

Agenda

Audit and Governance Committee

Date: **Monday 21 November 2022**

Time: **11.00 am**

Place: **The Conference Room, Herefordshire Council Offices,
Plough Lane, Hereford, HR4 0LE**

Notes: Please note the time, date and venue of the meeting.

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Agenda for the meeting of the Audit and Governance Committee

Membership

Chairperson **Councillor Nigel Shaw**
Vice-chairperson **Councillor Jenny Bartlett**

Councillor Christy Bolderson
Councillor Dave Boulter
Councillor Clare Davies
Councillor Peter Jinman
Vacancy (Independents for Herefordshire)

Agenda

	Pages
1. APOLOGIES FOR ABSENCE To receive apologies for absence.	
2. NAMED SUBSTITUTES (IF ANY) To receive details of any member nominated to attend the meeting in place of a member of the committee.	
3. DECLARATIONS OF INTEREST To receive declarations of interest in respect of items on the agenda.	
4. MINUTES To approve and sign the minutes of the meeting held on 31 October 2022. The updated action log for the committee is also attached. HOW TO SUBMIT QUESTIONS Deadline for receipt of questions is 9.30 am on Wednesday 16 November 2022. Questions must be submitted to councillorservices@herefordshire.gov.uk . Questions sent to any other address may not be accepted. Accepted questions and the response to them will be published as a supplement to the agenda papers prior to the meeting. Further information and guidance is available at www.herefordshire.gov.uk/getinvolved	11 - 22
5. QUESTIONS FROM MEMBERS OF THE PUBLIC To receive any questions from members of the public.	
6. QUESTIONS FROM COUNCILLORS To receive any questions from councillors.	
7. UPDATE ON INTERNAL AUDIT RECOMMENDATIONS To review the progress of audit recommendations implementation.	23 - 62
8. ANNUAL REVIEW OF THE COUNCIL'S INFORMATION ACCESS AND INFORMATION GOVERNANCE REQUIREMENTS 2021/22 To inform the committee of performance in the areas of complaints, data incidents and requests for information made to the council over the municipal year 2021/22.	63 - 70
9. WHISTLEBLOWING POLICY REVIEW To consider the operation of the Council's current Whistleblowing Policy and to seek approval for a further review of the policy to be brought to the committee's next meeting on 30 January 2023.	71 - 74
	/ pto

10. WORK PROGRAMME

To consider the work programme for the committee.

75 - 78

11. DATE OF NEXT MEETING

[Monday 30 January 2023, 11.00 am](#)

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- Inspect minutes of the council and all committees and sub-committees and written statements of decisions taken by the cabinet or individual cabinet members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting (a list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
- Access to a public register stating the names, addresses and wards of all councillors with details of the membership of cabinet and of all committees and sub-committees. Information about councillors is available at www.herefordshire.gov.uk/councillors
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www.herefordshire.gov.uk/downloads/file/1597/hereford-city-bus-map-local-services-

The Seven Principles of Public Life (Nolan Principles)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

Guide to the Audit and Governance Committee

The Audit and Governance Committee comprises seven members of the council and may also include an independent person who is not a councillor but is appointed by council and has the same voting rights as other members of the committee.

Councillor Nigel Shaw (Chairperson)	Conservatives
Councillor Jenny Bartlett (Vice-Chairperson)	The Green Party
Councillor Christy Bolderson	Conservatives
Councillor Dave Boulter	Independents for Herefordshire
Councillor Clare Davies	True Independents
Councillor Peter Jinman	Independents for Herefordshire
Vacancy	Independents for Herefordshire

The Audit and Governance Committee is responsible for proving assurance on the council's audit, governance (including risk management and information governance) and financial processes in accordance with the functions scheme.

The committee shall:

- (a) review and examine, and where required in depth examine, matters relating to internal audit, external audit, risk management, governance, assurance statement, anti-fraud and anti-corruption arrangements as well as any other function to meet the Council's audit committee requirements
- (b) enhance and promote the profile, status and authority of the internal audit function and to demonstrate its independence
- (c) contribute towards making the authority, its committees and departments more responsive to the audit function
- (d) review compliance with the relevant standards, code of conduct, codes of practice and corporate governance policies
- (e) act within the Council's Constitution.

Minutes of the meeting of the Audit and Governance Committee held in The Conference Room, Herefordshire Council Offices, Plough Lane, Hereford, HR4 0LE on Monday 31 October 2022 at 10.15 am

Committee members present in person and voting: **Councillors: Jenny Bartlett (Vice-Chairperson), Christy Bolderson, Clare Davies, Peter Jinman and Nigel Shaw (Chairperson)**

Others in attendance: P Barber (Key Audit Partner, Grant Thornton), B Baugh (Democratic Services Officer), J Davies (Principal Auditor, South West Audit Partnership), H Hall (Corporate Director Community Wellbeing), I Halstead (Assistant Director, South West Audit Partnership), R Hart (Head of Strategic Finance), A Lovegrove (Director of Resources and Assurance), A McAlpine (Senior Lawyer, Major Projects and Governance), A Rees-Glinos (Democratic Services Support Officer), J Sumner (Interim Director of Strategy) and G Turner-Radcliffe (Audit Manager, Grant Thornton)

36. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Dave Boulter.

37. NAMED SUBSTITUTES (IF ANY)

There were no named substitutes.

38. DECLARATIONS OF INTEREST

No declarations of interest were made.

39. MINUTES

The minutes of the previous meeting were received.

The action log for the committee was attached to the minutes. It was noted that the meeting referenced in Action 165 had been held and the action could be marked as complete.

RESOLVED:

That the minutes of the meeting held on 12 October 2022 be confirmed as a correct record and be signed by the Chairperson.

40. QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions had been received from members of the public.

41. QUESTIONS FROM COUNCILLORS

No questions had been received from councillors.

42. PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

The Assistant Director for South West Audit Partnership (SWAP) presented the report on internal audit activity for quarter 2 2022, the principal points included:

- i. 15 audits were complete and 12 were ongoing, with 3 in draft report stage and 9 in progress. It was reported that the coverage and delivery of internal audit work was on track to deliver an annual opinion.
- ii. Attention was drawn to the '2022/23 Activity Report by Job' section (agenda page 37) which identified the following assurance opinions: 10 reasonable; 1 limited; and 4 special / advisory. Based on the work undertaken in quarter 2, it was reported that there was a satisfactory control environment and no corporate risks were identified.
- iii. Attention was drawn to the 'Pipeline Audits' section (agenda page 43) which had been informed by discussions with senior officers. The Assistant Director had also met with the Chairperson and Vice-Chairperson of the committee to look at possible areas of future work.
- iv. Quarters 3 and 4 would include more control environment work and there were plans to introduce a risk based approach to grant certification.
- v. The limited assurance opinion related to Homelessness Prevention Grant which had highlighted concerns about failing to meet deadlines for multiple submissions, and some transactions were unsupported and misallocated. It was noted that mitigating factors included the limited notification of the grant funding and short time available to spend the grant. There would be an audit of the 'Housing Solutions Team Financial Processes' to support the department and to ensure that the underlying processes were working effectively.
- vi. In conclusion for quarter 2, there was reasonable assurance around risk management, control environment and the governance arrangements.

The committee discussed the report, the principal points included:

1. A committee member re-iterated a concern expressed at previous meetings about the amount of grant work compared to other internal audit activity. The Assistant Director commented on grant requirements but the need for more focus on other areas was recognised, hence the suggested risk based approach to grant certification; this would be presented to the committee for consideration.
2. A committee member noted that process failures had resulted in the repayment of grant and it was questioned whether this was systemic across other areas. The Assistant Director advised that the audit would be a focused piece of work on Housing Solutions.
3. A typographical error was identified in relation to risk CRR.63 'Hereford City Centre Transport Package' (agenda page 31) 'If this further ~~education~~ expense was too significant then it may not be possible to meet the objectives of the business case without further capital funding'.
4. In response to a question from the Vice-Chairperson, the Assistant Director confirmed that the pipeline was not ranked and the list was under constant review. The Vice-Chairperson suggested that adding the date of inclusion could be helpful. The Chairperson invited committee members to contact him about any existing or

new items that they considered should be given priority, for subsequent discussion with the Assistant Director and the Director of Resources and Assurance.

5. In response to questions, the Director of Resources and Assurance commented on: organisational changes to cope with the way that money was flowing from the government to the council through grants; the challenges presented by short timescales; and the project management skills and experience being co-ordinated through the Programme Management Office.

The Assistant Director said that an indication of Herefordshire's position relative to other authorities in terms of the effective management of grants could be provided in a future report.

6. In response to a question from a committee member, the Assistant Director confirmed that the 'Public Health' audit (agenda page 39) was aligned to new risk CRR.73 'Removal of ring-fence around Public Health budget' in the Corporate Risk Register (agenda page 72) but could not comment further at this meeting, as the report was still in draft.
7. A committee member commented on concerns about deficiencies in Key Performance Indicators and questioned whether this might be included in the 'ICT Governance Framework Review'. The Assistant Director said that the review related to technical rather than data considerations, and agreed to circulate the scope of the review to committee members. It was reported that a new process was being implemented to look at data quality during audit work which would build a picture of data maturity in the council.
8. In response to a question from a committee member, the Director of Resources and Assurance confirmed that the 'Audit or review of teams using corporate service planning tool' referenced in 'Principle F: Continuous improvement' in the Annual Governance Statement (supplement page 15) was being undertaken internally by officers.

The recommendations in the report were accepted and the following actions agreed.

RESOLVED: That

- a) **The internal audit plan and pipeline of future work to ensure there is sufficient coverage and delivery to give an annual opinion be noted;**
- b) **The areas of activity and concern have been reviewed and the committee is satisfied that necessary improvements are outlined and delivered; and**
- c) **The assurances provided and the recommendations which the report makes have been considered and the committee has commented on its content.**

Action(s):

- 178 The next progress report on internal audit activity include an update on the risk based approach for the audit work on grants and provide an indication of Herefordshire's position relative to other authorities in terms of the effective management of grants.
- 179 The scope of the ICT Governance Framework Review be provided to committee members.

43. ANNUAL GOVERNANCE STATEMENT 2021/22

Further to the consideration of a draft at the 12 October 2022 meeting ([minute 31 of 2022/23 refers](#)), the Head of Strategic Finance presented the revised Annual Governance Statement 2021/22; the document had been circulated in a supplement to the agenda.

The committee was advised that the final iteration had been reviewed in terms of the use of Plain English, included a statement against each principle to confirm the effectiveness of the arrangements, provided clarification on Hoople Ltd, and included an update on children's services. It was noted that the Annual Governance Statement would form part of the Annual Statement of Accounts.

The committee welcomed the revisions and thanked officers for their hard work.

RESOLVED:

That the committee has determined that the Annual Governance Statement 2021/22 properly reflects the risk environment the council is operating in and that actions identified represent an appropriate response.

44. 2021/22 EXTERNAL AUDIT FINDINGS REPORT

The Key Audit Partner for Grant Thornton presented the external audit findings report for the year ended 31 March 2022; Appendix A and Appendix B had been circulated in a supplement to the agenda. The principal points included:

- i. The post-statements audit commenced in late June 2022, one of the first in the country, and the time taken reflected that audits were more involved, with significant inputs required from external audit and from the finance team. It was noted that there had been personnel changes, with a higher degree of challenge and level of adjustments.
- ii. Attention was drawn to the 'Conclusion' section (supplement page 21) and it was reported that, since publication, a number of outstanding items had been completed.
- iii. Attention was drawn to the 'Headlines' section (supplement page 19) which reported that '... work to date had identified one material error and a resulting prior period adjustment in the financial statements that have been corrected in which related to the reclassification of the council's Energy from Waste asset, previously reported as a land and building asset, as an item of plant and machinery in 2021/22' and an overview was provided of the reasoning for this adjustment. An adjustment in relation to capital financing requirement was also explained.
- iv. It was reported that there had been reclassifications of some assets from land and buildings to investment property and vice-versa but there was minimal net effect.
- v. It was noted that the receipt of the letter from the pension fund auditors was awaited.
- vi. The committee was advised about a national, technical issue that was preventing the 2021/22 accounts being signed off by any council with infrastructure assets. It was reported that the Chartered Institute of Public Finance and Accountancy (CIPFA), following consultation, was seeking a temporary statutory override to remove infrastructure from the coverage of the audit. A resolution was expected before the end of the calendar year.

- vii. It was reported that work had commenced on the value for money opinion.
- viii. Attention was also drawn to the 'Fees' section (supplement page 51) and it was noted that the final fees were to be confirmed, due to the work that was ongoing. It was reported that considerable extra time had gone into discharging auditing responsibilities.

In response to questions from the Chairperson, the Head of Strategic Finance advised that the reclassification of the Energy from Waste asset had no impact on the net book value, and that depreciation was linked with the asset and not the category.

The Key Audit Partner responded to other questions from committee members, the key points included:

1. Further background was provided on the technical issue with infrastructure assets. It was noted that the rate of degradation of local infrastructure was a service quality issue rather than an accounts issue.
2. The appendices had been published in a supplement to the agenda to ensure that the papers were as complete as possible, and an overview was provided of the audit process timeline and associated challenges.
3. Further background was provided on the reclassification of assets, and on the process for confirming the final fees.

It was noted that a summary of the value for money findings would be provided in the 'Auditor's Annual Report' item identified in the committee's work programme, with the aspiration that this could be considered at the 30 January 2023 meeting; however, the External Audit Plan may need to be considered at a subsequent meeting.

RESOLVED:

That the report of the external auditor has been considered.

45. 2021/22 STATEMENT OF ACCOUNTS

Further to the consideration of a draft at the 25 July 2022 meeting ([minute 18 of 2022/23 refers](#)), the committee received the updated 2021/22 Statement of Accounts; the document had been circulated in a supplement to the agenda.

The Chairperson read out amended recommendations, reflecting the pending resolution of a technical issue in respect of the treatment of infrastructure assets.

RESOLVED: That:

- a) **The committee recognises the technical reasons for not being able to sign off the accounts at this meeting. Following an update provided in writing by the Chief Finance (S151) Officer to the committee that there are no material changes or issues arising, the Chairperson in consultation with the Vice-Chairperson of the committee be authorised to approve the final Statement of Accounts for the financial year ended 31 March 2022, on the basis that there are no material issues or disputed amendments remaining as advised by the external auditors (Grant Thornton);**
- b) **If there are any material adjustments or disputed changes to the Audit Findings Report discussed at today's meeting then the above**

recommendation will not be followed through and the Statement of Accounts for the year ended 31 March 2022 will be subject to approval at a future meeting of this committee; and

- c) Following approval by the Chairperson, in consultation with the Vice-Chairperson, and with prior notification of the committee as far as practicable, the Chief Finance (\$151) Officer be authorised to sign the Letter of Representation on behalf of the council.**

46. CORPORATE RISK REGISTER

It was noted that the Head of Corporate Performance was unable to attend the meeting on this occasion and the Interim Director of Strategy introduced the report with the following comments:

- i. The Interim Director of Strategy was working with the Corporate Leadership Team to strengthen approaches to corporate services and on risk and performance management.
- ii. Work was continuing on a systematic framework for strategy, policy and planning, including the use of evidence from risk and performance management in decision-making.
- iii. The corporate risk register and the directorate risk registers as at September 2022 were appended to the report.
- iv. A corporate protocol was being developed on the approach to strategic risk and this was expected to be delivered towards the end of the calendar year.

The committee discussed the report, the principal points included:

1. With attention drawn to action 91 in the committee's action log, 'Consider how corporate centre will look at the aggregation of similar risks in or across directorates', a committee member commented on the need to consider risks from a horizontal perspective and said that it would be helpful for the committee to be sighted on the direction of travel with strategic risks; as an example, reference was made to risk CS.08 'Recruitment Strategy' in the Corporate Centre Risk Register (agenda page 87) and it was commented that there were also recruitment and retention issues in other service areas.

The Interim Director of Strategy acknowledged that there had been focus on individual directorates historically and said that an update on the approach to strategic risk should be available in the new calendar year.

2. In response to a question from the Chairperson about the new risk CRR.73 'Removal of ring-fence around Public Health budget' in the Corporate Risk Register (agenda page 72), the Director of Resources and Assurance commented on: current levels of public health grant; Public Health England had been replaced by two agencies (UK Health Security Agency and the Office for Health Improvement and Disparities); additional expenditure by the council on public health interventions currently; and the potential risks if the government removed the ring-fence, particularly given inflationary pressures.
3. The Vice-Chairperson commented on the need to keep track of new risks CF.11, CF.12 and CF.13 in the Children and Young People Directorate Risk Register (agenda page 80), and the corresponding risks CRR.75, CRR.76 and CRR.77 in the Corporate Risk Register (agenda page 72).

