the end of the financial year.

Andrew Vallance responded by explaining that the drop was because of cash flow and capital expenditure. It was anticipated that borrowing would be around £200 million by the end of the financial year.

Elizabeth Griffiths added that there were large capital movements throughout the year and this was similar for most local councils. Borrowing was needed when cash flow levels dropped, capital expenditure was under review to identify areas where spending could be reduced.

The Chair said that around £100 million of borrowing was still needed and there was uncertainty about what the rate would be.

Elizabeth Griffiths said a lot of debt was short term borrowing and this had allowed the council to take advantage of the interest rates available. However, with a reliance on short term loans meant the council were open to shifts and uncertainty. It was forecast that there would be a big increase in borrowing costs and this would have an effect on the constrained budget.

The Chair asked for a timeline for the approval of the updated treasury management strategy.

Andrew Vallance said that the strategy would be considered with the budget and put forward at Full Council in February 2024. It formed a central part of the budget process.

Elizabeth Griffiths added that everything was interlinked and strategies were being developed to deal with the situation. It was hoped that the Committee would be able to review it.

Councillor Wilson considered the ten year project with the level of debt and borrowing. He asked for the process behind how this forecast had been produced.

Elizabeth Griffiths said that the liability benchmark was required and this was driven by estimates of working capital. There were some plans to bring in capital receipts but capital expenditure was difficult to predict.

**AGREED UNANIMOUSLY: That the Audit and Governance Committee noted and approved the Treasury Management Mid-Year Review Report 2023/24.**

### Risk Management

Steve Mappley, Insurance and Risk Manager, highlighted the six monthly update risk management report. A new Quarterly Assurance Report had been introduced which contained greater detail on risk information and this gave a further opportunity for discussion at Cabinet. The report contained the key strategic risks to the council in summary and detailed formats. Three new risks had been added on elections, migration and the social care market.

Councillor Sharpe was concerned about risks around technology and infrastructure. Users in the organisation could be at risk of cybercrime, he asked if there was training in place to ensure that staff were aware of the risks.

Steve Mappley said that there was mandatory induction and refresher training undertaken by staff at the council.

Councillor Sharpe asked if this included Councillors too.

Mark Beeley said that Councillors had online training modules through the iHasco programme. One of these modules was based around cyber security awareness.

Councillor Wilson questioned whether the cost of living risk should be higher, as there was increased levels of debt, community tension and crime.

Kevin McDaniel said it was hard to judge, information was triangulated from different groups through the Community Safety Partnership and cost of living group. The data did not seem to suggest that there was an increase in crime. The council ran a Household Support Fund and those who needed it were encouraged to get in touch.

The Chair asked about the migration and movement of people in local hotels risk and the demand on support services.

Kevin McDaniel said that the Home Office had been working to reduce the backlog of cases, however a number of asylum seekers had been placed in hotels across the country with two of these hotels being located in the borough. Many applications were being changed to refugees

and given notice to leave the hotels but this was now seven days instead of the original 28 days. This meant that there had been an increase in the number of refugees coming to the council for help with housing. There were a couple of hundred asylum seekers staying in the borough and this could grow, which was why it had been added to the risk register.

The Chair asked why there were no critical risks from children's services.

Steve Mappley said that children's services was often regarded as an operational risk rather than strategic.

Kevin McDaniel said that the council was currently in the inspection window for Ofsted and SEND services which could take attention away from the day to day work.

**AGREED UNANIMOUSLY: That the Audit and Governance Committee noted the report.**

### Work Programme

The Chair asked when the 2021/22 accounts would be ready to be signed off by the Committee.

Jonathan Gooding said that there was a lot of uncertainty and he hoped to have a better idea of timescales in the next few weeks. He hoped that certain elements of the 2021/22 audit would be completed by March 2024.

Councillor Wilson asked if the Committee considered the budget.

Mark Beeley confirmed that the budget went through the scrutiny process and would be considered by the Corporate Overview and Scrutiny Panel.

Councillor Wilson asked for an update on the current status of the 2021/22 accounts.

Raman Singla said that the draft 2021/22 accounts had been submitted on time but there were a number of changes which needed to be made.

The meeting, which began at 7.00 pm, finished at 9.25 pm

Chair.....

