



Contact Officer:

John Armstrong,  
Democratic Services and Elections Manager  
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9 November 2022

Dear Councillor

Your attendance is requested at a meeting of the **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **THURSDAY 17 NOVEMBER 2022 at 7.00 pm.**

Yours faithfully

Tom Horwood  
Joint Chief Executive

**MEMBERS OF THE COMMITTEE**

Vice-Chairman: Councillor Deborah Seabrook

Councillor Liz Hogger	+Maria Angel MBE
Councillor Nigel Manning	+Murray Litvak
Councillor Susan Parker	^Julia Osborn
Councillor George Potter	^Ian Symes
Councillor Tony Rooth	^Tim Wolfenden
Councillor James Walsh	

\*Independent member

^ Parish member

**Authorised Substitute Members:**

Councillor Jon Askew	The Deputy Mayor, Councillor Masuk Miah
Councillor Ruth Brothwell	Councillor Marsha Moseley
Councillor Colin Cross	Councillor Ramsey Nagaty
Councillor Guida Esteves	Councillor Jo Randall
Councillor Graham Eyre	Councillor John Redpath
Councillor David Goodwin	Councillor Catherine Young
Councillor Angela Gunning	

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**QUORUM 3**

## THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

### Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

### Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

### Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

### Our strategic priorities:

#### Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment
- Maximise opportunities for digital infrastructure improvements and smart places technology

#### Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

#### Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

## **A G E N D A**

### **ITEM**

**1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

**2 ELECTION OF CHAIRMAN FOR THE REMAINDER OF THE 2022-23 MUNICIPAL YEAR**

Article 10 of the Council's Constitution prohibits, among other things, a lead councillor from being chairman or vice-chairman of this Committee. There is now a vacancy in the office of chairman of this Committee following the appointment, on 7 November 2022, of Councillor George Potter to the Executive as Lead Councillor for Climate Change. Councillor Potter remains a member of this Committee.

Council Procedure Rule 29 (b) provides that where a vacancy occurs in the office of chairman or vice-chairman of a committee during the course of a municipal year, the election of their successor for the remainder of that municipal year shall be conducted by the committee at its next meeting.

**3 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, you must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

**4 MINUTES (Pages 5 - 22)**

To confirm the minutes of the meetings of the Corporate Governance and Standards Committee held on 29 September and 6 October 2022.

**5 DECISION AND ACTION TRACKER (Pages 23 - 28)**

**6 SUMMARY OF INTERNAL AUDIT REPORTS (APRIL TO NOVEMBER 2022)**  
(Pages 29 - 40)

**7 RISK MANAGEMENT AND CORPORATE RISK REGISTER (Pages 41 - 64)**

**8 WORK PROGRAMME (Pages 65 - 82)**

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## **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE**

29 September 2022

- \* Councillor George Potter (Chairman)
- \* Councillor Deborah Seabrook (Vice-Chairman)

Councillor Liz Hogger  
Councillor Nigel Manning  
\* Councillor Susan Parker  
\* Councillor Tony Rooth  
\* Councillor James Walsh

Independent Members:

- \* Maria Angel MBE
- \* Murray Litvak

Parish Members:

- \* Julia Osborn
- Ian Symes
- \* Tim Wolfenden

\*Present

The Lead Councillor for Governance, Councillor Joss Bigmore and the Lead Councillor for Resources, Councillor Tim Anderson were also in attendance. The Lead Councillor for Economy, Councillor John Redpath was in remote attendance.

### **CGS20 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillors Liz Hogger and Nigel Manning, and from Ian Symes.

### **CGS21 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

### **CGS22 MINUTES**

The minutes of the meeting of the Committee held on 28 July 2022 were approved as a correct record.

The Chairman signed the minutes.

### **CGS23 DECISION AND ACTION TRACKER**

The Committee noted that the decision and action tracker had been introduced to monitor progress against the decisions and actions that the Committee had agreed, which would be kept up to date for each meeting. When decisions/actions were reported as being 'completed', the Committee would be asked to agree to remove these items from the tracker.

The Committee, having noted the updates set out on the Supplementary Information Sheet

RESOLVED: That the decision and action tracker be noted and that the actions reported as being completed be removed from the table.

### **CGS24 BUDGET PRESSURES 2022-23 AND MEDIUM-TERM FINANCIAL PLAN**

The Committee considered a report which summarised the emerging financial position against the approved 2022/23 budget and highlighted pressures on the already stretched Medium Term Financial Plan (MTFP). Several factors had affected the Council's budget since it was approved

in February 2022, most of which had had an adverse impact. Although the financial outturn in 2021/22 on the general fund and HRA had been positive overall, there were some concerning cost pressures and income shortfalls that were likely to continue into future years. This, coupled with the significant inflationary pressure experienced since April, presented a very challenging position for the Council.

The report presented a high-level summary of the position and proposed a series of actions for addressing the budget shortfall in this and future years. A more detailed financial monitoring report would be considered by the Committee at its special meeting on 6 October, and comments from the Committee would help inform the mid-year review of the MTFP which was now necessary. A similar exercise had been undertaken in 2021/22 and, as evidenced by the General Fund outturn report, this had been successful as the overall position at year end had been £138,000 under budget.

Officers were currently projecting a net overspend on the general fund revenue account of £3.1 million, a significant proportion of which related to current inflationary pressures, principally increasing utilities costs. The position was likely to worsen as forecasts were refined in the coming weeks. Part of the projected budget shortfall had arisen from growth bids which managers considered were necessary to meet service demands and address resource gaps. These bids would be subject to approval of a business case and funding.

The report had also alerted the Committee to the fact that officers were investigating a potential discrepancy in the staff cost budget which had come to light in July and appeared to have originated during the transition period of phase 2 of the Future Guildford programme. This could materially impact both the general fund and the HRA in 2022/23 and future years.

In summary, the Council had spotted early an emerging budget shortfall and was taking steps to address this in the current and future years.

The Executive had also considered this report at its meeting on 22 September and had agreed:

- (1) To note the emerging position against the 2022/23 budget and the impact on the Council's finances in future years.
- (2) To approve the high-level action plan set out in the report and to identify any further measures that should be taken.
- (3) To instruct officers to undertake a comprehensive mid-year review of the 2022/23 budget and to present this, and a revised Medium Term Financial Plan, to Council at its meeting on 6 December 2022.

During the debate, the Committee made the following points:

- In response to concerns over the impact on the Council's finances of the recent mini-budget statement by the Chancellor of the Exchequer, the Joint Section 151 Officer indicated that a briefing note of the elements of the mini budget that would effect in a positive or negative way both Guildford's finances and also our economically disadvantaged residents was being put together, and a copy of this would be circulated to councillors.
- The Committee received assurance that the risk register was being used as a management tool to help manage the current financial situation.
- It was suggested that officers assess the overall macroeconomic impact on the Council's financial position at such a point in the future when there was greater certainty and stability.

- In response to a question as to the extent to which the Council was reviewing its treasury management arrangements, officers reported that a strategy meeting had been held recently with Arlingclose and such meetings would be held on a more frequent basis as the financial position and economic factors changed to enable our investments and borrowing to be kept under review.

Having considered the report, the Committee

RESOLVED: That the decisions taken by the Executive on 22 September 2022 and the comments referred to above be noted.

## **CGS25 CAPITAL AND INVESTMENT OUTTURN REPORT 2021-22**

The Committee considered the annual outturn report on capital expenditure, non-treasury investments and treasury management performance for 2021-22.

In total, expenditure on the General Fund capital programme had been £39.78 million against the original budget of £148.3 million, and revised budget of £141.9 million. Details of the revised estimate and actual expenditure in the year for each scheme were set out in Appendix 3 to the report.

The budget for Minimum Revenue Provision (MRP) had been £1.5 million and the outturn was £1.38 million. This was due to slippage in the capital programme in 2020-21.

Officers had reviewed the capital programme and had determined that the following schemes were no longer required:

- Albury closed burial grounds £57,000 in 2022/23
- Mill Lane Flood Protection works - £16,000 2022/23 and £200,000 2023/24
- Merrow & Burpham surface water study - £15,000 in 2022/23

This would reduce the Councils underlying need to borrow for capital purposes and generate a saving to the revenue account in respect of MRP and Interest of approximately £10,000 over the life of the schemes.

The Council's investment property portfolio stood at £174 million at the end of the year. Rental income was £8.75 million, and our income return had been 5.3% against the benchmark of 4.7%.

The Council's cash balances had built up over several years, and reflected our strong balance sheet, with considerable revenue and capital reserves. Officers carried out the treasury function within the parameters set by the Council each year in the Capital and Investment Strategy. At 31 March 2022, the Council held £152 million in investments, £303 million in borrowing of which £147 million related to the HRA, and £134 million was short term borrowing, resulting in net debt of £157 million.

The Council borrowed short-term from other local authorities for cash flow purposes and aimed to minimise any cost of carry on this. The Council had taken out three loans for Weyside Urban Village under the infrastructure rate. This interest was capitalised against the project and not charged to the General Fund as interest payable.

Section 8 of the report confirmed that the Council had complied with its prudential indicators, treasury management policy statement and treasury management practices (TMPs) for 2021-22. The policy statement was included and approved annually as part of the Capital and Investment Strategy, and the TMPs were approved under delegated authority.

The treasury management performance over the last year, compared to estimate, had been summarised in the report, and the factors affecting this performance had been highlighted in the report. There had been slippage in the capital programme which resulted in a lower Capital Financing Requirement than estimated. Interest paid on debt had been lower than budget, due to less long-term borrowing taken out on the general fund because of slippage in the capital programme.

The yield returned on investments had been lower than estimated, but the interest received had been higher due to more cash being available to invest in the year – a direct result of the capital programme slippage. Officers had been reporting higher interest receivable and payable and a lower charge for MRP during the year as part of the budget monitoring when reported to councillors during the year.

Due to the Council projecting an over-spend earlier in the year, the decision was taken to sell a pooled fund that had accumulated a capital gain. This had been redeemed in December at a gain of £1.398 million, which was income to the General Fund.

The report also contained detailed information on the return on investments, and interest paid on external debt.

During the debate, the Committee made the following comments:

- A need to ensure that we have up-to-date information on the schedule of investments and the need to review the overall situation in respect of the prudence of investments in other local authorities.
- Clarification was sought as to the position in respect of reviewing existing investments.
- In relation to the proposed schemes that had been recommended for removal from the capital programme, concern was expressed in respect of two of the schemes, which sought to address flooding issues, that insufficient information had been provided to justify their removal.

The Committee

RESOLVED: That the report be commended to the Executive subject to the various corrections set out on the Supplementary information sheet circulated at the meeting and to the comments referred to above made by the Committee during its debate.

Reasons:

- To comply with the Council's treasury management policy statement, the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on treasury management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- As per the treasury management code although the scrutiny of treasury management (and indeed all finance) had been delegated to the Committee, ultimate responsibility remained with full Council. This report therefore fulfilled that need.

Action:	Officer to action:
(a) To ensure that up-to-date information on the schedule of investments and the need to review the overall situation in respect of the prudence of investments in other local authorities.	Lead Specialist - Finance
(b) To clarify the position in respect of reviewing existing investments.	



## **CGS26 HOUSING REVENUE ACCOUNT FINAL ACCOUNTS 2021-22**

The Committee considered a report on the Housing Revenue Account (HRA) final accounts for 2021-22. The HRA recorded all the income and expenditure associated with the provision and management of Council owned residential dwellings in the Borough. The requirement to maintain a HRA was set out in the Local Government and Housing Act 1989 and the requirement to publish final accounts was set out in the Accounts and Audit (England) Regulations 2015.

The report had set out the actual level of revenue spending on day-to-day services provided to tenants recorded in the HRA in 2021-22. The operating surplus for the HRA in 2021-22 had been £368,000 less than the budgeted surplus of £11.220 million at £10.339 million. The outturn therefore allowed a contribution of £2.5 million to the reserve for future capital and a contribution of £7.84 million to the New Build reserve. The HRA working balance at year-end remained at £2.5 million.

The Chief Finance Officer, in consultation with the Leader of the Council and Lead Councillor for Community and Housing and Lead Councillor for Resources had used their delegated authority to make the necessary transfers to reserves. This continued the policy adopted in previous years, whereby the year-end surplus was applied to each of the two reserves referred to above.

During the debate, the Committee made the following comments:

- A need to review the way in which we transfer money to different pots of reserves in relation to the HRA
- emphasis on the importance of making sure we are taking account of climate change impacts particularly in relation to insulation
- the importance of lobbying government in relation to Right to Buy replacement in the 60/40 split when it comes to the spending of right to buy receipts and
- concern over implications of an increase in right-to-buy numbers and where it might be heading in the future

Having considered the report, the Committee

**RESOLVED:** That the report be commended to the Executive subject to the various corrections set out on the Supplementary information sheet circulated at the meeting and to the comments referred to above made by the Committee during its debate.

### Reason:

To allow the Statutory Statement of Accounts to be finalised and subject to external audit prior to approval.

## **CGS27 GENERAL FUND REVENUE OUTTURN REPORT 2021-22**

The Committee received a report setting out the final position on the General Fund and the Collection Fund revenue accounts, for the 2021-22 financial year.