The Chairperson noted that, for each of these risks in the Corporate Risk Register, the 'risk score before controls' remained the same as the 'risk score after controls', whereas the committee might anticipate adjustment in the risk scores following mitigations. The Interim Director of Strategy was invited to reflect upon this in the ongoing review of risk management.

4. The Vice-Chairperson drew attention to risk EE.28 'Phosphate Pollution in Lugg Catchment' in the Economy and Environment Directorate Risk Register (agenda page 84) and said that there were concerns which went beyond the 5 Year Housing Land Supply.

The Chairperson suggested that the Head of Corporate Performance might wish to ask the risk owners to give further consideration to the wider economic and environmental implications in relation to risk, and to the potential of the Cabinet Commission – Restoring the Wye in relation to mitigation.

5. In response to a question from the Chairperson about new risk CR.78 'Impact of Statutory Direction' in the Corporate Risk Register (agenda page 72), the Director of Resources and Assurance acknowledged the need to understand whether there would be additional financial impacts in the event of the removal of children services from the council's control into a children's trust.

The Chairperson noted that the work programme anticipated a further item on the Corporate Risk Register for the 21 November 2022 meeting but, in view of the development work on the approach to strategic risk, it was suggested that this be deferred to the 30 January 2023 meeting.

RESOLVED:

That the committee has considered the report and has made comments to ensure effective risk management.

Action(s):

- 180 That it be suggested to the risk owners of EE.28 (Phosphate Pollution in Lugg Catchment) that further consideration be given to wider environmental and economic implications, and also to potential mitigations (e.g. the work of the Cabinet Commission – Restoring the Wye).

47. WORK PROGRAMME UPDATE

The work programme for the committee was considered.

Further to minute 46 above, the Corporate Risk Register update was moved from the 21 November 2022 meeting to the 30 January 2023 meeting.

A committee member questioned the potential risks arising from the challenging and uncertain financial situation faced by local authorities. The Chairperson noted that each administration had to make decisions about budgets and how allocated grants were targeted. The Director of Resources and Assurance made reference to: recent reports to Cabinet and to the Scrutiny Management Board on '2023/24 Budget Setting Progress' ([7 October 2022](#)), including the identification of a budget gap of over £20m based on current workings; work ongoing to address the budget gap; the lack of clarity from government on the local government settlement, with a number of recent ministerial changes and the delay in a fiscal plan event; articles in the media identifying that many

councils were experiencing difficulties in balancing budgets; and the limited consideration of inflationary pressures in the model for local government funding.

RESOLVED:

That, subject to the identified adjustment, the updated work programme be agreed.

48. DATE OF THE NEXT MEETING

The date of the next meeting was noted. Committee members agreed to move the start time from 2.00 pm to 11.00 am.

[Monday 21 November 2022, 11.00 am](#)

The meeting ended at 12.05 pm

Chairperson

COMPLETED ACTIONS WILL BE MOVED TO 'REPORTED COMPLETE' ONCE THEY HAVE BEEN NOTIFIED AT AUDIT AND GOVERNANCE COMMITTEE MEETING					RED TEXT INDICATES UPDATES MADE SINCE THE LAST MEETING BLUE TEXT INDICATES NEW ACTIONS ADDED AT THE LAST MEETING			
Action Number	Meeting Date	Agenda item	Action	Owner	Directorate	Progress Update	Due date	Reported complete
91	16 March 2021	Corporate risk register	Consider how corporate centre will look at the aggregation of similar risks in or across directorates.	Head of Corporate Performance / Director of Strategy	Corporate Services	A process to define the approach to aggregation of risks, both horizontal and vertical, needs further definition and testing. This was planned as part of the annual refresh of the Risk Management Plan, which has been delayed due to staffing issues and the desire to incorporate any findings from the Risk Management Maturity Assessment. This will be picked up following the appointment of a new Head of Corporate Performance. At the meeting on 27 June 2022, it was requested that consideration be given to the earlier completion of this action. Due date now identified as September 2022. This should be picked up as part of the work being taken forward by the Director of Strategy in looking at the council's approach to risk.	01/11/2021 31 May 2022 November 2022 September 2022 October 2022	
94	04 May 2021	Update on internal audit recommendations	The head of corporate performance and interim deputy monitoring officer agreed to look at the processes for ensuring internal audit actions are brought to the attention of new post holders.	Head of Corporate Performance and interim DMO	Corporate Services	Internal audit recommendations are now included in service business plans, which are updated on a regular basis. Reports will be presented quarterly to directorate leadership teams, commencing from July. This should remove the potential for recommendations to be 'missed' in the event of a lead officer leaving, as well as increasing visibility of progress. At the meeting on 27 June 2022, it was requested that an example of a service business plan be provided in order to evidence completion. At the committee meeting on 12 October 2022, committee members confirmed that they wished to receive a briefing on the incorporation of audit recommendations in service business plans. At a briefing on 7 November 2022, an overview of the process was provided to committee members and a further briefing was requested to evidence that audit recommendations were being considered at meetings of directorate leadership teams.	01/09/21 30 April 2022 July 2022 September 2022 October 2022 January 2023	
95	04 May 2021	Update on internal audit recommendations	The committee suggested that a discussion with internal audit take place at the next meeting with regard to sampling of priority 3 actions are followed up by internal audit in line with the same way as priority 1 or 2 recommendations.	SWAP internal audit services and Head of Corporate Performance	Corporate Services	SWAP advise 'Internal Audit follow up the significant findings priority 1 and 2. Priority 3 are through self-assessment from officers. The Council provides a report every 6 months on progress against all actions which includes priority 3 actions'. At the meeting on 12 April 2022, the committee requested that the Head of Corporate Performance / Corporate Performance Team review this action and report back in the November 2022 update on internal audit recommendations. Head of Corporate Performance / Corporate Performance Team to report to the committee in November 2022.	30 September 2021 November 2022	
99	04 May 2021	Corporate risk register	The committee agreed that there would be need to be further consideration of identifying 1 or more risks in the directorate risk registers and undertake a deep dive to provide assurance that the risk management framework was being applied appropriately.	Head of Corporate Performance / Director of Strategy	Corporate Services	Discussed at the Risk Management Plan review session with committee on 25 June 2021. To be confirmed as part of Risk Management plan review. This will be picked up following the appointment of a new Head of Corporate Performance. At the meeting on 27 June 2022, it was requested that consideration be given to the earlier completion of this action. Due date now identified as September 2022. This should be picked up as part of the work being taken forward by the Director of Strategy in looking at the council's approach to risk.	25/06/2021 30 April 2022 November 2022 September 2022 October 2022	
102	28 June 2021	Progress report on internal audit activity	Information on the position with Section 106 monies held, including timelines and quantification of the value of unspent money which exceeds the repayment dates be circulated to committee members.	Lead Development Manager Director of Resources and Assurance	Environment and Economy	The review of the spreadsheet is complete and this will be circulated to committee members shortly. At the committee meeting on 12 October 2022, the Director of Resources and Assurance advised that details of the Section 106 spreadsheet had been shared through a number of member briefings and would check with the Portfolio Manager whether this action could now be marked as complete. The Portfolio Manager has shared details of the Section 106 Spreadsheet through a number of Member briefings. This action is now complete.	30/09/2021 30 April 2022 October 2022	Yes 21-Nov-22
106	28 June 2021	Progress report on internal audit activity	That follow-up audits completion be captured in action tracking by the head of corporate performance.	Head of Corporate Performance	Corporate Services	As per Action 94 above.	24/11/2021 30 April 2022	
110	30 July 2021	2019/20 external audit findings report	A briefing note on the management of council estate be provided to committee members	Interim Head of Property Services	Corporate Services	At the meeting on 12 April 2022, the committee noted the linkage to the Annual Governance Statement action plan (i.e. 'Produce the estates strategy for the use of council buildings'). A report is being prepared for Cabinet on the Strategic Asset Management Plan.	30 April 2022 Report to Cabinet in Autumn 2022	
115	27 September 2021	Corporate risk register	The Head of Corporate Performance to consider the increase of housing developments in rural areas and the impact these may have on the risk register	Head of Corporate Performance / Director of Strategy	Corporate Services	Feedback on potential impact on rural housing provided to the service for their consideration. This will also feed in to the Strategic Risk sessions due for Management Board. This will be picked up following the appointment of a new Head of Corporate Performance. At the meeting on 27 June 2022, it was requested that consideration be given to the earlier completion of this action. Due date now identified as September 2022. This should be picked up as part of the work being taken forward by the Director of Strategy in looking at the council's approach to risk.	24/11/2021 November 2022 September 2022 October 2022	
125	27 October 2021	Progress report on internal audit activity	The S151 Officer to explore and report back to the Committee on who in the Council undertakes the Carbon Audit.	Section 151 Officer	Corporate Services	At the meeting on 12 April 2022, it was noted that SWAP did not carry out this audit.	28/02/2022 July 2022	

Action Number	Meeting Date	Agenda item	Action	Owner	Directorate	Progress Update	Due date	Reported complete
126	27 October 2021	Audit and governance committee effectiveness and performance, skills matrix	A date to be set for a workshop after the full Council meeting seeking agreement for the new constitutional changes.	Director of Governance and Law	Corporate Services	At the meeting on 12 April 2022, it was noted that it would be appropriate to action this following Annual Council on 20 May 2022. Discussed at Group Leaders meeting on 8 June 2022 and agreed this would be implemented as soon as possible. Training to be scheduled. At the meeting on 27 June 2022, it was confirmed that two skills matrixes were being developed, a specific one for the Audit and Governance Committee and a broader one for all councillors. It was requested that the matrix for the committee be circulated to committee members (to be circulated with other action updates, week commencing 18 July 2022). A Members' Development Working Group meeting is to be scheduled for September 2022. The Director of Governance having considered the time remaining until the next election believes that a members skill questionnaire would be best introduced as part of the members' induction after the next local election.	May-2022 July-2022 September-2022 [Date to be confirmed]	
129	24 November 2021	Update on internal audit recommendations	That information on relevant internal audit recommendations be circulated regularly to scrutiny committee members.	Head of Corporate Performance	Corporate Services	In progress to be aligned to proposed new arrangements for scrutiny committees. This will be picked up following the appointment of a new Head of Corporate Performance with the Interim Statutory Scrutiny Officer. At the meeting on 27 June 2022, it was requested that consideration be given to the earlier completion of this action given that there were interim officers in place for the Head of Corporate Performance and the Statutory Scrutiny Officer positions. Due date now identified as September 2022. This has not been progressed. A meeting will be held with the Statutory Scrutiny Officer to agree the approach so that internal audit recommendations can be more widely shared.	31-March-2022 November-2022 September-2022 October 2022	
138	25 January 2022	Progress report on internal audit activity	An update be provided on the 'longstanding issues with the reconciliation of the holding accounts.', particularly in the context of previous internal update progress reports.	SWAP internal audit services	SWAP Internal Audit Services	The Payroll follow up review has been completed. One priority 2 action is still in progress; this relates to the reconciliation of the holding accounts. Senior management has taken action to address the process weaknesses. As an additional enhancement to controls, they have also requested changes to Business World to further reduce risk of error. This is scheduled for completion over the coming months, with testing currently in progress.	June-2022 July-2022 March 2023	
140	25 January 2022	Annual governance statement 2020-21 actions	With reference to Action 13, an update be provided on how the Covid Recovery Plan will link to wider resilience plans, particularly in terms of adult social care.	Director of Public Health	Corporate Services	A Covid recovery plan is still In development and will likely form part of the new and emerging economic strategy and Health and Wellbeing Strategy. In terms of the health and wellbeing, an informal workshop was held with members of the Health and Wellbeing Board on 6 May 2022 where they were consulted on the scope and process for development the new Health and Wellbeing Strategy. This is now being taken forward. In terms of economic strategy, the council is in the process of developing a new Big Economic Plan for the county. Consultants have been appointed to help lead this work, including the development of the UK Shared Prosperity Investment Plan (required by government to access funding). The Big Economic Plan is due to be completed by December, to be considered by Cabinet at the start of 2023. An external Stakeholder Group has been formed to oversee the development of both plans. At the meeting on 27 June 2022, the committee requested an update on the schedule for the development of the Health and Wellbeing Strategy. The Health and Wellbeing Board received a briefing on the strategy on 21 July 2022; this identifies various milestones, including 'Cabinet approval to consult on draft strategy - December 2022' https://councillors.herefordshire.gov.uk/documents/s50102504/Appendix%201%20-%20HWB%20Strategy%20Briefing%20v2.4.pdf	31-May-2022 29-July-2022 December 2022	
143	25 January 2022	Annual report on code of conduct	The number of complaints referred to the police, even if nil, be included in the complaints received table in future reports.	Director of Governance and Law	Corporate Services	Information will be included in the next annual report. The annual report is due to be presented to the committee at its January meeting.	September-2022 30 January 2023	
146	12 April 2022	Corporate risk register	Where corporate or departmental risks have an integral component supplied by partnerships, consideration be given to identifying those partnerships in the relevant risk entries.	Head of Corporate Performance	Corporate Services	This will be picked up following the appointment of a new Head of Corporate Performance. At the meeting on 27 June 2022, it was requested that consideration be given to the earlier completion of this action. Due date now identified as September 2022. Not yet progressed. To be picked up in discussion between Head of Corporate Performance and Performance Lead (E&E and Corporate Services).	November-2022 September-2022 October 2022	
147	12 April 2022	Corporate risk register	A workshop be arranged in October or November 2022 to consider the first iteration of the strategic risk register and to examine one or two strategic risks in greater detail.	Head of Corporate Performance	Corporate Services	This will be picked up following the appointment of a new Head of Corporate Performance. This should be picked up as part of the work being taken forward by the Director of Strategy in looking at the council's approach to risk. At the committee meeting on 12 October 2022, it was suggested that the action owners be invited to identify a date for the workshop on the strategic risk register.	November 2022	
149	10 May 2022	Re-thinking governance	In the further review of the constitution and for the purposes of clarity, the presentation of the audit and governance functions be considered, in order to separate them from the 'Other functions'. Plus updates on progress with the operational delivery of outstanding actions arising from the Re-thinking Governance Working Group.	Director of Governance and Law	Corporate Services	To be included alongside other amendments to Planning Functions as set out in the constitution. At the committee meeting on 12 October 2022, it was requested that the action be expanded to include updates on progress with the operational delivery of outstanding actions arising from the Re-thinking Governance Working Group; the chair of the working group was to liaise with the clerk to identify the key elements to include in this action.	October-2022 [Date to be confirmed]	
153	10 May 2022	Auditor's Annual Report 2020/21	That further details be provided on the governance and oversight arrangements for the boards referenced in the report (e.g. Hoople Ltd), with an indication of a timeline for any updated arrangements.	Director of Governance and Law / Director of Resources and Assurance	Corporate Services	Work has commenced on updating the contractual arrangements between the council and Hoople. The new arrangements will reflect the broader range of services being delivered by Hoople on behalf of the council and clarity on reporting and oversight. Work is on-going on in producing new contractual arrangements to be entered into between the council and Hoople and it is hoped that the new contract will be ready for approval by the end of November 2022.	October-2022 November-2022 December 2022	