Date.....

Report Title:	SWAP Internal Audit Progress Report Q3 2023/24
Contains Confidential or Exempt Information	No - Part I
Cabinet Member:	Cllr Jones, Deputy Leader and Cabinet for Finance
Meeting and Date:	Audit and Governance Committee - 22 February 2024
Responsible Officer(s):	Elizabeth Griffiths, Executive Director of Resources Andrew Vallance, Deputy Director of Finance Lisa Fryer, Assistant Director, SWAP
Wards affected:	All

www.rbwm.gov.uk



## **REPORT SUMMARY**

This progress report allows monitoring against the 2023/4 internal audit plan agreed by this Committee at the February 2022 meeting. This report is the third progress report on the internal audit plan.

The internal audit plan is a risk based plan consistent with the Council's goals and objectives.

### **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION: That the Audit and Governance Committee:**

- i) **Notes the Internal Audit Progress Report attached as Appendix B.**

### **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

#### **Options**

**Table 1: Options arising from this report**

<b>Option</b>	<b>Comments</b>
To agree the Internal Audit Progress Report <b>This is the recommended option</b>	This is the preferred option for the reasons set out in the report

#### **KEY IMPLICATIONS**

- 2.1 The progress report allows the Committee to oversee the delivery of the audit plan and highlights areas where improvements in governance, risk or internal controls is recommended.

### **3. FINANCIAL DETAILS / VALUE FOR MONEY**

3.1 There are no direct financial implications arising from this report.

### **4. LEGAL IMPLICATIONS**

4.1 None.

### **5. RISK MANAGEMENT**

5.1 The internal audit plan is a risk based plan reflective of the Council's strategic risks.

### **6. POTENTIAL IMPACTS**

6.1 Equalities. An Equality Impact Assessment is available as Appendix A. A screening assessment has been completed which indicates the proposal does not have any equality impacts.

6.2 Climate change/sustainability. There are no impacts as a consequence of this decision.

6.3 Data Protection/GDPR. No personal data has been processed.

### **7. CONSULTATION**

See section 11

### **8. TIMETABLE FOR IMPLEMENTATION**

By 31 March 2024.

### **9. APPENDICES**

9.1 This report is supported by 2 appendices:

- Appendix A – Equality Impact Assessment
- Appendix B - Internal Audit Progress Report Q3

### **10. BACKGROUND DOCUMENTS**

10.1 None.

## 11. CONSULTATION

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officer (or deputy)</i>			
Elizabeth Griffiths	Executive Director of Resources & S151 Officer	06/02/24	
Elaine Browne	Deputy Director of Law & Governance & Monitoring Officer	06/02/24	12/02/24
<i>Deputies:</i>			
Andrew Vallance	Deputy Director of Finance & Deputy S151 Officer	06/02/24	13/02/24
Jane Cryer	Principal Lawyer & Deputy Monitoring Officer		
Helena Stevenson	Principal Lawyer & Deputy Monitoring Officer		
<i>Mandatory: Assistant Director HR – to advise if report has potential staffing or workforce implications</i>			
Nikki Craig	Assistant Director of HR, Corporate Projects and IT		
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			
Stephen Evans	Chief Executive	06/02/24	
Andrew Durrant	Executive Director of Place	06/02/24	
Kevin McDaniel	Executive Director of Adult Social Care & Health	06/02/24	
Lin Ferguson	Executive Director of Children's Services & Education	06/02/24	

Confirmation relevant Cabinet Member(s) consulted	Cabinet Member for Finance	Yes
---	----------------------------	-----

## REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Audit and Governance Committee for information	No	No

<p>Report Author:</p> <p>Lisa Fryer, Assistant Director, SWAP  <a href="mailto:Lisa.fryer@swapaudit.co.uk">Lisa.fryer@swapaudit.co.uk</a></p>
---

# Appendix A - Equality Impact Assessment

For support in completing this EQIA, please consult the EQIA Guidance Document or contact [equality@rbwm.gov.uk](mailto:equality@rbwm.gov.uk)

## 1. Background Information

Title of policy/strategy/plan:	<u>Internal Audit Progress Report Q3</u>
Service area:	<u>Internal Audit</u>
Directorate:	<u>Resources</u>

**Provide a brief explanation of the proposal:**

- What are its intended outcomes?
- Who will deliver it?
- Is it a new proposal or a change to an existing one?