Overall, the outturn on the General Fund for 2021-22 had been £138,987 less than originally budgeted. This position had been achieved as a result of an in-year action plan put in place to mitigate a projected overspend following period 6 monitoring. The report had set out the major reasons for the variance. At period 10, officers were predicting an underspend of £229,000, but this had decreased to an underspend of £138,987.

#### Agenda item number: 4

Net income from interest receipts had been £1.5 million more than estimated and the minimum revenue provision (MRP) for debt repayment had been £154,414 lower than estimated, which was £1.6 million net additional interest receipt to the General Fund.

The Chief Finance Officer, in consultation with the Leader of the Council and the Lead Councillor for Resources had used their delegated authority to transfer:

- (a) the underspend to the budget pressures reserve to deal with potential cost pressures in 2022-23; and
- (b) monies that had been earmarked for the implementation of technology as part of Future Guildford from the Business Rates retention reserve to the ICT renewals reserve to enable the further development of Salesforce to continue

Details of the closing balance on all the Council reserves were set out in the report, together with the ongoing policy for each.

The Committee was advised that there was an overall deficit on the Collection Fund of £488,000, as detailed in the report.

The full unaudited statement of accounts for 2021-22 had been published on Guildford's website and this included all reserves, collection fund and balance sheet. Once the external auditor had completed their audit, the full set of accounts would be brought to the Committee for consideration and approval, along with the auditor's findings report.

During the debate, the Committee made the following comments:

- reference to "£000" in the column headings in the table in paragraph 5.2 of the report should be omitted.
- concern that the focus of achieving the goal of 75% of customer contact being online was at the expense of mainly elderly residents who might only be able to contact the council by more traditional means (paragraph 4.16 of the report).
- Concern over the significant variances between year to date spend for certain services compared to the revised budget figures.
- In response to a query as to unspent specific grant monies awarded by government to the Council to spend on supporting refugee families, the Committee noted that the Council was taking action to support refugees, but the expenditure may have come from other sources of funding. Furthermore, as the 6-month period that those supporting refugee families had initially signed up for was now coming to an end, there was concern about an increasing number of guests being presented as homeless and the subsequent obligations on the Council to provide support, and this grant funding would be used for that purpose.

Having noted that this matter would be considered by the Executive on 27 October 2022, the Committee

**RESOLVED:** That, subject to the comments referred to above, the report be commended to the Executive.

#### Reasons:

- To note the final outturn position for 2021-22
- To facilitate the on-going financial management of the Council.

## **CGS28 FUTURE OF INTERNAL AUDIT**

The Committee noted that the Council's existing contract for the provision of Internal Audit services would expire in March 2023. A process of soft market testing and due diligence had been undertaken to assess the available options and to identify a preferred provider.

The Committee considered a report which sought approval to enter into a Joint Working Agreement to receive internal audit services from Southern Internal Audit Partnership (SIAP) for a period of five years from 1 April 2023. Southern Internal Audit Partnership (SIAP), which had been established in 2012, was hosted by Hampshire County Council and was one of the largest providers of public sector internal audit in the region across a diverse portfolio of 29 public sector organisations.

In Surrey, Tandridge, Mole Valley, Epsom and Ewell, Reigate and Banstead and Surrey Police were all partners in the partnership as well as a number of other district and borough councils and police authorities across Hampshire and Sussex. Waverley Borough Council was a contracting authority. Joining SIAP would offer value for money as well as contributing to the achievement of the vision of the Guildford-Waverley partnership by alignment of support service provision with Waverley.

Having considered the report, the Committee

**RESOLVED:** That the following recommendations be commended to the Executive at its meeting on 27 October 2022:

- (1) That, with effect from 1 April 2023, the Council discharges its Internal Audit Function under Section 101 of the Local Government Act 1972 to Hampshire County Council so that Southern Internal Audit Partnership (SIAP) can provide the Internal Audit Service for Guildford Borough Council.
- (2) That the Council's Section 151 and Monitoring Officers be authorised to enter into the Joint Working Agreement by way of a deed of accession with Southern Internal Audit Partnership and undertake all necessary legal arrangements to do so.
- (3) That the Section 151 Officer or nominated officer represents the Council's interests by becoming a voting member of the Southern Internal Audit Partnership Key Stakeholder Board.

Reason:

To ensure good governance arrangements and internal control by undertaking an adequate level of internal audit coverage through discharging the Council's functions as permitted by the S101(5) of the Local Government Act 1972.

## **CGS29 WORK PROGRAMME**

The Committee, having considered its updated 12-month rolling work programme

**RESOLVED:** That The updated 12 month rolling work programme, as set out in Appendix 1 to the report submitted to the Committee, be approved.

Reason:

To allow the Committee to maintain and update its work programme.

Agenda item number: 4

The meeting finished at 8.55 pm

Signed .....

Chairman

Date .....

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

6 October 2022

- \* Councillor George Potter (Chairman)
- \* Councillor Deborah Seabrook (Vice-Chairman)

Councillor Liz Hogger  
Councillor Nigel Manning  
\* Councillor Susan Parker  
\* Councillor Tony Rooth  
Councillor James Walsh

Independent Members:

Maria Angel MBE  
\* Murray Litvak

Parish Members:

\* Julia Osborn  
Ian Symes  
\* Tim Wolfenden

\*Present

The Lead Councillor for Governance, Councillor Joss Bigmore and the Lead Councillor for Development Management, Councillor Tom Hunt were also in attendance.

### **CGS30 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillors Nigel Manning and James Walsh, and from Maria Angel MBE.

Councillors Jo Randall and Angela Gunning attended as substitutes for Councillors Nigel Manning and James Walsh respectively.

### **CGS31 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

### **CGS32 SUMMARY OF INTERNAL AUDIT REPORTS (APRIL TO OCTOBER 2022)**

The Committee considered a report on progress made by the Council's internal audit manager (KPMG) on their internal audit plan for 2022-23 for the period April to October 2022, which included a summary of the work that they had concluded since the previous report to Committee and what they had planned to do ahead of the next.

The report also reviewed:

- (a) the design and effectiveness of the complaints handling processes and controls. KPMG had provided 'partial assurance with improvements required' (amber/red rating) in that regard; and
- (b) processes and controls around payroll and had provided 'significant assurance with minor improvement opportunities' (amber/green rating) in that regard.

In debating this item, the Committee raised the following points:

- In response to a question as to whether complainants in respect of unresolved outstanding complaints were kept up to date with progress at regular intervals, the Strategic Director: Transformation and Governance confirmed that they were, especially where it was anticipated that there would be a delay in responding.

- Concerns over one complaint being outstanding for over a year, and the poor performance for meeting the target for initial acknowledgement of complaints. It was suggested that a considerably shorter target timescale than March 2023 should be set to improve complaints handling. It was acknowledged that the customer service team had gone through a major transformation and would become more resilient over time, and ultimately provide a better service. It was also accepted that some of these complaints were particularly complex often requiring input from several departments, or external bodies. It was anticipated that improvements would be in place before the end of March 2023.
- The Joint Chief Executive confirmed that the whole approach around customer service and customer engagement would be a top priority for the new Joint Management Team, which was now in place.
- The Chairman requested that a more detailed breakdown of the action to be taken within the management action plan to improve complaint handling be circulated to the Committee.
- The auditor's rating for Financial Controls: Payroll of 'significant assurance with minor improvement opportunities' was queried given the impact on the overall budget of the salary budget discrepancy that had recently come to light following Future Guildford. The internal auditors commented that the scope of their financial controls review on payroll was around looking at processes and controls and did not extend to looking at the budget variance mentioned. It would, however, be in scope for the forthcoming budgetary controls review.
- In response to a question as to whether the 25 sampled complaints were representative of the overall number and type of complaints received, the internal auditor confirmed that they were; and also, whether, within the 25 sampled complaints, there was any trend showing a greater number of complaints regarding particular services, the Committee was informed that there was no such trend. The Chairman requested that details of the 25 sampled complaints be circulated to the Committee.
- The Joint Chief Executive suggested that rather than focusing on the 25 sampled complaints, there needed to be a more comprehensive discussion, probably as part of the performance monitoring process, around customer service and complaints handling in the round using a wider range of more meaningful statistics.
- In response to a question as to whether, in light of management's forecast rating of assurance for both areas had been amber-red and that it appeared that management was already aware of shortcomings in both areas, any remedial action was already in hand at the time of the audit, the Joint Strategic Director: Transformation and Governance, confirmed that, within the areas identified some improvements were being put in place. The Joint Chief Executive confirmed that internal audit works very closely with management in determining what should be in the audit plan and the main purpose of internal audit was to help management discover root causes of problems and to identify potential solutions to them.
- It was suggested that Overview and Scrutiny Committee may wish to focus on, as part of the performance monitoring process, the more qualitative performance indicators. The Chairman suggested that the Committee asks the Corporate Management Board to consider adding a new KPI to the Performance Monitoring Report to Overview and Scrutiny Committee on complaint handling and the time taken to resolve complaints.
- It was also suggested that the Corporate Management Board be requested to bring a brief update to the Committee at its March 2023 meeting, so that it could receive assurance that the agreed management actions were being carried out.

- In response to the Chairman's comments regarding the Council's poor performance in responding promptly to complaints and general enquiries and a question as to why it had taken until this audit review for the scale of the problem to be recognised and reported to councillors, the Committee were reminded that management had already put in place remedial measures to address the issues, for example in dealing with the large increase in the submission of planning applications, and improving training for the customer services team. It was accepted that there should have been better reporting to councillors of the scale of the problem across all the Council's services.
- In response to a question on the internal auditor's finding in relation to payroll, in particular that there were "no formal policies or procedures outlining roles and responsibilities of officers across HR, payroll and resources", the internal auditor clarified that they had found that the experience and skills of the relevant officers were extensive and that they were aware of the procedures to follow and the majority of their testing reflected that those processes were well known and well embedded. However, it was the lack of formal documentation of those processes that the internal auditor had highlighted.

#### The Committee

RESOLVED: That the Internal Audit Progress Report (April to October 2022), attached as Appendix 1 to the report submitted to the Committee, together with the key findings from the reviews undertaken since the last report to the Committee, be noted.

#### Reason:

To ensure good governance arrangements and internal control by undertaking an adequate level of audit coverage.

Action:	Officer to action:
<p>To circulate to the Committee:</p> <p>(a) details of the 25 sampled complaints referred to in the internal audit review</p> <p>(b) a more detailed breakdown of the action to be taken within the management action plan to improve complaint handing be circulated.</p>	<p>(a) KPMG</p> <p>(b) Executive Head of Communications and Customer Service</p>
<p>The Corporate Management Board be requested to:</p> <p>(a) consider adding a new KPI to the Performance Monitoring Report to Overview and Scrutiny Committee on complaint handling and the time taken to resolve complaints; and</p> <p>(b) bring a brief update to the Corporate Governance &amp; Standards Committee at its 15 March 2023 meeting, so that it could receive assurance that the agreed management actions were being carried out.</p>	<p>Joint Strategic Director: Community Wellbeing/ Executive Head of Communications and Customer Service</p>

### CGS33 SECTION 106 MONITORING REPORT

The Committee considered a monitoring report showing the details of Section 106 contributions that had been secured, received, and spent as at the date of the report. In cases where the contribution had not yet been spent, the report had shown whether the contribution had been committed to a project.

The Committee noted that Section 106 Agreements could be used to secure financial contributions towards infrastructure. The Council would only seek contributions where a proposed development created additional need or exacerbated an existing deficiency and where it complied with the three tests set out in the Community Infrastructure Levy Regulations 2010 (as amended).

Section 106 Agreements were recorded and monitored using a module of the Acolaid planning database, from the signing of the agreement to spending the contributions. The Council's Finance team also kept a monitor of income and spend of developer contributions.

Detailed information on Section 106 contributions towards infrastructure were included in the report, which was split into three main sections, S106 Funds Available, S106 Pending Funds and S106 Spent Funds.

As at 31 March 2022, there was a balance of £3,798,626 for GBC S106 contributions and £11,574,658 for the SPA Reserves as well as £8,278,877 for Surrey County Council (SCC) and other relevant bodies; these sums being developer contributions that had been received but not spent or passed to relevant bodies.

Following consideration of the first S106 Monitoring Report in April 2022, the Committee had requested various changes to the report which had now been implemented, which included:

- Grouping the report by Ward
- Add descriptions for all purpose types
- Additional section of the report showing the 'at risk funds',
- Removal of the 01/04/2019 date criterion from the Pending Funds section.

Detailed information on Section 106 contributions towards infrastructure was set out in the Monitoring Report. The information had been split into four main sections, S106 Expired Funds, S106 Funds Available, S106 Pending Funds and S106 Spent Funds. It was noted that the information regarding the allocation of S106 monies would be published on the Council's website in future.