Action Number	Meeting Date	Agenda item	Action	Owner	Directorate	Progress Update	Due date	Reported complete
159	10 May 2022	Progress report on internal audit activity	The member development team be invited to consider opportunities to enhance training for all members on raising concerns with statutory officers and on initiating call-ins and other scrutiny activity.	Director of Governance and Law	Corporate Services	A Members' Development Working Group meeting is to be scheduled for September 2022. The Director of Governance having considered the time remaining until the next election believes that this activity should form part of the members' induction after the next local election.	September 2022 [Date to be confirmed]	
160	10 May 2022	Progress report on internal audit activity	Further information be provided to committee members on the timeline for moving non-capital items onto the Verto system.	Director of Resources and Assurance	Corporate Services	A paper will be presented to the September 2022 meeting.	September 2022	
164	27 June 2022	Minutes and action tracker	Action 122: The new Transformation Director be invited to meet with the Audit and Governance Committee to discuss where and how efficiencies following internal audit processes are being applied to Council working. Action 164: the Chairperson write to the Chief Executive to request clarification on the Director of Transformation position.	Chief Executive	Chief Executive's Office	At the meeting on 27 June 2022, it was noted that the position of Director of Transformation had been removed from the organisation chart. The Chief Executive had met with the Chairperson and Vice-Chairperson to update on delivery of the Transformation Strategy and it was agreed to provide an update to all members on transformation strategy through the weekly members' update in September and to follow up with a member briefing session before Christmas. At the meeting on 17 October 2022, it as agreed to combine Action 122 and Action 164.	July 2022 December 2022	
166	27 June 2022	Anti-Fraud, Bribery and Corruption Policy	The Members' Development Working Group be invited to consider the most appropriate means to raise the awareness of councillors to the Anti-Fraud, Bribery and Corruption Policy and the Counter Fraud and Corruption Strategy.	Director of Governance and Law	Corporate Services	A Members' Development Working Group meeting is to be scheduled for September 2022. The Director of Governance having considered the time remaining until the next election believes that this activity should form part of the members' induction after the next local election.	September 2022 [Date to be confirmed]	
171	25 July 2022	Update on internal audit recommendations	That an update on work being undertaken on significant partnerships be provided for the next scheduled meeting.	Director of Governance and Law	Corporate Services	Arrangements for the overview of Significant Partnership are part of the broader work being undertaken in relation to companies to which the council is a shareholder. This work is ongoing.	December 2022	
172	25 July 2022	Update on internal audit recommendations	That an update be provided in respect of recommendations relating to Education, Health and Care (EHC) Plans.	Head of Corporate Performance	Corporate Services	Update not yet received. The next report to the committee is scheduled for November.	November 2022	
175	25 July 2022	Update to finance and Contract Procedure Rules	Finance Procedure Rules – Guidance Notes, 59 – Netting off of expenditure: SWAP provide confirmation that this new paragraph satisfied a related internal audit recommendation.	SWAP Internal Audit Services	SWAP Internal Audit Services	This issue is being considered by SWAP.	October 2022	
176	25 July 2022	Update to finance and Contract Procedure Rules	Officers be delegated to make appropriate changes to Section 4.6.28 to reference sustainability considerations and environmental characteristics if this was possible from a technical perspective.	Director of Governance and Law / Director of Resources and Assurance	Corporate Services	At the committee meeting on 12 October 2022, it was confirmed that the updated Contract Procedure Rules had been published but publication of the updated Financial Procedure Rules was pending; links would be provided to committee members in due course. CPRs: https://councillors.herefordshire.gov.uk/documents/s50104260/Part%204%20Section%206%20Contract%20Procedure%20Rules.pdf FPRs: publication pending receipt of final documents	October 2022 November 2022	
177	12 October 2022	Draft Annual Governance Statement 2021/22	The new membership of the Audit and Governance Committee receive a briefing on Teckal arrangements and Hoople Ltd in the municipal year 2023/24.	Director of Resources and Assurance	Corporate Services	To be arranged following the appointments to committees by Council in May 2023.	July 2023	
178	31 October 2022	Progress report on internal audit activity	The next progress report on internal audit activity include an update on the risk based approach for the audit work on grants and provide an indication of Herefordshire's position relative to other authorities in terms of the effective management of grants.	SWAP Internal Audit Services	SWAP Internal Audit Services	[Update requested]	January 2023	
179	31 October 2022	Progress report on internal audit activity	The scope of the ICT Governance Framework Review be provided to committee members.	SWAP Internal Audit Services	SWAP Internal Audit Services	[Update requested]	November 2023	
180	31 October 2022	Corporate Risk Register	That it be suggested to the risk owners of EE.28 (Phosphate Pollution in Lugg Catchment) that further consideration be given to wider environmental and economic implications, and also to potential mitigations (e.g. the work of the Cabinet Commission - Restoring the Wye).	Head of Corporate Performance	Corporate Services	[Update requested]	November 2023	



Title of report: Update on Internal Audit Recommendations

Meeting: Audit and Governance Committee

Meeting date: Monday 21 November 2022

Report by: Head of Corporate Performance

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards)

Purpose

To review the progress of audit recommendations implementation.

Recommendation(s)

That:

- a) The status of current audit recommendations be reviewed and the committee determine any recommendations it wishes to make in order to provide further assurance that actions identified by audit activity are being actively managed.**

Alternative options

1. The committee could choose not to monitor the progress made on audit recommendations; however this would not be recommended as it is a function of the committee to monitor the effective development and operation of risk management and corporate governance in the council, and this report seeks to assure the committee that actions in response to audit recommendations are being suitably prioritised, in turn reducing the risk to the council.

Key considerations

2. South West Audit Partnership (SWAP) provides the internal audit services for the council. SWAP is required to deliver an annual audit plan, which is scoped using a risk-based assessment of the council's activities. Additional audits are added to the plans as necessary to address any emerging risks and issues identified during the year.

3. Upon completion of each audit review, a formal report is drafted for discussion with service managers. These reports include the main conclusions of the review and the overarching opinion, individual findings and the potential associated risk exposure.
4. Management responses to each audit recommendation are obtained and recorded, identifying any actions required, the person responsible and an agreed target implementation date.
5. Recommendations are each scored to indicate their severity. The scoring matrix is shown below:

	Priority
Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of the management	Priority 1
Important findings that need to be resolved by management	Priority 2
Finding that requires attention	Priority 3

6. All staff responsible for audit recommendations are asked to review progress on the implementation of recommendations. Managers were asked to self-report on the action which had been taken in respect of the SWAP recommendation and the overarching status.
7. The committee receives periodic reports on progress made in implementing audit recommendations to enable it to fulfil its role of monitoring the effective development and operation of risk management and corporate governance in the council.
8. The last report to the committee in June 2022 provided an update on audit recommendations. At this meeting, it was reported that there were 27 recommendations that were overdue; a combination of recommendations which had been previously reported to the committee as overdue (10), and those which were due between October 2021 and March 2022 that hadn't been complete as planned (17). Updates have been sought on these remaining items from responsible owners identified at the point of finalising the audit. These updates identified that 4 recommendations have since completed and 23 remain outstanding. Further details on all recommendations can be found at appendix A, along with revised completion dates. The table below provides an update status for those recommendations that were overdue at March 2022.

		CWB	C&YP	E&E	Corp. Centre
Priority 1	Complete				
	Incomplete				
Priority 2	Complete			1	1
	Incomplete		3	1	5
Priority 3	Complete			1	2
	Incomplete		5	2	6
Total	Complete			2	3
	Incomplete		8	3	11

9. Between April 2022 and September 2022, a further 30 recommendations were due for completion. The table below provides an update status for these recommendations, split by priority and directorate.

		CWB	C&YP	E&E	Corp. Centre
Priority 1	Complete				
	Incomplete				
Priority 2	Complete			2	
	Incomplete		1	2	
Priority 3	Complete	7		3	10
	Incomplete	1			4
Total	Complete	7		5	10
	Incomplete	1	1	2	4

10. Of all the audit recommendations which became due for completion since the last committee, 37% have been completed. Further details on the recommendations, and the update provided can be found in appendix A.
11. In addition to recommendations due for completion before this meeting, an update is provided below giving an indication of progress being made against recommendations due in the future.

	Priority 1	Priority 2	Priority 3	Total
Complete			1	1
On track		1	3	4
Delays possible				-
Delays likely			2	2
No update			1	1

12. Of the future recommendations, 63% of these are on track to be completed within planned timescales, or have already been completed. A further narrative on these items can be found in appendix A.

Community impact

13. In accordance with the principles of the council's adopted code of corporate governance, the council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. Effective service planning, financial management, risk management and internal controls are important components of this performance management system. By monitoring the implementation of audit recommendations, assurance is given that risks are being effectively managed and that the council is taking action to meet its corporate plan priorities to secure better services, quality of life and value for money.

Environmental impact

14. This report is based on internal audit and the response of the council to its recommendation, as such there are minimal environmental impacts.

Equality duty

15. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

16. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

Resource implications

17. There are no resource implications arising from this report.

Legal implications

18. There are no legal implications arising directly from the recommendations in this report.

Risk management

19. There are no risks associated with the recommendations of this paper and visibility of the progress being made against audit recommendations promotes good governance. However, internal audit recommendations are raised as a result of gaps in our controls or deficiencies identified within processes reviewed, therefore incomplete and overdue items inherently increase the council's exposure to risk.

Consultees

20. None.

Appendices

Appendix A Recommendations

Background papers

None identified.

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
Income Charging 2019/20 PREVIOUSLY OVERDUE	1.1 We recommend the Chief Finance Officer ensures a review of the current income charging principles is carried out including consideration as to whether a corporate Income Charging Policy Document/procedure document would be beneficial.	3	30-Oct-20 Revised to 31-July-21 Revised to 31-Mar-22 Revised to 10-Feb-23	The Chief Finance Officer has considered the recommendation, and has concluded that it would be beneficial to adopt a corporate approach to income charging arrangements and this will feed into the forthcoming review of the Medium Term Financial Strategy	In progress	Head of Management Accounting/Chief Finance Officer
Staff Car Parking - Business Passes PREVIOUSLY OVERDUE	1.2.1 We recommend that the Assistant Director of Technical Services ensures: <ul style="list-style-type: none"> Managers and staff business pass holders are reminded of the requirement to return parking passes if an officer leaves or transfers to a new role, A centralised record of returned passes is populated in a consistent manner to identify details of all passes that are required to be returned including the leaving/role change date or the date that the pass was destroyed to allow Parking Services to pursue unreturned passes as part of the solution under recommendation 1.1, Where the manager fails to obtain a staff business pass, where the officer is leaving or transferring the service should be charged for the cost of a season ticket for the pro rata amount remaining time left on the parking pass. 	3	31-Jan-21 Revised to 31-Dec-21 Revised to 27-Jun-22 Revised to 31-Mar-23	The preferred option to take forward are with the Corporate Director to consider. Initially the system developed would not have worked, and the virtual system proposed has received a lot of feedback from staff during the consultation. We are aiming to bring in a system which minimises the impact on staff so need to bring in carefully.	In progress	Parking Strategy and Processing Manager
Staff Car Parking - Business Passes PREVIOUSLY OVERDUE	1.1 We recommend that the Assistant Director for Technical Services ensures that: <ul style="list-style-type: none"> A solution is identified and implemented to provide a master list of active pass holders with appropriate reports to allow 	2	30-Apr-21 Revised to 31-Dec-21 Revised to 27-Jun-22 Revised to	The preferred option to take forward are with the Corporate Director to consider. Initially the system developed would not have worked, and the virtual system proposed has received a lot of feedback from staff during the consultation. We are	In progress	Parking Strategy and Processing Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	monitoring to be simplified, • All existing pass holders are checked for general compliance with the Staff Car Parking Policy - Business Passes April 2019 annually.		31-Mar-23	aiming to bring in a system which minimises the impact on staff so need to bring in carefully.		
Commercial Properties/Rents 2020/21 PREVIOUSLY OVERDUE	1.1 We recommend that all procedures and processes, along with escalation protocols, are documented to aid business continuity and these documents should then be made available to the team on a shared drive.	3	28-Feb-21 Revised to 31-May-21 Revised to 31-Mar-22 Revised to 31-Aug-22 Revised to 31-Dec-22	The Corporate Landlord Model is with the Director Resources & Assurance for approval before going back to Corporate Leadership Team. A Commercial Procedure will be written as part of the new Corporate Asset Procedure document that sits under the Strategic Asset Management Plan. This will be available to all property Services team members. Work has been focused on progressing operational activity at this time using external agents due to long term sickness issues and subsequent death of a colleague.	In progress	Senior Estate Manager
Commercial Properties/Rents 2020/21 PREVIOUSLY OVERDUE	1.5 We recommend that the Revenues Team carry out formulae checks prior to issuing Excel spreadsheet reports to ensure the integrity of the information being provided to Council services. The arrears reports should also detail the invoice number and date to clearly identify which invoices are in arrears. Any amounts paid off from individual invoices should also be clearly noted to show any outstanding balances.	2	31-Mar-21 Revised to 31-Jul-21 Revised to 30-Nov-21 Revised to 30-Sep-22 Revised to 31-Dec-22	The report has been created and just needs to be put in live to create at month end. A request has been submitted for these to go live therefore not complete just yet. In regards to the project this is continuing with monthly meetings between Revenues & Property Services where aged debt is discussed and the potential recovery avenues that can be taken for each debtor. These meetings are also used to look into queries which are outstanding to ensure quicker more efficient comms between the two teams to reduce the time it can take to get debt in.	In progress	Revenues Manager
Education, Health and Care (EHC) Plan - Annual Review	Further investigation is to be undertaken by the service area on the 47 EHC Plans not recorded on the Synergy system as having an annual review.	2	31-Jul-21 Revised to 05-Nov-21	<i>No update provided</i>	In progress	Senior SEN Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
PREVIOUSLY OVERDUE						
EHC Plan - Annual Review PREVIOUSLY OVERDUE	To look at the data analysis completed to understand which cases did not meet the timescale, to understand why the timescale was not met in order to ensure that the system can provide fewer cases out of timescale.	3	30-Sep-21 Revised to 19-Nov-21	<i>No update provided</i>	In progress	Senior SEN Officer
EHC Plan - Annual Review PREVIOUSLY OVERDUE	1. Review of workflow to see if it can be improved to streamline the process so it is more user friendly. 2. Training of officers on the new workflow process.	3	30-Sep-21 Revised to 31-Dec-21	<i>No update provided</i>	In progress	Senior SEN Officer
s106 Agreement PREVIOUSLY OVERDUE	<p>1.1 It is agreed that information in relation to section 106 monies held by council should be reported on a biannual basis to senior management. The council produces an Authority Monitoring Report and this report could provide the basis for a new Management Board report which would offer a more holistic view of the status of all S106 agreements expenditure and activity. The report could also include the following information:</p> <ul style="list-style-type: none"> • Existing balances for all Section 106 agreements with monies exceeding the expiry date clearly identifiable. • Date money received. • Repayment date for money received. • Number of years unspent money held. • Action outstanding for each S106 agreement contribution received, including known reason for money unspent. <p>The councils Project Management Team (within Corporate Services) are in the process of reviewing the Management Board structure and processes of the council. The Planning Obligations</p>	2	08-Feb-22 Revised to 01-Jun-22	<p>A Planning Delivery Board has been established which meets on a monthly basis to consider the delivery of section 106 schemes. The Board is Chaired by the Interim Service Director Planning and Regulatory Services and has representatives from senior management in all service areas. The Board is co-ordinated by the Project Management Team. The Board is also supported by a task and finish group for each planning gain type and a sub board where decisions are made before referral to the Planning Board.</p> <p>Senior Management decided that rather than utilising Business World, a bespoke piece of software is required to manage section 106 contributions. A soft market exercise has been undertaken and two companies were invited to present their product to service users. This piece of work will now be considered as part of an ongoing transformation of the Planning Service being undertaken by the Interim Service Director Planning and Regulatory Services.</p>	Complete	Planning Obligations Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	<p>Manager will contact the Head of Project Management to draw to their attention the need to report corporately on the status of section 106 contributions so that they can consider which management board would be appropriate for the information to be reported to.</p> <p>A virtual meeting has been arranged for 18 February 2021 with lead officers in all the service areas to discuss who may report to the Board and how information is populated for the report.</p> <p>Initial contact has been made with the Business World support team to look at the reporting functions within Business World to see if there is the capability to hold information on section 106 that is currently held on numerous spreadsheets. Initial discussions appear promising as other areas of the council report in Business World. The Planning Obligations Manager will formally ask the Business World support team to commence a piece of work to review the functionality of Business World. This piece of work will need to be built into their development programme and will incur a cost. We will need to consider who bears the cost of the work, whether it is a corporate requirement or a service area requirement.</p>					
s106 Agreement PREVIOUSLY OVERDUE	1.3 Initial contact has been made with the Business World support team to look at the reporting functions within Business World to see if there is the capability to hold information on section 106 that is currently held on numerous spreadsheets. Initial discussions appear promising as other areas of the council report in Business World. The Planning Obligations Manager will formally ask the Business	3	08-Feb-22 Revised to 01-Jun-22 Revised to 1-May-23	Senior Management decided that rather than utilising Business World, a bespoke piece of software is required to manage section 106 contributions. A soft market exercise has been undertaken and two companies were invited to present their product to service users. This piece of work will now be considered as part of an ongoing transformation of the Planning Service being undertaken by the Interim	In progress	Planning Obligations Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	World support team to commence a piece of work to review the functionality of Business World. This piece of work will need to be built into their development programme and will incur a cost. We will need to consider who bears the cost of the work, whether it is a corporate requirement or a service area requirement.			Service Director Planning and Regulatory Services.		
Council Tax PREVIOUSLY OVERDUE	Account and property notes are not consistently added to the system resulting in the audit trail being incomplete. This could result in potential errors or omissions being made.	3	31-Dec-21 Revised to 30-Sep-22	All staff are reminded to update notes when any change or call has happened. If it has been identified a note is missing, it is passed back to the staff member.	Complete	Council Tax and Business Rates Manager
Support for Young People who are NEET 2020-21 PREVIOUSLY OVERDUE	2. Monitoring of 16–24-year-olds with an Education Health and Care plan who are NEET. There is no formal performance measurement of 16–24-year-olds with an Education Health and Care plan who are NEET. There is also no mention of this cohort in relation to NEET in the Council's County Plan or the Delivery Plan. Consideration should be given to the introduction of a corporate or a directorate performance indicator so that the effectiveness of the Council's actions is measured.	3	31-Jul-21 Revised to 31-Jan-22 Revised to TBD	<i>No update provided</i>	In progress	Senior Adviser Post 16 Learning and Skills
Support for Young People who are NEET 2020-21 PREVIOUSLY OVERDUE	3. Council Website Information The Council's website has a page entitled Support for young people not in education, employment or training (NEET); but the information is out of date. It requires updating and monitoring to ensure accurate information and/or signposting for all the schemes is stated.	3	31-May-21 Revised to 31-Dec-21 Revised to TBD	<i>No update provided</i>	In progress	Senior Adviser Post 16 Learning and Skills
Non Domestic Rates (NDR) PREVIOUSLY OVERDUE	A total of five accounts were selected from the weekly NDR Valuation Office Agency (VOA) reports dated 26 January 2021 and 16 February 2021. Accounts were examined to check the accuracy of	3	31-Dec-21 Revised to 30-Sep-22 Revised to 31-Mar-23	For the last 7 months the Energy Rebate Scheme has been the priority work in the department due to a deadline date of 30.11.22.	In progress	Council Tax and Business Rates Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	<p>information held on Academy and the timeliness of notification to the Valuation Office (VO) of new or altered properties. The following was identified:</p> <p>Capturing of notes on the system</p> <ul style="list-style-type: none"> • One of the five valuations billing notifications checked had incomplete notes captured within Academy. During the audit, the Team Leader stated the importance of system notes to record what has happened on an account, Timeliness of notifying VO • Two entries were processed in 1 day and reported to the VO. • One entry was processed in 4 days and reported to the VO. • One entry was processed and notified within 12 days. • One entry took in excess of 28 days to be processed and notified to the VOA. <p>At the close out meeting it was confirmed that a timeframe to notify the VO had been piloted as part of the Planning Project (which includes Building Control). However, because of the impact of COVID 19 it had been too early to assess if the timeframe was set at the correct level. This will be revisited as part of the project.</p>			<p>All resource in the department has been required to work on the Scheme so this element of work has slipped considerably.</p> <p>We are now working on the backlog to work towards our goal of referring new properties to the VOA within 10 days but this will take some time.</p>		
<p>Commercial / Strategic Investments</p> <p>PREVIOUSLY OVERDUE</p>	<p>2. Payment process control issue</p> <p>A control issue was identified in the Council's payments process. The usual payments authorisation process can be by-passed if Council expenditure is deducted from a payment to the Council and there is no purchase order or invoice. The finding in paragraph 1 is an example of this and effectively £172k of Council expenditure was not authorised.</p>	2	<p>31-Jan-22</p> <p>Revised to 25-Jul-22</p> <p>Revised to 31-Dec-22</p>	<p>A review of the Finance Procedure Rules is currently underway to be completed in Q3 of 2022/23.</p>	In progress	Head of Corporate Finance
Accounts Receivable	We have found that the Debt Recovery Policy and monthly reporting procedure	2	<p>30-Nov-21</p> <p>Revised to</p>	Social Care: progress has been made on referrals with court action and between	In progress	Revenues Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
PREVIOUSLY OVERDUE	are still not up to date. These documents need to be updated to ensure that staff have the necessary detailed guidance to be able to complete tasks. In addition, little progress has been made to agree arrangements for referring cases for court action; there are outstanding issues around whether this can sit within the Revenues Team as previously done or needs to be referred to Legal Services. This needs to be agreed and set out within the Debt Recovery Policy, in order for the Revenues Team to be able to progress cases where further action may be required over the coming year.		30-Sep-22 Revised to 31-Mar-23	<p>Social Care and Revenues with a workflow that is now being used on Mosaic. However, as an addition to this to further assist comms between Social Care and Revenues a further workflow is being created on Mosaic that will speed up disputes and queries from customers effectively speeding up recovery. Initial meetings have taken place confirming the content and how it needs to look. Progress on this is slower that we would like however with current workloads across all teams it has been difficult to finalise the main information for this and get meetings when 3 different teams can meet. Initially meetings have now taken place and information required within the workflow and how it will work discussed and agreed. It is now with Mosaic to construct in test.</p> <p>The cost code report has been produced and tested and a request to put this into live has been made.</p> <p>Rents – the reporting at cost centre level has been completed and a request to put into live has been sent. Monthly meetings now take place between Property Services and Revenues to discuss aged debt, recovery progress and to resolve any queries/disputes that are considered to be taking some time to resolve.</p>		Head of Corporate Finance
Main Accounting (Follow-Up) PREVIOUSLY OVERDUE	The Senior Team Leader (Transactional Team) agreed to train another officer within the Transactional Team to be able to complete the Council Tax/National Non Domestic Rates/Housing Benefit control accounts reconciliation. However, agree that we need to have someone in the Transactional Team who is also trained;	3	31-Dec-21 Revised to 30-Jun-22 Revised to 31-Dec-22	The Senior Transactional Finance Team Leader advised that this is a constant piece of work due to changes within the team. She is in the process of training the Transactional Team Leader – as it is likely to be less change within this role. This will allow the time to train and embed the procedures The guidance is up to date and	In progress (partially complete hence revised date)	Senior Team Leader (Transactional Team)