To inform members of progress

SWAP

No

## 2. Relevance Check

**Is this proposal likely to directly impact people, communities or RBWM employees?**

- If No, please explain why not, including how you've considered equality issues.
- Will this proposal need a EQIA at a later stage? (for example, for a forthcoming action plan)

No – internal audit progress report

No

If 'No', proceed to 'Sign off'. If unsure, please contact [equality@rbwm.gov.uk](mailto:equality@rbwm.gov.uk)



### 3. Evidence Gathering and Stakeholder Engagement

<p><b>Who will be affected by this proposal?</b> For example, users of a particular service, residents of a geographical area, staff</p>
<p><b>Among those affected by the proposal, are protected characteristics</b> (age, sex, disability, race, religion, sexual orientation, gender reassignment, pregnancy/maternity, marriage/civil partnership) <b>disproportionately represented?</b> For example, compared to the general population do a higher proportion have disabilities?</p>
<p><b>What engagement/consultation has been undertaken or planned?</b></p> <ul style="list-style-type: none"><li>• How has/will equality considerations be taken into account?</li><li>• Where known, what were the outcomes of this engagement?</li></ul>
<p><b>What sources of data and evidence have been used in this assessment?</b> Please consult the Equalities Evidence Grid for relevant data. Examples of other possible sources of information are in the Guidance document.</p>

## 4. Equality Analysis

Please detail, **using supporting evidence**:

- How the protected characteristics below might influence the needs and experiences of individuals, in relation to this proposal.
- How these characteristics might affect the impact of this proposal.

Tick positive/negative impact as appropriate. If there is no impact, or a neutral impact, state 'Not Applicable'

More information on each protected characteristic is provided in the Guidance document.

	Details and supporting evidence	Potential positive impact	Potential negative impact
Age			
Disability			
Sex			
Race, ethnicity and religion			
Sexual orientation and gender reassignment			
Pregnancy and maternity			
Marriage and civil partnership			
Armed forces community			
Socio-economic considerations e.g. low income, poverty			
Children in care/Care leavers			

## 5. Impact Assessment and Monitoring

*If you have not identified any disproportionate impacts and the questions below are not applicable, leave them blank and proceed to Sign Off.*

**What measures have been taken to ensure that groups with protected characteristics are able to benefit from this change, or are not disadvantaged by it?**

For example, adjustments needed to accommodate the needs of a particular group

**Where a potential negative impact cannot be avoided, what measures have been put in place to mitigate or minimise this?**

- For planned future actions, provide the name of the responsible individual and the target date for implementation.

**How will the equality impacts identified here be monitored and reviewed in the future?**

See guidance document for examples of appropriate stages to review an EQIA.

## 6. Sign Off

<b>Completed by:</b> Lisa Fryer	<b>Date:</b> 6/02/23
<b>Approved by:</b> Andrew Vallance	<b>Date:</b> 6/02/23

If this version of the EQIA has been reviewed and/or updated:

<b>Reviewed by:</b>	<b>Date:</b>
---------------------	--------------

# Royal Borough of Windsor and Maidenhead

## Report of Internal Audit Activity

### Progress Report- January 2024

# Internal Audit – January 2023/24 ‘At a Glance’

## The Headlines

	<p><b>23/24 Reviews completed in the period</b></p> <ul style="list-style-type: none"> <li>• Three audits finalised</li> <li>• One grant certified</li> <li>• Thirteen reviews in progress</li> </ul>
	<p><b>Progress to date</b> On track to deliver plan:</p> <ul style="list-style-type: none"> <li>• Half of the plan has been completed</li> </ul>
	<p><b>Follow-ups in the period</b></p> <p>Two follow-up audits completed.</p>
	<p><b>Plan Changes in the period</b></p> <ul style="list-style-type: none"> <li>• Five audits deferred to 24/25, three replaced with other audit work</li> <li>• Three follow-ups deferred to 24/25</li> </ul>
	<p><b>Range of innovations and enhancements made to our internal audit process throughout the year</b> Benchmarking exercise carried out to compare RBWM lease approval process at other authorities in the SWAP partnership.</p>