During the debate, the Committee made the following points:

- It had been suggested by the chairman that future Section 106 Monitoring reports show not only the dates on which Agreements were signed but also the dates on which monies needed to be spent or allocated. It was noted, however, that the date by which S106 monies needed to be spent or allocated was dependent on when those monies were actually received by the Council, and in many cases, this might not have happened so in those circumstances it would not be possible to provide a 'spend by' date.
- In response to a request for a summary table of information showing the overall headings of Expired Funds, Available Funds, Pending Funds, and Spent Funds, officers indicated that the format of the report was an evolving document and that they would be happy to explore how information could be better displayed in future reports.
- In response to an enquiry as to how Surrey County Council (SCC) were made aware that they had £4.5 million of uncommitted Section 106 money to spend on primary and secondary education, and who ensured that that money was spent in the borough and not elsewhere in the county, officers advised that projects were identified at the planning application stage and the relevant spend authority (SCC) had to ensure that such projects met regulatory requirements and officers needed to be satisfied that those had been met before they would seek a contribution for such a project. It was for SCC as Education Authority to identify where those projects were required and to provide the



evidence in support. Regular updates were provided to SCC notifying them of availability of new funds and requesting details of spend projects.

- Request for details within the monitoring report as to who was responsible for spending committed S106 monies and for more information about how much SANG and SAMM contributions were allocated to each site, perhaps by way of a pie chart.
- In response to a request for information as to the risk of having to repay the £196,365 of expired S106 monies and whether any developers had reclaimed any contributions, officers confirmed that the risk of repayment was low and that no expired funds had been repaid. Considerable progress was being made in terms of establishing the projects for which expired funds could be allocated.
- Concern that uncommitted funds had increased by £270,000 over the past six months compared to the figures in the April 2022 report and concern over adequacy of progress in committing and spending funds. It was suggested that future reports should make comparisons with the figures from the previous report with commentary, as appropriate, on the variance between the two.
- In response to a request for a definition of “committed funds”, officers confirmed that contributions were marked as committed when the relevant spend officer or authority had confirmed that they had spend plans for particular allocated contributions.

The Committee

RESOLVED:

- (1) That the Section 106 Monitoring Report be noted.
- (2) That the Lead Councillor for Development Management and officers be requested to give priority to expediting arrangements internally to ensure, as far as practicable, that “Expired Funds” are allocated to schemes, or purposes for which the S106 Agreement was entered into.

Reason:

To ensure that the Committee is informed of the extent to which S106 funds are available, pending, and spent/committed.

Action:	Officer to action:
To give priority to expediting arrangements internally to ensure, as far as practicable, that “Expired Funds” are allocated to schemes, or purposes for which the S106 Agreement was entered into.	Interim Head of Place/ Specialist – S106 Officer
To ensure future Section 106 Monitoring reports provide: (a) not only the dates on which Agreements were signed but also, where possible, the dates on which monies needed to be spent or allocated. (b) a summary table of information showing the overall headings of Expired Funds, Available Funds, Pending Funds, and Spent Funds (c) details as to who was responsible for spending committed S106 monies (d) more information about how much SANG and SAMM contributions were allocated to each site, perhaps by way of a pie chart. (e) comparisons with the figures from the previous report with commentary, as appropriate, on the variance between the two.	Specialist – S106 Officer

### **CGS34 FREEDOM OF INFORMATION COMPLIANCE UPDATE**

The Committee considered an update report on the monitoring of the Council's performance in dealing with Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.

Following a fall in performance standards during 2020-21 largely due to the Covid pandemic lockdown and recent corporate restructures, performance rates for timely delivery of FOI/EIR requests within the 20-working day deadline had since improved over the 2021-22 financial year as well as during the first half of the 2022 calendar year.

The Committee noted that the Council had received 592 FOI/EIR requests during the 2021-22 financial year, of which 92% were responded to within the 20-working day deadline. This marked a 10% improvement in performance from the 2020-21 financial year. The Council therefore now exceeded the Information Commissioner's performance indicator of 85%, and the 90% target agreed by Corporate Management Team.

Furthermore, following the Committee's request to monitor, as an additional target, response rates dealt with within 10 working days, the Committee noted that, during the 2021-22 financial year, 225 requests (38% of the total) were responded to within 10 or fewer working days.

The Council's performance rate for the first quarter of the current financial year (April to June 2022) had seen a continuation of this trend with 93% of the 221 requests being on target, of which 80 (36%) had been closed within 10 or fewer working days.

The Committee

RESOLVED: That the Freedom of Information Compliance Report for 2021 be noted and that the Committee continues to receive six monthly updates.

#### Reasons:

- To ensure that the Committee is kept up to date with developments in the FOI/EIR framework
- To ensure that the Committee has the necessary information to enable requests for information to be made easily to the Council and properly responded to
- To assist with learning lessons and improving performance following requests for information made to the Council

### **CGS35 DATA PROTECTION AND INFORMATION SECURITY UPDATE REPORT**

The Committee considered a report from the Information Governance Officer that provided an update on developments in data protection and information security within the council since the last report of April 2022. The report covered governance successes, information assurance successes and objectives for the coming six months.

During the debate, the following points were made:

- In response to concerns over the poor take-up of cybersecurity training and the need to ensure that those who need the training actually receive it, the Information Governance Officer commented that he had highlighted the need for the training at the Privacy and Information Group, and that, since the report had been written, a number of officers had received the training. Further emails would be sent to publicise the training.
- It was suggested that the uptake of the training by both officers and councillors should be monitored, and the details reported to the Committee in the next report

## The Committee

RESOLVED: That the update report be noted, and that the report be presented annually to the Committee in future.

Reason:

To ensure that the Committee is kept up to date with developments in the Council's data protection and information security framework.

<b>Action:</b>	<b>Officer to action:</b>
To include in the next report details of the uptake of cybersecurity training by both officers and councillors	Information Governance Officer
To provide the update report annually in future.	Information Governance Officer/Democratic Services and Elections Manager

**CGS36 FINANCIAL MONITORING 2022-23**

The Committee considered the Financial Monitoring Report, which summarised the projected outturn position for the Council's General Fund (GF) revenue account and Housing Revenue Account (HRA), based on the latest actual and accrued data to date.

This was an early insight mid-way through the financial year during a period of macro-economic uncertainty caused by seismic global and domestic factors which were changing rapidly. The report identified issues which must be immediately addressed, but also pressures which would vary in intensity during the year and would require a flexible and evolving response.

Officers were projecting a net budget shortfall on the GF revenue account of £3.3 million, which could potentially be met in year by financial discipline and a transfer from unearmarked reserves. £1.7 million of the shortfall related to current inflationary pressures and of that £1.6 million related to projections of utility costs on leisure centres. The report had set out: the detail behind these variations; areas for concern including a potential salary budget discrepancy and economic uncertainty; and actions to mitigate these risks.

The Corporate Management Board was currently implementing measures to address the budget gap in 2022-23 and the initial actions were set out in the budget pressures report considered by this Committee at its meeting on 29 September. As some of those measures would be one-off in-year adjustments, further action would be prioritised in the mid-year review of the Medium-Term Financial Plan which would be reported to the Committee in November.

The Council was currently forecasting to have £46.4 million in General Fund reserves at the end of the year and currently, £3.6 million of this was not earmarked for other purposes.

The surplus on the HRA would enable a projected transfer of £7.2 million to the new build reserve and meet the forecasted £2.5 million to the reserve for future capital at year-end.

Progress against significant capital projects on the approved programme as outlined in section 7 of the report was underway. The Council expected to spend £97 million on its capital schemes by the end of the financial year.

The Council's underlying need to borrow to finance the capital programme was expected to be £50.84 million by 31 March 2023, against an estimated position of £104.28 million. The lower

underlying need to borrow was a result of slippage on both the approved and provisional capital programme, as detailed in paragraphs 7.2 to 7.7 of the report.

The Council held £131 million of investments and £279 million of external borrowing on 31 July, which included £147 million of HRA long-term loans. Officers confirmed that the Council had complied with its Prudential indicators in the period, which were set in February 2022 as part of the Council's Capital and Investment Strategy.

During the debate, the Committee noted the following comments:

- In response to a request for clarification of the likely impact on utility costs of the Government's announcement on 21 September of a cap on the unit price for electricity for businesses and whether it would also apply to local authorities, officers indicated that no further detail on this had been received from the government. Once the detailed information was received officers would carry out sensitivity analysis in respect of the Council's energy costs and circulate the findings to all councillors.
- Concern over increasing costs of delayed schemes in the capital programme.
- Concern over impact on the Council's finances of the increasing cost of borrowing, particularly under the Public Works Load Board.
- Concern over impact of cost-of-living crisis on social housing tenants and their ability to pay their rent.
- Request that any future update from Arlingclose on the economic impact of the current financial situation as it affects the Council which is relevant to this discussion be circulated to all councillors.
- Request that future reports clarify the extent to which debts were overdue.
- Concern that there was a high proportion of overdue debt with no payment plan.

The Committee

RESOLVED: That the Council's financial monitoring for the financial year 2022-23 to date be noted and the Executive be asked to note the Committee's comments and observations referred to above.

Reason:

To allow the Committee to undertake its role in relation to scrutinising the Council's finances.

Action:	Officer to action:
To circulate to the Committee:  (a) Details of sensitivity analysis in respect of the Council's energy costs once the detailed information on any cap on unit prices was received (b) any future update from Arlingclose on the economic impact of the current financial situation as it affects the Council, particularly in terms of interest rates and impacts on vulnerable residents	Executive Head of Finance
To ensure that future reports clarify the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt has no payment plan.	Executive Head of Finance

**CGS37 COUNCILLOR TRAINING AND DEVELOPMENT ANNUAL REPORT 2022-23**

The Committee considered the annual report from the Councillor Development Steering Group, which set out details of the training and development opportunities for councillors, including training events held since September 2021. The report had highlighted, amongst other things, the importance of developing a more collaborative approach with Waverley in respect of member training in order to provide greater opportunities for councillors of both authorities to attend, on a reciprocal basis, training of a more generic nature particularly in respect of the new member induction programme to be held following next year's elections.

The report included a copy of the First draft induction programme to be held from May-July 2023 for new and re-elected councillors, which had been discussed with the Steering Group at its meeting on 3 October 2022. It was noted that the Corporate Management Board had asked that enforcement be included in the induction programme.

As part of the induction programme, it was also proposed to offer a more formal Executive Member Training Programme via the Leadership Academy scheme run by the Local Government Association, detailed details of which were included in the report.

The induction programme also included some sessions for parish councillors on ethical standards and data protection, and it was also proposed to enhance that training offer for parish councils with the inclusion of training for them on the planning process.

The Committee noted that the Councillors' Training and Development budget was currently £14,000 per annum. In view of the number of external trainers that were likely to be used for the proposed induction training programme for new councillors in 2023, as well as to account for the potential spend in providing training to Executive members, it was proposed to make provision in the 2023-24 draft budget for an increase in the Councillors' Training and Development budget, for that year only, to £22,000. This would represent a growth of £8,000 for the 2023-24 budget unless other budgets can be reduced to accommodate the increase. The budget for Councillor Training and Development would revert to £14,000 per annum in subsequent years.

The Committee

**RESOLVED:**

- (1) That the Committee notes the valuable work being undertaken by the Councillor Development Steering Group in developing a clear structured plan for councillor development that responds both to the Council's corporate priorities and councillors' individual training needs.
- (2) That the Executive be asked to agree to make provision in the draft budget for 2023-24 of £22,000 to cover the cost of new councillor induction including executive member training, with the budget reverting to £14,000 p.a. thereafter.

**Reason:**

To recognise the important and ongoing work of the Councillor Development Steering Group

<b>Action:</b>	<b>Officer to action:</b>
To make provision in the draft budget for 2023-24 of £22,000 to cover the cost of new councillor induction including executive member training, with the budget reverting to £14,000 p.a. thereafter	Democratic Services and Elections Manager

Agenda item number: 4

The meeting finished at 9.20 pm

Signed .....

Chairman

Date .....

## Corporate Governance and Standards Committee

**17 November 2022**

### Decision and Action tracker

This tracker monitors progress against the decisions and actions that the Committee has agreed since January 2022. It is updated for each committee meeting. When decisions / actions are reported as being ‘completed’, the Committee will be asked to agree to remove these items from the tracker.

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
21 April 2022	Work Programme	<p>(a) To provide an update on progress with the allocation of unspent S.106 monies potentially at risk of being returned in the Financial Monitoring Report scheduled for the 28 July meeting.</p> <p>(b) To provide an informal interim progress report on unspent S.106 monies to the Committee prior to the July meeting.</p> <p>(c) To determine as part of the consideration of the Financial Monitoring Report at the July meeting the frequency of future S.106 Monitoring Reports.</p>	<p>Lead Specialist (Finance)/ Specialist – S106 officer</p> <p>“ “</p> <p>“ “</p>	<p>Update given in S106 Monitoring Report to Committee on 6 October 2022</p> <p>Frequency of future S106 Monitoring Reports has not been considered</p>
16 June 2022	Planning Appeals Monitoring Report	<p>(a) To provide an update to members of the Committee on the outcome of a review of the correspondence received from a member of public in relation to alleged inaccuracies in the figures in the report.</p> <p>(b) To include in future reports the number appeals submitted in respect of non-determination.</p>	Interim Head of Place	<p>(a) Not yet provided</p> <p>(b), (c), and (d): Noted for future reports</p>

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		<p>(c) To include in the summary table at the beginning of future reports the information provided as percentage figures and also show the total number of appeals in progress and some indication of the stage at which they are progressing.</p> <p>(d) To present future reports to the Committee on an annual basis.</p>		
28 July 2022	Annual Governance Statement 2021-22	(a) To provide an update on progress with the 13 follow-up reviews of audits which received partial assurance in 2020-21, which had not yet been fully implemented.	Director of Resources	(a) Of the 13 follow-up reviews, 3 relate to treasury management, 3 relate to performance monitoring (2 around staff sickness absence: <u>Officer response</u> : IT are still procuring a consultant and no development work has been carried out since May. We continue to apply a number of work arounds and manual interventions to the system and this month we have introduced a thorough manual monthly check on sickness absence monitoring and sick pay.



Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		<p>(b) To delete the 7<sup>th</sup> bullet point in the table on page 40 of the agenda</p> <p>(c) To include reference in the table in section 3 of the AGS, as achievements by the Council, a uniform Code of Conduct for borough and parish councillors, and the provision of training for parish councillors notably on GDPR.</p>		<p>and 1 a simple update to a KPI definition in respect of major planning applications)</p> <p>and 7 relate to risk management – KPMG have undertaken their 2022-23 internal audit review of risk management which is reported elsewhere on this agenda, and they have considered those 7 recommendations as part of this work.</p> <p>(b) and (c) have been incorporated into the AGS</p>
29 September 2022	Capital and Investment outturn report 2021-22	(a) To ensure that up-to-date information on the schedule of investments and the need to review the overall situation in respect of the prudence of investments in other local authorities.	Lead Specialist - Finance	

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		(b) To clarify the position in respect of reviewing existing investments.		
6 October 2022	Summary of Internal Audit Reports (April to October 2022)	<p>To circulate to the Committee:</p> <ul style="list-style-type: none"> <li>(a) details of the 25 sampled complaints referred to in the internal audit review</li> <li>(b) a more detailed breakdown of the action to be taken within the management action plan to improve complaint handling be circulated.</li> </ul> <p>The Corporate Management Board be requested to:</p> <ul style="list-style-type: none"> <li>(a) consider adding a new KPI to the Performance Monitoring Report to Overview and Scrutiny Committee on complaint handling and the time taken to resolve complaints; and</li> <li>(b) bring a brief update to the Corporate Governance &amp; Standards Committee at its 15 March 2023 meeting, so that it can receive assurance that the agreed management actions were being carried out.</li> </ul>	<ul style="list-style-type: none"> <li>(a) KPMG</li> <li>(b) Executive Head of Communications and Customer Service</li> </ul> <p>Joint Strategic Director: Community Wellbeing/ Executive Head of Comms and Customer Service</p>	
6 October 2022	Section 106 Monitoring Report	<p>To give priority to expediting arrangements internally to ensure, as far as practicable, that “Expired Funds” are allocated to schemes, or purposes for which the S106 Agreement was entered into.</p> <p>To ensure future Section 106 Monitoring reports provide:</p>	<p>Interim Head of Place/ Specialist – S106 Officer</p> <p>Specialist – S106 Officer</p>	

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		(a) not only the dates on which Agreements were signed but also, where possible, the dates on which monies needed to be spent or allocated. (b) a summary table of information showing the overall headings of Expired Funds, Available Funds, Pending Funds, and Spent Funds (c) details as to who was responsible for spending committed S106 monies (d) more information about how much SANG and SAMM contributions were allocated to each site, perhaps by way of a pie chart. (e) comparisons with the figures from the previous report with commentary, as appropriate, on the variance between the two.		
6 October 2022	Data Protection and Information Security Update Report	(a) To include in the next report details of the uptake of cybersecurity training by both officers and councillors (b) To provide the update report annually in future.	Information Governance Officer/Democratic Services and Elections Manager	(a) Noted (b) Noted in Committee Work Programme
6 October 2022	Financial Monitoring 2022-23	(a) To circulate to the Committee: <ul style="list-style-type: none"> <li>Details of sensitivity analysis in respect of the Council's energy costs once the detailed information on any cap on unit prices was received</li> <li>any future update from Arlingclose on the economic impact of the current</li> </ul>	Executive Head of Finance	

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		<p>financial situation as it affects the Council, particularly in terms of interest rates and impacts on vulnerable residents</p> <p>(b) To ensure that future reports clarify the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt has no payment plan.</p>	“ “ “	
6 October 2022	Councillor Training & Development Annual Report 2022-23	To make provision in the draft budget for 2023-24 of £22,000 to cover the cost of new councillor induction including executive member training, with the budget reverting to £14,000 p.a. thereafter	Democratic Services and Elections Manager	Completed

Corporate Governance and Standards Committee Report

Ward(s) affected: All

Report of Section 151 Officer

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Lead Councillor responsible: Tim Anderson

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Date: 17 November 2022

## **Internal Audit progress report (April – November 2022)**

### **Executive Summary**

Appendix 1 presents a report from our internal audit contractor, KPMG on progress against their audit plan for 2022-23 and a summary of audit findings from the reviews undertaken during the period April to November 2022.

### **Recommendation to Committee**

The Committee is requested to note the Internal Audit Progress Report to November 2022, attached as Appendix 1, together with the key findings from the reviews undertaken since the last report to the Committee.

#### Reason for Recommendation:

To ensure good governance arrangements and internal control by undertaking an adequate level of audit coverage

**Is the report (or part of it) exempt from publication? No**

### **1. Purpose of Report**

1.1 To present a summary of audit work completed since the last meeting.

**2. Strategic Priorities**

- 2.1 The audit of Council services supports the priority of providing efficient, cost effective and relevant quality public services that give the community value for money.

**3. Background**

- 3.1 The Council's Internal Audit Plan for 2022-23 is being delivered by Neil Hewitson from KPMG, who is the Council's outsourced internal audit manager. The contract with KPMG covers the three financial years 2020-21, 2021-22 and 2022-23. A copy of their progress report and a summary of audit findings from the reviews undertaken in the period April to November 2022 is attached as Appendix 1.

**4. Financial Implications**

- 4.1 There are no financial implications as a result of this report.

**5. Legal Implications**

- 5.1 There are no legal implications as a result of this report.

**6. Human Resource Implications**

- 6.1 There are no HR implications as a result of this report.

**7. Conclusion**

- 7.1 The summary of internal audit reports is presented at Appendix 1.

**8. Background Papers**

None

**9. Appendices**

Appendix 1: Internal Audit progress report – November 2022



# Internal Audit Progress Report

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**Guildford Borough Council**

KPMG Governance, Risk and Compliance Services

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November 2022

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Appendix 1

# Content

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**Key contacts**

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Jack Crouch  
Manager  
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# Executive Summary

The purpose of this document is to provide the Corporate Governance and Standards Committee with an update on the Internal Audit plan for 2022-23. We have summarised below the key points to draw your attention to in the period since we last reported to you:

Activity	Comments
Progress against the plan	<ul style="list-style-type: none"><li>— We have finalised our Corporate Risk Management and IT Infrastructure for Remote Working reviews.</li><li>— Fieldwork is ongoing for our review of Corporate Programmes: Redevelopment Projects and Core Financial Controls: Budgetary Controls, which are due to be finalised in November and reported to CMB and CGSC in January 2023.</li><li>— We are due to commence fieldwork for our General Ledger review in November.</li></ul>
Reports completed	<ul style="list-style-type: none"><li>— We have finalised our reports on Corporate Risk Management and IT Infrastructure for Remote Working.</li></ul>
Significant findings to highlight	<ul style="list-style-type: none"><li>— We have no significant findings to highlight at this time.</li></ul>



## For information

- November 2022 internal audit progress report

# Progress of plan

Below is the status of the 2022-23 Internal Audit plan as approved by the Corporate Governance and Standards Committee.

Internal audit	Status						Results	Recommendations			
	Planning	Fieldwork	Draft Report	Final Report	Reporting to CMB	Reporting to CGSC	Overall Rating	High	Medium	Low	Total
01/22: IT Infrastructure for Remote Working	✓	✓	✓	✓	✓	✓	Significant assurance with minor improvement opportunities	-	1	2	3
02/22: Performance Monitoring – KPI Review One	✓	✓	✓	✓	✓	✓	Significant assurance with minor improvement opportunities	-	1	2	3
03/22: Performance monitoring – KPI Review Two	✓	✓	✓	✓	✓	✓					
04/22: Performance monitoring – KPI Review Three	✓	✓	✓	✓	✓	✓					
05/22: Customer Services: Complaints Handling	✓	✓	✓	✓	✓	✓	Partial assurance with improvements required	1	2	2	5
06/22: Corporate Programmes: Redevelopment Projects	✓	In progress	w/c 21 November	w/c 05 December	20 December	19 January	Not due	-	-	-	-
07/22: Corporate Risk management	✓	✓	✓	✓	✓	✓	Significant assurance with minor improvement opportunities	-	1	2	3

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# Progress of plan (cont.)

Internal audit	Status						Results	Recommendations			
	Planning	Fieldwork	Draft Report	Final Report	Reporting to CMB	Reporting to CGSC	Overall Rating	High	Medium	Low	Total
08/22: Financial controls: budgetary control	In progress	In progress	w/c 05 December	w/c 19 December	20 December	19 January	Not due	-	-	-	-
09/22: Financial controls: General Ledger	In progress	w/c 28 November	w/c 12 December	w/c 02 January	10 March	15 March	Not due	-	-	-	-
10/22: Financial controls: Payroll	✓	✓	✓	✓	✓	✓	Significant assurance with minor improvement opportunities	-	1	1	2
11/22: s.106 Contributions	In progress	w/c 05 December	w/c 19 December	w/c 02 January	10 March	15 March	Not due	-	-	-	-
12/22: Follow up reviews from 2021-22	November / December	w/c 09 January	w/c 30 January	w/c 13 February	10 March	15 March	Not due	-	-	-	-
13/22: Regeneration	November / December	w/c 09 January	w/c 30 January	w/c 13 February	10 March	15 March	Not due	-	-	-	-
14/22: Financial controls: Journals	November / December	w/c 09 January	w/c 30 January	w/c 13 February	10 March	15 March	Not due	-	-	-	-
Total								1	6	9	16

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# Appendix A – Corporate Risk Management

## Conclusion

We reviewed the design and effectiveness of the corporate risk management processes and controls at Guildford Borough Council ('the Council') and provide 'significant assurance with minor improvement opportunities' (**amber-green**), in line with management's forecast. This is driven by the well-designed risk management framework, clear governance structure for reporting and guidance in place to provide clarity over risk scoring and identification. We found there is the need to update the Corporate risk register to include additional fields to strengthen monitoring of risks and provide clearer reporting. We also raise a finding around the mandatory attendance of the relevant Service Leads with red rated risks to the Risk Management Group (RMG) meetings.

The Council's newly implemented 'Risk Management Strategy and Policy 2022-25' clearly sets out the approach to risk management and provides detailed guidance to all relevant staff on how to identify, categorise and record risks. The policy has been reviewed and approved by the RMG and Corporate Governance and Standards Committee (CGSC) and will be reviewed annually.

Individual corporate risks are discussed at quarterly RMG meetings. There is additional reporting twice a year to CGSC. Areas of concern are reported through to Corporate Management Board..

The corporate risk register is well designed with clear fields for assigning net & gross risk scores, RAG rating and mitigating controls/actions with target deadlines. We identified additional fields to be included in order to strengthen the risk register and bring it in line with best practice. This includes the date risks are added, links to Council Strategy, the name of responsible individuals and target risk scores.

The policy provides definitions of various risk tolerance such as accept, reduce, transfer etc. However, the individual corporate risks do not have assigned target scores to bring them in line with a centrally defined risk appetite.

## Summary

Overall rating:	Significant assurance with minor improvement opportunities	
Priority rating:	Control design	Operating effectiveness
High	0	0
Medium	1	0
Low	2	0

# Appendix A – Corporate Risk Management

## Areas of good practice

- ✓ The Risk Management Policy has been approved by CGSC.
- ✓ Guidance documents are split into strategic and operational levels to ensure clarity and consistency in the Council's risk management approach.
- ✓ Risk scoring criteria and matrix used for both service and corporate level risks registers are the same, ensuring a consistent approach to risk Council-wide.
- ✓ There are clear escalation routes for risks communicated to all service leads to ensure completeness of the corporate risk register.
- ✓ Clear definitions for potential mitigating controls (avoid, accept, transfer, reduce and/or exploit) identified in policy to ensure all potentialities are fully considered.
- ✓ The roles and responsibilities of the Risk Management Group are clearly identified and defined in the appendix of the Risk Management Strategy and Policy.

## Summary of key findings

### Additional risk register fields

- 2.1** The Corporate Risk Register template should be updated to include the date the risk was added to the corporate risk, links to Council Strategy, the name of responsible individuals and target risk scores.

### Updates to ToR and Policy

- 2.2** The RMG ToR and policy should be updated to provide greater clarity over the requirements for service leads owning red rated risks attending RMG for escalation to CMB.