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	this will be started in January 2020 and completed by April 2020			reviewed annually so can be followed through to completing the task.		
Adult Social Care - Provider Payments & Client Contributions PREVIOUSLY OVERDUE	Provider invoices on hold Following the previous audit, the Transactional team reduced the invoices on hold (disputed invoices) relating to adult social care non-residential payments. However, because of the COVID pandemic and the additional resource pressures placed on the team the disputed invoices relating to adult social care have increased. The Senior Transactional Finance Team Leader has explained that temporary changes to processes because of the COVID 19 pandemic have resulted in further invoices being placed on hold. Therefore, the current list of invoices on hold may not be fully reflective of invoices where there is a dispute with the provider and instead are a result of the temporary processes put in place during the pandemic. A cleanse of the invoices on hold is needed, and where there is a dispute, this needs to be resolved with the provider to ensure the client contribution debt is raised correctly. The Senior Transactional Finance Team Leader acknowledged there is a risk that a client is overcharged as their invoice is raised before the provider invoice is resolved. However, she explained this is outweighed by the adverse impact caused by large, delayed client invoices being raised. Further investigation to be carried out relating to the reporting function of invoices on hold from the system and consideration of the implementation of the portal and the impact on the invoices on hold/queries from the providers. There is a risk that the Council has a backlog of	3	31-Dec-21 Revised to 31-Aug-22 Revised to 31-Mar-23	There is a process in place for reviewing the disputed invoice list on a regular basis. Portal has not gone live currently so will continue with the current process. The actions in the original response have been implemented and the work on the disputed invoices remains ongoing, work is being carried out daily to reduce the disputed.	In progress	Senior Transactional Finance Team Leader

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	invoices to pay to providers, as well as a financial impact on providers if they are not paid. However, the Senior Transactional Finance Team Leader is confident this accounts for a very small percentage of the invoices currently on hold. Improvements to reporting from the system would provide this oversight.					
Adult Social Care - Provider Payments & Client Contributions PREVIOUSLY OVERDUE	Procedure documents – provider payments The Senior Transactional Finance Team Leader is in the process of reviewing and updating the procedure documents covering the payments to adult social care providers (non-residential) from the Abacus system. This needs to be completed with further consideration to be given to the procedure documents once the portal has been implemented. Financial and reputational impact to the Council is a risk if staff are not following procedures and are paying providers incorrectly.	3	31-Dec-21 Revised to 31-Jul-22 Revised to 31-Mar-23	Portal not been implemented, no progress since last update on review of procedures. Delay with portal implementation is due to portal failing access testing.	In progress	Senior Transactional Finance Team Leader
Adult Social Care - Provider Payments & Client Contributions DUE IN PERIOD	Gap analysis Whilst gap analysis was completed following the first audit, significant changes to process have been implemented since. With more changes planned with the implementation of the portal a further gap analysis would be beneficial. The Head of Prevention and Support had already identified this gap analysis exercise would be valuable as there are several complex processes involved which overlap several teams. The Welfare and Financial Assessment Team Manager highlighted that consideration should be given as to whether project management support would be useful due to the range of teams this end-to-end review covers. Procedure documents Alongside this gap analysis exercise a review of all procedure documents should	3	31-May-22 Revised to 31-Dec-22 Revised to 31-Jul-23	There have been further delays with implementation of the Portal. A system upgrade is required to meet web accessibility standards. An upgrade to version 22.1 was applied to the development version for user acceptance testing on 08/08/2022. Testing has identified ongoing issues with compliance to WCAG2.1 AA accessibility standards which have been reported back to the supplier. The software supplier has arranged for 3rd party industry experts (AbilityNet) to validate compliance. They have informed us work will be undertaken during this quarter(Oct-Dec) but haven't provided a date. They have also advised if AbilityNet find they have some remediation requirements to achieve compliance (over and beyond what their	In progress	Head of Prevention and Support Welfare and Financial Assessment Team Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	be completed to ensure they are reflective of the new processes that have been implemented. In addition, the Council may wish to consider whether an internal audit could support the end-to-end review once the portal is implemented and embedded. This will include overlaps with the brokerage team, debtor's team and the transactional team and will require their involvement. However separate actions have been agreed regarding the update of the procedure documents covering the processes they are responsible for. The Council must ensure all roles and responsibilities are clearly reflected in			verification tool reported) they will then formulate an action plan. In the meantime user acceptance testing of the functionality for non-residential services continue. Due to the ongoing delays with implementation, we could reduce the embedding timescale to a four-month period, and commence the end-to-end review once non-residential processes have been embedded. We will consider conducting and reviewing implementation of the portal for use by residential providers as part of the charging reforms project. The Revised date is based on the portal going live for non-residential services by April 2023.		
Adult Social Care - Provider Payments & Client Contributions <i>DUE IN PERIOD</i>	Debtors Policy & Procedure Documents It is recognised that the process for adult social care debt recovery including roles and responsibilities has been documented (flow diagram) however, the Debt Recovery Policy requires updating to include the new debt recovery process (for Adult Social Care) as agreed at the core Directorate Leadership Team Meeting. It has been agreed as part of the Accounts Receivable 2020/21 audit that the Debt Recovery Policy will be updated in November 2021. This action was agreed by the Head of Corporate Finance. Therefore, no further action required as part of this audit. Procedure documents within the Debtors team require updating (currently are basic Mosaic instructions) to reflect the new adult social care debt recovery processes. The Council must ensure all roles and responsibilities are clearly defined and reflected in documents/guidance. Referred to in more detail in 'other considerations' section.	3	31-May-22 Revised to 30-Sep-22 Revised to 31-Mar-23	Debt Recovery Policy was published in October 2022. The new Mosaic workflow are being worked on by the Mosaic team and initial meetings have taken place to confirm what is needed and the look of the workflow (see above) Comprehensive procedure notes will be completed once all processes have been finalised and concluded. A list of required ones so far has been produced and will be added to should further new processes be identified.	In progress	Revenues Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
Adult Social Care - Provider Payments & Client Contributions DUE IN PERIOD	Debt Recovery Resources need to be allocated to ensure debt recovery processes and specifically the Mosaic debt recovery workflow - red file case review process carried out by the Revenues Manager is completed. The Council's debt position has been impacted by the COVID 19 Pandemic, but consideration needs to be given as to whether additional resources would be beneficial with the aim of reducing the Council's adult social care aged debt figure. Current aged debt position for adult social care is £4.2 million (Aged debt report from Finance Manager). Suppressed Invoices The Revenues Manager has identified there is a backlog of historic invoices with complaint codes e.g., suppressed debts. Resources need to be allocated to clear the suppressed invoices and pursue active debt recovery. The Revenues Manager explained that where there are multiple invoices for one account the team will only put one complaint code on one invoice rather than a complaint code on each invoice. This reduces the number of diary dates for the teams to manage. The current system does not allow for a customer account to be placed on hold. Officers are trained to look at the whole account when reviewing/chasing. However, this means that the Council are not able to easily identify what level of debt is currently suppressed.	3	31-May-22 Revised to 30-Sep-22 Revised to 31-Mar-23	<p>The hold marker has successfully worked therefore can be used and just needs to be communicated to staff. In addition we are also now looking at amending the use of diary dates to replace them with a status marker (this will allow for reporting to show exactly where the invoice is in the process).</p> <p>The overall social care project is being used as a tool to not only improve on processes and comms but also discuss aged debt.</p>	In progress	Revenues Manager
Adult Social Care - Provider Payments & Client Contributions DUE IN PERIOD	Adult Social Care Aged Debt - Reporting There are two different ways adult social care debt can be reported, the Finance Manager (Adults and Communities) uses the charging codes to summarise the debt whereas the Revenues Manager has highlighted her report summarises the	3	31-May-22 Revised to 30-Sep-22 Revised to 31-Mar-23	This is an on-going in depth project, one which is constantly evolving as the project meetings take place. For example a new process for change is the diary date and status reporting which will allow us to see what status an invoice is at (e.g. awaiting	In progress	Revenues Manager

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	<p>debt per cost centre. Whilst some of the difference between these reports will be timing there is a risk that the Council may have different information when reviewing adult social care debt. The Council needs to ensure there is a consistent method of reporting that captures all outstanding adult social care debt. Mosaic Debt Recovery Workflow – Reporting There is no known way of reporting those cases in the debt recovery workflow in mosaic i.e., number of cases and value of these cases. In addition to this the new Mosaic debt recovery workflow would benefit from being modified to allow cases to be distinguished by a status for example: reviewed – court action, reviewed – write off and waiting for review. This would give the Council further insight when monitoring and reporting on debt. Link from Business World to Mosaic There does not appear to be a clear method to identify in Business World those cases that have transferred to the Mosaic debt recovery workflow as they are just marked with the common complaint codes (diary dates) used. The Revenues Manager needs to consider how these cases can be cross referenced to allow for accurate reporting. It is however recognised officers record notes on Business World for example if an officer opened a diary date notes would identify it is a case that is being progressed through the Mosaic Debt Monitoring process. Update of coding within Business World Some adult care cases are identified using historic codes CCV and SCV, for consistency it would be beneficial to update these to the relevant new</p>			<p>write off, in dispute, on Mosaic referral and so on).</p>		

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	codes used Fairer Charging (FCH) and Care Home Market (CHM) this will assist with debt reporting.					
Capital Programme / Capital Projects DUE IN PERIOD	The introduction and the transition to the new Project Management process in its infancy. Overtime the process will be adjusted to meet business requirements. It would be prudent to evaluate the effectiveness of the project management process in delivering the capital programme before it is replicated as a procedure for transformation projects. This would be an opportune time for a further audit to be undertaken to verify that the control framework is delivering the intended outcomes.	3	31-Jul-22	Complete		Chief Finance Officer
Climate Change PREVIOUSLY OVERDUE	Under the governance section of the intranet the draft report management guide version 1.3 dated 13 February 2017 was reviewed. This provides guidance on completing a decision paper. No final report could be found nor was document management identified in respect of the next review date. SWAP see that it is good document management practice to review publications at least every three years.	3	31-Dec-21 Revised to 20-May-22		Complete	Democratic Services Manager
Building Maintenance and Cleaning Agreement PREVIOUSLY OVERDUE	The Service Level Agreement (SLA) with Hoople has yet to be updated to incorporate the details of the Building Maintenance and Cleaning Agreement, owing to the limited time that was available to put an agreement in place prior to the handover to Hoople from BBLP. The Building Maintenance & Cleaning Agreement details to be added to the SLA should be expanded to include the agreed management oversight process once the Strategic Board has been set up, and the Key Performance Indicators (KPIs) once	2	31-Dec-21 Revised to 30-Sep-22	The SLA between HC and Hoople has been signed. Corporately a new agreement is being developed by the Director of Transformation that will cover of CDM so no further action for Property Services.	Complete	Capital Programme and Maintenance Manager