21

## Internal Audit Assurance Opinions 2023/24

	Jan	YTD
Substantial	1	1
Reasonable	1	4
Limited	1	5
No Assurance	0	0
<b>Total</b>	<b>3</b>	<b>10</b>

## Plan Delivery 2023/24

	Number	%
Completed	23	49%
In Progress	13	28%
Not Started	5	11%
Deferred (no replacement)	6	13%
<b>Total</b>	<b>47</b>	

# Summary

As part of our rolling plan reports, we will detail progress against the approved plan and any updates in scope and coverage.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating significant risks previously identified through audit activity.

The contacts at SWAP in connection with this report are:

**Lisa Fryer**  
Assistant Director  
[lisa.fryer@swapaudit.co.uk](mailto:lisa.fryer@swapaudit.co.uk)

**David Hill**  
Chief Executive  
[david.hill@swapaudit.co.uk](mailto:david.hill@swapaudit.co.uk)



## Summary

### Introduction

This 2023/24 progress report allows monitoring against the plan agreed by this Committee in February 2023. The plan remains necessarily flexible and some changes have taken place. The schedule provided at **Appendix D** details progress made to date and new work agreed.

Each completed assignment includes its respective “assurance opinion” rating together with the number and relative ranking of recommendations that have been raised with management. In such cases, the Committee can take assurance that improvement actions have been agreed with management to address these. The assurance opinion ratings have been determined in accordance with the Internal Audit “Audit Framework Definitions” as detailed at **Appendix A** of this document.

To assist the Committee in its important monitoring and scrutiny role, in those cases where weaknesses have been identified in service/function reviews that are considered to represent significant service risks, a summary of the key audit findings that have resulted in them receiving a ‘limited Assurance Opinion’ is given as part of this report in **Appendix B**.

A follow-up review is performed in respect of all limited assurance opinion audits. This is important to provide evidence that recommendations have been implemented to reduce areas of risk identified. The results of follow-up reviews performed in the period can be found in **Appendix C**.

In circumstances where findings have been identified which are considered to represent significant corporate risks to the Council, due to their importance, these issues are separately summarised. No significant corporate risks were reported in the period.

# Internal Audit Progress Update

Our audit plan coverage assessment is designed to provide an indication of whether we have provided sufficient, independent assurance to monitor the organisation’s risk profile effectively.

For those areas where no audit coverage is planned, assurance should be sought from other sources to provide a holistic picture of assurance against key risks.



## SWAP audit plan coverage across strategic risks

The internal audit plan agreed is based on our risk based approach to help ensure that resources are focused where internal audit can offer the most value and insight. A key source of information is the Council’s strategic risk register.

The table that follows on the next page is a summary of how our completed audits and work in progress to date provide assurance in relation to these strategic risks. As the year builds and more work is completed, coverage across the key risk areas will increase. ‘Adequate’ coverage reflects delivery of planned assurance levels.

### Key

	Good coverage complete
	Adequate coverage complete
	Coverage In progress
	No coverage to date

# Internal Audit Progress Update

Continued:

**Our audit plan coverage assessment is designed to provide an indication of whether we have provided sufficient, independent assurance to monitor the organisation’s risk profile effectively.**

**For those areas where no audit coverage is planned, assurance should be sought from other sources to provide a holistic picture of assurance against key risks.**

Strategic Risk	Coverage
Impact of winter flu/other pathogens	
Climate change – decarbonization to net zero	(Climate change governance covered in 22/23)
Adults and children’s safeguarding	Children’s safeguarding, Adults Assessments and Care Plans
Best value not delivered from contractors and council owned companies	Contract register advisory review, grounds maintenance contract management.
IT Infrastructure failure, cyber-crime, technological change	User access and account management, on premises hosting, software asset management
Workforce stability	
Demand changes arising from cost of living crisis	Children’s early intervention, Disabled Facilities Grant process
Increased mental health demands	Children’s mental health and SEND – joint commissioning with health
Uncertainty around major schemes and Commercial Projects.	Property Leases
Effectiveness of the financial strategy	Adult debt management, corporate debt management follow-up, treasury management, schools financial management, maximising parking income, S106 follow-up
Fraud and Corruption leads to loss of council resources	NFI oversight, Council Tax investigations
Legislation not responded to effectively leads to external intervention	Tree Safety, Health & Safety Premises Management



## Summary

### Continued:

Given a risk based approach is followed, it is important to demonstrate that agreed actions are implemented to reduce risks reported.