### Council-wide risk appetite threshold

- 2.3** The Council has not formally defined risk appetite at a strategic level. Individual corporate risks do not have target risk scores aligning to risk tolerance thresholds.

# Appendix B – IT Infrastructure for Remote Working

## Conclusion

We reviewed processes relating to IT infrastructure for remote working and provide ‘significant assurance with minor improvement opportunities’ (**amber-green**), which is in line with management’s forecast. This is driven by robust and appropriate policies and procedures and governance in place for remote working. There are opportunities for improvement in relation to policies, network infrastructure and risk management.

The Council started to introduce remote working prior to the pandemic with employees still expected in a fixed office location. Due to Covid-19 rules and regulations in 2020-21, almost all staff were required to work remotely. The Council’s network infrastructure, governance, policies, and risks may have required updates at this point to reduce exposure to IT risks which remote working contributes to, such as exposure to cyber-attacks, data privacy, and the network’s ability to support a large threshold of users on the infrastructure at once.

The Council has policies widely published; new joiners are required to review and sign to confirm they have acknowledged the policies. We reviewed the Acceptable Use Policy, Remote Access Policy and Agile Working Policy, which provide guidance on how Access Rights and Privileges, Anti-Virus and Firewall Protection, Information Management, Connection Requirements, System Support and Maintenance are carried out whilst working remotely. There is a Business Continuity Plan which is updated regularly by the Lead IT Specialist and a checklist for new joiners, including mandatory training and a review of the Acceptable Use of IT Equipment Policy, IT Security Policy, Information Security Framework and Reporting Personal Information Risk Incidents. The policies state the support the Council provides for their employees when working remotely, and what is expected of staff when working remotely.

We reviewed risks at Service and Corporate level, although we did not receive any specific evidence on remote working. We raise a finding for the policies which have not been reviewed at the required date; where there could be potential exposure to working remotely if the procedures are not updated when expected, keeping employees updated with current expectations of working remotely; such as the training requirements (e.g. GDPR training), the use of IT equipment and the rights and access for the use of the Councils data. Without having risk assessments documented, with the main focus based on the network infrastructure, there is a risk the Council may not fully understand the capacity of its infrastructure, will not be prepared or respond in the event of a disaster, and face exposure to cyber-attacks with users working remotely.

## Summary

Overall rating:		Significant assurance with minor improvement opportunities	
Priority rating:	Control design	Operating effectiveness	
High	-	-	
Medium	-	1	
Low	-	2	

# Appendix B – IT Infrastructure for Remote Working

## Areas of good practice

- ✓ The Remote Access Policy outlines the requirements for remote working and defines the Access Rights and Privileges, Anti-Virus and Firewall Protection, Information Management, Connection Requirements, and System Support and Maintenance. The policy states procedural information and that ICT Security training must be completed by all employees, showing Board and Senior Leadership understand and support the importance of Data Protection with a defined vision and unified approach to managing their systems whilst working remotely.
- ✓ The Acceptable Use Policy details the appropriate use of access information, applications and systems and rights withheld by employees of the Council, showing effective controls for the handling and storage of information and to protect information from unauthorised disclosure or misuse.
- ✓ The Agile Working Policy defines fixed and agile workers, support provided for those working remotely, and refers to the requirement of all mobile workstations to be connected to the Council Network monthly to receive updates and patches.
- ✓ The Business Continuity Plan has critical systems classified according to severity and addressed accordingly, is reviewed by the third party, Applied Resilience, and is updated periodically by the Lead IT Specialist.
- ✓ A checklist is in place for new joiners, with mandatory induction training including Data Protection training, and a review of policies: Acceptable Use of ICT Equipment Policy, IT Security Policy, Information Security Framework and Reporting Personal Information Risk Incidents.
- ✓ The Data Protection Officer (DPO) provides GDPR training for all new joiners and employees, where we note discussion of the Data Protection Act, conditions of processing personal data, use of emails and accessing Council information, and demonstrating analyses of how often data breaches can occur due to human error.

## Summary of key findings

### Remote Working Risk Assessments

2.1

Lack of formally documented, regular risk assessments specific to remote working performed, in light of much-increased remotely working due to Covid-19 regulations.

### Corporate-level BCP

2.2

The Corporate-level Business Continuity Plan (BCP) is to be drafted and then reviewed and approved by Corporate Management Board (CMB).

### Regular review of key policies

2.3

The policies have not been reviewed by the Council at the scheduled date of October 2021.





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Corporate Governance and Standards Committee Report

Ward(s) affected: All

Report of Strategic Director: Transformation and Governance

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Date: 17 November 2022

## **Risk Management and Corporate Risk Register**

### **Executive Summary**

This report presents the changes to the corporate risk register since it was last presented to this Committee in April 2022, including the change in residual RAG ratings in respect of three corporate risks, as shown by table 1.

This report also details how the new process continues to achieve the desired outcomes set out in the Risk Management Strategy and Policy as well as setting out any changes made to the Strategy and Policy by the Risk Management Group.

### **Recommendation to Committee**

- (1) That the Committee considers the corporate risk register and makes any observations or comments.
- (2) That the Committee considers the progress made to implement the new risk management process and makes any observations or comments.

### **Reason for Recommendation:**

The Risk Management Strategy and Policy states that this Committee will review the corporate risk register on a six-monthly basis. It is the responsibility of the Committee to ensure it is satisfied that the Council operates and maintains a robust and effective risk management process.

**Is the report (or part of it) exempt from publication? No**

## **1. Purpose of Report**

- 1.1 The purpose of this report is to present the changes to the corporate risk register since it was last presented to this Committee in April 2022. This report also details the results of the light-touch review of the Strategy and Policy and provides an assessment of the achievement of the Strategy and Policy's outcomes.

## **2. Strategic Priorities**

- 2.1 In order to achieve its strategic priorities, the Council must identify, manage, and learn from corporate risks. The new corporate risk register enables the Council to better articulate and mitigate the risks to achieving its strategic priorities.

## **3. Background**

- 3.1 At its meeting in April 2022, the Committee received the new corporate risk register and the Risk Management Strategy and Policy. The report can [be accessed online](#). Since then, the new Risk Management Group (RMG) has met three times and reported to Corporate Management Board (CMB) in accordance with the roles and responsibilities set out within the Strategy and Policy document.
- 3.2 This report outlines the changes to the corporate risk register since April 2022, including the addition of new risks and changes to scoring which are detailed in Appendix 2.
- 3.3 At the time of writing this report, KPMG is undertaking an audit of the new corporate risk management process. The next report to come to Committee (June 2023) will respond to the recommendations made in KPMG's audit report relating to the Council's risk management process. As set out in the Risk Management Strategy, the results of this audit will be considered when assessing the performance of the Strategy.
- 3.4 The Committee is reminded that the new risk management process was developed in alignment with that of Waverley Borough Council. This provides a foundation for future collaboration work between our Councils on risk.

## **4. Corporate Risk Register**

- 4.1 Table 1 below presents the changes made to the corporate risk register since it came to Committee in April 2022. Appendix 2 contains a heat map showing how the changes to overall residual risk scores have affected RAG ratings of risks.

Table 1

	<b>Previous</b>	<b>Change</b>	<b>Reasoning</b>
1.		Addition of CR22	Referral by Health & Safety Group re roof running.
2.	CR5 Risk description: There is a risk that a cyber security incident could lead to the loss of IT systems or data	Changed to: There is a risk that the Council experiences a loss of IT systems or data, for example as a result of a cyber security incident.	To focus on the risk of losing IT systems or data as opposed to examples of how it could be lost.
3.	CR5 Factors affecting likelihood: International political unrest and conflict (e.g. Ukraine) - hostile state actors seeking to disrupt workings of western governments.	Addition of: Multiple databases contained within Salesforce as a single platform	Addition by Information Governance Officer
	CR6 Mitigation measures: Agency recruitment through Comensura or procurement exemption Acting up of junior officers to fulfil these roles	Addition of: Considering 'grow your own' training programmes Consider fundamental review or recruitment and retention Annual pay negotiations Making use of potential collaboration opportunities	Addition by Risk Management Group to reflect new opportunities
4.	Mitigation of CR21: Training with Association of Public Service Excellence. Development of energy monitoring capabilities with corporate performance indicators on 'energy use by the Council: gas, electricity and fleet' and 'CO2 emissions from Council operations' starting to be monitored in Q2 2022/23	Changed to: Action plan going to Council to provide clear pathway to net zero carbon. A revised carbon reduction trajectory report has been commissioned and is expected later this year, allowing the Council to better forecast its success at reaching the target.	Updated mitigation measures.

	Previous	Change	Reasoning
5.	CR16 and CR17 Factors affecting likelihood: Human error, failure to observe policy, failure to attend training, technical faults.	Addition of: Lack of agreed data sharing process between the two councils. Information Security Officer post is vacant.	Update on current situation.
6a.	CR6 residual impact score 3	to 2	Updated by RMG, see risk heatmap attached for residual overall score changes.
6b.	<b>CR6 residual overall score from 18</b>	to 12	
6c.	CR9 gross likelihood score changed from 4	to 5	
6d.	CR9 gross impact from 2	to 4	
6e.	CR9 gross overall score change from 8	to 20	
6f.	CR9 residual likelihood from 3	to 4	
6g.	CR9 residual impact from 2	to 4	
6h.	<b>CR9 residual overall score change from 6</b>	to 16	
6i.	CR14 gross likelihood from 5	to 6	
6j.	CR14 gross impact from 3	to 4	
6k.	CR14 gross overall score change from 15	to 24	
6l.	CR14 residual likelihood from 4	to 6	
6m.	CR14 residual impact from 2	to 4	
6n.	<b>CR14 residual overall score from 8</b>	<b>to 24</b>	
7a.	Change in gross overall RAG rating of: CR1, CR2, CR3, CR7 and CR13 changed from red	to amber	Error in original RAG
7b.	CR9 gross and residual overall RAG from amber	to red	Revised scoring
7c.	CR14 residual overall RAG from amber	to red	Revised scoring
8.		Addition of CR18 (legal timeframe for FOIs) and	Addition by Strategy and Communications Manager

	Previous	Change	Reasoning
		subsequent renumbering of CR18, CR19, CR20	
9.		Addition of CR22, CR23 and CR24	Additions by CMB 7 September 2022
		Addition of CR25 and CR26	Additions by RMG 18 October 2022

## 5. Risk Management Strategy and Policy

### Outcomes of the Strategy and Policy

- 5.1 The desired outcome for the new risk management process, as set out in the Risk Management Strategy and Policy, is 'the effective management of risk across the whole organisation resulting in the anticipation and resolution of risks before they become issues, and the leveraging of potential opportunities'. In order to achieve this, a common understanding of the risk management process is developing across the Council with all services completing risk registers and inputting into the corporate risk register.
- 5.2 The new process has provided a consistent method of assessing and monitoring risks and has enabled better identification and articulation of risk across the Council.
- 5.3 The governance route for risk has been simplified and standardised by the new risk management process, as set out in the Risk Strategy and Policy which came to this Committee in April 2022. This has resulted in risks, identified either within services or corporately, being escalated through the governance process to enable review at a suitable level.

### Reviewing the Strategy and Policy

- 5.4 The Risk Management Strategy and Policy is reviewed annually with the next review due in April 2023. At its meeting on 19 October 2022, the RMG concluded at this stage the only change to the Strategy and Policy needed is the updating of membership and officers' titles following the collaboration changes. These are minor changes (set out in Appendix 3) which are delegated to the Strategy and Communications Manager (new position being the Executive Head of Organisational Development) in consultation with the Lead Councillor.

**6. Consultations**

- 6.1 Heads of Service are consulted on the corporate risk register regularly, including in advance of each RMG meeting and report to CMB.

**7. Key Risks**

- 7.1 Without a fit-for-purpose and consistent risk management process the Council risks being exposed to unnecessary and unacceptable risks.

**8. Financial Implications**

- 8.1 There are no financial implications arising directly from this report.

**9. Legal Implications**

- 9.1 The Accounts and Audit Regulations 2015, Regulation 3, provides that: 'A relevant authority must ensure that it has a sound system of internal control which—(a) facilitates the effective exercise of its functions and the achievement of its aims and objectives; (b) ensures that the financial and operational management of the authority is effective; and (c) includes effective arrangements for the management of risk.
- 9.2 The proposals in this report contribute to the Council's effective arrangements for the management of risk.

**10. Human Resource Implications**

- 10.1 The Council's Risk Management Strategy and Policy sets out the approach to risk management at both strategic and operational levels and outlines the roles and responsibilities of posts and services across the Council. Accountabilities and responsibilities of employees and specific posts for managing risks are clearly communicated in the risk register. All senior managers have overall responsibility for managing risks in their service area. We will increase the understanding and expertise of these risk management roles through targeted training of employees and the sharing of good practice.
- 10.2 The Council is responsible as an employer for the health and safety of its employees, councillors and the general public. The aim of the Risk Management Strategy and Policy is to implement common methods of risk identification, assessment and monitoring to provide protection from harm. The risk management process supports the service specific risk processes that are in place for health and safety. As the Council moves to different models of service delivery the health and safety risks will be reviewed through those processes.