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	they have been formally agreed at Operations Board level and Strategic Board level once set up.					
Building Maintenance and Cleaning Agreement PREVIOUSLY OVERDUE	The specifications for the new contracts to replace those extended via waivers at the start of the agreement have still not been written. This highlights the risk of a similar situation occurring to that with the security contract held by Capel Security. That contract waiver had the shortest timescale (six months), but waivers are also in place for 13 others, along with an agreement for Hoople to use any one of 25 contractors to carry out reactive maintenance works as and when required. All except two of these arrangements could continue for the next 12 months, with two exceptions (Rielloa: UPS; 24 month waiver, & Sentinel Security: CCTV Maintenance & Door Access Controls £77,512; 18 month waiver). If further delays lead to waivers having to be extended, there is a risk of costs increasing into next financial year, or opportunities to save on existing costs through combining current arrangements into fewer contracts being lost.	2	31-Mar-22 Revised to 30-Sep-22 Revised to 31-Mar-23	Services are now covered by a contract on a fixed term bases. Any new services will be procured following the HC contract procurement rules so as to demonstrate value for money. Contracts that have been awarded will be entered on both the council's and Hoople's contract register and automatic notifications have been set up to inform in advance when existing contracts are due to expire so that they can be reprocured in a timely manner before their expiry date.	In progress	Capital Programme and Maintenance Manager
EHCP Preparation for Adulthood PREVIOUSLY OVERDUE	Seven young people with EHC plans detailing their complex needs were selected from the data sets provided. The purpose of the audit was to determine the extent to which the planning in the EHCP supported their preparation for adulthood as they progressed through their transition years 9, 11 and where available year 14. The EHC plans were reviewed in depth to identify references to outcomes and provision that would regarded as supporting their preparation for	3	30-Oct-21 Revised to 31-Jul-22	<i>No update provided</i>	In progress	Head of Additional Needs

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	<p>adulthood. This was to provide assurance that there was evidence of planning during the transition years, to assist the individual to maximise their potential for independence.</p> <p>As confirmed by the Senior SEN officer owing to the severity of their needs, i.e., severe learning difficulties and/or significant medical or physical needs experienced by the seven young people in the sample, progression in adulthood may be more limited in comparison to those with less severe needs. However, for these young people, for example, the ability to communicate the need for a drink is an important step towards independence.</p> <p>For the seven cases sampled it was identified that there were references to measures to be taken to support preparation for adulthood within the capabilities of the individual.</p> <p>Following the close out meeting the Head of Additional Needs advised that it is important to recognise that outcomes and provision that support preparation for adulthood are integral to the education, health, and care sections of the EHC Plan and will not be described in the plan as a discrete single section. However, the audit did identify that reference to health and social care within the designated section of the EHC plan was limited to identify preparation for adulthood.</p> <p>Reference to limitations of health and social care information is further reported below and in Appendix 2. The absence of clearly defined information limited the ability to track progress during the transition years from year 9 onwards.</p> <p>SWAP was advised that there is a national</p>					

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	review of SEND which may have an impact on the current format of the template and that the Herefordshire plan format has to include the nationally prescribed sections.					
EHCP Preparation for Adulthood <i>DUE IN PERIOD</i>	<p>Internal Audit reviewed one sample in depth with the Senior SEN Officer, to determine if the EHC plan was aligned to the Herefordshire Multi-agency Protocol for Children and Young People with Disabilities and Complex Needs. Not all elements were relevant, for example employment plans, owing to the limited capability of the young person being reviewed. Internal Audit selected a number of items from the protocol to assess.</p> <p>Owing to the response to the single sample it was agreed with the Senior SEN Officer that this could be the same for other cases, so no further testing was performed. The audit was unable to assess the support provided through collaboration with multi-agencies. Within the Herefordshire Multi-agency Protocol for Children and Young People with Disabilities and Complex Needs there is a:</p> <ul style="list-style-type: none"> • Checklist within the protocol to verify all elements are acted upon, and • Case escalation procedure. <p>However, the Senior SEN Officer was unaware of this guidance within the protocol. Additional work to embed the Preparation for Adulthood protocol and its detailed procedures needs to take place. This will ensure that all clients receive the full range of services and support that they need.</p>	2	31-Jul-22	<i>No update provided</i>	In progress	Head of Additional Needs
EHCP Preparation for Adulthood	Ofsted report October 2016 In October 2016 OFSTED and the Care	2	30-Nov-21 Revised to	<i>No update provided</i>	In progress	Head of Additional Needs

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
PREVIOUSLY OVERDUE	<p>Quality Commission (CQC) Local Area Inspection reported that Education, Health and Care (EHC) plans, were too education focussed and did not include sufficient detail of health and social care needs (where these needs occurred). The action plan prepared, implemented and monitored was requested, to verify controls weaknesses in respect of health and social care had been addressed. To date Internal Audit has not received the information.</p> <p>The seven EHC plans reviewed were assessed as being heavily weighted on education. Therefore, the audit cannot provide assurance that the weakness identified on health and social care have been addressed.</p> <p>Annual review, Health and Social Care information</p> <p>Officers advised that over time details in the main body of the EHC plan information may be superseded as more relevant material becomes available. However, the Senior SEN Officer confirmed that Section K of the EHC plan template 'Advice and Information' should show all sources of both historical and current information.</p> <p>The audit showed all seven samples had gaps in reference to historic information under annual reviews, health and medical advice and social care advice, where activity would be expected annually. With incomplete information the most appropriate outcomes for adulthood may not be achieved. The output from this assessment is captured for each case under Appendix 2</p>		31-Jul-22			
EHCP Preparation for Adulthood	<p>Poor document management</p> <ul style="list-style-type: none"> • NHS reference 6400390340 was to be 	2	30-Nov-21 Revised to	<i>No update provided</i>	In progress	Head of Additional Needs

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PREVIOUSLY OVERDUE	<p>included in the test sample, but the officer could not locate the EHC plans,</p> <ul style="list-style-type: none"> • NHS reference 7013040258 was selected for inclusion in the test sample, but the original document had been overtyped. The officer looked for the original PDF, but this could not be located. • Two of the data sets - Children with Disabilities and the Education, Health and Care plan did not consistently state the NHS reference for the individual. <p>The findings identified may have significant consequences on the quality of the service delivered, which could result in regulatory scrutiny.</p> <p>Quality assurance</p> <p>Internal Audit observed that there was inconsistency on what was recorded as a source document in Section K of the EHC Plan.</p>		TBD			
Payroll 2020-21 PREVIOUSLY OVERDUE	<p>Holding Account Reconciliations:</p> <p>Whilst there is a monthly holding account reconciliation, there is a backlog of queries and the level of possible errors/amendments required cannot be accurately estimated however Senior Management confirmed they remain within an acceptable tolerance. Currently the monthly holding account reconciliations have no management oversight and differences have been written off where may have been there are no other opportunities to recover the funds.</p> <p>There is a requirement for Senior Finance Managers to conduct a review of staffing resources to ensure that monthly queries are addressed, and that the backlog is cleared. The current policy for writing off outstanding amounts in the holding accounts would also benefit from being</p>	2	31-Dec-21 Revised to 30-Jun-2022 Revised to 31-Mar-2023	<p>The backlog of queries up to 31 March 2022 has now been cleared. Control account reconciliations in 2022/23 have been completed by Hoople staff and work is underway to investigate how this process can be automated to reduce manual activity. Following successful permanent recruitment to the Finance team, it is planned that all control account reconciliations will be subject to monthly review to ensure that reconciling items are resolved in a timely manner.</p>	In progress	Head of Strategic Finance

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	updated to reflect that where possible, these sums are cleared/recovered. A further deep dive review of the holding accounts by SWAP Internal Audit Service is recommended within the short-term, once progress has been made in addressing these issues, to provide some assurance around records of payments to HMRC.					
Contract Management BBLP PREVIOUSLY OVERDUE	Each of the twenty-seven early warning and compensation events sample was checked for compliance with the contract timeframes, relevant document attachments and adequate commentary to demonstrate Value for Money (VfM) was considered. Shortfalls were identified in the sample owing to the absence of evidence on Business World. This demonstrated the need for improved record management to enhance the quality of the audit trail. Contract compliance Delays in BBLP providing a quotation to Herefordshire Council were identified in 11 cases, but no approval was recorded to accept or explain the reason for the delay. The Commercial and Contract Manager advised that delays in providing quotations are reported in the monthly Operations Board Report. He confirmed that currently the reason for delays are neither captured nor reported but could be in the future. Record Management Sample testing identified: <ul style="list-style-type: none"> • There were 15 cases where the Contract Officer omitted to record that VfM was considered for a quotation. However, the Commercial and Contract Manager confirmed that this is part of the quotation assessment process. 	3	31-Mar-22 Revised to 31-Jul-22	A contract was awarded to AECOM who have undertaken an independent review of Contract processes and compliance to evidence VFM within the contract. The findings by Aecom have been reported to the Section 151 Officer and the Major Contracts Improvement Board. The findings have been accepted by the Section 151 Officer and the Major Contracts Improvement Board and the Contract Management Team have implemented the findings to strengthen process, compliance and governance.	Complete	Highways and Public Realm Contract Manager

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	<ul style="list-style-type: none"> • For 11 cases either the risk reduction meetings or quotes were not attached. On one occasion the quote was attached to the incorrect CE. • Lack of commentary captured on Business World to provide a good audit trail of events. 					
Development Regeneration Programme <i>FUTURE</i>	<p>At the start of the Overarching Agreement Development and Regeneration Programme (DRP) in June 2018 a governance structure was put in place. At the highest internal level there was the Economic Development Programme Board, where concerns would be escalated from the Development Regeneration Partnership Programme Boards for both Keepmoat Homes Ltd and Engie.</p> <p>Communications in more recent times appear to have faltered with Keepmoat Homes Ltd. The last agenda and minutes for the DRP Programme Board: HC and Keepmoat is dated 3 March 2020 with no evidence of formalised communication beyond this point through this body. The Keepmoat attendance and meeting spreadsheet for 2020 shows that meetings were scheduled to take place on 25 June 2020 and 15 October 2020, but no records were available on the shared drive to show they proceeded.</p> <p>Under the DRP Project Group- Keepmoat electronic folder notes and actions dated 4 November 2020 it is recorded that the Bromyard Depot and Holme Lacy site were discussed. There appeared to be a partnership relationship between Herefordshire Council and Keepmoat Homes Ltd up until November 2020. It is unclear if there was further engagement beyond this date.</p>	3	31-Oct-22 Revised to summer 2023	The Big Economic Plan, the Hereford City Centre masterplan and a draft of the Local Plan review are due to be considered by cabinet in January. This would help identify future priorities for the council, including any projects we may wish to consider taking forward through the DRP.	Likely delay	Corporate Director Economy and Environment

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	<p>Both the Chair of the programme board and the original Senior Responsible Officer at Herefordshire Council for Keepmoat Homes Ltd, are no longer at the organisation to enquire what happened. This finding would suggest that Herefordshire Council may have failed to maintain even limited ongoing communications with Keepmoat Homes Ltd, unlike the continued relationship with the other partner Engie.</p> <p>At the DRP Programme Board: HC & Engie on 1 September 2021 the interim Director for Economy & Place stated that Hereford Council is developing the Hereford City Masterplan and Herefordshire Big Plan for the next 30 years. Therefore, it is likely to be 12 months before Herefordshire Council is in a position to consider any project activity with Equans (previously Engie). Internal Audit is unaware if as a courtesy this information was communicated to Keepmoat.</p> <p>The Council should consider future communications within the DRP partners to allow a good working relationship to be maintained.</p>					
Treasury Management 2021/22 DUE IN PERIOD	The Council's Treasury Management Strategy does not include any reference to ethical or 'green' investments. This is an area that the Council members have an interest in, and is also something that the Corporate Finance Team have started to become involved in, through investments with Standard Chartered and Barclays Bank. The Council's approach to ethical and 'green' investments should therefore be documented.	3	01-Apr-22	Complete		Head of Corporate Finance
Oral Health Needs Assessment (OHNA)	Establish a multi-agency steering group to lead the strategic direction for improving oral health and reducing oral health	3	30-Jun-22	Has met and is now meeting quarterly. Key partners are represented and have been written to re attendance. Business	Complete	Consultant in Public Health

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<i>DUE IN PERIOD</i>	inequalities in Herefordshire. Ensure key partners are represented in the group's membership.			support has been secured. Health and well-being Board has been updated.		
Oral Health Needs Assessment (OHNA) <i>DUE IN PERIOD</i>	Based on the findings from the OHNA, develop a clear local vision and a high-level action plan for improving oral health and reducing oral health inequalities in Herefordshire.	3	30-Jun-22	This is updated before each meeting and quarterly meetings are well attended.	Complete	Consultant in Public Health
Oral Health Needs Assessment (OHNA) <i>DUE IN PERIOD</i>	Bridge the gaps in the current local approach to oral health improvement identified through the audit against the NICE guidance and the review of PHE guidance.	3	30-Sep-22	We now have an active programme of oral health training in care homes which has evaluated very positively.	Complete	Consultant in Public Health
Oral Health Needs Assessment (OHNA) <i>DUE IN PERIOD</i>	Engage with and support key community settings (especially those commissioned or provided by the local authority) to develop local policies for improving oral health that reflect NICE guidance i.e. care settings, children and young people's settings, general practices and hospitals.	3	30-Jun-22	Children's settings in progress, care homes discussed as above, and general practice is beginning with a focus on smoking cessation advice and referral.	Complete	Consultant in Public Health
Oral Health Needs Assessment (OHNA) <i>DUE IN PERIOD</i>	Explore the feasibility of undertaking a health equity audit of access to dental services in Herefordshire, specifically related to 'at-risk groups' (e.g. Looked after children, vulnerable older adults, people who are homeless or refugees, those with a learning disability).	3	30-Sep-22	This has been carefully considered and is not a priority at the moment since significant issues are already known through the data. These are being resolved through commissioning by NHSE and are updated at the Improvement Board meetings.	Deferred	Consultant in Public Health
Oral Health Needs Assessment (OHNA) <i>FUTURE</i>	Seek opportunities to influence the common risk factors and wider determinants for poor oral health, obesity and other key public health issues i.e. smoking, high-risk drinking. For example through encouraging public service settings to be 'health promoting' and influencing local relevant planning decisions.	3	31-Mar-23	Registrar capacity is being used to develop a health impact assessment toolkit.	On track	Consultant in Public Health
Main Accounting <i>DUE IN PERIOD</i>	Eleven set of procedures covering key processes were assessed. All were clear, contained adequate detail, with staff aware of their existence and easily	3	31-Jul-22 Revised to 31-Mar-23	Has not been a priority due to increased work pressure from children's services	In progress	Senior Team Leader (Transactional Team)

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	accessible on the shared drive. However, ten of the eleven procedures sampled required improvements in document management to align to the Policy Writing Procedures 2020. The key omissions identified are: • Name of document • Summary outlining the purpose • Author (job title) • Owner of the procedure • Approved person and date • Published date • Review date • Ref for version control					
Main Accounting <i>DUE IN PERIOD</i>	The NatWest Bank Mandate spreadsheet dated 13 January 2022 was reviewed. It was verified that: a) All Herefordshire officers listed are employees of the Council b) The Council Officers are professionally experienced to fulfil the signatory role. In addition, fifteen of the twenty-seven pages of the NatWest Mandate were checked to confirm that the officers listed are appropriate signatories. The Corporate Finance Manager assisted with identifying some of the names unable to be found, because they were school personnel. Not all of these individuals are listed on Herefordshire's SharePoint system. The Corporate Finance Manager was able to identify thirty four of the forty-five signatories. Three further entries had been deleted since the NatWest Bank Mandate was provided to Internal Audit. However, this left eight signatories that should have been removed from the mandate still present. This finding indicates that the NatWest Bank Mandate should be regularly reviewed.	3	30-Apr-22	Complete		Corporate Finance Manager
Main Accounting <i>DUE IN PERIOD</i>	Data analytics was undertaken on the 106,000 journals completed between 1 April 2021- 31 December 2021 to recognise possible duplicate entries that	3	30-Sep-22	Complete		Chief Accountant