### Action Plan Monitoring

It is important that the agreed action is taken to reduce the risks reported within our limited assurance audits. To provide assurance that agreed action is taken, follow-up reviews are scheduled for all limited assurance audits. Implementation of action agreed is also regularly monitored. Those audits with high corporate risks are also reported to Cabinet as part of the quarterly assurance report.

Year	Name of Audit	Priority 1 Actions	Latest Timescale	Audit Follow-up Status
22/23	Corporate Debt Management	2	31/03/2024	Final. 4 of 11 actions complete
22/23	Fleet Safety Compliance	2	31/03/2024	Final. 5 of 6 actions in progress
22/23	Risk Management	3	30/06/2023	Draft
22/23	Delegated Decision Making	2	31/12/2023	Final. 6/10 actions complete. Checking remaining actions
22/23	Adults Direct Payments	4	31/12/2023	Deferred 24/25
22/23	Homelessness Strategy	2	30/06/2024	Scheduled 24/25
22/23	Records Management	4	31/03/2024	Scheduled Q4
22/23	Economic Resilience	1	31/12/2023	Scheduled Q1 24/25
22/23	Business Continuity Planning*	4	31/01/2024	Deferred 24/25
22/23	Contract Management*	6	31/03/2024	Deferred 24/25
22/23	S106 Agreements*	3	30/09/2023	In progress
22/23	AfC Governance and Oversight	1	29/02/2024	Scheduled Q1 24/25
22/23	Cash and Bank Reconciliation	2	31/01/2024	Final. 2/5 actions complete. Checking remaining actions
23/24	Premises Health & Safety*	2	31/03/2024	Scheduled 24/25
23/24	Property Leases	1	31/12/2023	Scheduled 24/25
23/24	Adults needs assessments & support plans	2	31/03/2024	Scheduled 24/25
23/24	Childrens Early Intervention	1	31/12/2023	Scheduled 24/25

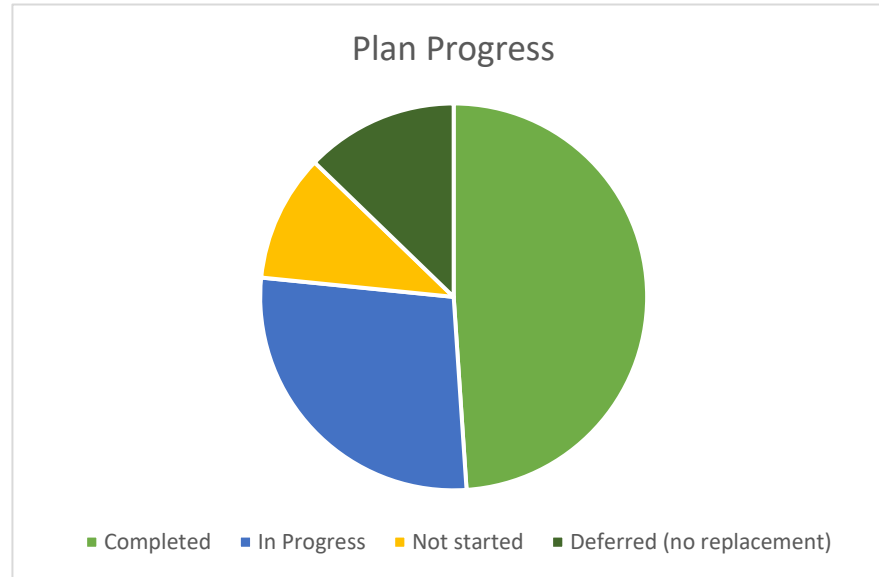
\* High corporate risk

# Internal Audit Progress Update

Adequate audit coverage is needed to support the annual opinion.