## **11. Equality and Diversity Implications**

- 11.1 The Public Sector Equality Duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

## **12. Climate Change/Sustainability Implications**

- 12.1 There are no direct climate change or sustainability implications of this report. The Council must manage risk effectively, especially risks relating to programmes and projects, in order to achieve its goal of being net-zero carbon by 2030.

## **13. Summary of Options**

- 13.1 The Committee is asked to consider and comment on the changes made to the corporate risk register and on the effective implementation of the risk management process.

## **14. Conclusion**

- 14.1 The new risk management process is embedding with risks being effectively identified, articulated and escalated through the appropriate governance channels. The Committee will receive a report in June 2023 detailing the latest changes to the corporate risk register and any amendments to the Risk Management Strategy and Policy. The RMG has concluded that at this stage the only amendments needed to the Risk Management Strategy and Policy are the updating of the membership and job titles. A more detailed review of the document will take place in April 2023, as per the review process detailed within the document.

## **15. Background Papers**

None

## **16. Appendices**

Appendix 1: Corporate risk register

Appendix 2: Risk heatmap

Appendix 3: Updated roles and responsibilities

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Risk domain most impactful on rating	Risk ref	Risk description (there is a risk that...)	Consequence (which could/would result in)	Factors affecting likelihood	Gross likelihood of risk	Gross impact of risk	Gross score	Mitigation measures - reduce impact or likelihood	Target dates for mitigation	Action owner / Executive Head	Residual likelihood	Residual impact	Residual score	Comment
Health and Safety	CR1	There is a risk that a member of staff or a Council contractor is involved in an incident or accident at work	Which could result in serious injury, ill health or loss of life and could result in financial loss and reputational impact to the Council. This risk is most significant in Operational and Technical Services (depot, refuse collection)	The Council regularly undertakes work which can be dangerous without proper training and application e.g. refuse collection and the operation of large machinery	3	4	12	Risk assessments in place for all appropriate activities and appropriate measures put in place; New starters are required to attend corporate induction training which includes health and safety in the workplace. All staff complete appropriate training related to health and safety in the workplace Corporate Health & Safety Policies in place, including Accident, Occupational Health, Near Miss, Dangerous Occurrence Reporting Procedure; Corporate Construction Design & Management Policy; Corporate Contractor Activity Control Procedure; Fire Safety; Legionella Control and Asbestos; Lone working & violence at work policy Fire Drills Corporate Health and Safety Group	Ongoing (as part of Corporate Induction); Risk assessments are ongoing. Service risk registers to be completed by October 2020.	All Exec Heads Corporate Health and Safety Group Premises Managers	2	4	8	
Health and Safety	CR2	There is a risk that the public is involved in an incident or accident relating to the Council's work or work carried out by a contractor on the Council's behalf	Which could result in injury, ill health or loss of life and could result in financial loss and reputational impact to the Council.	The Council regularly undertakes work which can be dangerous without proper training and application e.g. refuse collection and the operation of large machinery	3	4	12	All teams providing services to the public must complete risk assessments where appropriate and report to the corporate Health and Safety Group. Corporate Health & Safety Policies in place, including Accident, Occupational Health, Near Miss, Dangerous Occurrence Reporting Procedure; Corporate Construction Design & Management Policy; Corporate Contractor Activity Control Procedure; Fire Safety; Legionella Control and Asbestos;	Risk assessments are ongoing. Service risk registers to be completed by October 2022.	All Exec Heads Corporate Health and Safety Group	2	4	8	
Health and Safety	CR3	There is a risk that vulnerable adults and children are not properly safeguarded	Which would result in harm to those vulnerable adults and children and the inability to meet statutory duties which could result in associated legal challenge and potentially reputational damage to the Council		3	4	12	Safeguarding policy and procedures are reviewed regularly and included in the corporate induction training. DBS checks carried out for all key roles	Ongoing (as part of Corporate Induction)	Exec Head of Community Services	2	4	8	Agenda item number: 7 Appendix 1

Risk domain most impactful on rating	Risk ref	Risk description (there is a risk that...)	Consequence (which could/would result in)	Factors affecting likelihood	Gross likelihood of risk	Gross impact of risk	Gross score	Mitigation measures - reduce impact or likelihood	Target dates for mitigation	Action owner / Executive Head	Residual likelihood	Residual impact	Residual score	Comment
Service delivery	CR4	There is a risk that the Council suffers a loss of premises, operational property, facilities and/or equipment across some or all of its properties	Which could result in the disruption of key services and activities for customers.		2	4	8	The Council completes and keeps up to date a corporate business continuity plan and all services complete and update their own service business continuity plans	01/04/2022 for completion with ongoing updates	Exec Head of Organisational Development	2	3	6	Agenda item number: 7 Appendix 1
Service delivery	CR5	There is a risk that the Council experiences a loss of IT systems or data, from example as a result of a cyber security incident	Which would result in the Council being unable to operate as normal and disruption to services	International political unrest and conflict (eg, Ukraine) - hostile state actors seeking to disrupt workings of western governments. Multiple databases contained within Salesforce as a single platform	3	4	12	The Council completes and keeps up to date a corporate business continuity plan and all services complete and update their own service business continuity plans. The Council conducts regular PEN tests and reduces reliance on older systems with less security	01/04/2022 for completion of BCPs with ongoing updates. Reduction in use of older IT systems	All Exec Heads Exec Head of Customer and Communications , IT Lead Specialist Exec Head of Organisational Development	2	3	6	
Service delivery Page 50	CR6	There is a risk that the Council is unable to recruit and retain staff, including as a result of the Guildford/Waverley collaboration	Which could result in reduced capacity to deliver, compromise service delivery and quality, redirection of resources and increased spend on consultants and agency staff.	The Council is currently experiencing these issues. Various key vacant posts include Climate Change Officer and in Planning (Case Services). The Waverley/Guildford collaboration may make this more likely Some posts are especially difficult to fill - senior planning officers, surveyors and caseworkers	6	3	18	Agency recruitment through Comensura or procurement exemption Acting up of junior officers to fulfill these roles Considering 'grow your own' training programmes Consider fundamental review or recruitment and retention Annual pay negotiations Making use of potential collaboration opportunities	Ongoing	Exec Head of Organisational Development, Lead Specialist - HR	6	2	12	
Service delivery	CR7	There is a risk that external events cause major emergencies and incidents in the borough (such as flooding, fire, terrorism, climate change, pandemic/new variant of Covid-19)	Which would result in disruption to service delivery and redirection of resources/temporary reduction or loss of staff, loss of income/increased costs		3	4	12	Covid group meeting regularly Business Continuity and Recovery Plans in place	Ongoing	Exec Head of Organisational Development Exec Head of Regulatory Services	3	3	9	

Risk domain most impactful on rating	Risk ref	Risk description (there is a risk that...)	Consequence (which could/would result in)	Factors affecting likelihood	Gross likelihood of risk	Gross impact of risk	Gross score	Mitigation measures - reduce impact or likelihood	Target dates for mitigation	Action owner / Executive Head	Residual likelihood	Residual impact	Residual score	Comment
Financial	CR8	The a risk that the Guildford-Waverley collaboration does not meet its objectives.	Which could result in: increased/sustained financial difficulty to the Council and may cause resources to be redirected; the Council being unable to produce a balanced budget and reputational damage; disruption to service delivery	Need for robust business cases and strategic direction Some teams are already reporting being under-resourced, changes to staffing structure may result in a reduction in capacity.	4	3	12	Completed Inter-Authority Agreement Comprehensive risk register in place for collaboration Council's Constitution; Financial Procedure Rules; High-level financial feasibility study by local partners;	Ongoing	Joint Chief Executive	3	2	6	
Financial	CR9	There is a risk that capital programmes and projects experience issues that affect time, quality or budget	Which could result in the Council not achieving its priorities, reputational damage and financial difficulty through an increase in costs	Verto (programme and project management system) being implemented for programmes and projects at present Loss of project managers Inadequate business cases	5	4	20	PPM Governance procedures in place Regular monitoring through Major Projects programme board and regular financial reporting to CMT Enterprise Portfolio Board Financial risk register in place and reserves levels sufficient to meet risks. Monitoring of financial risk register through financial monitoring reports	01/02/2023	Exec Head of Regeneration and Planning Policy Exec Head of Finance	4	4	16	
Financial	CR10	There is a risk of bankruptcy of a supplier of a major contract	Which could result in service failure, increased demand in other service areas, bringing services back in-house which could lead to a significant escalation of costs or loss of income	Economic conditions	3	3	9	Full due diligence process when procuring Suitable legal clause in contracts Critical contracts register in place where identified contractors are subject to Financial monitoring	Ongoing	Exec Head of Legal and Democratic Services, Exec Head of Finance, Procurement Lead Specialist, Finance Lead Specialist	2	3	6	
Financial	CR11	There is a risk that the Council will be unable to achieve its ambitions in certain areas as a result of being unable to access certain funding, for example for infrastructure from LEP, Homes England etc	Which could result in the inability to commence and/or complete certain projects of work and insufficient funding to deliver services	Government's Levelling-Up Agenda and priorities for investment High national debt, national recession, Projects not meeting milestones in funding agreements	4	3	12	Regular relationship management meetings with funding bodies to promote GBC schemes Consider alternative funding mechanisms where possible Grant agreements in place with LEP and HE. Fair funding review / levelling up. Close project monitoring. Horizon scanning of funding changes.	Ongoing	Exec Head of Regeneration and Planning Policy	3	3	9	Agenda item number: 7 Appendix 1
Financial	CR12	There is a risk that the Council will be unable to make the savings required to close the budget gap	Which would result in being unable to achieve the Medium Term Financial Plan (MTFP)	Political will	4	3	12	Robust budget forecast and discipline, savings strategy and effective decision-making. More thorough interrogation on assumptions when budgeting, monthly updates to Finance on forecasted spend for the year Saving programme steering group	Ongoing	Exec Head of Finance, Lead Specialist - Finance	3	3	9	

Risk domain most impactful on rating	Risk ref	Risk description (there is a risk that...)	Consequence (which could/would result in)	Factors affecting likelihood	Gross likelihood of risk	Gross impact of risk	Gross score	Mitigation measures - reduce impact or likelihood	Target dates for mitigation	Action owner / Executive Head	Residual likelihood	Residual impact	Residual score	Comment
Financial	CR13	There is a risk that the Council experiences loss of income from local income streams eg, fees and charges / council tax / property rents etc	Which would result in the budget being insufficient or incorrect and could result in closure or cessation of discretionary services, a reduction in service delivery or redirection of budgets.	Economic conditions Climate change and change of population behavioural changes and working patterns Cost of living may impact on residents' ability to pay council tax, rent etc. Business changes e.g. downsizing and office space Reduction in Govt funding Reduction in demand; Income streams haven't fully recovered to pre-covid19 levels	4	3	12	Sensitivity analysis. Financial monitoring. Reserves	Ongoing	Exec Head of Finance, Lead Specialist - Finance	4	2	8	Agenda item number: 7 Appendix 1
Financial	CR14	There is a risk that the Council experiences increased costs	Which would result in the budget being insufficient or incorrect	Economic conditions; Higher demand for some services Reduction in demand for discretionary services will increase costs for the Council Increased regulation and compliance Income streams may not fully recover to pre-covid levels Long-term behaviours in working patterns; Increase in price of fuel, salaries, energy, repairs etc Increase in construction costs if projects slip	6	4	24	Sensitivity analysis. Financial monitoring. Reserves Inter-authority agreement for Guildford/Waverley collaboration Review of service provision, financial prioritisation	Ongoing	Exec Head of Finance, Lead Specialist - Finance	6	4	24	
Financial	CR15	There is a risk that financial fraud is committed by a resident, contractor or service user	Which could result in loss/misapplication of public money or property, potential investigation into the Council's operating procedures and a compromised democratic process	Internal control weakness	3	2	6	Anti-fraud and corruption policy Procurement process asks for declaration on grounds for mandatory exclusion to include bribery, corruption, conspiracy, terrorism, fraud and money laundering	Feb-23	Exec Head of Finance, Lead Specialist - Finance	2	1	2	
Legal/regulatory	CR16	There is a risk that the Council experiences a major data breach	Which would result in multiple sensitive records of service users' personal data being leaked and could result in associated legal governance and potentially reputational (and/or financial) damage to the Council	Human error, failure to observe policy, failure to attend training, technical faults Lack of agreed data sharing process between the two councils Information Security Officer post is vacant	3	4	12	GDPR training included as part of the corporate induction programme Egress System - secure email; Information Risk Group and Action Plan; Data Protection Training Adequate technical measures	Ongoing	Exec Head of Legal and Democratic Services	2	4	8	