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	had not been corrected. The analysis identified that possibly 542 of the total journals were duplicates. A small sample was tested as part of the audit looking at more significant transactions, and no concerns were raised. The data analysis has been shared with the service so they can carry out their own checks on the remaining journals to give assurance that none are duplicates.					
Pool Cars <i>DUE IN PERIOD</i>	The process of transferring the data from the vehicle log sheets into a workable electronic format from which the recharges can be compiled is a cumbersome one. Records are often incomplete, and coding can be incorrect, which requires additional work from the Sustainability and Climate Change Officer to request/correct the information. The spreadsheets can also be prone to errors, which were found to have occurred during 2019/20. The current electronic booking system for the pool cars should be enhanced to require the users to input their mileage and journey details, which will then allow the production of a more comprehensive report which can be used to facilitate the recharging process. Early notification to managers by email as confirmation of the pool car booking or as a prompt to them for non-completion of vehicle mileage details by their employee would also be advisable. This would allow for management oversight of the use of pool cars It would be beneficial to review booking system upgrades after three months to assess its effectiveness and correct any issues identified, thus ensuring it meets its objectives.	2	30-Apr-22 Revised to 14-Nov-22	Draft online system has been developed by Hoople and will be launched on 14 th November. The new system will include the automatic link of cost codes to the BW accounts system. This was a substantial additional cost to the original spec.	In progress	Sustainability and Climate Change Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
Pool Cars <i>DUE IN PERIOD</i>	We have identified that there are missing vehicle mileage sheets and recharges since April 2019. However, considering that charges are internal, and the accounts have been closed down for previous years, efforts to bring records up to date should be focused on the current financial year (2021/22). We advise that the Sustainability and Climate Change Officer should locate all mileage sheets for the current financial year and refer back to the booking records to ensure that these are complete, i.e., mileage records are consecutive, confirming that all mileage sheets have been accounted for. This will then provide a basis to review costings and will also go to inform management as to the need for an increase in recharge costs for the scheme.	2	22-Apr-22	All available mileage sheets and accompanying recharges are complete for Q1 and Q2 2022/23. Some charges from 2021/22 have been carried over into 2022/23. Where there are small mileage gaps, the majority have been accounted for and noted. Proposals for new charges still being developed.	Complete	Sustainability and Climate Change Officer
Pool Cars <i>DUE IN PERIOD</i>	The current block booking of a pool car to the Clerk of Work is effectively a company/lease car, as it does not meet the HMRC definition of a pool car. As such, arrangements should be made to report this to HMRC in order to address relevant tax implications. A car only qualifies as a pooled car if all the following conditions are satisfied: (a) it's available to, and actually used by, more than one employee; (b) it's made available, in the case of each of those employees, by reason of their employment; (c) it is not ordinarily used by one of them to the exclusion of the others; (d) any private use by an employee is merely incidental to their business use of it; (e) it is not normally kept overnight on or near the residence of any of the employees unless it's kept on premises occupied by the provider of the car. The above must also be adhered to should consideration be	2	30-Sep-22	Pool car block booking discontinued, Clerk of Work using own vehicle, booking pool car as and when needed.	Complete	Engineering Manager Sustainability and Climate Change Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	given in future to block booking cars for teams / services.					
Pool Cars <i>DUE IN PERIOD</i>	No central record is retained of pool cars that are returned late. Maintaining such a record could help to indicate any trends, which could then be used to alert the Sustainability and Climate Change Officer when reviewing mileage, or to alert budget holders. We have been informed that the Facilities Management staff do a daily check on the keys to see what's missing if any however this does not identify if keys were returned late.	3	30-Sep-22	Late return of pool cars Is not considered to be an issue by Facilities. When staff arrive back at Plough Lane after closing time, there is a policy in place whereby car keys are left in the post box and collected next morning by FM.	Complete	Sustainability and Climate Change Officer
Pool Cars <i>FUTURE</i>	There is insufficient data available at present to accurately gauge whether there is a need to retain all current pool cars, although it is clear from reviewing the booking records that are available that there are periods of time when some cars are not in use. The Service should initially look to encourage use of pool cars across the Council over the coming months and follow this with a review of usage six months after this has taken place, in order to ascertain whether current fleet numbers can be justified or whether some pool cars can be relinquished. This review should also take into account the two pool cars currently loaned to Wye Valley Trust (WVT) should they no longer wish to retain them past the current loan end date of 31st March 2022.	3	31-Dec-22	Wye Valley Trust have returned the two pool cars on loan. When the new pool car system is launched, it will be accompanied by series of communication to staff to encourage use and short videos explaining how to charge the EV cars and how to complete the online forms.	On track	Sustainability and Climate Change Officer
Pool Cars <i>FUTURE</i>	There have been no cost increases over the last six years for the administration of the pool car scheme. Although some analysis was recently carried out on the cost, that would not have been based on accurate and up to date records, as we have identified some vehicle mileage sheets and bookings that have not been	3	31-Dec-22	Costing analysis currently in development.	Likely delay	Sustainability and Climate Change Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	recharged. It would therefore be beneficial to carry out further analysis on the cost of the scheme once there is enough accurate data to base this on, i.e., at least six months after the upgrades to the booking system have been made. A costing review also encompasses a review of fuel purchases, made using the fuel cards attached to the car key. However, fuel use is not monitored on an ongoing basis. Consideration should be given to this task, so that fuel usage can be monitored against mileage to ensure that it is reasonable. A review of fuel costs is outside the scope of this audit.					
Green Homes Grant <i>DUE IN PERIOD</i>	The unspent Green Homes Grant funding should have been returned to BEIS in October 2021. As at the 23rd of March 2022, the unspent funding has not been repaid. The final expenditure figure is not yet finalised, as the final invoice from the contractor (Everwarm) is in dispute. Arrangements to repay the majority of the unspent grant funding need to be finalised immediately, with funding returned to BEIS. Audit Services has also been informed that there will be a further adjustment to the final invoice in respect of pre EPCs that have been charged for where the grant applications did not proceed. A further adjustment will also be required for the Council's administration costs, as a maximum 15% can be retained by the Council for this. We would recommend that additional legal advice is sought to ascertain the legal position should the Council decide to return all remaining funds to BEIS, hence leaving no funds available to pay Everwarm and refusing any future requests for payment.	2	30-Apr-22 Revised to 30-Nov-22	£925,003 returned to BEIS May/June 2022. Works deemed as non-compliant with the MoU have been challenged several times with the contractor, including correspondence from HC Legal, however no further corrective action has taken place. This issue has been escalated to the funder and we await further correspondence from them (last contact 07 Sept '22). Following a meeting with HC Legal, a final letter will be sent to the contractor in Nov 2022, which should close the matter and allow non-compliant funding to be returned to the funder.	In progress	Senior Project Manager

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	There is a risk that BEIS will demand full payment.					
Green Homes Grant DUE IN PERIOD	The MoUs with the providers: Marches Energy Agency (MEA) and Severn Wye Energy Agency (SWEA) have remained in draft format and are not signed. All contracts relating to grant funding in future should be finalised and signed off by the relevant parties, so that they can be held to account should any issues arise.	3	15-Apr-22	Noted for action should this be required. The current scheme projects do not require the Council to sign an MoU with customer facing partners as these now contract directly with the funding administrator.	Complete	Senior Project Manager
Green Homes Grant DUE IN PERIOD	We have not been provided with evidence of any discussions at Management Board regarding the project delays and the requirement to return unspent funds to BEIS, although a report was drafted in October 2021, setting out the issues that had contributed to the project delays, including those around recruiting a contractor. All Management Board minutes relating to the required repayment of unspent funds to BEIS, along with evidence of the Cabinet Member decision paper, will be required by Audit Services as part of the final audit process prior to sign off of the grant. Any future projects that have financial and/or reputational implications should be escalated / reported promptly to Management Board or Cabinet, to ensure that prompt action can be taken to mitigate any financial or reputational risk to the Council.	3	06-Apr-22	Although a Briefing paper was produced for the Recovery Plan proposal and consulted on heavily with senior management and the lead cabinet member, approval was received for this from BEIS prior to any meetings taking place and thus negating the need for it to be discussed at MB. The cabinet member decision detail can be found at: <u>Issue details - Green Homes Grant, Local Authority Delivery, Phase 1a project (GHG LAD 1a) Grant Balance Processing - Herefordshire Council</u>	Complete	Senior Project Manager
Customer Services FUTURE	Customer Services could explore further opportunities to capture management information, which may be relevant and inform the Customer Service Strategy.	3	31-Dec-23	The new account and CRM will provide improved management data especially around channel shift. Data we currently collate has been shared with the contractors undertaking the Digital and Customer Strategy.	Complete	Service Director Communities

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
Customer Services <i>DUE IN PERIOD</i>	The Customer Service Team could do more to assess the public's experience when visiting Blueschool House.	3	30-Apr-22	In May a customer satisfaction survey was completed. We had 85 responses Customer experience - 81 gave a score of 5. Customer experience -2 score of 4 Customer experience - 2 score of 3	Complete	Service Director Communities
Customer Services <i>FUTURE</i>	The audit reviewed the customer service processes in place once calls were transferred from Blueschool House to other service areas. To identify telephone calls transferred from Blueschool House to service areas was a manual exercise completed by CSO between 28 January and 4 February 2022. This is seen as a current system weakness that call transferred routes could not be easily identified. Internal audit selected four areas with a higher level of traffic as follows: • Highways • Planning • Environmental Health and Trading standards (EHTS) • Council Tax (CT) /NDR Owing to the nature of the operations within the service areas there may be no correlation between their Customer Service Standards and that of Herefordshire Council web information on Customer Standards. This could cause public confusion and possible reputational damage to the Council for providing inaccurate web information where people are communicating with service areas. There needs to be clarity on the definition of what constitutes a customer service enquiry, which is expected to comply with the Herefordshire Council Customer Service standards. Revenue & Benefits service standard for mailbox enquiries is fourteen working days to respond, whereas the Herefordshire Council	3	31-Dec-22	There remains disparity between council services on Customer Service standards, it is the expectation that as part of the Digital & Customer Strategy, these will be reviewed.	On track	Service Director Communities

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	Customer Service Standard is ten working days. The Acting Council Tax and Business Rates Manager confirmed that the discrepancy needs to be looked at to determine if the internal service standard needs to be aligned to the Council.					
Customer Services <i>DUE IN PERIOD</i>	There is inconsistency on how the two Customer Services Supervisors prepare and deliver procedures to their teams. The methods in place are as follows: <ul style="list-style-type: none"> Procedures are issued to the team via email and not stored centrally, as processes change or new ones are introduced a briefing sheet is issued. Procedures are kept electronically on the Customer services Drive which is accessible to all Customer Service Officers Document management is required to be improved to align to the Policy Writing Procedures 2020. Procedures should be reviewed to verify that they reflect the changes introduced since the pandemic and all personnel are correct. The key omissions identified are: <ul style="list-style-type: none"> Name of document Summary outlining the purpose Author (job title) Owner of the procedure Approved person and date Published date Review date Ref for version control 	3	31-May-22	Procedures/briefings are now on SharePoint.	Complete	Service Director Communities
Significant Partnerships <i>FUTURE</i>	To update the self-assessment forms based on: <ul style="list-style-type: none"> Making clear the email address and website will be published information and should relate back to the partnership information, To include the officers email address (as would be helpful for further audits – not necessary internally as already on the council system), Consider changes to question 3.4. regarding accountability, 		31-Jan-23	The recommendations will be considered as part of review in Q3/Q4 of 2022/23.	On track	Deputy 151 Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	<ul style="list-style-type: none"> • Include director's name and title in the sign off section, • It remains optional to provide further information. 					
Significant Partnerships <i>FUTURE</i>	The Corporate Leadership Team (CLT) will be presented with the self-assessments at the level of completion at the deadline, along with the draft Annual Governance Statement. This will enable CLT to understand the quality of the self-assessments, address any inadequacies and consider any risk in relations to the operation of significant partnerships. Once considered acceptable by CLT (as one of the lines of defence of assurance) presented to Adult and Governance Committee as a further line of defence to consider risk and mitigations – including link officers and directors attending committee to answer gaps in controls. Consideration should be given to the role of co-ordinating and facilitating the completion of the self-assessments with the departure of the Service Director Corporate Service who took a hands on approach, operationally and strategically.	2	30-Apr-23	The recommendations will be considered as part of review in Q3/Q4 of 2022/23.	On track	Deputy 151 Officer
Councillors' (Members') Allowances and Expenses <i>DUE IN PERIOD</i>	The Council must ensure prompt claims are made to allow for accurate budget reporting and forecasting. We have identified 27 members who had not submitted an expense claim for at least six months. Although it is recognised that the covid-19 pandemic will have some bearing on this, any claims submitted by members now could include expenditure relating to the previous financial year, hence giving a false impression of current year expenditure within Business World. Evidence suggests that claims have been saved up in the past. Examples are as	3	30-Jun-22		Complete	Workforce Communications Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	<p>follows: • one member submitted a claim for over £2,300 in May 2020 but has not claimed since; • one member has not submitted a claim since November 2018. A recommendation was included in the Independent Remuneration Panel report of May 2021 stating that claims should be submitted within 12 months (this was already included in the Councillors' Allowance Scheme under section 6.1.13.), however, that could still impact the budget, with claims being paid in the wrong financial year. It would therefore be advisable to add a section to the members' guidance document requiring members to submit claims no more than three months in arrears of expenses incurred, and always by year end, otherwise claims would not be valid.</p>					
<p>Councillors' (Members') Allowances and Expenses</p> <p><i>DUE IN PERIOD</i></p>	<p>There is no authorisation or oversight of claims for less than £100. This is Council policy for all mileage and subsistence claims. All expense claims under £100 are automatically paid; the Governance Team does not have sight of them, as they have to be input by the claimants. It is appreciated that this reduces staff time and associated costs; further to this, actions have been agreed as part of the employee expenses audit (2021/22) to improve the control framework relating to the automated approval process. It would be beneficial for the Governance Team to review a small sample of checks retrospectively when compiling the quarterly list of claims which is published on the internet, until such time as any system enhancements are carried out that automatically flag and reject duplications. Introducing sample checks could highlight anything that looks out of the ordinary,</p>	3	30-Jun-22		Complete	Workforce Communications Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	any cases whereby claims have been split across different transactions/claims to avoid authorisation, or any duplications. The Democratic Services Manager may wish to liaise with the Director for HR and OD regarding the already agreed actions, with regard to any system changes that may be introduced in the short/medium term that would subsequently negate the requirement for these sample checks to be carried out in future.					
Councillors' (Members') Allowances and Expenses DUE IN PERIOD	Although there is a requirement for members to submit receipt with their claims, as set out in the Members Expenses Guidance document (November 2020), this is not happening. This should be reinforced for all claims, both through the authorisation process of claims over £100, and for spot checks carried out by the Governance Team. Members should all be reminded of the requirement for this, and informed that claims may be rejected if these are not uploaded to Business World. This issues was also identified in the recent Employee Expenses audit, with agreement reached to update the Travel and Subsistence Policy to make provision / uploading of receipts mandatory. The client also agreed to consider building in the necessary controls in Business World when receipts are required, to ensure that these are uploaded.	3	30-Jun-22		Complete	Workforce Communications Officer
Councillors' (Members') Allowances and Expenses DUE IN PERIOD	The central 'Action Tracking Mandatory Training' record should be updated to include all confirmations of training/guidance issued to new members, rather than maintaining these records separately for newly appointed members following by-elections.	3	30-Jun-22		Complete	Workforce Communications Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
Councillors' (Members') Allowances and Expenses DUE IN PERIOD	The Councillors' Allowance Scheme within the Council's Constitution and the supporting guidance document have not been updated since the publishing of the Independent Remuneration Panel Report on 13th May 2021 and subsequent agreement of recommendations from the report by Full Council on 28th May 2021. This should be rectified, in order to reflect the updates to the allowances and subsequent review dates, and the training requirements.	3	30-Jun-22		Complete	Workforce Communications Officer
Councillors' (Members') Allowances and Expenses DUE IN PERIOD	Through data analysis, we identified 42 sets of possible duplicate expenses claims, valued at a possible £756 in overpayments. Of these, 32 had identical levels of detail, suggesting they were indeed duplicates. We reviewed two of these against the payroll and the Governance Team's Published Expenses list on the Council's internet. The two payments sampled were indeed confirmed as duplicates. We have forwarded the list to the Governance Team for the remainder to be investigated further and remedial action taken where required. The issue of identifying duplicate payments has been addressed within this audit report, by suggesting that a detective control be introduced as part of the quarterly publishing of members expenses on the internet. A quick review of details and a small sample review should allow such payments to be identified in future, which can then be corrected in the next payroll run. In addition, The Democratic Services Manager could enquire as to the viability of receiving a more detailed approval report for the monthly payroll	3	01-Jul-22	Of the 42 sets of possible duplicated claims made, the SWAP audit team were asked to investigate further. Of the 42 suspected duplicate claims, 1 was confirmed as a duplicate claim. This was repaid with immediate effect once the subject member had been notified. Of the remaining 41 remaining suspected duplicate claims, the SWAP audit team were able to confirm that these were found to be errors in the information supplied by payroll colleagues. Governance team in liaison with the Director for HR & OD consider whether system controls can be implemented to ensure duplicate claims cannot be entered into the system.	Complete	Democratic Services Support Officer

Audit name	Recommendation	Priority	Target date	Update	Status	Owner
	authorisation. Further to this we would suggest that the Governance Team in liaison with the Director for HR & OD consider whether system controls can be implemented to ensure duplicate claims cannot be entered into the system. Improvements to system controls were identified in the Employee Expenses audit (2021/22) and we would suggest that as part of improving the system control framework, the potential for duplicate claims to be entered should be considered.					



Title of report: Annual review of the council's Information Access and Information Governance requirements 2021/22

Meeting: Audit and Governance Committee

Meeting date: 21 November 2022

Report by: Head of Information Compliance and Equality

Classification

Open

Decision type

This is not an executive decision.