Progress Year to Date



Progress is reasonable with half of the audit plan complete and a further 30% of the plan is in progress. In terms of audits deferred there has been an increase in these since our last progress report largely due to resource pressures, as the Council focused on financial planning during quarter three. The breakdown at Appendix D shows that the majority of audit work has been replaced during the year by other reviews. There has been some slippage in the scheduling of follow-up work over the period.

Assurance Definitions	
<b>No Assurance</b>	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.
<b>Limited</b>	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
<b>Reasonable</b>	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.
<b>Substantial</b>	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.

Definition of Corporate Risks	
Risks	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

Categorisation of Recommendations	
In addition to the corporate risk assessment it is important that management know how important the recommendation is to their service. Each recommendation has been given a priority rating at service level with the following definitions:	
Priority 1	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.



**Housing Rents System – Final Report – December 2023**

**Audit Objective**

To review the effectiveness of the Accommodation Rents Accounting System in enabling the council to manage its temporary accommodation rent accounts.

Assurance Opinion	Number of Actions	
	Priority	Number
<p>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.</p>	Priority 1	0
	Priority 2	8
	Priority 3	3
	Total	11

Risk Reviewed	Assessment
Financial losses to the council, through failing to collect income due.	Medium

Key Findings	
	When a tenant leaves temporary accommodation owing rent, the service does not initiate enforcement or legal action to recover the debt owed, neither does it consider whether it should be written off.
	When a tenant leaves temporary accommodation, and their rent account is closed with a credit balance, no investigations are undertaken to determine the reason for the credit balance and to take appropriate action.
	The Temporary Accommodation Income Management Procedures do not include the type of enforcement or legal action that can, or should be, taken against the tenant in relation to the debt owing at eviction. They also do not include reference to the use of ARA, or reflect the current staffing structure and job titles within Housing Services.
	The Temporary Accommodation Officers effectively provide the day-to-day management of the rent accounts, including those that have fallen into arrears. File notes are added to record all actions taken to recover the arrears, until the tenant leaves temporary accommodation.

Audit Scope
The audit included a review of the processes in place for income collection, debt recovery, payment plans and write offs, and how the ARA system has affected these processes. We also reviewed the reconciliation processes between Agresso and ARA and the interface between ARA and the Housing Benefits system.
We also undertook some analysis on data extracted from ARA and from the Housing Options system to identify the demographic of those rent accounts in arrears. The outcomes have been reported separately to management.

Summary and Next Steps
Prior to the ARA module being introduced in June 2022, a management decision was made to write off all existing arrears owed, and to start afresh under the new module. As of 7 <sup>th</sup> November 2023, there were 78 closed rent accounts with a total credit balance of £23,699.72 and 171 closed rent accounts with a total debit balance of £108,383.94.
The immediate next steps are that the service needs to decide when it should initiate the recovery of debts through enforcement or legal action, as well as the processes to follow for accounts in credit. It also needs to agree its write off processes. Once these are decided, they need to be incorporated into or linked within the written Temporary Accommodation Income Management Procedures. The updated procedures should then be shared with all relevant staff.

28

**Corporate Debt Management Follow Up – Final Report – January 2024**



**Follow Up Audit Objective**

To provide assurance that the agreed actions to mitigate against risk exposure, identified within the 2022/2023 Corporate Debt Management audit review, have been implemented.

Follow Up Progress Summary				
Priority	Complete	In Progress	Not Started	Summary
Priority 1	0	2	0	2
Priority 2	1	1	2	4
Priority 3	3	0	2	5
<b>Total</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>11</b>

**Follow Up Assessment**

We completed the original audit on Corporate Debt Management in January 2023, which received a limited assurance opinion.

Through this follow up audit review, we have found that four of the 11 actions from the previous audit review have been completed. We have been provided with a progress update and revised implementation dates for the seven actions which remain outstanding.

We will continue to monitor the outstanding actions for implementation, through our action tracking processes.

**Key Findings**



Revised guidance and processes to ensure services retain all originating documentation, and allow unpaid debts to be pursued effectively, have yet to be established. In addition to this, new processes have yet to be introduced for requesting and monitoring the suppression of invoices.