Risk domain most impactful on rating	Risk ref	Risk description (there is a risk that...)	Consequence (which could/would result in)	Factors affecting likelihood	Gross likelihood of risk	Gross impact of risk	Gross score	Mitigation measures - reduce impact or likelihood	Target dates for mitigation	Action owner / Executive Head	Residual likelihood	Residual impact	Residual score	Comment
Legal/regulatory	CR17	There is a risk that the Council experiences a minor data breach	Which would result in a very small amount of service users' data being shared with the wrong person and could result in financial payment	Human error, failure to observe policy, failure to attend training, technical faults Lack of agreed data sharing process between the two councils Information Security Officer post is vacant	5	1	5	GDPR training included as part of the corporate induction programme Egress System - secure email	Ongoing	Exec Head of Legal and Democratic Services	4	1	4	
Legal/regulatory	CR18	There is a risk that FOIs are not responded to in the legal timeframe	Which could result in a failure to meet our statutory duties and/or legal challenge	Only one officer in the Council coordinates FOIs	4	1	4	Robust monitoring of performance to ensure compliance with target of 90% of responses within legal timeframe	Ongoing	Exec Head of Customer and Communications	3	1	3	
Legal/regulatory	CR19	There is a risk that councillors or staff breach their codes of conduct	Which could result in poor, or lack of, decision-making and/or acting unlawfully which may have an adverse impact on the Council's reputation	Lack of knowledge; Inexperienced councillors or staff	4	1	4	New Councillor Induction programme; Councillor training; Staff Induction programme; Training Programme; Councillors ICT Policy; Councillor Code of Conduct; Staff Code of Conduct; Corporate Governance Group Monitoring Officer	Ongoing	Monitoring Officer Exec Head of Organisational Development, Lead Specialist HR	3	1	3	
Legal/regulatory	CR20	There is a risk that the Council fails to make lawful decisions and follow governance procedures	Which could result in legal challenge, reputational damage and costs to the Council		3	3	9	Regular review of constitution and training for decision-makers; Decision making processes in place / role of Monitoring Officer	Ongoing	Monitoring Officer	2	3	6	
Reputational	CR21	There is a risk that the Council fails to meet its target of becoming net carbon zero by 2030	Which would result in a missed opportunity to reduce the Council's impact on the environment and reputational damage	The delivery of this priority is impacted by competing objectives and important income generation streams (e.g. car parking revenue)	4	2	8	Action plan being drafted to provide clear pathway to net zero carbon. A revised carbon reduction trajectory report has been commissioned and is expected later this year, allowing the Council to better forecast its success at reaching the target.	Q2 2022/23	All Exec Heads			0	
Health and Safety	CR22	There is a risk that a member of the public suffers injury or loss of life at a Council property or premises	Which could result in financial loss and reputational impact to the Council.	Current issue of parkour/roof running and vandalism in town centre on roof of GBC property	4	4	16	Access points assessed, working with neighbouring property owners. Risk assessment completed, liaising with schools, scaffolding to reduce cost of repairs, temporary mobile CCTV, Compliance presence at key times of the day, consideration of gate, insurers visit, Police and community safety involvement.	Nov-22	Exec Head of Commercial Services, Exec Head of Asset Management, Lead Specialist HR (Insurance)	4	4	16	Agenda item number: 7 Appendix 1

Risk domain most impactful on rating	Risk ref	Risk description (there is a risk that...)	Consequence (which could/would result in)	Factors affecting likelihood	Gross likelihood of risk	Gross impact of risk	Gross score	Mitigation measures - reduce impact or likelihood	Target dates for mitigation	Action owner / Executive Head	Residual likelihood	Residual impact	Residual score	Comment
Service delivery	CR23	There is a risk that Council staff or contractual staff take industrial action	Which could result in disruption to service delivery, reputational damage and financial implications	Industrial action being taken across the country. Low level of union membership	2	2	4	Monitor likelihood and impact	Ongoing	Executive Head of Organisational Development and HR Lead Specialist	2	2	4	Agenda item number: 7 Appendix 1
Financial	CR24	There is a risk that the Council does not achieve the most efficiency and value of key IT systems for example Business World modules	Which could result in less than optimal value for money	Not all modules from key systems are currently being utilised	6	2	12	Paper to CMB containing context and options for resolution Addition of this risk in relevant service risk registers	Jan-23	Exec Head of Finance, Lead Specialist - Finance	6	2	12	
Financial  Page 54	CR25	There is a risk the management and governance processes in place are not fully utilised for all programmes and projects	Which could result in the Council being unable to mitigate costs related to time, quality and budget slippage on capital projects and programmes, resulting in overspend/underspend, lower quality results and delayed projects and programmes.	Scale, complexity and variety of projects and programmes being undertaken by the Council	6	4	24	Financial forecasting challenges have been reduced as a result of over and underspend trade offs. Improved financial planning at project and programme level and continue to work with Executive Heads and programme/project managers to support them in following governance processes including Enterprise Portfolio Board and Major Projects Board.	Apr-23	Executive Head of Organisational Development	4	4	16	New risk, draft scoring awaiting agreement by RMG
Financial	CR26	There is a risk there is a lack of decision making in relation to service delivery in response to the current economic climate and financial challenges	Which could result in overspend, service failure or unsustainable services	Economic circumstances, financial challenges				Budget reviews, development of clear mandates	Ongoing	Executive, JMT				New risk, awaiting draft scoring and agreement by RMG

		Impact			
		Small	Significant	Critical	Devastating
		1	2	3	4
Likelihood	Very high	6	12	18	24
	High	5	10	15	20
	Medium	4	8	12	16
	Low	3	6	9	12
	Very low	2	4	6	8
	Almost impossible	1	2	3	4

	1	2	3	4	5
6	6	12	18	24	
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5



Score	Likelihood	Indicators
1	Almost impossible	Less than 1% chance of occurring Has happened rarely/never before
2	Very low	1-10% chance of occurring Only likely to happen once in three or more years May have happened in the past
3	Low	10-20% chance of occurring Reasonable possibility it will happen in the next three years Has happened in the past
4	Medium	20-50% chance of occurring Likely to happen at some point in the next one-two years Circumstances occasionally encountered
5	High	50-80% chance of occurring Almost certain to happen within next 12 months Regular occurrences frequently encountered
6	Very high	Above 80% chance of occurring Inevitable it will happen within the next 6 months No influence/control over event occurring

Agenda item number: 7

Appendix 1

Score	Impact	Indicators
1	Small	Loss <£100k Trivial breach or non-compliance Insignificant injury (first aid) Negligible disruption/unnoticed by service users Insignificant damage
2	Significant	Loss from £100k - £250k Isolated legal action or regulatory breach Minor injury (medical attention) Small disruption/inconvenience to service One-off adverse local publicity
3	Critical	Loss >£250k - £500k Sustained legal action or (limited) regulatory fine Serious injury (not life threatening) Substantial, short-term disruption/inconvenience to service Short-term, but wide reaching adverse publicity
4	Devastating	Loss >£500k Major legal action or regulatory sanction Death(s) or multiple serious injuries Major, sustained disruption/serious inconvenience to service Major, long-term damage

Yes	Financial
No	Legal/regulatory
	Service delivery
	Reputational
	Health and Safety

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## Risk Change Heatmap

This document shows how the residual scores of risks on the corporate risk register have changed since the document was seen by the Corporate Governance and Standards (CGS) Committee in April 2022.

Original (agreed by CMT 23 March and seen by CGS Committee April)

6			CR6	
5				
4	CR17	CR13, CR14		
3	CR18	CR8, CR9	CR7, CR11, CR12	
2	CR15		CR4, CR5, CR10, CR19	CR1, CR2, CR3, CR16
1				
	1	2	3	4

Unscored: CR20

Revised

6		CR6, CR24 (addition)		CR14
5				
4	CR17	CR13	CR23 (addition)	CR9, CR22 (addition), CR25 (addition)
3	CR18 (new), CR19 (previously CR18)	CR8	CR7, CR11, CR12	
2	CR15	CR23 (addition)	CR4, CR5, CR10, CR20 (previously CR19)	CR1, CR2, CR3, CR16
1				
	1	2	3	4

Unscored: CR21 (previously CR20), CR26

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**Appendix 1 of Risk Management Strategy and Policy – Updated Roles and Responsibilities**

Executive Head of Organisational Development to populate and update the corporate risk register.

Strategy team to maintain risk management framework including guidance and support, monitor service risk registers, identify trends across the Council, support Executive Head of Organisational Development to maintain corporate risk register in conjunction with the Risk Management Group (RMG).

CMB/Directors to own and undertake a quarterly review of the corporate risk register and to have an oversight of service risk registers.

Executive Heads of Service to contribute to the corporate risk register, to own and update their service risk registers and to attend project board meetings when necessary.

Risk Management Group\*:

- Oversee risk across the Council, monitor service risk registers, identify trends across the Council, report areas of concern to CMT, agree, recommend, and implement mitigation for corporate risks, undertake deep-drive reviews as recommended by CGS Committee in conjunction with the Strategy team.
- Report the Corporate Risk Register to CMT and CGS Committee.
- Support Executive Heads of Service with escalated service risks.
- Support Executive Heads of Service with escalated programme/ project risks.

Corporate Governance and Standards Committee to monitor the corporate risk register on a 6 monthly basis.

Programme and project sponsors to attend project board meetings, contribute to project risk management.

Programme and project leads to own\*\*, update, maintain, and present risk registers at project board meetings.

Programme and project management boards to receive, monitor and comment on programme/project risk registers.

\*Core membership: Joint Strategic Director (Transformation and Governance), Executive Head of Finance, Executive Head of Organisational Development, Executive Head of Regulatory Services, Policy Officer(s).

Ad hoc membership: Lead Specialists for Finance, HR, IT and Health and Safety, Executive Head of Regeneration and Planning Policy, Specialist in Payroll and Insurance and relevant Executive Heads of Service.

\*\*ownership of programme and project risks depends on their nature and the stage of the project.

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## Corporate Governance and Standards Committee Report

Ward(s) affected: n/a

Report of Strategic Director: Transformation & Governance

Author: John Armstrong, Democratic Services and Elections Manager

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Date: 17 November 2022

# Corporate Governance and Standards Committee – 12 month rolling Work Programme

## Executive Summary

The Committee is asked to consider its 12 month rolling work programme, which is set out in Appendix 1.

## Recommendation to Committee

That the Committee considers and approves its updated 12 month rolling work programme, as detailed in Appendix 1 to this report.

### Reason for recommendation:

To allow the Committee to maintain and update its work programme.

**Is the report (or part of it) exempt from publication? No**

## 1. Purpose of report

- 1.1 The draft work programme attached as Appendix 1 sets out the items scheduled to be considered by this Committee at its meetings over the next 12 months.

## 2. Draft work programme

- 2.1 The draft work programme for the Corporate Governance and Standards Committee is set out in Appendix 1 to this report. The timing of the reports contained in the work programme is subject to change, in consultation with the chairman. The items to be considered include decisions to be made by the Executive and/or full Council, with consideration of any comments or recommendations made by this Committee.

### Safeguarding Update

- 2.2 It was anticipated that an interim report on progress with implementation of recommendations in relation to the audit review on Safeguarding, which had

initially been reported to this Committee in November 2021, would be considered at this meeting. Although that interim report will now be submitted to the January meeting, the important information contained in the table attached as Appendix 2 has been submitted by way of an update to provide some reassurance to the Committee in respect of progress.

**3. Financial Implications**

- 3.1 There are no financial implications arising directly from this report.

**4. Legal Implications**

- 4.1 There are no legal implications arising directly from this report.

**5. Human Resource Implications**

- 5.1 There are no human resources implications arising directly from this report.

**6. Background Papers**

Guildford Borough Council Forward Plan

**7. Appendices**

Appendix 1: Corporate Governance and Standards Committee 12 month rolling work programme

Appendix 2: Safeguarding KPMG audit action plan update (November 2022)

# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

**19 January 2023**

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and investment strategy (2023-24 to 2026-27)	To comment on various recommendations to the Executive and Council	Council: 8 February 2023  On the recommendation of: Corporate Governance and Standards Committee Executive: 26 January 2023	Victoria Worsfold 01483 444834
Financial Monitoring 2022-23 Period 8 (April to November 2022)	To note the results of the Council's financial monitoring for the period April to November 2022	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of Internal Audit Reports (April to December 2022)	To consider the summary of internal audit reports for the period April to December 2022.	Corporate Governance and Standards Committee	Neil Hewitson (KPMG) 0207 311 1791
Audit review on Safeguarding	To consider Interim report on progress with implementation of audit recommendations in relation to the audit review on Safeguarding which had been reported to the Committee in November 2021	Corporate Governance and Standards Committee	Jo James Tel: 01483 444703
Annual Report of the Corporate Governance & Standards Committee	To consider the first Annual Report	Council: 8 February 2023  On the recommendation of: Corporate Governance and Standards Committee	John Armstrong 01483 444102

# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

**(Wednesday) 15 March 2023**

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Annual report of the Monitoring Officer regarding misconduct allegations	(1) To note the cases dealt with; and (2) To advise the Monitoring Officer of any areas of concern upon which they would like further information and/or further work carried out.	Corporate Governance and Standards Committee	Stephen Rix 01483 444991
Financial Monitoring 2022-23 Period 10 (April 2022 to January 2023)	To note the results of the Council's financial monitoring for period April 2022 to January 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of Internal Audit Reports (April 2022 to February 2023)	To consider the summary of internal audit reports for the period April 2022 to February 2023, and the draft 2023-24 internal audit plan and draft annual report, including head of internal audit opinion.	Corporate Governance and Standards Committee	Neil Hewitson (KPMG) 0207 311 1791
Gender Pay Gap Report 2023	To note the Council's gender pay gap report	Corporate Governance and Standards Committee	Francesca Chapman 01483 444014
Planning Appeals	To monitor the Council's performance at appeals against refusal of planning permission by the Planning Committee.	Corporate Governance and Standards Committee	To be confirmed
Complaint Handling (arising from Internal Audit Report considered on 6 October 2022)	To note a brief update on progress with implementation of the agreed management actions.	Corporate Governance and Standards Committee	To be confirmed