Wards affected

(All Wards)

Purpose

To inform the committee of performance in the areas of complaints, data incidents and requests for information made to the council over the municipal year 2021/22.

Recommendation(s)

That:

- (a) the information set out in the report regarding requests for information, data protection compliance and complaints over the past year be reviewed with regard to any risks arising and;**
- (b) the committee determine any recommendations it wishes to make to improve mitigation of those risks.**

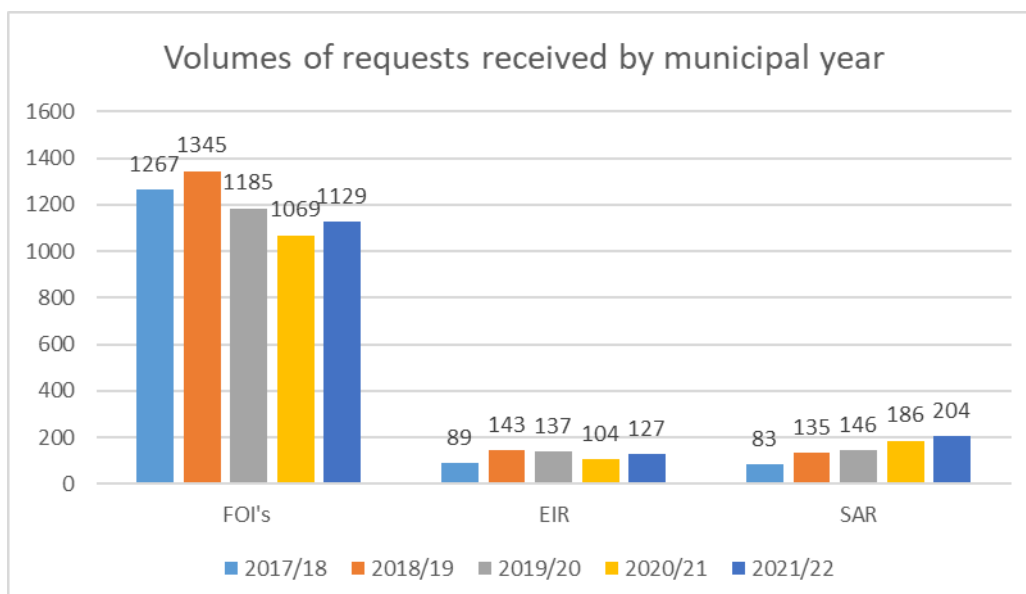
Alternative options

There are no alternative options as the report provides a factual summary of performance in order to assist the committee fulfil its function to annually review the council's information governance requirements.

Key considerations

Requests for information

1. The council is subject to legislation that requires openness and transparency, providing members of the public with qualified rights of access to information. At the same time, the council is also required by legislation to protect certain information from unauthorised disclosure, and to exempt information from being released. The council therefore makes decisions on disclosure of information based on the law and regulatory guidance, occasionally having to balance the public interest in releasing data with the confidentiality of the information and the harm that release would cause. When the council undertakes this balancing exercise, it still does so taking into account relevant case law and decision notices.
2. From 1 May 2021 to 31 April 2022 the council dealt with 1,129 requests under the Freedom of Information Act (FOI) 2000, and 127 requests under the Environmental Information Regulations (EIR) 2004.
3. There were 54 such requests that were answered outside of the statutory deadlines for responses to be made, meaning that the overall response rate was 95% meeting the council's target of 95% and well within the Information Commissioner's Office (ICO) threshold of 90% for responses within deadline. Where information was not provided in full this was because some of the information was exempt (for reasons such as the information being personal data). In a small number of cases the information was not held, or refused in full due to the information being exempt from disclosure and no information was released.
4. The volumes of requests received rose in comparison to the previous municipal year however this included data from the Covid 19 pandemic when the council saw an overall reduction in the number of requests received. We would therefore expect to see a rise to pre-pandemic levels.
5. Three cases were referred to the ICO and in all cases the ICO upheld the council's decision.
6. During the last municipal year there were also 204 requests where individuals asked for personal data about themselves under their right of subject access in data protection legislation. The response rate for this period was 94% of requests responded to within the 30 day statutory deadline. This was just below the target for the calendar year, which we set at 95% response rate. The graph below compares volumes of requests received in municipal year 2021/22 with volumes received in previous years.



7. Statistical data on requests processed under FOI and EIR are published and updated quarterly at this web site address:

www.herefordshire.gov.uk/info/200148/your_council/34/our_open_data_principles/13
8. Where other comparable councils to the Council publish their request volume statistics, some informal benchmarking can be made based on requests received in the financial or calendar year, and the council is performing in a similar way amongst other such councils. Wiltshire Council received 1,478 FOI and EIR in 2021, and their compliance rate was 98% compared to the council's 95%. Amongst other local authorities, Gloucestershire County Council received 1,269 requests in 2021 and had a response rate of 81%. Shropshire Council received 1,150 FOI requests and had a compliance rate of 65%.
9. Information request data is monitored monthly within the council at the information governance steering group, quarterly at directorate management team meetings, and bi-annually at Corporate Leadership Team. Policies including the [Requests Charging Policy](#), [Internal Review Policy](#) and [Publication Scheme](#), have all been reviewed, updated and published on the council web site. There is a section on processes for staff to follow regarding information requests within the mandatory training completed by all council staff annually.
10. The information governance team deals with requests made by the police in relation to criminal investigations to view council information, and requests from other public sector organisations in relation to such matters of investigation of fraud and child protection matters concerning closed social care cases. The volumes of the latter requests have again remained stable over the past year compared with the previous two years. Police requests have decreased again slightly over the past year and a total of 62 requests were processed, including the locating, proportionate sharing and redaction of records.

Complaints

11. The council dealt internally with 635 corporate complaints, a decrease from last year. Of the total number of complaints, the council upheld or partially upheld 175. In addition, 28 complaints were processed under the children's complaints procedure for children's social care of which 17 were upheld. Complaints that fall under the children's complaints and representations policy are those that have a demonstrable impact on the child or young person and come from a person who is deemed able to complain on behalf of the child or come from the child or young person themselves. Whilst complaints over the past year have covered a wide range of issues, generally themes of not providing a satisfactory service prevail, and decisions being challenged as they are alleged to be unfair. Links to both complaints policies are provided below:

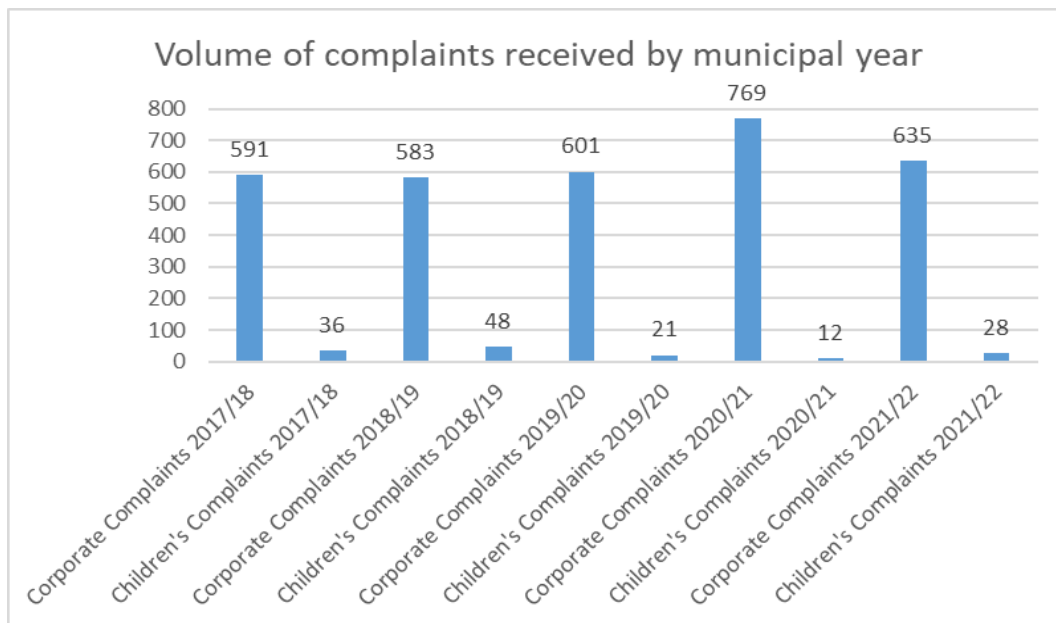
www.herefordshire.gov.uk/social-care-support/complaints-feedback-childrens-young-peoples-services

www.herefordshire.gov.uk/downloads/file/1334/corporate-complaints-policy
12. Quarterly reports to directorate management teams highlight these areas and recommend action to be taken, so that complaints trend data can be actively used to anticipate problem areas for service users and training needs for council staff. As one example, complaints about children's services have been used to inform the care concerns process for more active listening to the issues experienced by people receiving children's social care services.
13. When a complaint has exhausted the council's complaints procedure administered by the information access team and the children's complaints team, complainants can approach the Local Government and Social Care Ombudsman (LGSCO) for an independent investigation. For findings by the LGSCO of maladministration and injustice (where the council has been found to be "at fault") a decision notice will give recommendations that may include compensation payments.

14. The LGSCO themselves publish statistics by financial year. The LGSCO review of complaints received by the LGSCO covering 1 April 2021 to 31 March 2022 provides figures for comparative authorities which are given in the table below. The council has seen a reduction in the number of cases not upheld against it, however this needs to be considered in line with a large increase in the number of complaints considered by the LGSCO from 2020/21 when only 6 were considered and 3 upheld. The percentage “uphold rating” can be misleading – it is the percentage of complaints considered by the LGSCO, not the total number of complaints received by the council. Considering all complaints received by the council, 68 complaints were referred to the LGSCO of which they considered 24 and upheld 15 which is less than 0.5% of all complaints for the period 1 April 2021 – 31 March 2022.

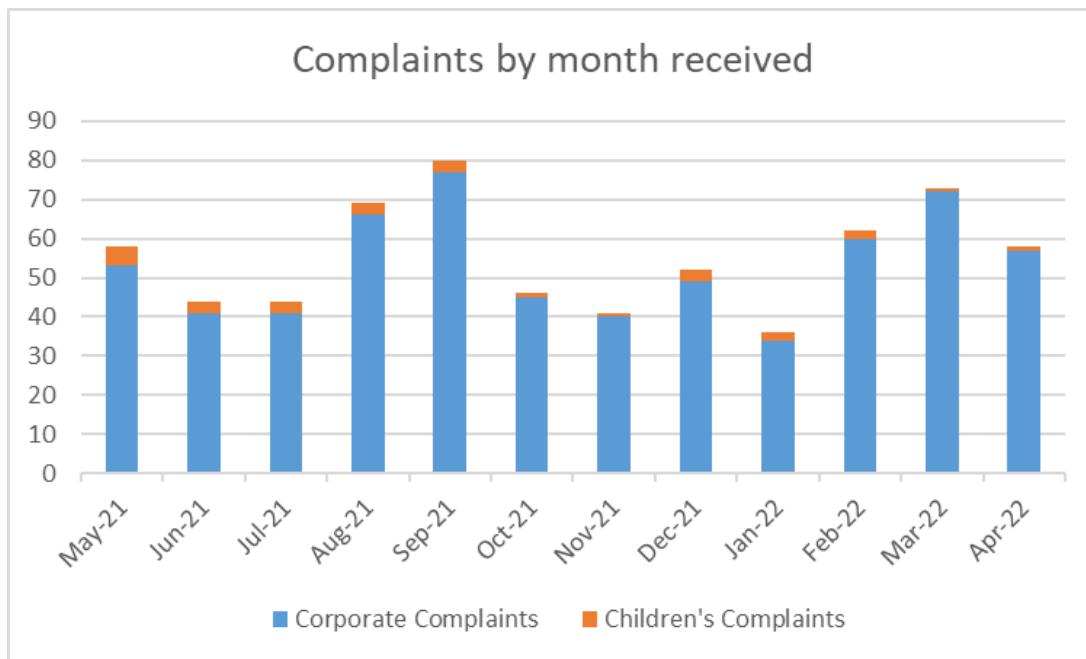
Authority	Number of complaints considered	Complaints upheld
Isle of Wight	12	67%
Rutland	2	100%
Cheshire West and Chester	23	74%
Northumberland	29	52%
East Riding of Yorkshire	25	60%
Herefordshire	24	63%
Shropshire	19	42%
Cornwall	39	51%
Wiltshire	35	60%
North Somerset	9	56%
Cheshire East	29	62%
Bath and North East Somerset	7	43%
Solihull	15	73%
Central Bedfordshire	15	53%

15. The LGSCO cases that were upheld against the council are set out on the LGSCO website which is at www.lgo.org.uk/decisions
16. In all cases the council has complied with the recommendations made by the LGSCO to resolve the case. In some cases compensation was recommended. The council paid out a total sum of £500 as advised by the LGSCO for the period of 1 April 2021 to 31 March 2022.
17. The following graphs show volumes of complaints processed under the council’s corporate complaints procedure alongside those processed under the separate statutory children’s complaints procedure.



18. The second graph breaks down complaints received by month with the data set out in the following table:

Month	Volume of complaints
May 2021	53 corporate complaints and 5 children's complaints
June 2021	41 corporate complaints and 3 children's complaints
July 2021	41 corporate complaints and 3 children's complaints
August 2021	66 corporate complaints and 3 children's complaints
September 2021	77 corporate complaints and 3 children's complaints
October 2021	45 corporate complaints and 1 children's complaint
November 2021	40 corporate complaints and 1 children's complaint
December 2021	49 corporate complaints and 3 children's complaints
January 2022	34 corporate complaints and 2 children's complaints
February 2022	60 corporate complaints and 2 children's complaints
March 2022	72 corporate complaints and 1 children's complaint
April 2022	57 corporate complaints and 1 children's complaint



Information governance

19. The council's information governance team monitors low-level data security incidents, near misses, and allegations of breaches of data protection legislation, of which 176 such cases were reported and dealt with over the past municipal year. Out of these, 3 met the threshold for reporting to the Information Commissioner's Office (ICO), however no action was taken against the council and the ICO was satisfied as to how the council had dealt with the breaches in all cases. The figures reflect that the council has sound processes in place for reporting data incidents, and that there is a high level of awareness from the mandatory training given to all council staff regarding data protection. It also indicates a more open culture around reporting things that have gone wrong. Numbers of incidents reported over the past 5 years demonstrate that reporting has improved considerably: 71 incidents in 2016/17, 73 incidents in 2017/18, 159 incidents in 2018/19, 184 incidents in 2019/20 and 172 incidents in 2020/21. Incidents are reviewed at the information governance steering group and learning from incidents is fed back through staff training and changes in processes and procedures.
20. The information governance team also assesses the mandatory data protection impact assessments that are completed for new programmes, projects or systems that involve processing of personal data, advise on information sharing agreements, implement information security policies and procedures, and ensure that teams make information available on how the council processes personal data.
21. In addition to providing the council with a service, as of April 2022, 51 of the county's schools were signed up to a self-funding school's data protection officer service level agreement. A high level service and support to schools is provided whether on the end of the telephone or via a face to face visit.

Community trigger

22. The community trigger gives individuals and communities the right to review their case of anti-social behaviour or hate crime, if they are not happy with the response given by the relevant authorities. A community trigger can be applied for if an individual has reported three or more incidents of anti-social behaviour to the council, the police, or their housing association within the past 6 months, or if an individual and four or more individuals have complained separately about similar incidents of anti-social behaviour to the council, the police, or their housing association within the past 6 months. There have been 6 such instances over the past municipal year. 5 were in relation to anti-social behaviour and 1 in relation to a number of

break-ins. Each case was reviewed by the Community Safety Partnership and in all instances it was determined that sufficient action had been taken by all agencies involved to address the matters raised.

Community impact

23. In accordance with the adopted code of corporate governance, the council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. The council is committed to promoting a positive working culture that accepts, and encourages constructive challenge, and recognises that a culture and structure for scrutiny are key elements for accountable decision making, policy development, and review.
24. This report provides information about the council's performance in handling complaints and requests for information from members of the public, in order to provide assurance that the council handles requests and complaints effectively and derives learning from them to improve experiences for those who receive services from the council. It also provides information about the measures taken to protect personal data under the UK General Data Protection Regulations and the Data Protection Act 2018.

Environmental impact

25. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
26. Whilst this is a decision on back office functions and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy, including through encouraging complaints and requests for information to be submitted electronically to the council.

Equality duty

27. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
28. This report is for information only and therefore there are no equality duty implications arising directly from this report.