The number of duplicate debtor accounts and those with credit balances have reduced since the original audit review; however, reviewing these requires significant time and resource. The Business Support Officer continues to assess these, and take the necessary action.



Process notes for setting up and deleting debtor accounts have been established and shared with all relevant staff. This is to help reduce the number of duplicate debtor accounts. In addition to this, process maps have been created to support the Debt Recovery Policy. Financial information is now included within the Quarterly Assurance Report, presented to the Corporate Overview and Scrutiny Committee. Additional information on sundry debt is also provided in the monthly budget monitoring reports to Cabinet.

**Follow Up Scope**

We have performed testing in relation to the high priority findings (priority 1 and 2) in the previous audit review, and evidence has been obtained to support the implementation of the action taken. The responsible manager has provided a self-assessment on the priority 3 findings.

Appendix A provides the detail on the action taken since the original audit review.

29

**Fleet Safety Compliance Checks Follow Up – Final Report – December 2023**



**Follow Up Audit Objective**

To provide assurance that the agreed actions to mitigate against risk exposure, identified within the 2022/2023 Fleet Safety Compliance Checks audit review, have been implemented.

**Follow Up Progress Summary**

Priority	Complete	In Progress	Not Started	Summary
Priority 1	0	1	1	2
Priority 2	0	2	0	2
Priority 3	0	2	0	2
<b>Total</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>6</b>

**Follow Up Assessment**

The original audit on Fleet Safety Compliance Checks was completed in July 2022 and received a limited assurance opinion.

This follow up audit review has found that none of the six actions from the previous audit review have been completed in full, although some progress has been made with five of these. Revised implementation dates have been provided for all these actions.

We will continue to monitor the full implementation of these actions through our outstanding action tracking process.

**Key Findings**



Following our previous audit review, the council instructed the Association for Public Service Excellence (APSE) to carry out a review of its fleet processes. APSE made recommendations on how the fleet should be managed, along with providing the council with some formal process and policy documents. These policy documents now need to be formally drafted, agreed and adopted by the council. In addition, a resource needs to be identified to take responsibility for the management of the council’s vehicles; both owned and leased.

**Follow Up Scope**

We sought a progress update on all the actions agreed in the previous audit review, and evidence has been obtained to support the implementation of any action taken in relation to the high priority findings (priority 1 and 2).

Appendix A provides the detail on the action taken since the original audit review.

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔	3 =
					Major		Medium
					Recommendation		
	1	2	3				
<b>Complete</b>							
Grant	LEP Core Growth	Final	Certified				
Grant	Local Transport Capital Funding Grant	Final	Certified				
Grant	Bus Service Operator Grant (BSOG)	Final	Certified				
Grant	Disabled Facilities Grant (DFG)	Final	Certified				
Governance	Health and Safety Premises risks	Final	Limited	9	2	7	
Governance	Governance of Property Leases	Final	Limited	5	1	4	
Financial	Pension Fund – Risk Management	Final	Reasonable	7		2	5
Financial	Payroll	Final	Reasonable	3		1	2
Financial	Treasury Management	Final	Reasonable	6		1	5
Operational	Children’s – Strategic Review of Early Intervention	Final	Limited	4	1	3	
Operational	<b>NEW</b> Adults – Assessments and Care Plans	Final	Limited	3	2		1
Follow-up	Delegated Decision Making	Final	N/A	Good progress made – will continue to monitor through action tracking			
Operational	<b>NEW</b> Housing Rents	Final	Limited	11	0	8	3
Operational	Children’s Short-break Care	Final	Reasonable				
ICT	User access and account management	Final	Substantial				
Follow-up	Fleet Safety Compliance Checks	Final	N/A	Some progress made – will continue to monitor through action tracking			

31

Audit Type	Audit Area	Status	Opinion	No of Rec	Recommendation		
					1 = Major	↔	3 = Medium
					1	2	3
Follow-up	Corporate Debt Management	Final	N/A	Four of the 11 actions implemented – will continue to monitor through action tracking			
Grant	Initial Teacher Training (ITT) Bursary	Final	Certified				
<b>Reporting</b>							
Operational	Safety of Tree Stock	Draft					
Follow-up	Risk Management	Draft					
Governance	Information Management – Data Transparency	Draft					
Advisory	Contract Register	Draft					
Financial	Schools Financial Management – SFVS Assurance work	Drafting					
<b>In progress</b>							
Governance	Emergency Planning	In progress					
Operational	Grounds Maintenance Contract Management (Tivoli)	In progress					
ICT	On premises hosting	In progress					
Operational	Maximising Parking Income	In progress					
Follow-up	Infrastructure Section 106	In progress					
Operational	<b>NEW</b> Disabled Facilities Grant Process	In progress					
Operational	Childrens Safeguarding Arrangements	In progress					