**NB: No meeting has been fixed for this Committee in April 2023 as it falls within the Pre-Election Period**

# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

**15 June 2023**

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Review of Task Groups reporting to the Committee	To review the work carried out by the task groups over the past 12 months and work to be carried put in the next 12 months and appoint councillors to the groups	Corporate Governance and Standards Committee	John Armstrong 01483 444102
Freedom of Information Compliance - Annual Report 2022-23	To consider the annual report for 2022-23 on the Council's performance in dealing with Freedom of Information requests.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor's update report and make any appropriate comments.  To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Yasmine Makin 01483 444070
Equality Scheme Action Plan	Annual monitoring report on the implementation of the actions in the Equality Scheme action plan approved in June 2021	Corporate Governance and Standards Committee	Ali Holman 01483 444008
Audit Report on the Certification of Financial Claims and Returns 2021-22: Housing Benefit Subsidy and Pooling Housing Capital Receipts	To note the position regarding the certification of financial claims and returns for 2021-22	Corporate Governance and Standards Committee	Belinda Hayden 01483 444867

# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

**27 July 2023**

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment Outturn Report 2022-23	To submit any comments to the Executive, prior to determination by full Council.	Council: October 2023 On the recommendation of: Corporate Governance and Standards Committee Executive: August 2023	Victoria Worsfold 01483 444834
Revenue Outturn Report 2022-23	To submit any comments to the Executive.	Executive: August 2023 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Housing Revenue Account Final Accounts 2022-23	To submit any comments to the Executive	Executive: August 2023 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Financial Monitoring 2023-24 Period 2 (April/May 2023)	To note the results of the Council's financial monitoring for the period April/May 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of Internal Audit Reports April to June 2023	To consider the summary of internal audit reports for the period April to June 2023.	Corporate Governance and Standards Committee	To be confirmed
Annual Governance Statement 2022-23	To adopt the Council's Annual Governance Statement 2022-23	Corporate Governance and Standards Committee On the recommendation of: Executive: July 2023	To be confirmed

# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

## 28 September 2023

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Financial Monitoring 2023-24 Period 3 (April to July 2023)	To note the results of the Council's financial monitoring for the period April to July 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Councillor Training and Development Update	To consider a report from the Councillors' Development Steering Group relating to councillor training and development	Corporate Governance and Standards Committee	Sophie Butcher 01483 444056
Data Protection and Information Security Update Report	To consider the annual update on compliance with statutory requirements	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Freedom of Information Compliance update	To consider the update report on the Council's performance in dealing with Freedom of Information requests (January to June 2023)	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072

## 16 November 2023

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Financial Monitoring 2023-24: Period 6 (April to September 2023)	To note the results of the Council's financial monitoring for the period April to September 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of internal audit reports (April to November 2023)	To consider the summary of internal audit reports and progress on the internal audit plan for April to November 2023	Corporate Governance and Standards Committee	To be confirmed
Corporate Risk Register	To consider the six monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Yasmine Makin 01483 444070
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

### Unscheduled

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
2020-21 Audit Findings Report: Year ended 31 March 2021	To note the external auditor's findings and management's response in the Action Plan	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Final 2020-21 audited statement of accounts	To approve the 2020-21 Statement of Accounts	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
2021-22 Audit Findings Report: Year ended 31 March 2022	To note the external auditor's findings and management's response in the Action Plan	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Final 2021-22 Audited Statement of Accounts	To approve the 2021-22 Statement of Accounts	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
External Audit Plan and Audit Update and Fee Letter 2021-22	To approve the external audit plan for 2021-22, and to note the content of the External Auditor's update report and make any appropriate comments.  To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
The Council's Constitution	To review and update Financial Procedure Rules	Council  On the recommendation of: Corporate Governance and Standards Committee and Executive	Victoria Worsfold 01483 444834
Regulation of Investigatory Powers Act 2000	To consider an annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072



Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
<b>1. Safeguarding Policy and Procedure (update and content)</b>	Ensure the Policy clearly states how frequently it should be reviewed, circumstances for review outside of the normal review cycle and who is responsible for the review and for approving it	June 2022	The full audit report recognises and comments on how comprehensive the policy is and provides reassurance that our current policy is detailed, relevant and reflects current legislation.	Forward plan item for new Policy approval scheduled: EAB 6 Feb 23 Executive 16 March 23 Draft Policy in progress Draft Procedure complete and being reviewed by enablers	Quick Guides reviewed, updated, and published on Intranet March 2022 and August 2022  All policy recommendations incorporated in draft policy and procedure  Full policy and procedure adoption in Forward Plan scheduled for March 23
	Include a version control table for the document showing the version number, when the review took place, who undertook it, when was it approved, by whom, what amendments have been made and when the next review is due		It also acknowledges that there are clear and detailed processes for identifying and reporting concerns.  The report recognises the usefulness of the quick guides developed in 2020 to address the immediate need already identified, for the policy to be more accessible.	Recommendation already in corporate policy guidance Draft policy includes recommendation	
	Ensure the policy is in a more focused, streamlined and summarised form.		The summary of key findings does not appear to	Draft Policy in progress following new corporate policy guidance structure Separate procedure draft makes information accessible	

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
			acknowledge that the policy is meeting its aims.	Quick guides updated and published on intranet	
	Clarify governance structure around Safeguarding in place at the Council as well as interactions with Surrey County bodies and align this with the Terms of Reference for the relevant groups.		The draft safeguarding action plan has prioritised a review of the policy to improve accessibility.	Terms of Reference updated to be appendix in policy	
	Include elements regarding where and how to store the relevant documentation for each safeguarding concern raised, who and how should follow up on the concerns raised.		The high-level review and update of the safeguarding policy in 2020 during the pandemic was done in consultation with the Lead Councillor for safeguarding. This approach was approved in the Exec report that approved the policy in 2018.	New referral document storage process Included in draft procedure with updated process	
	Update and provide clarity over the roles and responsibilities of individuals when it comes to safeguarding.		The Council's wider policy and governance framework is an area that has been addressed through Future Guildford by the creation of a Strategy and Comms team whose responsibility it is to improve that framework. Work is underway to	Embedded in Corporate induction Embedded through Operational Safeguarding Group Review and update included in draft policy	

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
			<p>standardise all policies to ensure they have version control. ownership, review dates etc.</p> <p>Similarly, the governance framework around Safeguarding (Strategic Group and Operational Group) are not yet reflected in the policy as they have only recently been created. They will be included in the review of the policy in the governance section.</p>		
<b>2. Draft Strategic Action Plan</b>	Ensure the objectives included in the draft action plan are SMART	April 2022	<p>Agreed – acknowledging the action plan is draft and needs ownership from the Strategic Safeguarding Group.</p> <p>We requested that audit recommendations provide content to be able to inform the action plan. The Strategic Safeguarding Group will review this task.</p>	Updated	Completed amends Review for each meeting
	Ensure that the plan is updated to address internal audit actions			Updated where relevant and not repeated	
	Clearly capture the date when the action has been added to the plan, the stages it is expected to go through, what progress has been made,			Updated	

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
	when was it last updated and the expected implementation date.				
	Regularly monitor the progress of the actions at all Strategic and/or Operational group meetings.			In progress	
	Spread responsibility for the implementation of the actions included in the plan across all the members of the Strategic Group in a balanced manner as far as possible.			In progress	
<b>3. Staff training</b>	A clear, consistent, and transparent Council wide standard should be developed stating the training level required for each role and mentioned in the job description	April 2022	The draft action plan has prioritised the need for a training audit, review of the corporate training programme and a central recording system.	<p>After the departure of the OD manager in Spring 2022, a training audit has been agreed and is in progress</p> <p>Training level guidance developed for audit aligned to Surrey Safeguarding Boards training pathway that specifies which Safeguarding training</p>	<p>Completion of audit Dec 22</p> <p>Analysis of audit Jan 23</p> <p>Outcomes of audit action plan implemented Feb 23 onwards</p>

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
				<p>items are required in which role level</p> <p>HR have advised Job Descriptions are purposefully high level and do not contain this detail. A standard Safeguarding statement has been included in all JD's. This approach to JDs is unlikely to change.</p> <p>Exploring the possibility of adding safeguarding levels to individual job descriptions</p>	
	A comprehensive schedule with training sessions for each of the various levels required at the Council should be developed and adhered to.			<p>Existing pathways in place through Corporate Induction and Surrey Safeguarding Children's Partnership and Surrey Safeguarding Adults Board.</p> <p>These are explicit in draft Policy and will be communicated through training</p>	Full policy and procedure adoption in Forward Plan scheduled for March 23

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
	Refresh sessions and refresh periodicity should be agreed and adhered to ensuring the relevant information is up to date.			Existing refresher training schedule in pathway documents for safeguarding training reinforced in draft policy	Full policy and procedure adoption in Forward Plan scheduled for March 23
	Adherence to the training requirements and time frames should be captured in employee training records, monitored and enforced by and reported on			Introduction of induction refresher schedule in progress through audit process	Revised induction training programme delivery start April 23 with launch of policy
				Individual participation in specialised training is already recorded in safeguarding training records held by the safeguarding board. Responsibility for managers to monitor in staff development and 121's set out in policy	Full policy and procedure adoption in Forward Plan scheduled for March 23
				Recording of corporate induction recorded in staff files already	
<b>4. Recording safeguarding referrals</b>	Define a clear and consistent way across the Council in which	July 2022	The draft action plan has prioritised the need to address a central recording	Operational Safeguarding group created to include	Interim procedures in delivery.

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
	safeguarding concerns should be recorded stating: how, what documents would be acceptable, where should the case be recorded and tracked, where should the documentation and subsequent communication be stored, who should have visibility and how to restrict access only to relevant people.		<p>system for referrals across the organisation.</p> <p>It should be acknowledged that there is likely to be an IT solution required for this. Multi system use across the Council issues recognised. This has been the barrier to this being achieved before.</p> <p>Resource is required to define the processes, specification for a fit for purpose solution. The IT solution needs to meet all the accessibility, confidentiality and usability requirements and be corporately aligned (possible use of Salesforce new CRM or ECINS community safety case management). Resource required to develop, cost to develop and time to implement.</p>	<p>representatives from all areas of the council. Teams area created to store all documentation, access limited to members of the group. Safeguarding monitoring form created for members to complete. Spreadsheet created as a record of all referrals. All live referrals reviewed and RAG rated by Operational group.</p>	ECINS capability/ exploration target March 23 dependent on ECINS support availability
	Communicate the new process to all staff, promote awareness and consistent application.			New procedure for referrals communicated through Operational Safeguarding Group and included in draft policy and procedure	Continue to review and update as needed

Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
5. Safeguarding groups	Clarify for each of the governance bodies what are members' responsibilities	April 2022	No further response	Complete- Terms of reference already exist	Completed prior to audit
	Clarify the inputs each group will use from the wider organisation and what outputs they are expected to produce for wider reporting as well as the form and frequency of communication to and from them.			Terms of reference already exist. Operational Safeguarding meeting held every 5 weeks. All live referrals discussed, and RAG rating reviewed with owner of referral. Closed cases moved to another tab in the spreadsheet. Any information from other groups shared with attendees at meeting. Strategic Safeguarding Group to be re-established quarterly following Joint Management implementation	TofR for both groups and reporting to be incorporated in Policy
	Communicate and raise awareness regarding what each of the two			Complete-Incorporated in Corporate Induction	



Safeguarding KPMG audit action plan update November 2022

Area	Actions	Target Date	Comments in supplementary audit response provided in 2021	Progress	Updated target date/completion
	groups does among staff.				
	Set out a clear calendar of meetings and establish how their activity will be evidenced and set out clear KPIs to measure and monitor the activity of the groups.			Established in Terms of Reference	Continue to deliver scheduled meetings
	Agree and implement a regular structure for how CMT will receive twice-yearly updates on Safeguarding.			Reporting set out in policy following approval	Launch of new Policy and commence reporting
<b>6. Sharing Best Practices and lessons learned</b>	Formal case reviews should be undertaken as a regular part of reporting to detail valuable lessons and best practices for each concern raised.	April 2022	The county safeguarding boards have a statutory responsibility to compile and disseminate national and local learning. This resource is available through the boards and should be referenced as the primary content to share with the Operational Safeguarding group.	All referrals discussed with whole group at meetings to aid continuous learning. Head of Service oversight of cases that are raised directly	Continue Operational Safeguarding Group referral reviews
	The best practices and lessons learned should be communicated to the wider staff groups with safeguarding responsibilities.			As above and additional use of Safeguarding Teams channels to provide updates, shared learning and changes to guidance being delivered	Continue to use Teams communication channels

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