Resource implications

29. There are no financial implications arising directly from this report, which is for information. As outlined above however, there are risks of fines from the Information Commissioner's Office for breaches of data protection legislation, and compensation payments if the council has acted in a way that results in maladministration and injustice. The council has sufficiently protected the

personal data it holds to not incur fines so far. The council has however had to make some compensation payments following complaints, hence learning from complaints is being fed back into strategic planning.

Legal implications

30. There are no direct legal implications arising from the report as it is a factual summary provided for information purposes.

Risk management

31. The risks to the council are of non-compliance with legislation including the UK General Data Protection Regulations, the Data Protection Act 2018, the Freedom of Information Act 2000, the Environmental Information Regulations 2004, and the Local Government Act 1974. Effective operational and governance processes mitigate these risks of non-compliance with information legislation and standards, and maintaining high standards of compliance mitigates risks to the reputation of the council.

Consultees

32. Not applicable.

Appendices

None.

Background papers

None identified.



Title of report: Whistleblowing policy review

Meeting: Audit and Governance Committee

Meeting date: 21 November 2022

Report by: Monitoring Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards)

Purpose

To consider the operation of the Council's current Whistleblowing Policy and to seek approval for a further review of the policy to be brought to the committee's next meeting on 30 January 2023.

Recommendation(s)

That the committee:

- (a) Considers the Whistleblowing Complaints to date;**
- (b) Approves a further review of the current Whistleblowing Policy and that the outcome of this review and the new policy is presented for approval by the committee at its meeting on 30 January 2023;**
- (c) Makes any relevant recommendations to Officers arising from this report.**

Alternative options

- 1. To not review the policy, this is not recommended as it is a function of the committee to maintain an overview of this policy.

Key considerations

- 2. The Council's Whistleblowing Policy was last reviewed and approved by this committee on 24 November 2021 ([minute 58 of 2021/22 refers](#)). It is generally good practice to periodically review important policies to reflect learning from the practical operation of the policy and to align the policy to national and organisational changes and context. The key aim is to have a

Whistleblowing Policy that staff and the Council have confidence in and one which improves the way the Council operates from an ethical and legal perspective.

3. Having undertaken an internal review of the operation of the Whistleblowing Policy, the Monitoring Officer, through the Legal Department, identified the need for a review of the policy. Subsequently, an external expert Investigator, formally engaged to investigate a Whistleblowing disclosure, separately recommended a review of the policy.
4. The current Whistleblowing Policy has numerous strengths. The Council's intent in supporting Whistleblowing is clear and explicit and the processes that underpin the policy are established and have been operated fairly consistently. However, there is some room for improvement. Further, the policy was developed with Member engagement and support and has been actively used by Whistleblowers to raise issues of concern to them. However, like most policies there is a need to regularly nuance, improve and develop the policy and supporting processes to better serve those that make disclosures and for those administering, investigating and monitoring disclosures.
5. It should be recognised and acknowledged that Whistleblowing can be very stressful for those people making disclosures because power relationships between managers and those managed can raise concerns about victimisation and potentially job losses as a result. An effective Whistleblowing Policy should therefore be supportive, protect staff against unfair retribution and allow and facilitate Whistleblowing disclosures anonymously and/or to an independent body outside the council. One facility supported in the 2021 review was the ability for staff to make disclosures to a senior officer at Buckinghamshire Council. Such disclosures could be anonymous and in this financial year 2 disclosures have come via this route.
6. The other way the Council could support independence in the disclosure process is for the Council to enter a contract with an external specialist Whistleblowing facility, colloquially known as a "Whistleblowing hotline". This facility would support and allow anonymous disclosure, but with the additional advantage that it would be seen as being more independent than reporting matters to another Council. Also these facilities deal with this specialist area on a day to day basis and as such are better placed to support Whistleblowers at the time of the disclosure and in relation to the tracking and monitoring processes going forwards. These services do however come at a cost to the Council. An analysis of the costs will form part of the review proposal. An alternative to the paid provider approach could be a hotline to our internal auditors who are also well placed to structure a response and investigative processes. This option will also be considered as an option for Committee to consider.
7. Any policy review will also consider the supporting processes to ensure that the whole area is dealt with effectively, efficiently and proportionally end to end. The review will consider how best to present lean processes, which are simple to understand, effective and supported by clear and practical guidance including flow charts. The policy review will take into account data available to the Council such as relevant comments from the recent employee survey, together with the type of training and compliance processes with regard to mandatory training.
8. It is important to acknowledge that employee grievances follow separate processes as they deal with the employer/employee relationship. This is a separate matter, involving different legal rights and obligations and should not be conflated with Whistleblowing processes.
9. The committee is being asked to support the Monitoring Officer undertaking a review of the current Whistleblowing Policy and to report options for the committee to consider and approve at its meeting on 30 January 2023. The review will be holistic and will consider support processes, including administration of the process and training.
10. The Whistleblowing figures to 19/20 were reported to the Committee at its meeting on 23 November 2021 A review of the use of the policy since 2017 and trends are set out below:

Municipal year	Total number of complaints	Risk identified				
		Make you feel uncomfortable in terms of known standards	In breach of the officer or councillor code of conduct	Fall below established standards of practice that the council subscribes	Are not in keeping with the council's constitution and policies	Improper
17/18	5	1	1	1	1	1
18/19	11	3	3	3	2	0
19/20	8	2	0	0	3	3
20/21	6	3	0	2	1	0
21/22	8	4	1	2	1	0
22/23	6	0	0	6	0	

11. The data for 22/23, in terms of the category of risk identified, arises from an Officer assessment. This is because the disclosures do not clearly categorise the complaints on the face of the Council's complaints form, which contains the categories, but which came through other routes, for example an anonymous route or via the Ofsted Whistleblowing hot line where forms were not completed.
12. Of the complaints for 22/23, 3 went out to external investigators, 2 of which have been concluded with no finding of breach and Officers are considering the investigation report in relation to the third one. Any recommendations coming out to the Investigations, even where there is no finding of breach, will after careful consideration be accepted and implemented unless there are very good reasons not to do so.

Conclusion

13. It is recommended that the current policy is reviewed by Officers and a revised policy is presented to this committee for consideration at its meeting on 30 January 2023.

Community impact

14. Herefordshire Council is accountable for how it uses the resources under its stewardship, including accountability for outputs and outcomes achieved. In addition the council has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, we can demonstrate the appropriateness of all our actions across all our activities and have mechanisms in place to encourage and enforce adherence to ethical values and respect the rule of law. The confidential reporting code is part of the council's governance arrangements and helps safeguard public funds. Periodic reviews to ensure the code remains current, fit for purpose and effective helps the council to meet the principles within its code of corporate governance

Environmental impact

15. There are minimal environmental impacts in the Whistleblowing Policy though of course any environmental concerns can be raised under the policy.

Equality duty

16. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

17. The review of the code will seek to ensure that, the council fully complies with the public sector equality duty.

Resource implications

18. The role for the senior Officer from Buckinghamshire Council, required a service level agreement detailing the support to be provided payable on an hourly rate. The proposed review will consider whether this provision continues or whether it should be replaced by an external Whistleblowing Hotline. The costs related to both options will be presented with the proposed review in January 2023.

Legal implications

19. None specifically arising from the recommendations.

Risk management

20. Failure to maintain a legally compliant whistle blowing policy could contravene employment law and leave the council open to challenge with associated financial penalties and bring the council into disrepute.

Consultees

21. As set out in the report.

Appendices

None.

Background papers

Confidential Whistleblowing Disclosure files.



Title of report: Work programme

Meeting: Audit and Governance Committee

Meeting date: 21 November 2022

Report by: Democratic Services Officer

Classification

Open

Decision type

This is not an executive decision.

Wards affected

(All Wards)

Purpose

To consider the committee's work programme (Appendix A).

Recommendation(s)

That, subject to any further updates made by the committee, the work programme for the Audit and Governance Committee be agreed.

Alternative options

1. There are no alternative options, as the committee requires such a programme in order to set out its work for the coming year.
2. Updating the work programme is recommended, as the committee is required to define and make known its work. This will ensure that matters pertaining to audit and governance are tracked and progressed in order to provide sound governance for the council.

Key considerations

3. The routine business of the committee has been reflected as far as is known, including the regular reporting from both internal and external auditors.
4. The committee is asked to consider any further adjustments.

Community impact

5. A clear and transparent work programme provides a visible demonstration of how the

committee is fulfilling its role as set out in the council's constitution.

Environmental impact

6. Whilst this is an update on the work programme and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.

Equality duty

7. This report does not impact on this area.

Resource implications

8. There are no financial implications.

Legal implications

9. The work programme reflects any statutory or constitutional requirements.

Risk management

10. The programme can be adjusted in year to respond as necessary to risks as they are identified; the committee also provides assurances that risk management processes are robust and effective.

Consultees

11. The Director of Finance and Assurance / S151 Officer, Director of Governance and Legal Services / Monitoring Officer, and committee members contribute to the work programme; the work programme is reviewed at each meeting of the committee.

Appendices

Appendix A Work programme for the Audit and Governance Committee

Background papers

None identified.

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Audit and Governance Committttee Constitution		Report	May	June	July	September	October	November	January	March
3.5.9	The purpose of an audit committee is to provide independent assurance on the adequacy of the risk management framework together with the internal control of the financial reporting and annual governance processes.									
3.5.10	Internal Audit	Internal Audit								
a	To consider the Head of Internal Audit’s annual report and opinion, and a summary of internal Audit activity (actual and proposed) and the level of assurance it can give over the Council’s corporate governance arrangements.	Internal Audit Plan and Internal Audit Charter Progress Report on internal audit plan (see part b for timing) Internal Audit Annual Opinion			Opinion					Internal Audit Plan and Audit Charter
b	To consider summaries of specific Internal Audit reports and the main issues arising and seek assurance that action has been taken where necessary.	Progress Report on internal audit plan	Progress report				Progress report		Progress report	Progress report
c	To consider reports dealing with the management and performance of the providers of Internal Audit Services.									
d	To consider a report from Internal Audit on agreed recommendations not implemented within a reasonable timescale.	Tracking of internal and external audit recommendations		Tracking Report				Tracking Report		
e	To be able to call senior officers and appropriate members to account for relevant issues within the remit of the Committee.	No specific activity required as part of normal questioning activity								
f	The Committee will not receive detailed information on investigations relating to individuals. The general governance principles and control issues may be discussed, in confidential session if applicable, at an appropriate time, to protect the identity of individuals and so as not to prejudice any action being taken by the Council.	Progress Report on internal audit plan (see part b for timing)								
3.5.11	External Audit	External Audit								
a	Review and agree the External Auditors annual plan, including the annual audit Fee and annual letter and receive regular update reports on progress.	Annual audit fee letter External Audit progress update (see part b for timing) Tracking of internal and external audit recommendations (see part 3.5.10d for timing) Auditor's Annual Report External Audit Annual Plan		External Audit Plan (including indicative fee)			External Audit Findings Report		Auditor's Annual Report External Audit Plan <i>(tbc)</i>	
b	To consider specific reports from the External Auditor.	External Audit progress update	Progress Report						Progress Report	Progress Report
c	To meet privately with the External Auditor once a year if required.	Not required to be scheduled on work programme								
d	To comment on the scope and depth of external audit work and to ensure it gives value for money.	No specific activity required as part of normal questioning activity								
e	To recommend appointment of the council’s local (external) auditor.									
f	Ensure that there are effective relationships between external and internal audit that the value of the combined internal and external audit process is maximised.	No specific activity required as part of normal questioning activity. External Audit can place limited reliance on Internal Audit Work.								
3.5.12	Governance									
a	To maintain an overview of the council’s Constitution, conduct a biennial review and recommend any changes to council other than changes to the contract procedure rules, finance procedure rules which have been delegated to the committee for adoption.	Accounting Policy Update Contract and Finance Procedure Rules Re-thinking Governance	Re-thinking governance report		Accounting Policy Update (if required) Contract and Financial Procedure Rules					Re-presentation of the Constitution
b	To monitor the effective development and operation of risk management and corporate governance in the council.	Work programme Corporate Risk Register	Work programme Corporate Risk Register	Work programme	Work programme	Work programme	Work programme Corporate Risk Register	Work programme Corporate Risk Register	Work programme <i>Corporate Risk Register</i>	Work programme Corporate Risk Register
c	To maintain an overview and agree changes to the council policies on whistleblowing and the ‘Anti-fraud and corruption strategy’.	Whistleblowing policy Anti-fraud & corruption strategy	Anti-fraud update as part of internal audit progress report	Anti-fraud, bribery and corruption policy				Whistleblowing	Annual update on anti-fraud, bribery and corruption	Anti-fraud update as part of internal audit progress report
d	To oversee the production of the authority’s Statement on Internal Control and to recommend its adoption.	Statement of Accounts			Statement of Accounts		Statement of Accounts			
e	To annually conduct a review of the effectiveness of the council’s governance process and system of internal control which will inform the Annual Governance statement.	Annual Governance Statement				Draft AGS	Final AGS			
f	The council’s arrangements for corporate governance and agreeing necessary actions to ensure compliance.	Annual Governance Statement Progress Report							AGS Progress Update	
g	To annually review the council’s information governance requirements.	Information Governance Review						Annual review of information access / governance		

Audit and Governance Committtée Constitution		Report	May	June	July	September	October	November	January	March
h	To agree the annual governance statement (which includes an annual review of the effectiveness of partnership arrangements together with monitoring officer, s151 officer, caldicott guardian and equality and compliance manager reviews).	Annual Governance Statement Annual Governance Statement Progress Report								
i	To adopt an audit and governance code.									
j	To undertake community governance reviews and to make recommendations to Council.	On an ad hoc basis only								
3.5.13	Waste Contract									
a	To review, in conjunction with external advisers advising the council as lender, the risks being borne as a result of the funding provided by the council to Mercia Waste Management Ltd and consider whether the risks being borne by the council, as lender, are reasonable and appropriate having regard to the risks typically assumed by long term senior funders to waste projects in the United Kingdom and best banking practice.	Energy from Waste Loan Update				Energy from Waste Loan Update				
b	To monitor the administration of the loan to the waste project in line with best banking practice having regard to any such external advice, including the terms of any waivers or amendments which may be required or are desirable.	Energy from Waste Loan Update				Energy from Waste Loan Update				
c	Consider what steps should be taken to protect the interests of the council as lender in the event of a default or breach of covenant by Mercia Waste Management Ltd, and make recommendations as appropriate to Council, the council’s statutory officers or cabinet as appropriate to ensure the appropriate enforcement of security and litigation in relation to the loan to Mercia Waste Management Ltd	Energy from Waste Loan Update				Energy from Waste Loan Update				
d	Consider and recommend appropriate courses of action to protect the position of the council as lender to the waste project: (i) make recommendation as appropriate to Council with regards to its budget and policy framework and the loan to the waste project (ii) generally to take such other steps in relation to the loan within the scope of these terms of reference as the committee considers to be appropriate.	Energy from Waste Loan Update				Energy from Waste Loan Update				
3.5.14	Code of Conduct: To promote and maintain high standards of conduct by members and co-opted members of the Council									
a	To support Town and Parish Councils within the county to promote and maintain high standards of conduct by members and co-opted members of the Council.	Annual Code of Conduct Report							Annual code of conduct report	
b	To recommend to Council the adoption of a code dealing with the conduct that is expected of members and co-opted members of the Council.	Part of Re-thinking Governance Review	Re-thinking Governance							
c	To keep the code of conduct under review and recommend changes/replacement to Council as appropriate.	Part of Re-thinking Governance Review	Re-thinking Governance							
d	To publicise the adoption, revision or replacement of the Council’s Code of Conduct.	Part of Re-thinking Governance Review	Re-thinking Governance							
e	To oversee the process for the recruitment of the Independent Persons and make recommendations to Council for their appointment.	Recruitment done on an as required basis and not currently scheduled.								
f	To annually review overall figures and trends from code of conduct complaints which will include number of upheld complaints by reference to individual councillors within unitary, town and parish councils and when a code of conduct complaint has been upheld by the Monitoring Officer or by the Standards Panel, after the option of any appeal has been concluded, promptly to publish the name of the councillor, the council, the nature of the breach and any recommendation or sanction applied.	Annual Code of Conduct Report							Annual code of conduct report	
g	To grant dispensations under Section 33 (2)(b)(d) and (c) Localism Act 2011 or any subsequent amendment.	On an ad hoc basis only								
h	To hear appeals in relation to dispensations granted under section 33 (2)(a) and (c) Localism Act 2011 by the monitoring officer.	On an ad hoc basis only								
3.5.15	Accounts									
	To review and approve the Statement of Accounts, external auditor’s opinion and reports on them and monitor management action in response to the issues raised by external audit.	Statement of Accounts External Auditor Report			Statement of Accounts					