32



Audit Type	Audit Area	Status	Opinion	No of Rec	Recommendation		
					1 = Major	↔	3 = Medium
					1	2	3
Advisory	<b>NEW</b> NHS Social Care Investigation	Ongoing					
Grant	Supporting Families Grant - quarterly	Ongoing					
Advisory	Council tax referrals - investigations	Ongoing					
Advisory	Action plan tracking and reporting	Ongoing					
Advisory	National Fraud Initiative (NFI)	Ongoing					
Advisory	General Fraud Advice	Ongoing					
<b>Waiting to Start</b>							
Financial	Adults Debt Management	Waiting to start					Initial meeting booked
ICT	Software asset management	Waiting to start					Agreed to proceed
Follow-up	Adults Financial Assessments	Waiting to start					Initial meeting booked
Follow-up	Records Management	Waiting to start					
Operational	<b>NEW</b> Children's Mental health & SEND – joint commissioning with health	Waiting to start					
<b>Deferred</b>							
Operational	Temporary Accommodation	Deferred	Deferred until 24/25. Request to replace with Disabled Facilities Grant Process				
Operational	Strategic Commissioning SEND	Deferred	Deferred – 1. replaced with Children's to Adult's services transition which was then deferred. 2. replaced with NHS social care investigation				

33

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔	3 =
					Major		Medium
					Recommendation		
					1	2	3
Grants	LEP – Peer Networks	Deferred	Certification not required in 23/24				
Governance	Optalis – Governance and Oversight	Deferred	Deferred until 24/25 1. Replaced with adults – Performance and Statutory Return reporting 2. replaced with adults assessments and care plans				
Operational	Adults – Mental Health Services	Deferred	Deferred until 24/25 and replaced with children’s joint mental health and SEND commissioning				
Financial	Council Tax	Deferred	Deferred until 24/25 and replaced with housing rental income				
Financial	Management of the Revenue Budget	Deferred					
Governance	Healthy Organisation Review	Deferred					
Follow-up	Adults Direct Payments	Deferred					
Follow-up	Fraud Baseline Assessment of Maturity in Relation to Fraud	Deferred					
Follow-up	Contract Management	Deferred					

34

## WORK PROGRAMME – AUDIT AND GOVERNANCE COMMITTEE

<b>LINK OFFICERS &amp; AUDITORS</b>	<ul style="list-style-type: none"> <li>• Elizabeth Griffiths – Executive Director of Resources</li> <li>• Andrew Vallance – Deputy Director of Finance</li> <li>• Elaine Browne – Deputy Director of Law and Governance</li> <li>• Steve Mappley - Insurance &amp; Risk Manager</li> <li>• External Auditors – Deloitte</li> <li>• Internal Auditors - SWAP</li> </ul>
-------------------------------------	--

**MEETING: 4<sup>th</sup> JUNE 2024 TBC after March Full Council**

ITEM	RESPONSIBLE OFFICER
Internal Audit Annual Opinion 2023/24	<b>SWAP</b>
Internal Audit Plan 2024/25	<b>SWAP</b>
Internal Audit Progress Report Q1 2024/25	<b>SWAP</b>
Risk Management	<b>Steve Mappley, <i>Insurance and Risk Manager</i></b>
Work Programme	<b>Democratic Services</b>

**Confirmed meetings dates for the Audit & Governance Committee until May 2025 will be finalised following Full Council in March.**

### ITEMS SUGGESTED BUT NOT YET PROGRAMMED

ITEM	RESPONSIBLE OFFICER
Statement of Account 2021/22	<b>External Auditors</b>
Statement of Accounts 2022/23	<b>External Auditors</b>

This page is intentionally left blank